

**MINUTES OF THE REGULAR MEETING OF
THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF
HENDERSONVILLE, TENNESSEE**

March 10, 2016

5:30 p.m.

A regular meeting of the Board of Directors of The Industrial Development Board of the City of Hendersonville, Tennessee was held on Thursday, March 10, 2016, at the offices of the Hendersonville Utility District, 125 Indian Lake Road, Hendersonville, Tennessee 37075. The Members present included: Bruce Carter, Ed Spurlock, Mike Fussell, John Sheley, Tom Atchley, and John Zobl. Other persons in attendance included: JoAnna Blauw, Keith Dennen, Legal Counsel; Jimmy Johnson, Forward Sumner; Tena Lee, Hendersonville Star News; Charles Alexander, TSBDC and Shane Starks.

OPENING. Chairman Zobl called the meeting to order at 5:30 p.m. Ms. Blauw reported that she had taken the Roll, six (6) members were present, and a quorum existed for purposes of the transaction of business.

SWEARING IN CEREMONY. Legal Counsel Dennen administered the Oath of Office to Shane Starks, making him the newest member of the board.

PUBLIC HEARING. Chairman Zobl noted that there were no public hearings on the Meeting Agenda.

APPROVAL OF MINUTES. Chairman Zobl noted that a draft copy of the minutes of the January 14, 2016 Board meeting had been provided to each member. Mr. Fussell made a motion to approve the minutes, and Mr. Sheley seconded the motion. The Board unanimously voted to approve the Minutes of the January 14, 2016 Board meeting without modification.

FINANCIAL REPORT. Secretary/Treasurer Carter noted that a report showing the receipts and payments by the Board for the period of January & February 2016 had been provided to each member. Mr. Carter reported that it was a standard report. Upon motion by Mr. Atchley, seconded by Mr. Fussell, the Board unanimously voted to approve the financial report. He also noted that Jimmy Johnston from Forward Sumner and Charles Alexander from the TSBDC had made a request for a donation to their organizations.

Jimmy Johnston of Forward Sumner asked for a donation of \$18,000.00 for the year period of May 2016-June 2017. He also provided the annual report for the 2015 fiscal year, and gave a brief report on recent activities. Mr. Fussell moved to make this donation and that it be paid in 3 installments over the first nine months of the year; Mr. Sheley seconded. The Board unanimously voted to approve this donation. Charles Alexander of the TSBDC asked for a donation of \$7,500.00. He also presented a report of the TSBDC's activities over the last year. Mr. Atchley moved to make this donation; Mr. Fussell seconded. The Board unanimously voted to approve this donation.

NEW BUSINESS. Legal Counsel Dennen presented a proposal from 1st Tennessee Bank regarding the letter of credit. 1st Tennessee Bank (1st TN) proposed a 2.98% fixed interest rate to pay off the total balance of the bonds. The 1st TN flat rate would use the money to pay off the bonds. The money would go into the account, and 1st TN would pay the bills with \$500,000.00 that would remain in the account at all times. The net effect is that by going with 1st TN's flat rate proposal, the bonds would be paid off by 2021 with no further letter of credit fees and no yearly letter of credit negotiations as would be the case if the Board stayed with Fifth/Third Bank. Mr. Dennen also pointed out that the board will provide notice of redemption to the trustee the by March 15, 2016 and plan to close the loan no later than April 28, 2016. Mr. Spurlock moved that the board accept the 1st Tennessee Bank proposal contingent upon a commitment letter from the bank before March 15, 2016. Mr. Carter seconded. Chairman Zobl recused himself from the vote because of his relationship with both banks and then turned the vote over to Vice-Chairman Atchley for a vote. The board unanimously approved the 1st Tennessee Bank proposal.

OLD BUSINESS. Legal Counsel Dennen gave a brief update on the Waterview Apartments. THDA has issued all of its letters regarding the Waterview Apartments and the tax credit. The board now needs to make a resolution that the housing credit allocated to the Waterview Apartment Project and does not exceed limitations of Section 42 (M) of the Internal Revenue Service. Mr. Sheley made a motion to approve the resolution; Mr. Spurlock seconded. The Board unanimously approved the resolution.

ADJOURNMENT.

The meeting was adjourned without objection at approximately 6:25 p.m.

Respectfully submitted,

JoAnna Blauw, Secretary of the Meeting

CERTIFICATION:

The undersigned being the Chairman and the Secretary/Treasurer, respectively, hereby certify that the foregoing Minutes were approved by the Board of Directors of the Industrial Development Board of the City of Hendersonville, Tennessee, at its regular meeting held on April 14, 2016, a quorum being present and acting throughout.

John Zobl, Chairman

Bruce Carter, Secretary/Treasurer