

INITIAL RESOLUTION AUTHORIZING THE INCURRENCE OF INDEBTEDNESS BY THE CITY OF CLINTON, TENNESSEE, OF NOT TO EXCEED \$8,900,000, BY THE EXECUTION WITH THE PUBLIC BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE, TENNESSEE, OF A LOAN AGREEMENT TO PROVIDE FUNDING TO PREPAY CERTAIN OUTSTANDING INDEBTEDNESS, TO FINANCE CERTAIN PUBLIC WORKS PROJECTS, AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

WHEREAS, it is necessary and in the public interest of the City of Clinton, Tennessee (the "Municipality") to incur indebtedness (the "Indebtedness"), through the execution with The Public Building Authority of the City of Clarksville, Tennessee (the "Authority"), of a loan agreement (a "Loan Agreement"), for the purpose of prepaying certain outstanding indebtedness heretofore incurred by the Municipality and financing certain public works projects, as hereinafter more fully described, and to pay legal, fiscal, administrative, and engineering costs, and costs incident to the financing thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLINTON, TENNESSEE, AS FOLLOWS:

SECTION 1. For the purpose of (i) financing all or a portion of the costs of certain public works projects, consisting of the construction and equipping of a new fire station for the Municipality, the acquisition of vehicles and equipment for the police department and the public works department of the Municipality, the renovation and improvement of certain parks and recreational facilities within the Municipality, the resurfacing of streets and roads within the Municipality, the acquisition of all other property real and personal appurtenant thereto and connected with such work, to pay all legal, fiscal, administrative, and engineering costs incident thereto, and reimbursement for expenditures related to the foregoing projects, (ii) prepaying the outstanding principal of that certain Capital Outlay Note, Series 2010, dated May 28, 2010, the proceeds thereof having been used by the Municipality for the purpose of financing the acquisition of equipment and the construction, renovation, and improvement of parks and recreational facilities of the Municipality, including walking trails and the football stadium, (iii) prepaying the outstanding principal of that certain Capital Outlay Note, Series 2007, dated May 29, 2007, the proceeds thereof having been used for improvements to the Green McAdoo Cultural Center, (iv) purchasing certain equipment, consisting of police and fire equipment, currently leased pursuant to the provisions of that certain Master Equipment Lease/Purchase Agreement, dated as of September 27, 2007, (v) reimbursing the Municipality for capital expenditures for projects at the Municipality's industrial park, and (vi) paying costs incident to incurring the Indebtedness, the Municipality is hereby authorized to incur indebtedness in the amount of not to exceed Eight Million Nine Hundred Thousand Dollars (\$8,900,000), for the above purposes through the execution of a Loan Agreement with the Authority. The rate of interest payable pursuant to the provisions of a Loan Agreement shall be a fixed rate, which rate shall not exceed the maximum rate of interest permitted under the laws of the State of Tennessee.

SECTION 2. The Indebtedness evidenced by the Loan Agreement shall be payable from any and all funds of the Municipality legally available therefor, including, but not necessarily limited to, ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, and amount and for the

punctual payment of said principal of, premium, if any, and interest on, the Loan Agreement, the full faith and credit of the Municipality will be irrevocably pledged.

SECTION 3. The Loan Agreement shall be executed pursuant to the provisions of Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"), and Title 12, Chapter 10, Tennessee Code Annotated, as amended.

SECTION 4. After the adoption of this Resolution, the City Recorder is directed to cause this Resolution, with the notice prescribed by the Act, to be published in full once in a newspaper published and having general circulation in the Municipality.

SECTION 5. This Resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

Adopted and approved this 28th day of February, 2011.

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MAYOR

ATTEST:

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CITY RECORDER

NOTICE

The foregoing Resolution has been adopted. Unless within twenty (20) days from the date of publication hereof a petition, signed by at least ten percent (10%) of the registered voters of the City of Clinton, Tennessee, shall have been filed with the City Recorder of the City of Clinton, Tennessee, protesting the incurrence of the Indebtedness by the execution of the Loan Agreement, such Loan Agreement will be executed, as proposed.

STATE OF TENNESSEE)  
COUNTY OF ANDERSON)

I, \_\_\_\_\_, hereby certify that I am the duly qualified and acting City Recorder of the City of Clinton, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the City Council (the "Council") of said Municipality held on February 28, 2011; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates, to, among other matters, the incurring of indebtedness in the amount of not to exceed \$8,900,000, by said Municipality; (4) that the actions by said Council including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purpose; and, (5) that a quorum of the members of said Council was present and acting throughout said meeting.

WITNESS my official signature and the seal of said Municipality this 28th day of February, 2011.

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CITY RECORDER

(SEAL)