MOUNT CARMEL

A place to put down roots

BOARD OF MAYOR AND ALDERMEN
SPECIAL CALLED MEETING AGENDA

November 19, 2026 - 6:00 P.M.
Town Hall, 100 Main Street E.

State Revolving Fund Loan Application

Loan 32701-2026-29 -PUMP STATION INFRASTRUCTURE IMPROVEMENTS

1. Call to Order
2. Roll Call
3. Welcome and Introductions
4. Purpose of the Meeting
5. Existing Conditions and Project Description
6. Alternative Evaluation
7. Schedule
8. Project Cost and Funding
9. Questions and Public Comments
10. New Business:
    A. DISCUSSION AND CONSIDERATION: Resolution 26-700: SRF Authorizing Resolution
11. Adjourn



Clean Water State Revolving Fund Public Meeting

Town of Mount Carmel, Tennessee
Thursday November 19, 2026
6:00 pm

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Agenda

01 Welcome and Introductions
02 Purpose of the Meeting
03 Existing Conditions and Project Description
04 Alternative Evaluation
05 Schedule
06 Project Cost and Funding
07 Questions / Public Comments



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Welcome and Introductions

- Utilities Operator - Inframark
- Project Water and Sewer Engineering Consultant
  - Reuben Robertson, PE, LDA Engineering



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Purpose of Meeting

REVIEW THE SRF PROJECT LOAN (32701-2026-29) FOR PUMP STATION INFRASTRUCTURE IMPROVEMENTS

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Existing Conditions and Project Description

- Mount Carmel operates **11 sanitary sewer pump stations**, with many components at the end of their useful life.
- Aging electrical, communication and structural components are failing and require replacement or rehabilitation.
- Hurricane Helene's intense rainfall and power outages highlighted existing system deficiencies and increased stress on sewer infrastructure.
- Systemwide assessments will identify and prioritize the most critical pump station improvements.
- Modernizing these stations will reduce failure risks, improve service reliability and strengthen resilience during future storms.

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Alternative Evaluation

- Alternative 1: No Action
- Alternative 2: Study and Rehabilitation (Preferred Alternative)
- Alternative 3: Replacement as Components Fail

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Schedule

- Design and Permitting – Early 2027
- After SRF Approvals, Construction anticipated 4-6 months

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Project Cost and Funding

- SRF Loan - $3,800,000.00
  - $2,850,000.00 in Principal Forgiveness
  - 3.44% fixed interest rate for 20 Years
  - Estimated Annual Debt Service ($65,764) subject to change upon loan execution)
  - Security is provided through user fees and ad valorem taxes in the form of pledged State-Shared Taxes equal to maximum annual debt service
  - Security is provided through user fees and a required security deposit equal to maximum annual debt service

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Questions or Comments?



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RESOLUTION 26-700

A RESOLUTION OF THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF MOUNT CARMEL, TENNESSEE, AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING

WHEREAS, the Town of Mount Carmel is a public and governmental body in Mount Carmel (Hawkins County), Tennessee (the "Local Government"); and

WHEREAS, the Local Government has determined that it is necessary and desirable to undertake certain activities or tasks in connection with a wastewater facilities project, Department of Environment and Conservation Number 32701-2026-29 (the "Project"), in and for the Local Government; and

WHEREAS, Tennessee Code Annotated, Section 68-221-1001 et. seq., provide for the lending of funds in the wastewater facilities Revolving Loan Fund to Local Governments for the purpose of providing funds for project loans; and

WHEREAS, the local Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen meeting at Mount Carmel, Tennessee, on this 19th day of November, 2026, that:

SECTION 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of three million eight hundred thousand dollars ($3,800,000) by the obtaining of a Project Loan.

SECTION 2. The execution and delivery of the application for a Project Loan in the principal amount of three million eight hundred thousand dollars ($3,800,000) to include two million eight hundred fifty thousand dollars ($2,850,000) in loan forgiveness, for the purpose of funding all or a portion of the total estimated cost of the Project, which is three million eight hundred thousand dollars ($3,800,000) , by John Gibson, the mayor of the Local Government, is hereby ratified and approved in all respects.

SECTION 3. The form, terms, and provisions of the agreement for the Project Loan among the Local Government, the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority (the "Loan Agreement"), as presented at this meeting, are hereby approved.

SECTION 4. The Local Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

SECTION 5. The Local Government hereby agrees to make the monthly payments on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

SECTION 6. The Local Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Local Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the water system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

SECTION 7. The Local Government assigns and pledges its State-Shared Taxes to the State and consents to the withholding and application of State-Shared Taxes in the event of failure by the Local Government to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time,

SECTION 8. The Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.

SECTION 9. The Local Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

SECTION 10. The mayor of the Local Government is authorized and directed to execute the Loan Agreement, and any amendments of supplements to the Loan Agreement, in the name and behalf of the Local Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Local Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Lo an.

SECTION 11. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

This Resolution shall take effect immediately, the public welfare requiring it.

ADOPTED this 19th day of November, 2026.

I certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision. The submitted information is to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. As specified in Tenn. Code Ann. § 39-16-702(a)(4), this declaration is made under penalty of perjury.

_____
John K. Gibson, Mayor

Attest: _____
Tiffany Bishop, Town Recorder