

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING EIGHTEEN MILLION NINE HUNDRED AND FIFTY FIVE THOUSAND DOLLARS (\$18,955,000) CITY OF CHATTANOOGA, TENNESSEE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015B, AND AUTHORIZING CERTAIN ACTIONS RELATED THERETO.

WHEREAS, pursuant to the provisions of Section 9-21-101 et seq., of the Tennessee Code Annotated (the “Act”), the City Council of the City of Chattanooga, Tennessee (the “Council”) duly adopted Resolution No. 28393 on September 15, 2015 (the “Resolution”) authorizing the refunding of all or a portion of the City of Chattanooga’s General Obligation Bonds, Series 2009 (the “Series 2009 Bonds”) and General Obligation Bonds Series 2010A (the Series 2010A Bonds”, together with the Series 2009 Bonds, the “Prior Bonds”) and authorizing the issuance and sale of an amount not to exceed \$22,000,000 principal amount of General Obligation Refunding Bonds, Series 2015B Bonds in one or more series (the “Bonds”);

WHEREAS, the provisions of the Resolution required the adoption of a supplemental resolution by the Council to set certain terms related to the Bonds, including specific Prior Bonds to be refunded, determination or one or more series, interest rates, the maturity dates and principal amount of the Bonds;

WHEREAS, pursuant to Notice of Sale dated October 14, 2015 for the City of Chattanooga, Tennessee General Obligation Refunding Bonds, Series 2015B (the “Bonds”), the following proposals have been received for the Bonds:

BIDDER

TRUE INTEREST RATE

Piper Jaffray	2.235386%
FTN Financial Capital Markets	2.24366
J.P. Morgan Securities LLC.	2.246584
Citigroup Global Markets Inc.	2.252496
Morgan Stanley & Co., Inc.	2.57247
Robert W. Baird & Co., Inc.	2.279967
FirstSouthwest	2.280499
Bank of America Merrill Lynch	2.287163
Wells Fargo Bank, National Association	2.304971
SunTrust Robinson Humphrey	2.331672

WHEREAS, the proposal of Piper Jaffray (“Purchaser”) offering to pay the principal sum of \$18,955,000 plus premium in the amount of \$2,619,444.80, together with accrued interest, bearing a true interest rate of 2.149692% per annum, referred to above, is the highest and most advantageous bid for said Bonds as determined in the manner provided in said Notice of Sale, and in all other respects complies with said Notice of Sale form attached hereto as Exhibit A;

NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE:

SECTION 1. That the proposal of said Purchaser, referred to in the preamble hereof, is accepted, and said \$18,955,000 City of Chattanooga, Tennessee General Obligation Refunding

Bonds, Series 2015B, dated November 10, 2015, bearing interest and maturing as described below, be, and the same hereby are awarded to said Purchaser in accordance with the terms of their proposal.

**GENERAL OBLIGATION REFUNDING BONDS MATURITY SCHEDULE**

<u>Nov. 1</u>	<u>Principal Amount</u>	<u>Rate</u>
<b>2021</b>	<b>\$ 2,580,000</b>	<b>3.0000%</b>
<b>2022</b>	<b>2,550,000</b>	<b>3.0000</b>
<b>2023</b>	<b>2,520,000</b>	<b>3.0000</b>
<b>2024</b>	<b>2,515,000</b>	<b>5.0000</b>
<b>2025</b>	<b>2,205,000</b>	<b>5.0000</b>
<b>2026</b>	<b>2,215,000</b>	<b>5.0000</b>
<b>2027</b>	<b>2,205,000</b>	<b>3.0000</b>
<b>2028</b>	<b>2,165,000</b>	<b>3.0000</b>

Interest on the Bonds is payable on May 1, 2016 and each November 1 and May 1 thereafter.

The Bonds maturing on or after November 1, 2026 are subject to optional redemption prior to maturity by the City, or on after November 1, 2025, out of money deposited with or held by the Registration Agent for such purpose, as a whole or in part at any time at the price of par.

SECTION 2. That the Mayor and City Finance Officer of the City of Chattanooga be and are hereby authorized and directed to execute said Bonds, and to deliver said Bonds to the Purchaser and to receive payment therefor without further authority from this City Council.

SECTION 3. That the City Finance Office be and is hereby authorized and directed to return forthwith the good faith checks of all unsuccessful bidders.

SECTION 4. That the Official Statement dated October 20, 2015, and the information contained therein to be used in connection with the offering and sale of said Bonds is hereby approved and further, that the City hereby ratifies, confirms and approves the use of the

Preliminary Official Statement of the City, dated October 14, 2015, and Notice of Sale of the City, dated October 14, 2015, in connection with the offering and sale of said Bonds. The Official Statement may be modified in a manner not inconsistent with the substance thereof as shall be deemed advisable by the City or Financial Advisor to the City and by bond counsel to the City. The Mayor or any proper officer of the City is hereby authorized and directed to sign the Official Statement and any amendment or supplement thereto, in the name of and on behalf of the City and deliver the same and any such amendment or supplement.

SECTION 5. That the refunding of the City of Chattanooga's outstanding Series 2009 Bonds maturing in the years 2021 through 2028 (the "Series 2009 Refunded Bonds"), and outstanding Series 2010A Bonds maturing in the years 2022 through 2025 (the "Series 2010A Refunded Bonds", together with the Series 2009 Refunded Bonds, the "Refunded Bonds"), by the issuance of the Bonds is hereby authorized, and that the Mayor and/or Finance Officer are hereby authorized to proceed herewith. That it is necessary, advantageous, desirable and in the best interests of the City of Chattanooga (the "City") and its residents that the Bonds be issued to refund and finance the costs of accomplishing the refunding of, the Refunded Bonds.

SECTION 6. That US Bank is hereby appointed registrar and paying agent for said Bonds.

SECTION 7. That the City hereby appoints US Bank as Escrow Agent and shall invest the proceeds of the Bonds to be applied to refund the Refunded Bonds pursuant to the provisions of the Escrow Deposit Agreement, dated November 10, 2015 and attached hereto. The investment of such proceeds of the Bonds shall be subject to the terms and provisions set forth in said Escrow Deposit Agreement, and the Mayor and City Finance Officer are hereby authorized and direct on behalf of the City to execute said Escrow Deposit Agreement and to carry out or

cause to be carried out all the obligations of the City under said Escrow Deposit Agreement, and to take all actions contemplated to be taken by the City pursuant to the terms of said Escrow Deposit Agreement.

SECTION 8. That this Resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED: \_\_\_\_\_, 2015