

Meeting Minutes

May 4, 2026

The Mayor and Board of Commissioners of the City of Sweetwater met in their regular monthly meeting on Monday May 4, 2026 at 5 p.m. at City Hall. Mayor Angie Arp Kyle called the meeting to order with Commissioners present being Branham L. Lovingood, Sam Moser, Alan Richeson, Mike Martin and James H. Stutts. City Attorney John Cleveland was present. A quorum was present.

No one was present to make a public comment on actionable items.

Commissioner Moser moved to approve the minutes from the regular meeting of April 6, 2026 and the workshop of April 27, 2026. The motion was seconded. All voted in favor with none opposed. The motion was carried.

After the Recorder's report, Commissioner Richeson moved to approve the distributions for the month of March, 2026. The motion was seconded. All voted in favor with none opposed. The motion was carried.

A public hearing was opened to take comment on Ordinance No. 1061 to add a General Penalty Provision to the Sweetwater Municipal Code as Title 3, Municipal Court, Chapter 2, Court Administration, Section 3-206, General Provision. No written or oral comments were given. The hearing was closed at 5:05 p.m.

In old business Commissioner Lovingood moved to approve the single-phase option recommendation to TDOT for the Highway 11 Bridge Project. The motion was seconded. All voted in favor with none opposed. The motion was carried.

Commissioner Stutts moved to approve Ordinance No. 1061 to add a General Penalty Provision to the Sweetwater Municipal Code as Title 3, Municipal Court, Chapter 2, Court Administration, Section 3-206, General Provision on second and final reading. The motion was seconded. Upon Roll Call Voting the Ayes were Commissioners Lovingood, Moser, Richeson, Martin and Stutts. Nays being none. The motion was carried.

Commissioner Richeson moved to approve a Resolution approving the Capital Improvement Plan for the fiscal years ending June 30, 2027-2031. The motion was seconded. All voted in favor with none opposed. The motion was carried.

RESOLUTION

WHEREAS, the City Charter requires adoption of a Capital Improvement Program annually by the Mayor and Board of Commissioners: and,

WHEREAS, the Mayor and Board of Commissioners has reviewed the capital needs and projected program for fiscal years ending 2027-2031: and,

NOW, THEREFORE, be it resolved by the Mayor and Board of Commissioners of the City of Sweetwater, in regular meeting assembled, that the attached Review and Summary of the Capital Improvement Program is adopted for the fiscal years ending 2027 through 2031 for budgeting and planning purposes as required by the City Charter.

Resolved this _____ day of _____, 2026.

Mayor

ATTEST: City Recorder

In New Business the City Administrator gave the board a quarterly Financial Report.

The City Administrator gave a quarterly financial report to the board.

Commissioner Lovingood moved to approve a TCRS Resolution to establish a hazardous duty supplemental benefit for public safety officers. The motion was seconded. All voted in favor with none opposed. The motion was carried.

A RESOLUTION to establish a hazardous duty supplemental benefit pursuant to Chapter 919 of the 2024 Public Acts, codified in Tennessee Code Annotated, Section 8-36-212, to authorize the payment of the hazardous duty supplemental benefit pursuant to Tennessee Code Annotated, Section 8-36-212.

WHEREAS, Chapter 919 of the 2024 Public Acts codified in Tennessee Code Annotated, Section 8-36-212 (the "Act") provides that any political subdivision participating in the Tennessee Consolidated Retirement System may, in addition to the member's retirement allowance, establish a hazardous duty supplemental benefit for all its eligible public safety officers meeting the requirements contained in this Resolution ("Eligible Employee"). The term "public safety officer" means a full-time, salaried employee of a political subdivision who is a sheriff, sheriff's deputy, police officer, chief of police, or any other law enforcement officer with the political subdivision whose primary responsibility is the prevention and detection of crime and apprehension for offenders, or a full-time salaried employee of a political subdivision who is a correctional officer or firefighter; provided that:

- (A) the member meets all of the eligibility requirements for retirement;
- (B) the member has at least twenty (20) years of creditable service in the retirement system as a public safety officer for any political subdivision employer participating in the Tennessee Consolidated Retirement System;
- (C) the member retires on a service retirement allowance or early service retirement allowance and not an ordinary or accidental disability retirement allowance. The member's service or retirement allowance may be a single life annuity or a joint and survivor annuity. The member's choice of an option pursuant to Tennessee Code Annotated § 8-36-601 will not reduce the member's hazardous duty supplemental benefit;
- (D) the hazardous duty supplemental benefit begins on the member's effective date of retirement or on the first day of the month following the month the member reaches age sixty (60), whichever is later;
- (E) the hazardous duty supplemental benefit, including any cost-of-living adjustments attributable to that benefit, ceases on the first day of the month following the month in which the member dies, or on the first day of the month following the month in which the member reaches full retirement age for receipt of old age and survivors benefits under Title II of the Social Security Act (42 U.S.C. §§ 401-425);
- (F) the hazardous duty supplemental benefit applies to all current and future retired public safety officers meeting the eligibility criteria for the supplemental benefit; provided, that the benefit must not be paid retroactively;
- (G) the chief governing body has passed a resolution authorizing an actuarial study to determine the liability associated with adopting the hazardous duty supplemental benefit;
- (H) the chief governing body of the political subdivision passes this resolution authorizing the establishment of the hazardous duty supplemental benefit, and, based on the results of the actuarial

study, accepts the liability associated with the granting of the supplemental benefit; provided, that political subdivision's funded status in the Tennessee Consolidated Retirement System is at least seventy percent (70%) after the implementation of the supplemental benefit. All costs associated with providing the supplemental benefit shall be paid by the political subdivision and not by the State; and

(l) assuming the political subdivision has the requisite funding status to establish the supplemental benefit and accepts the liability associated with the supplemental benefit, the political subdivision shall pay the estimated increased pension liability through one (1) of the following methods, and indicate its payment choice by checking one (1) of the boxes below:

(i) a lump sum;

(ii) an increase in the political subdivision's employer contribution rate over the course of the fiscal year (July 1- June 30) following the adoption of the authorizing resolution; or

(iii) amortizing the unfunded accrued liability over a period of time not to exceed ten (10) years from the date of the adoption of the resolution.

WHEREAS, the Mayor and Board of Commissioners of the City of Sweetwater
(Name of Governing Body) (Name of Political
Subdivision)

desires to establish a hazardous duty supplemental benefit pursuant to Chapter 919 of the 2024 Public Chapters codified in Tennessee Code Annotated, Section 8-36-212; and

WHEREAS, should the Governing Body of the above-named Political Subdivision choose to pay for the liability associated with the supplemental benefit through a lump sum as indicated in paragraph I(i) above, it acknowledges that the costs associated with providing the hazardous duty supplemental benefit to all Eligible Employees pursuant to the Act shall be paid to the retirement system in the amount of \$249,987.00; or

WHEREAS, should the Governing Body of the above-named Political Subdivision choose to pay for the liability associated with the supplemental benefit through an increase in the Political Subdivision's employer contribution rate over the course of the fiscal year as indicated in paragraph I(ii) above, it acknowledges that the costs associated with providing the hazardous duty supplemental benefit to all Eligible Employees pursuant to the Act shall increase its accrued liability rate by 11.39 % of the covered payroll of the affected employees over the course of the fiscal year July 1, 2026 to June 30, 2027; or

WHEREAS, should the Governing Body of the above-named Political Subdivision choose to pay for the liability associated with the supplemental benefit through amortizing the unfunded accrued liability as indicated in paragraph I(iii) above, it acknowledges that the costs associated with providing the hazardous duty supplemental benefit to all Eligible Employees pursuant to the Act shall increase its accrued liability rate by 1.84 % of the covered payroll of the affected employees over the course of ten (10) years; and

WHEREAS, the Governing Body of the above-named Political Subdivision further acknowledges that while eligibility for this supplemental benefit is based on the Eligible Employee's total years of creditable service as a public safety officer with any political subdivision, the calculation of this

supplemental benefit is based on the employee's years of creditable service as a public safety officer with a political subdivision that has adopted the hazardous duty supplemental benefit; and WHEREAS, the Governing Body of the above-named Political Subdivision further acknowledges that an Eligible Employee's mandatory retirement and receipt of a supplemental bridge benefit or retirement under the alternate defined benefit plans will not reduce the amount of the Eligible Employee's hazardous duty supplemental benefit; and WHEREAS, the Governing Body of the above-named Political Subdivision further acknowledges that an Eligible Employee receiving a hazardous duty supplemental benefit is entitled to receive a cost-of-living adjustment, except as provided in Tennessee Code Annotated § 8-36-922. NOW, THEREFORE, BE IT RESOLVED that the Governing Body of the above-named Political Subdivision hereby establishes a hazardous duty supplemental benefit for all its eligible public safety officers effective January 1, 2025, or the first day of the month immediately following the passage of this resolution if the Governing Body establishes such benefit after January 1, 2025.

STATE OF TENNESSEE

COUNTY OF MONROE

I, _____, clerk of the Mayor and Board of Commissioners of the

City of Sweetwater, Tennessee do hereby certify that this is a true and exact copy of the foregoing
(Name of Political Subdivision)

resolution that was approved and adopted in accordance with applicable law at a meeting held on the
____ day of _____, 2026, the original of which is on file in this office.

IN WITNESS THEREOF, I have hereunto set my hand, and the seal of the

City of Sweetwater ____.
(Name of Political Subdivision)

As Clerk of the Board, as aforesaid

SEAL

Commissioner Moser moved to appoint Chris Lively to fill a vacancy on Sweetwater Tree Board with a term ending July 1, 2029. The motion was seconded. All voted in favor with none opposed. The motion was carried.

Commissioner Moser moved to approve Ordinance No. 1062 the Budget Ordinance for the year ending June 30, 2027, and tax levy on first reading. The motion was seconded. Upon Roll Call Voting the Ayes were Commissioners Lovingood, Moser, Richeson, Martin and Stutts. Nays being none. The motion was carried.

Commissioner Moser moved to approve Ordinance No. 1064 to adopt Oakland View Estates Phase 2 roads as City Streets on first reading. The motion was seconded. Upon Roll Call Voting the Ayes were Commissioners Lovingood, Moser, Richeson, Martin and Stutts. Nays being none. The motion was carried.

Commissioner Lovingood moved to approve Ordinance No. 1065 Amending the Zoning Map of the City of Sweetwater, Tennessee by Rezoning Parcel 102.04 and Parcel 102.05, Monroe County Tax Map 033 From R-2 High Density Residential District to C-3 General Commercial District. The motion was seconded. Upon Roll Call Voting the Ayes were Commissioners Lovingood, Moser, Richeson, Martin and Stutts. Nays being none. The motion was carried.

Commissioner Stutts moved to approve Resolution No. 05042026 authorizing the execution, terms, issuance, sale and payment of not to exceed \$456,700 General Obligation refunding the bonds, series 2026, of the City of Sweetwater, Tennessee. The motion was seconded. All voted in favor with none opposed. The motion was carried.

RESOLUTION NO. 05042026

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$456,700 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2026, OF THE CITY OF SWEETWATER, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

WHEREAS, the City of Sweetwater, Tennessee (the "Municipality" or the "City"), pursuant to resolutions adopted by the Board of Commissioners (the "Board"), of the Municipality, has heretofore entered into that certain Loan Agreement, dated June 20, 2026, in the original principal amount of \$1,200,000, by and among The Public Building Authority of the City of Clarksville, Tennessee (the "Authority"), First Horizon Bank (formerly First Tennessee Bank National Association), Nashville, Tennessee (the "Bank"), and the City (the "2016 Loan");

WHEREAS, the proceeds of the 2016 Loan were used for the purpose of (i) financing all or a portion of the costs of certain public works projects, consisting of the acquisition of a street sweeper and other street equipment for municipal street maintenance, the renovation and improvement of City Hall, the library, and the Police Department building, including but not limited to, roofing, the acquisition of all property real and personal appurtenant thereto and connected with such work, and paying all legal, fiscal, administrative, planning, and engineering costs incident thereto; (ii) prepaying the outstanding principal of that certain General Obligation Fire Hall Bond, dated October 23, 2003, in the original principal amount of \$628,000, which bears interest at the rate of 4.75%, with a final maturity of around September 1, 2032 (the "Series 2003 Bond"), which was sold to USDA Rural Development, the proceeds of such Series 2003 Bond having been used to finance the construction of a fire hall for the City; (iii) prepaying the outstanding principal of that certain General Obligation Capital Outlay Note, Series 2014, dated October 1, 2014, in the original principal amount of \$250,000, which bears interest at the rate of 3.15% (the "Series 2014 Note"), the proceeds of such Series 2014 Note having been used to finance the construction of a new fire hall for the City; and, (iv) to pay costs incident to the loan (collectively, the "Project");

WHEREAS, the 2016 Loan will be outstanding in the principal amount of \$456,700 (after the May 1, 2026 principal payment of \$83,700), and matures May 1, 2027 through May 1, 2031 (the "Outstanding Indebtedness");

WHEREAS, the 2016 Loan has a Scheduled Put Option Date, as such term is defined in the Loan Agreement, of June 20, 2026;

WHEREAS, the Bank is required to give notice 180 days prior to such Scheduled Put Option Date if it is going to exercise its Put Option or if it is going to adjust the rate of interest on the 2016 Loan;

WHEREAS, the Bank gave notice to the City, by letter, dated December 22, 2025, that it is adjusting the rate of interest on the 2016 Loan on the Scheduled Put Option Date to a fixed rate equal to the 5 year Treasury Rate as of June 20, 2026, plus a bank spread of 1.65%, effective on such Scheduled Put Option Date;

WHEREAS, the 2016 Loan can only be prepaid at the price of par on the Scheduled Put Option Date, with any prepayment on any other date being at the price of 101% of the par amount of the 2016 Loan outstanding;

WHEREAS, due to the uncertainty of what the rate on the 2016 Loan will be as of such date and the 1% prepayment premium, if the 2016 Loan is not prepaid on the Scheduled Put Option Date, the Board of the City has determined that it is in the best interests of the City of prepay the Outstanding Indebtedness on June 20, 2026, at the price of par plus accrued interest to the date of prepayment;

WHEREAS, the Municipality is authorized by Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"), to issue and sell refunding bonds for the purpose of prepaying the Outstanding Indebtedness prior to its maturity;

WHEREAS, a plan of refunding for the Outstanding Indebtedness and a request to sell the refunding bonds by negotiated sale have been submitted to the Comptroller's Office for review as required by Sections 9-21-903, and 9-21-910, respectively, Tennessee Code Annotated, as amended, and the Comptroller's Office has issued a report thereon, dated April 24, 2026;

WHEREAS, the Board finds that it is now, therefore, necessary and desirable to provide for the execution, terms, issuance, sale, and payment of not to exceed \$456,700 General Obligation Refunding Bonds, Series 2026 (the "Bonds"); and,

WHEREAS, it is necessary to authorize the form of, terms, and execution of, an agreement for the purchase of the Bonds (the "Bond Purchase Agreement"), to be entered into by and between the Municipality and a bank (the "Purchaser"), in connection with the purchase of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the City of Sweetwater, Tennessee, as follows:

Section 1. Authority. The Bonds herein authorized shall be issued pursuant to the Act and other applicable provisions of law.

Section 2. Definitions. Without limiting any other definitions of terms and words in other sections of this Resolution, the following words and terms shall have the meanings indicated unless otherwise plainly apparent from the context:

"Act" means Title 9, Chapter 21, Tennessee Code Annotated, as amended.

"Authorized Representative of the Municipality" means the then Mayor or the then City Recorder of the Municipality, authorized by resolution or by law to act on behalf of and bind the Municipality.

"Bond" means individually, or "Bonds" means collectively, the General Obligation Refunding Bonds, Series 2026, of the Municipality authorized by this Resolution of the Board.

"Bond Counsel" means an attorney or firm of attorneys recognized as having experience in matters relating to the issuance of municipal obligations.

"Bond Purchase Agreement" means that certain Bond Purchase Agreement, dated the date of the sale of the Bonds, between the Municipality and the Purchaser.

"Bond Registrar" means the City Recorder of the Municipality, or his or her successor, or successors hereafter appointed in the manner provided in this Resolution.

"Board" means the Board of the Municipality

"City Recorder" means the duly appointed, qualified, and acting City Recorder of the Municipality, or his or her successors.

"Closing Date" means the date of delivery and payment of the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of the Treasury promulgated thereunder, as in effect on the date of issuance of the Bonds and as hereafter amended, supplemented, or revised insofar as such amendments, supplements, or revisions shall pertain to or affect the Bonds.

"Interest Payment Date" means each date on which interest shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

"Mayor" means the duly elected, qualified, and acting Mayor of the Municipality, or his or her successors.

"Owner", when used with reference to the Bonds, means any entity who shall be the registered owner of any then outstanding Bond or Bonds.

"Principal Payment Date" means such date on which principal shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be outstanding.

"Resolution" means this Resolution, as supplemented and amended.

Section 3. Authorization. For the purpose of providing funds to prepay the Outstanding Indebtedness, there is hereby authorized to be issued general obligation refunding bonds of the Municipality in the aggregate principal amount of not to exceed \$456,700. No Bonds may be issued under the provisions of this Resolution except in accordance herewith. The Board hereby finds that it is advantageous to the Municipality to issue the Bonds to prepay the Outstanding Indebtedness.

Section 4. Form of Bonds; Execution. (a) The Bonds are issuable only as fully registered bonds, without coupons. All Bonds issued under this Resolution shall be substantially in the form set forth in Exhibit "A" attached hereto, and by this reference incorporated herein as fully as though copied, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution, the blanks therein to be appropriately completed when the Bonds are prepared, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto or as otherwise desired by the Municipality. The Bonds shall be numbered consecutively from one upwards.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name, and on behalf, of the Municipality with the manual signature of the Mayor and attested with the manual signature of the City Recorder. The Bonds shall not be valid for any purpose unless authenticated by the manual signature of the Bond Registrar on the certificate set forth on the Bonds.

(c) In the event any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the signature of such individuals who, at the actual time of the execution of such Bond, were the proper officers of the Municipality to sign such Bond, although on the date of the adoption by the Municipality of this Resolution, such individuals may not have been such officers.

Section 5. Terms, Payment, and Certain Other Provisions of the Bonds. (a) The Bonds shall be designated "General Obligation Refunding Bonds, Series 2026". Each Bond shall be dated the date of issuance and delivery, or such other date as the Authorized Representatives of the Municipality

executing the Bonds shall determine; shall be sold at the price of par; shall bear interest from the date thereof at a rate or rates to be hereafter determined by the officials of the Municipality executing the Bonds when said Bonds are sold, but not exceeding 4.25% per annum, such interest being payable semiannually on the first day of May and November of each year, commencing November 1, 2026; and, shall be payable on the first day of May in the principal amounts set forth in the Bond Purchase Agreement, with a final maturity date of May 1, 2031. If the Bonds are issued through the Tennessee Municipal Bond Fund ("TMBF"), fixed rate loan program, the rate of interest will include an annual fee equal to 15 basis points (0.15%), payable to TMBF by the bank, to be paid from each periodic payment of interest on the Bonds, based on the outstanding principal amount of the Bonds. The weighted average maturity of the Bonds shall not exceed the reasonably expected weighted average life of the Project financed with the Outstanding Indebtedness which is hereby estimated to exceed five (5) years.

In the event that any amount payable on any Bond as interest shall at any time exceed the rate of interest lawfully chargeable thereon under applicable law, then any such excess shall, to the extent of such excess, be applied against the principal of such Bond as a prepayment thereof without penalty, and such excess shall not be considered to be interest.

The principal of, and all installments of interest on, any Bond shall bear interest from and after their respective due dates at a rate of interest equal to the rate of interest payable on the principal of such Bond. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

Interest on the Bonds shall be payable by wire transfer, electronic means, or by check or other form of draft of the Bond Registrar, deposited by the Bond Registrar in the United States mail, first class postage prepaid, in sealed envelopes, addressed to the Owner of such Bonds, as of the applicable Interest Payment Date, at its address as shown on the Registration Books of the Municipality maintained by the Bond Registrar as of the close of business fifteen (15) calendar days preceding the next Interest Payment Date. All payments of the principal of and interest on the Bonds shall be made in any coin or currency of the United States of America which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

Section 6. Redemption. The Bonds shall be subject to redemption, in whole or in part, at the option of the City, upon thirty (30) days written notice to the Purchaser, at the price of par, plus accrued interest to the date of redemption.

Section 7. Registration, Negotiability, and Payment. The City Recorder of the Municipality is hereby appointed the Bond Registrar and paying agent (the "Bond Registrar"), and as such shall establish and maintain suitable books (the "Registration Books"), for recording the registration, conversion, and payment of the Bonds, and shall also perform such other duties as may be required in

connection with any of the foregoing. The Bond Registrar is hereby authorized to authenticate and deliver the Bonds to the original purchaser thereof, or as it may designate, upon receipt by the Municipality of the proceeds of the sale thereof and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bonds to be transferred in proper form with proper documentation as herein described. The Bonds shall not be valid for any purpose unless authenticated by the Bond Registrar by the manual signature of the Bond Registrar on the certificate set forth in Exhibit "A" hereto. The Bonds shall be fully registered as to both principal and interest and shall be fully negotiable upon proper endorsement by the registered owner thereof. No transfer of any Bonds shall be valid unless such transfer is noted upon the Registration Books and until such Bond is surrendered, cancelled, and exchanged for a new Bond which shall be issued to the transferee, subject to all the conditions contained herein.

Section 8. Transfer of Bonds. (a) Each Bond shall be transferable only on the Registration Books maintained by the Bond Registrar at the office of the Bond Registrar, upon the surrender for cancellation thereof at the office of the Bond Registrar, together with an assignment of such Bond duly executed by the Owner thereof or its attorney or legal representative, and upon payment of the charges hereinafter provided, and subject to such other limitations and conditions as may be provided therein or herein. Upon the cancellation of any such Bond, the Bond Registrar shall, in exchange for the surrendered Bond or Bonds, deliver in the name of the transferee or transferees a new Bond or Bonds of authorized denominations, of the same aggregate principal amount and maturity and rate of interest as such surrendered Bond or Bonds, and the transferee or transferees shall take such new Bond or Bonds subject to all of the conditions herein contained.

(b) The Municipality and the Bond Registrar may deem and treat the entity in whose name any Bond shall be registered upon the Registration Books maintained by the Bond Registrar as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of, and the interest on, such Bond and for all other purposes. All such payments so made to the registered Owner thereof shall be valid and effectual to satisfy and discharge the liability of the Municipality or the Bond Registrar upon such Bond to the extent of the sum or sums so paid. Neither the Municipality nor the Bond Registrar shall be affected by any notice to the contrary.

Section 9. Regulations with Respect to Transfers. In all cases in which the privilege of transferring Bonds is exercised, the Municipality shall execute, and the Bond Registrar shall deliver, Bonds in accordance with the provisions of this Resolution. For every transfer of Bonds, whether temporary or definitive, the Municipality and the Bond Registrar may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, and other governmental charges shall be paid by the person or entity requesting such transfer as a condition precedent to the exercise of the privilege of making such transfer. Neither the Municipality nor the Bond Registrar shall be obligated to transfer any Bond after the fifteenth (15th) calendar day of the month next preceding an Interest Payment Date.

Section 10. Mutilated, Lost, Stolen, or Destroyed Bonds. In the event any Bond issued hereunder shall become mutilated, or be lost, stolen, or destroyed, such Bond shall, at the written request of the Owner, be cancelled on the Registration Books and a new Bond shall be authenticated and delivered, corresponding in all aspects but number to the mutilated, lost, stolen, or destroyed Bond. Thereafter, should such mutilated, lost, stolen, or destroyed Bond or Bonds come into possession of the Owner, such Bonds shall be returned to the Bond Registrar for destruction by the Bond Registrar. If the principal on said mutilated, lost, stolen, or destroyed Bond shall be due within fifteen (15) calendar days of receipt of the written request of the Owner for authentication and delivery of a new Bond, payment therefor shall be made as scheduled in lieu of issuing a new Bond. In every case the Owner shall certify in writing as to the destruction, theft, or loss of such Bond, and shall provide indemnification satisfactory to the Municipality and to the Bond Registrar, if required by the Municipality and the Bond Registrar.

Section 11. Authentication. Only such of the Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit "A" hereto duly executed by the Bond Registrar shall be entitled to the rights, benefits, and security of this Resolution. No Bond shall be valid or obligatory for any purpose unless, and until, such certificate of authentication shall have been duly executed by the Bond Registrar. Such executed certificate of authentication by the Bond Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under the Resolution as of the date of authentication.

Section 12. Source of Payment and Security. The Bonds, including the principal thereof and the interest thereon, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from 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, or amount. The Bonds shall be a direct general obligation of the Municipality, for which the punctual payment of the principal of and interest on the Bonds the full faith and credit of the Municipality is hereby irrevocably pledged.

Section 13. Levy of Taxes. For the purpose of providing for the payment of the principal of, and interest on, the Bonds, there shall be levied in each year in which such Bonds shall be outstanding, to the extent necessary, a direct tax on all taxable property in the Municipality, fully sufficient, to pay all such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected, and paid at the time, and in the same manner, as the other taxes of said Municipality, shall be in addition to all other taxes, and shall be without limitation as to time, rate, or amount. The Board of the Municipality is required by law and shall and does hereby pledge to levy such tax. Principal and interest, or either of the foregoing, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from the general fund or other available funds of the Municipality, but reimbursement therefor may be made from the taxes herein provided when the same shall have been collected.

Section 14. Sale of Bonds. (a) The Bonds herein authorized are authorized to be sold by the Mayor at a private negotiated sale at a price of not less than par in accordance with the provisions of the Bond Purchase Agreement. The Bonds shall contain such terms, conditions, and provisions other than as expressly provided or limited herein as may be agreed upon by the Mayor of the Municipality and the purchaser of the Bonds, as set forth in such Bond Purchase Agreement.

The Mayor, in consultation with the Purchaser of the Bonds, is authorized, prior to the sale of the Bonds and the execution of the Bond Purchase Agreement, to make such changes in the structuring of the terms of the Bonds as the Mayor shall deem necessary to provide for the most efficient refunding of the Outstanding Indebtedness, as may be in the best interests of the Municipality.

(b) The form, content, and provisions of the Bond Purchase Agreement as presented to this meeting of the Board and attached hereto as Exhibit "B," are in all particulars approved, and the Mayor and the City Recorder are hereby authorized, empowered, and directed to execute, acknowledge, and deliver said Bond Purchase Agreement in the name, and on behalf of the Municipality.

The Bond Purchase Agreement is to be in substantially the form now before this meeting of the Board, or with such changes therein as shall be approved by the Mayor and City Recorder executing the same, their execution thereof to constitute conclusive evidence of the approval of any and all such changes or revisions.

The Authorized Representatives of the Municipality are hereby authorized, empowered, and directed, from and after the execution and delivery of the Bond Purchase Agreement to do all acts and things, and execute all documents, as may be necessary or convenient to carry out, and comply with, the provisions of said Bond Purchase Agreement, as executed and delivered.

Section 15. Disposition of Bond Proceeds. The proceeds from the sale of the Bonds shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof. Said proceeds shall be used, together with other available funds of the Municipality to prepay the Outstanding Indebtedness, such prepayment to occur on the first available date, but in no event later than eighty-nine (89) days from the date of issuance of the Bonds, and to pay costs incurred in connection with the issuance of the Bonds.

Section 16. Prepayment of the Outstanding Indebtedness. The Outstanding Indebtedness maturing May 1, 2027 through May 1, 2031, inclusive, is hereby authorized to be prepaid and the Board hereby ratifies giving notice of such intent to prepay the Outstanding Indebtedness which has been given by the Municipality in accordance with the provisions of the Loan Agreement.

Section 17. Non-Arbitrage Certification. The Municipality certifies and covenants with the Owner of the Bonds that so long as the principal of any Bond remains unpaid, monies on deposit in any fund or account in connection with the Bonds, whether or not from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Municipality reserves the right, however, to make any investment of such monies permitted by Tennessee law and this Resolution if, when, and to the extent that said Section 148 or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

The Municipality covenants that it shall comply with Section 148(f) of the Code, unless legally exempted therefrom, and the Municipality represents that in the event it shall be required by Section 148(f) of the Code to pay "Rebatable Arbitrage," as such term is defined and used in the Code, pursuant to the Code, to the United States Government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bonds from becoming subject to inclusion in the gross income of the Owner of the Bonds for purposes of federal income taxation.

Section 18. Designation of Bonds Qualified Tax-Exempt Obligations. The City hereby designates the Bonds as "qualified tax-exempt obligations" within the meaning and for the purpose of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The Municipality reasonably anticipates that the amount of tax-exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii)) which will be issued during the calendar year by the Municipality (i) any issuer with respect to which the Municipality is deemed to be an "on behalf of" issuer, and (ii) all subordinate entities which are treated as one issuer under Section 265(b)(3)(E) of the Code, will not exceed \$10,000,000, and not more than \$10,000,000 of obligations issued by the Municipality (together with those issued by any other issuers that are treated as an issuer under such Section 265(b)(3)) during the 2026 calendar year will be designated as "qualified tax-exempt obligations".

Section 19. Resolution a Contract; Amendments. The provisions of this Resolution shall constitute a contract between the Municipality and the Owner of the Bonds and after the issuance of the Bonds, no change, variation, or alteration of any kind in the provisions of this Resolution which would impair the rights of the Owner shall be made in any manner, until such time as all installments of the principal of and interest on the Bonds shall have been paid in full unless the consent of all of the Owner of all then outstanding Bonds has been obtained; provided, however, that the Municipality is hereby authorized to make such amendments to this Resolution as will not impair the rights of the Owner. The laws of the State of Tennessee shall govern this Resolution.

Section 20. Remedies. Any Owner of the Bonds shall have such remedies as provided by Title 9, Chapter 21, Section 216, Tennessee Code Annotated, as amended.

Section 21. Failure to Present Bonds. In the event any Bond shall not be presented for payment when the principal becomes due at maturity and in the event monies sufficient to pay such Bond shall be held by the Bond Registrar for the benefit of the Owner thereof, all liability of the Municipality to such Owner for the payment of such Bond shall forthwith cease, terminate, and be completely discharged. Thereupon, the Bond Registrar shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under this Resolution or on, or with respect to, said Bond, subject to escheat or other similar law, and any applicable statute of limitation.

Section 22. Payments Due on Saturdays, Sundays, and Holidays. In any case where the date of maturity or interest on or principal of any Bond shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions in the State of Tennessee are authorized by law to close, then the payment of the interest on, or the principal of such Bond need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions in the State of Tennessee are authorized by law to close, with the same force and effect as if made on the date of maturity and no interest shall accrue for the period after such date.

Section 23. No Action to be Taken Affecting Validity of the Bonds. The Board hereby covenants and agrees that it will not take any action, that would in any manner affect the validity of the Bonds or limit the rights and remedies of the Owner from time to time of such Bonds or affect the exclusion of interest thereon from the gross income of the Owner thereof for federal income tax purposes.

Section 24. Miscellaneous Acts. The Mayor, the City Recorder, the City Administrator, the City Attorney, and all other appropriate officials of the Municipality, are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery of the Bonds and for the redemption of the Outstanding Indebtedness.

Section 25. No Recourse Under Resolution or on Bonds. All stipulations, promises, agreements, and obligations of the Municipality contained in this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the Municipality and not of any officer, director, or employee of the Municipality in his or her individual capacity, and no recourse shall be had for the

payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution against any officer, director, or employee of the Municipality or against any official or individual executing the Bonds.

Section 26. Partial Invalidity. If any one or more of the sections, paragraph, or provisions of this Resolution, or of any exhibit or attachment hereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment hereto, but this Resolution, and the exhibits and attachments hereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein or therein, as the case may be.

Section 27. Repeal of Conflicting Resolutions and Effective Date. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption, the welfare of the Municipality requiring it.

Approved and adopted this 4th day of May, 2026.

Mayor

Attest:

City Recorder

Commissioner Richeson moved to approve a letter stating notice of interest to a real estate agent on property recommended from Sweetwater Parks and Recreation Land Acquisition Committee. The motion was seconded. All voted in favor with none opposed. The motion was carried.

The Board adjourned and reconvened as the Sweetwater Beer Board. Commissioner Lovingood moved to approve an on-and off- premises beer permit application for Scott Carroll DBA Sweetwater TAPS located at 702 N Main Street, Sweetwater. The motion was seconded. All voted in favor with none opposed. The motion was carried.

No further action was taken.

The meeting was adjourned at 5:28 p.m.

This the 4th day of May 2026.

Mayor

Attest: _____
Recorder