

RESOLUTION NO. R2006-41

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO PURCHASE A SIX PERCENT (6%) INTEREST RATE CAP FOR A TERM OF TWENTY (20) YEARS IN CONNECTION WITH THE LOAN AGREEMENT FOR THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF A NEW HIGH SCHOOL/MIDDLE SCHOOL WITHIN THE TOWN OF SIGNAL MOUNTAIN.

WHEREAS, the Town of Signal Mountain, Tennessee (the "Municipality"), is in the process of causing certain capital expenditures to be made with respect to certain public works projects, consisting of the acquisition, construction, renovation, improvement, and equipping a new high school/middle school which will be located within the Town, including, but not necessarily limited to, planning, design, and architectural expenses (the "Project"); and,

WHEREAS, the Town Council (the "Council") of the Town of Signal Mountain desires to limit any exposure of taxpayers to increased loan costs due to variations in the loan rate over the next twenty (20) years related to the Project.

NOW, THEREFORE,

BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SIGNAL MOUNTAIN, TENNESSEE, that the Town Manager is authorized to obtain a twenty (20) year guaranteed interest cap at the maximum rate of six percent (6%) on all funds borrowed in connection with the construction of a new high school/middle school to be located within the Town. The total costs for this interest rate cap purchase shall not exceed One Hundred Fifty-Five Thousand and 00/100 (\$155,000.00) Dollars.

Stephen Buffin
MAYOR

Gregg Row Acting Recorder
RECORDER

10-19-06
DATE

10-19-06
DATE

PAN/kac