

LOUDON COUNTY COMMISSION
REGULAR MEETING
August 02, 2004

- | | | |
|------|--|----------------------------|
| (1) | Public Hearing | |
| (2) | Opening Of Meeting | |
| (3) | Roll Call | |
| (4) | Agenda Adopted | |
| (5) | Special Called Meeting Scheduled | |
| (6) | Minutes for June 28, 2004 Approved | |
| (7) | Comments: Agenda Items | |
| (8) | Annexation Report | |
| (9) | Library Board (County) Appointments Approved | <u>Resolution 080204-A</u> |
| (10) | Library Board (Regional) Appointments Approved | <u>Resolution 080204-B</u> |
| (11) | FIT/Tobacco Resolution Approved | <u>Resolution 080204-C</u> |
| (12) | Holiday Amendment Approved | <u>Resolution 080204-D</u> |
| (13) | Interstate Connector Route Approved | <u>Resolution 080204-E</u> |
| (14) | Matlock Bend Property Sale Approved | <u>Resolution 080204-F</u> |
| (15) | Nine Counties One Vision Statement | |
| (16) | Animal Shelter Engineer Approved | |
| (17) | Adequate Facilities Tax Request For Private Act Approved | <u>Resolution 080204-G</u> |
| (18) | Loan Resolution (Initial) Approved | <u>Resolution 080204-H</u> |
| (19) | Loan Resolution Approved | <u>Resolution 080204-I</u> |
| (20) | Continuing Budget Resolution Approved | <u>Resolution 080204-J</u> |
| (21) | Financial Report | |
| (22) | Trustee's Computer Equipment Purchase Approved | |
| (23) | Notaries Approved | |
| (24) | Comments: Non-Agenda Items | |
| (25) | Adjournment | |

LOUDON COUNTY COMMISSION
STATE OF TENNESSEE
COUNTY OF LOUDON
August 02, 2004
6:00 PM

PUBLIC HEARING

1. Consideration of adopting a resolution making appropriation for the various funds, departments, institutions, offices and agencies of Loudon County, Tennessee, for the year beginning July 01, 2004 and ending June 30, 2005.
County Mayor Miller suggested that this item be removed from this section of the agenda due to inadequate public notice. There were no objections.

(1)
Public
Hearing

REGULAR MEETING

BE IT REMEMBERED that the Board of Commissioners of Loudon County convened in regular session in Loudon, Tennessee on the 2nd day of August, 2004.
The **Honorable Roy Bledsoe** called the meeting to order.
Sheriff Tim Guider opened Court and led the Pledge of Allegiance to the Flag of the United States of America, and **Mr. Edward Headlee** gave the invocation.

(2)
Opening
Of Meeting

Present were the following Commissioners: **Marcus, Meers, Jenkins, Maples, Franke, Bledsoe, Duff, Shaver, Harold and Miller: (10)**.
Thereupon **Chairman Bledsoe** announced the presence of a quorum. Also present was the **Honorable George Miller, County Mayor** and **Loudon County Attorney Harvey Sproul**.

(3)
Roll Call

Chairman Bledsoe requested that the August 02, 2004 agenda be adopted.
Chairman Bledsoe requested that Item 6F1, "*Consideration of adopting a resolution authorizing submission of an application for a litter and trash collecting grant from the Tennessee Department of Transportation and authorizing the acceptance of the said grant*" be removed from the agenda at the Budget Director's request. Mayor Miller requested that item 6F5, "*Consideration of adopting a resolution fixing the tax levy in Loudon County, Tennessee from the fiscal year beginning July 01, 2004 and ending June 30, 2005*" be removed from the agenda. Mayor Miller requested that a report on the Lenoir City annexation lawsuit from Attorney Rex Dale be added to the agenda. County Attorney Harvey Sproul requested that item 6G1, "*Executive legal session – Attorney Ed Rayson*" be removed from the agenda.
A **motion** was made by **Commissioner Shaver** with a second by **Commissioner Miller** to adopt agenda with requested changes.
Upon voice vote the motion **Passed** unanimously.

(4)
Agenda
Adopted

A **motion** was made by **Commissioner Shaver** with a second by **Commissioner Meers** to hold a Special Called County Commission Meeting and Public Hearing on August 16, 2004, 6:00 pm at the Loudon County Courthouse Annex for consideration of adopting a budget and fixing the tax levy for year beginning July 01, 2004 and ending June 30, 2005.
Upon voice vote the motion **Passed** unanimously.

(5)
Special Called
Meeting
Scheduled

Chairman Bledsoe requested the June 28, 2004 County Commission Meeting minutes be approved and accepted.
A **motion** was made by **Commissioner Franke** with a second by **Commissioner Maples** to adopt minutes as presented.
Upon voice vote the motion **Passed** unanimously.

(6)
Minutes for
June 28, 2004
Approved

Chairman Bledsoe asked for any visitor wishing to address the Commission regarding items on the planned agenda to come forward.
Greg Reynolds, Loudon County Home Builders Association; Mike Stephens, Knoxville Home Builders Association; Alex Shubert, potential local developer; and Pat Hunter, Loudon County resident, came forward to speak in opposition of Item 6E1, "*Consideration of adopting a resolution requesting a Private Act levying an adequate facilities tax*" and requested that it be removed from the agenda for further consideration.
Aileen Longmire, Loudon County resident, came forward to ask questions regarding Item 6B2, "*Consideration of adopting a resolution authorizing the County Mayor to sign necessary legal documents to sell approximately 1.75 acres of property in Matlock Bend Industrial Park*".

(7)
Comments:
Agenda Items

**(8)
Annexation
Report**

Attorney Rex Dale reported that Chancellor Williams reset the Motion to Dismiss for August 24, 2004, in an effort for the City of Lenoir City and Loudon County to reach a settlement resolution. Attorney Dale will be meeting with Lenoir City officials this week to review original settlement proposal and discuss alternatives in proposing a settlement of the issue.

George Miller, Loudon County Mayor, requested discussion and consideration of the following items:

**(9)
Library Board
(County)
Appointments
Approved**

1. Consideration of adopting a resolution appointing and/or reappointing Paul Bailey, Ruth Henderson and Elfrida Beall to the Loudon County Library Board.

A **motion** was made by **Commissioner Franke** with a second by **Commissioner Meers** to adopt this resolution.

Upon voice vote the motion **Passed** unanimously.

Resolution 080204-A

**(10)
Library Board
(Regional)
Appointments
Approved**

2. Consideration of adopting a resolution appointing Jean Cardwell to the Regional Library Board.

A **motion** was made by **Commissioner Duff** with a second by **Commissioner Shaver** to adopt this resolution.

Upon voice vote the motion **Passed** unanimously.

Resolution 080204-B

**(11)
FIT/Tobacco
Resolution
Approved**

3. Consideration of adopting a resolution supporting the passage of Federal Legislation allowing sales tax to be deducted from the Federal Income Tax and to allow for a buyout of tobacco farmers.

A **motion** was made by **Commissioner Duff** with a second by **Commissioner Shaver** to adopt this resolution.

Upon voice vote the motion **Passed** unanimously.

Resolution 080204-C

**(12)
Holiday
Amendment
Approved**

4. Consideration of adopting a resolution amending Section 5.2 of the Policy and Procedure Handbook for Loudon County Government.

A **motion** was made by **Commissioner Harold** with a second by **Commissioner Marcus** to adopt this resolution.

A **motion** was made by **Commissioner Franke** with a second by **Commissioner Miller** to amend the resolution to omit one (1) Christmas Day and reinstate Martin Luther King, Jr. Day.

Upon roll call vote the following Commissioners voted **Aye: Jenkins, Maples, Franke, Bledsoe, Shaver and Miller: (6)**.

The following Commissioners voted **Nay: Marcus, Meers, Duff and Harold: (4)**.

Thereupon the Chairman announced the amendment to the motion **Passed: (6-4)**.

Upon roll call vote the following Commissioners voted **Aye: Marcus, Meers, Jenkins, Maples, Franke, Bledsoe, Duff, Shaver, Harold and Miller: (10)**.

The following Commissioners voted **Nay: (0)**.

Thereupon the Chairman announced the motion as amended **Passed: (10-0)**.

Resolution 080204-D

**(13)
Interstate
Connector
Route
Approved**

Pat Phillips, Loudon County Economic Development Agency, requested discussion and consideration of the following items:

1. Consideration of adopting a resolution by the County of Loudon and City of Lenoir City authorizing the submittal of a local interstate connecting route application to the State of Tennessee Department of Transportation under the Interstate Connecting Route Act of 1965.

A **motion** was made by **Commissioner Jenkins** with a second by **Commissioner Maples** to adopt this resolution.

Upon voice vote the motion **Passed** unanimously.

Resolution 080204-E

(14)
**Matlock Bend
Property Sale
Approved**

2. Consideration of adopting a resolution authorizing the County Mayor to sign necessary legal documents to sell approximately 1.75 acres of property in Matlock Bend Industrial Park on Corporate Drive.

A **motion** was made by **Commissioner Jenkins** with a second by **Commissioner Marcus** to adopt this resolution.

Upon roll call vote the following Commissioners voted **Aye: Marcus, Meers, Jenkins, Maples, Franke, Bledsoe, Duff, Shaver, Harold and Miller: (10).**

The following Commissioners voted **Nay: (0).**

Thereupon the Chairman announced the motion **Passed: (10-0).**

Resolution 080204-F

Commissioner Duff stated for clarification that the Nine Counties One Vision Board of Directors has not taken a position concerning the Knoxville Convention Center and that Loudon County Government has not taken a stand for or against the proposed development.

A **motion** was made by **Commissioner Franke** with a second by **Commissioner Shaver** to approve the Capital Projects Committee recommendation and hire an engineer for design and cost estimates of the animal shelter facility.

Upon roll call vote the following Commissioners voted **Aye: Marcus, Meers, Jenkins, Maples, Franke, Bledsoe, Duff, Shaver, Harold and Miller: (10).**

The following Commissioners voted **Nay: (0).**

Thereupon the Chairman announced the motion **Passed: (10-0).**

A **motion** was made by **Commissioner Jenkins** with a second by **Commissioner Harold** to adopt a resolution requesting a Private Act levying an adequate facilities tax.

Upon roll call vote the following Commissioners voted **Aye: Marcus, Meers, Jenkins, Maples, Franke, Bledsoe, Duff, Shaver and Harold: (9).**

The following Commissioners voted **Nay: Miller: (1).**

Thereupon the Chairman announced the motion **Passed: (9-1).**

Resolution 080204-G (Mayor Miller named Commissioners Marcus, Jenkins and Franke to serve on ad-hoc study committee)

Nancy Richesin, Loudon County Director of Budgets and Accounts and Purchasing Director, requested discussion and consideration of the following items:

1. Consideration of adopting an initial resolution authorizing one or more loans under one or more loan agreements between Loudon County, Tennessee and a Tennessee Public Building Authority in an aggregate principal amount of not to exceed three million dollars (\$3,000,000.00).

A **motion** was made by **Commissioner Miller** with a second by **Commissioner Marcus** to adopt this resolution.

Upon roll call vote the following Commissioners voted **Aye: Marcus, Meers, Jenkins, Maples, Franke, Bledsoe, Duff, Shaver, Harold and Miller: (10).**

The following Commissioners voted **Nay: (0).**

Thereupon the Chairman announced the motion **Passed: (10-0).**

Resolution 080204-H

2. Consideration of adopting a resolution authorizing one or more loans under one or more loan agreements between Loudon County, Tennessee and a Tennessee Public Building Authority in an aggregate principal amount of not to exceed three million dollars (\$3,000,000.00) and execution and delivery of one or more loan agreements and other documents relating to said borrowing; providing for the application of the proceeds of said borrowing; providing for the application of the proceeds of said borrowing and the payment of the County's obligations under the loan agreements; consenting to the assignment of the County's obligations under the loan agreements; and approving one or more swap agreements with respect to such loan agreements.

A **motion** was made by **Commissioner Miller** with a second by **Commissioner Marcus** to adopt this resolution.

Upon roll call vote the following Commissioners voted **Aye: Marcus, Meers, Jenkins, Maples, Franke, Bledsoe, Duff, Shaver, Harold and Miller: (10).**

The following Commissioners voted **Nay: (0).**

Thereupon the Chairman announced the motion **Passed: (10-0).**

Resolution 080204-I

(15)
**Nine Counties
One Vision
Statement**

(16)
**Animal Shelter
Engineer
Approved**

(17)
**Adequate
Facilities Tax
Request For
Private Act
Approved**

(18)
**Loan
Resolution
(Initial)
Approved**

(19)
**Loan
Resolution
Approved**

(20)
Continuing
Budget
Resolution
Approved

3. Consideration of adopting a resolution to allow for the operation and disbursement of expenses until the 2004 – 2005 budget is approved.
A **motion** was made by **Commissioner Shaver** with a second by **Commissioner Franke** to adopt this resolution.
Upon roll call vote the following Commissioners voted **Aye: Marcus, Meers, Jenkins, Maples, Franke, Bledsoe, Duff, Shaver, Harold and Miller: (10)**.
The following Commissioners voted **Nay: (0)**.
Thereupon the Chairman announced the motion **Passed: (10-0)**.
Resolution 080204-J

(21)
Financial
Report

Nancy Richesin reported that the latest financial report will be ready for distribution at the August 16 meeting and workshop.

(22)
Trustee's
Computer
Equipment
Purchase
Approved

A **motion** was made by **Commissioner Miller** with a second by **Commissioner Jenkins** to allow the Trustee to purchase new computer equipment not to exceed \$19,700.
Upon roll call vote the following Commissioners voted **Aye: Marcus, Meers, Jenkins, Maples, Franke, Bledsoe, Duff, Shaver, Harold and Miller: (10)**.
The following Commissioners voted **Nay: (0)**.
Thereupon the Chairman announced the motion **Passed: (10-0)**.

(23)
Notaries
Approved

A **motion** was made by **Commissioner Meers** with a second by **Commissioner Shaver** to approve the following notaries: *Kathy Andre, Maxine Harris, Betty Hicks, Tammy Fairchild, Angela Spence, Faith Booher, Kent Booher, Paula Scaggs, M. Jan Gibson, Harvey Sproul, Rosa Goodson, Shari Hitson, Norman Heath, Jr., Christopher Riedl, Cheri Brown and Debbie Cook*.
Upon voice vote the motion **Passed** unanimously.

(24)
Comments:
Non-Agenda
Items

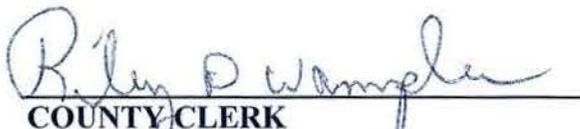
Chairman Bledsoe asked for any visitor wishing to address the commission regarding items not on the agenda.
Judy Hines, Loudon County employee, came forward to speak in opposition of losing holidays.
Nancy Foshee, Loudon County Health Department Director, came forward to thank the Commission for their contribution to the new health department. She stated that the Commissioner of Health will be on site August 10 and invited Commission members to come meet him.

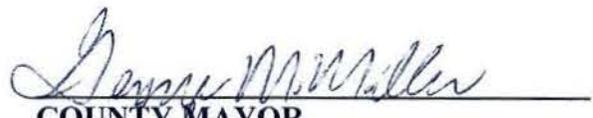
(25)
Adjournment

There being no further business, a **motion** being duly made and seconded, the August 02, 2004 meeting stood adjourned at 7:50 p.m.


CHAIRMAN

ATTEST:


COUNTY CLERK


COUNTY MAYOR

LOUDON COUNTY COMMISSION

RESOLUTION 080204-A

**RESOLUTION APPROVING OR ACKNOWLEDGING BOARD OR
COMMITTEE APPOINTMENT BY COUNTY MAYOR**

WHEREAS, by statute, and/or intergovernmental agreement and/or County Procedural Regulations, the County Mayor has authority to make certain committee and board appointments; and

WHEREAS, appointments are necessary and/or desirable at this time; and

WHEREAS, the County Mayor appoints the following as members of the

LOUDON COUNTY LIBRARY BOARD

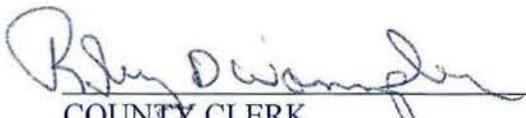
<u>Appointee</u>	<u>Term Expiration</u>
Paul Bailey	June 30, 2007
Ruth Henderson	June 30, 2007
Elfrida Beall	June 30, 2005

NOW, THEREFORE, BE IT RESOLVED that the Loudon County Commission, meeting in regular session assembled this 2nd of August, 2004 hereby approves or acknowledges (as appropriate), the said appointments.



COUNTY CHAIRMAN

ATTEST:



COUNTY CLERK



COUNTY MAYOR

The remaining members and their continuing expiration terms for said board or committee are as follows:

<u>Appointee</u>	<u>Term Expiration</u>
Sandy Brennon	June 30, 2005
Doug Christman	June 30, 2006
Eleanor Campbell	June 30, 2006
Walter Hedge	June 30, 2006

LOUDON COUNTY COMMISSION

RESOLUTION 080204-B
RESOLUTION APPROVING OR ACKNOWLEDGING BOARD OR
COMMITTEE APPOINTMENT BY COUNTY MAYOR

WHEREAS, by statute, and/or intergovernmental agreement and/or County Procedural Regulations, the County Mayor has authority to make certain committee and board appointments; and

WHEREAS, an appointment is necessary at this time; and

WHEREAS, the County Mayor appoints the following as a member of the

REGIONAL LIBRARY BOARD

Appointee

Jean Cardwell

(completing term of Sylvia Sproul)

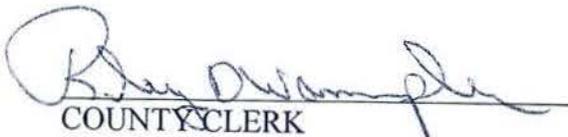
Term Expiration

June 30, 2006

NOW, THEREFORE, BE IT RESOLVED that the Loudon County Commission, meeting in regular session assembled this 2nd day of August, 2004 hereby approves and acknowledges (as appropriate), the said appointment.


COUNTY CHAIRMAN

ATTEST:


COUNTY CLERK


COUNTY MAYOR

Resolution 080204-C

**Resolution Supporting The Passage Of Federal Legislation Allowing
Sales Tax To Be Deducted From The Federal Income Tax And To
Allow For A Buyout Of Tobacco Farmers**

Whereas, legislation is pending in the United States House of Representatives and the United States Senate which is of great importance to every Tennessean; and

Whereas, Tennesseans pay one of the highest sales tax rates in the United States; and

Whereas, passage of federal legislation in 1986 eliminated the ability of Tennesseans to deduct the sales tax from the Federal Income Tax; and

Whereas, this legislation will restore the deductibility of the State sales tax to the Internal Revenue Tax Code and will provide a Federal buyout of those farmers choosing to exit the archaic quota system presently controlling the growth and production of tobacco; and

Whereas, tobacco has traditionally been one of Tennessee's top commodities, swapping places with soybeans and cotton as the state's number one cash crop over the years; and

Whereas, U.S. tobacco growth and manufacture have been regulated by a quota system for 60 years. Initially, the quota system worked to stabilize tobacco prices and prevent monopolization of the industry. While the system has served its purpose, it is now hurting tobacco farmers, the very people it was designed to protect; and

Whereas, passage of this legislation is critical for all Tennesseans regardless of their occupation and returning tobacco production to the free market system without burdening it with additional federal regulators, such as the FDA, is critical to this state's economy.

Now Therefore, Be It Resolved, by the Loudon County Commission, meeting in regular session on this 2nd day of August, 2004, that:

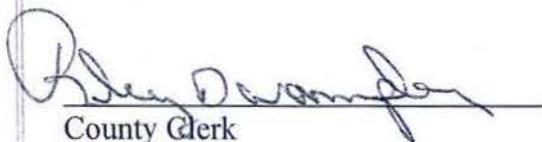
SECTION 1. The members of the Tennessee Congressional Delegation are urged to immediately pass the pending Federal Legislation described in this resolution that helps Tennessee's farmers as well as every Tennessean by allowing the sales tax to be deducted from the Federal Income Tax.

SECTION 2. Upon passage, the County Clerk is directed to transmit a copy of this Resolution immediately to Tennessee's U.S. Senators and Congressmen.

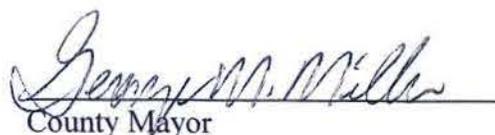
SECTION 3. This Resolution shall be effective upon passage, the public welfare requiring it.

Adopted this 2nd day of August, 2004.

Attest:


County Clerk


County Chairman


County Mayor

Resolution 080204-D

**Resolution Amending Section 5.2 Of The Policy And Procedure
Handbook For Loudon County Government**

Whereas, after much deliberation and in an effort to reduce county spending, the Loudon County Budget Committee recommended that Section 5.2 (Holidays) of the Policy and Procedure Handbook for Loudon County Government be amended; and

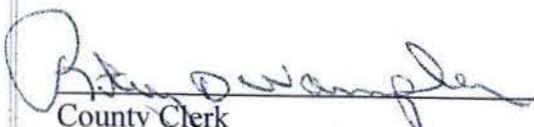
Whereas, the proposed amendment will omit Columbus Day, one (1) Christmas Day and Loudon County Elections (Primary and General) as recognized and paid holidays for all regular full-time employees; and

Whereas, each Loudon County employee affected by this change will be requested to sign a Notice of Change to the Policy and Procedure Handbook for Loudon County Government.

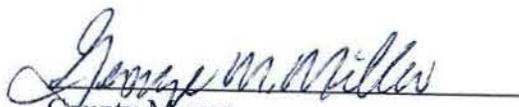
Now Therefore, Be It Resolved, by the Loudon County Commission, meeting in regular session on this 2nd day of August, 2004, that the recommended changes be approved to amend Section 5.2 of the Policy and Procedure Handbook for Loudon County Government.

Be It Further Resolved, that the amendment shall take effect upon passage.

Attest:


County Clerk


County Chairman


County Mayor

Resolution 080204-E

**A Resolution By The County Of Loudon And City Of Lenoir
City Authorizing The Submittal Of A Local Interstate
Connecting Route Application To The State Of
Tennessee Department Of Transportation Under
The Interstate Connecting Route Act Of 1965**

Whereas, Loudon County and the City of Lenoir City have adopted a master land use growth plan including a transportation element; and

Whereas, Lenoir City and the northern and eastern portions of Loudon County have continued to experience significant population growth and corresponding increases in average daily traffic flow; and

Whereas, improved access to the local interstate system is necessary to reduce traffic volume on substandard roads; and

Whereas, since the adoption of the County growth plan, a parallel interstate connecting route has been planned between Highway 321 and Highway 70 to assist in improving access from Highway 70 to Interstate 75 thus furthering to alleviate traffic congestion at Watt Road and Interstate 40/75; and

Whereas, the State of Tennessee adopted the Local Interstate Connecting Route Act of 1965 to establish and construct a system of connector routes to furnish the citizens of Tennessee adequate access to the interstate highway system from existing road and street networks along the interstate system.

Now Therefore, Be It Resolved, that the County of Loudon and City of Lenoir City hereby support the submittal of an application for construction of a local interstate connector route to connecting Highway 70 and Highway 321 to Interstate 75, as indicated on the attached concept plan, under the Tennessee Local Interstate Connecting Route Act of 1965.

Be It Finally Resolved, that this resolution shall take effect immediately the public welfare requiring it.

Adopted: August 02, 2004

Adopted: _____

Loudon County Commission

Lenoir City City Council

George M. Miller
George M. Miller, County Mayor

Matt Brookshire, Mayor

Riley D. Wampler
Riley D. Wampler, County Clerk

Debbie Cook, City Recorder

RESOLUTION 080204-F

**A Resolution Authorizing The County Mayor To Sign Necessary
Legal Documents To Sell Approximately 1.75 Acres Of Property In
Matlock Bend Industrial Park On Corporate Drive**

Whereas, Loudon County owns certain real property on Corporate Park Drive referenced by Tax Map 40, Parcel 1.0, containing 24.06 acres +/-, including a 50' strip of property parallel to Corporate Park Drive; and

Whereas, Robert and Jacquelyn Howell desire to purchase a portion of the above described property, being a 50' strip parallel to Corporate Park Drive and lying between property of Howell and Corporate Park Drive of approximately 1.75 acres; and

Whereas, said acquisition will provide frontage to Corporate Park Drive for property of Howell that will be combined with Parcels 41 & 41.01, Map 39; and

Whereas, Parcel 24.06 was originally part of the tract of land purchased by Loudon County for the location of John Deere but was not conveyed, and

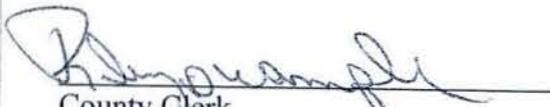
Whereas, the Loudon County Economic Development Agency Board of Directors recommends the sale of said property since it has limited use based on its narrow width.

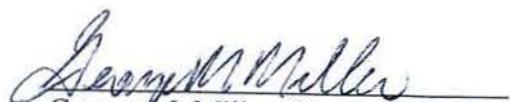
Now, Therefore, Be It Resolved, that the County Commission approves the sale of said property, being a 50' strip fronting property of Howell and authorizes the County Mayor to sign the necessary legal documents to convey said property subject to the following conditions:

1. The property shall be consolidated with the adjoining tract of Howell.
2. The property shall be sold at a price of \$7,500/acre.

Now, Therefore, Be It Finally Resolved, that this resolution shall take effect immediately the public welfare requiring it.

Passed this the 2nd day of August, 2004.


County Clerk


George M. Miller, County Mayor


County Chairman

Resolution 080204-H

INITIAL RESOLUTION AUTHORIZING ONE OR MORE LOANS UNDER ONE OR MORE LOAN AGREEMENTS BETWEEN LOUDON COUNTY, TENNESSEE AND A TENNESSEE PUBLIC BUILDING AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED THREE MILLION DOLLARS (\$3,000,000)

WHEREAS, the Board of County Commissioners of Loudon County, Tennessee (the "County") has determined that it is necessary and advisable to borrow funds and incur indebtedness for certain public improvements as more fully set forth herein; and

WHEREAS, pursuant to Section 9-21-205 and Section 12-10-115(a)(2), Tennessee Code Annotated, prior to obtaining of loans for said purposes, it is necessary to adopt an initial resolution authorizing said loans.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Loudon County, Tennessee, as follows:

1. For the purpose of providing funds for the (i) acquisition, construction, improvement, renovation, repair and equipping of buildings and facilities for public safety; public works; animal shelter; parks and recreation; juvenile center; libraries; senior center; health department; solid waste convenience centers; general administration; and other public buildings; (ii) acquisition of equipment for all other County departments; (iii) acquisition of all property, real and personal, appurtenant thereto; (iv) payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing; (v) reimbursement for prior expenditures for the foregoing; (vi) payment of capitalized interest during construction and for up to six months thereafter (collectively, the "Projects"); and, (vii) payment of costs incident to the obtaining of the loans hereinafter described and of the bonds issued to fund said loans, the County is hereby authorized to borrow money and incur indebtedness in an aggregate principal amount of not to exceed \$3,000,000 by obtaining one or more loans from and entering into one or more loan agreements with a Tennessee Public Building Authority. The indebtedness incurred pursuant to the issuance of each loan agreement shall bear interest at a rate or rates not to exceed the maximum rate permitted by law and shall be payable from ad valorem taxes to be levied on all taxable property within the County.

2. The County Clerk of the County is hereby authorized and directed to cause the foregoing resolution to be published in full in a newspaper having a general circulation in the County for one issue of said paper followed by the following notice:

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 County shall have been filed with the County Clerk of the County protesting entering into loan agreements, as above described, such loan agreements will be executed and delivered as proposed.

Riley D. Wampler, County Clerk

Resolution 080204-G

**Resolution Requesting A Private Act
Levying An Adequate Facilities Tax**

Whereas, the State of Tennessee General Assembly is authorized to empower local governments with certain powers in regards to taxation; and

Whereas, Loudon County is a growing community facing many needs in infrastructure and operations due to the growth in population; and

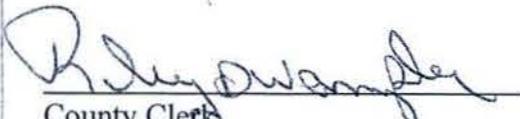
Whereas, Loudon County is looking at alternatives to revenue streams and now would like to implement an adequate facilities tax to help offset the cost of these infrastructure and operational needs.

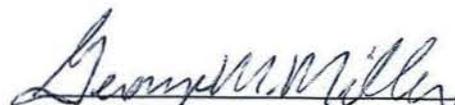
Now Therefore, Be It Resolved, by the Loudon County Commission, meeting in regular session on this 2nd day of August, 2004, that the State Legislative Delegation from Loudon County is hereby requested to draft and enact a Private Act Legislation enabling Loudon County the ability to enact an adequate facilities tax.

Adopted this 2nd day of August, 2004.


County Chairman

Attest:


County Clerk


County Mayor

3. This Resolution shall be in immediate effect from and after its adoption, the public welfare requiring it.

Adopted and approved this 2nd day of August, 2004.

/s/ Roy Blount
Commission Chairman

/s/ George Miller
County Mayor

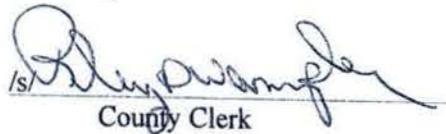
ATTEST:

/s/ Riley D. Wampler
County Clerk

CERTIFICATE OF COUNTY CLERK

I, Riley D. Wampler, certify that I am the duly qualified and acting County Clerk of Loudon County, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a regular meeting of the governing body of the County held on August 2, 2004; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to not to exceed \$3,000,000 general obligation indebtedness of the County.

WITNESS my official signature and seal of said County on this the 2nd day of August, 2004.


County Clerk

(SEAL)

Resolution 080204-I

A RESOLUTION AUTHORIZING ONE OR MORE LOANS UNDER ONE OR MORE LOAN AGREEMENTS BETWEEN LOUDON COUNTY, TENNESSEE AND A TENNESSEE PUBLIC BUILDING AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED THREE MILLION DOLLARS (\$3,000,000) AND EXECUTION AND DELIVERY OF ONE OR MORE LOAN AGREEMENTS AND OTHER DOCUMENTS RELATING TO SAID BORROWING; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF SAID BORROWING AND THE PAYMENT OF THE COUNTY'S OBLIGATIONS UNDER THE LOAN AGREEMENTS; CONSENTING TO THE ASSIGNMENT OF THE COUNTY'S OBLIGATIONS UNDER THE LOAN AGREEMENTS; AND APPROVING ONE OR MORE SWAP AGREEMENTS WITH RESPECT TO SUCH LOAN AGREEMENTS.

WHEREAS, counties in the State of Tennessee are authorized to finance and refinance certain public works projects by the issuance of bonds, notes or other obligations; and

WHEREAS, it is hereby determined by the Board of County Commissioners of Loudon County, Tennessee (the "County") to be in the best interest of the County to finance the (i) acquisition, construction, improvement, renovation, repair and equipping of buildings and facilities for public safety; public works; animal shelter; parks and recreation; juvenile center; libraries; senior center; health department; solid waste convenience centers; general administration; and other public buildings; (ii) acquisition of equipment for all other County departments; (iii) acquisition of all property, real and personal, appurtenant to the foregoing; (iv) payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing; (v) reimbursement for prior expenditures for the foregoing; (vi) payment of capitalized interest during construction and for up to six months thereafter (collectively, the "Projects"); and, (vii) payment of costs of issuance and sale of the Bonds (as defined below) and the Loan Agreement (as defined below); and

WHEREAS, it has been determined to be in the best interest of the County to finance the Projects through a program known as the Tennessee Local Government Alternative Loan Program (TN-LOANSSM) underwritten by Morgan Keegan & Company, Inc. (the "Underwriter"), through the issuance by a Tennessee Public Building Authority established pursuant to the provisions of Tennessee Code Annotated Sections 12-10-101 et seq., as amended, (the "Act") (the "Authority") of

its Local Government Public Improvement Bonds (the "Bonds") in one or more series (each, a "Series") in the aggregate principal amount of not to exceed \$3,000,000 and the loan of the proceeds thereof to the County pursuant to one or more loan agreements between the Authority and the County (each a "Loan Agreement"); and

WHEREAS, an initial resolution proposing one or more loans from the Authority in a principal amount not to exceed \$3,000,000, the proceeds of which shall be used for the Projects, has been adopted on the date hereof and together with the notice required by Section 12-10-115 and Section 9-21-206, Tennessee Code Annotated, as amended, will be published as required by law; and

WHEREAS, the County shall pledge a tax authorized by Section 12-10-115, Tennessee Code Annotated, as amended, to be levied annually to the repayment of the amounts due under each Loan Agreement authorized herein; and

WHEREAS, it is the intent of the Governing Body that all or a portion of the aggregate principal amount of loans authorized hereunder may be borrowed pursuant to one or more Loan Agreements bearing interest at a variable rate of interest or bearing interest at a fixed rate of interest, as more fully described herein; and

WHEREAS, the Bonds are to be secured by and contain such terms and provisions as are set forth in an Indenture of Trust, as supplemented (the "Indenture") entered into between the Authority and Regions Bank or such other trustee designated by the Authority; and

WHEREAS, subject to compliance with applicable provisions of Tennessee law and the guidelines (the "Guidelines") of the Funding Board (the "Funding Board") of the State of Tennessee on the date of execution and delivery of any Swap Agreement, and upon receipt of a report from the State Director of Local Finance, if required, the County and/or the Authority upon approval of the County, may enter into one or more Swap Agreements with respect to a Loan Agreement authorized hereunder and/or a related Series of Bonds; and

WHEREAS, there has been presented to this meeting the form of the Loan Agreement, which appears to be in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended and the form of the following documents: (1) International Swap Dealers Association, Inc. ("ISDA") Master Agreement; (2) Schedule to Master Agreement; (3) Confirmation for a rate swap transaction; (4) ISDA Credit Support Annex; (5) Financial Guaranty Insurance Policy for Swap Agreement; and (6) Financial Guaranty Insurance Policy for Swap Agreement (Counterparty Payment Policy); and

WHEREAS, for the purposes of authorizing one or more loans from an Authority, the execution and delivery of one or more Loan Agreements by the County, the pledging of the County's full faith and credit for the payment of its obligations under each Loan Agreement, approving the assignment of such pledge to secure each related Series of Bonds, and authorizing the execution of such documents and certificates as shall be necessary to consummate the sale and delivery of each Series of Bonds, and approving the terms and conditions of one or more Swap Agreements with respect to the Bonds authorized herein subject to compliance with the Guidelines and authorizing one or more Swap Agreements, the Board of County Commissioners of the County adopts this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Loudon County, Tennessee, as follows:

Section 1. Approval of Loans. (a) For the purpose of providing funds to finance the costs of the Projects, to reimburse itself for prior expenditures on the Projects and to pay costs incident to the issuance and sale of each Series of Bonds and each related Loan Agreement, and make and receive the loans herein authorized, there is hereby authorized one or more loans (each, a "Loan") from the Authority to the County in an aggregate principal amount not to exceed \$3,000,000.

(b) One or more Series of Bonds may be issued initially either as bonds bearing interest as an auction rate security ("ARS") or variable rate bonds with the interest rate established either (i)

daily, weekly or short-term period (the "Daily Rate", "Weekly Rate" and "Short-Term Period", respectively, as defined in the Loan Agreement) at the then market rate for obligations with similar credit quality, all as provided in the Indenture and each Loan Agreement, or (ii) at a Medium Term Rate (as defined in the Loan Agreement) if the County or the Authority enters into an interest rate swap agreement or interest rate hedge agreement (a "Swap Agreement") within 365 days of issuance of a related Series of Bonds with respect to all or a portion of a Loan Agreement or related Series of Bonds under which Swap Agreement a variable rate shall be paid by the County and/or the Authority resulting in variable rate payments substantially similar to an interest rate established daily, weekly or short-term in the manner set forth in Section 6 herein or in any resolution subsequently adopted and as authorized by law, all as provided in the Indenture and the Loan Agreement. The County Mayor and the County Clerk are authorized to enter into one or more Loan Agreements bearing interest at a variable rate of interest, including ARS, as they shall determine is in furtherance of the objectives of the County.

(c) One or more Series of Bonds may be issued initially bearing interest at a fixed rate of interest ("Fixed Rate Bonds"). The fixed rate of interest shall be established by the Underwriter pursuant to a Master Bond Purchase between the Underwriter and the Authority, as supplemented by a Supplemental Bond Purchase Agreement among the Governing Body, the Underwriter and the Authority and a supplemental indenture between the Authority and the Trustee. The County Mayor and the County Clerk are authorized to execute such Supplemental Bond Purchase Agreement for the sale of the related Series of Bonds at a price of not less than 98% of the par amount of such Series of Bonds (excluding original issue discount) in accordance with the provisions of this resolution and to enter into one or more Loan Agreements for all or any portion of the total loan amounts authorized hereunder bearing interest at a fixed rate as the County Mayor and the County Clerk shall determine is in furtherance of the objectives of the County, taking into consideration the existing debt structure and sources of payment.

(d) The County shall make payments of interest in the amounts and on the dates as set forth in each Loan Agreement and the Indenture, at a rate or rates not in excess of the maximum rate of interest permitted by applicable law. Each Loan shall be payable as to principal over a period not to exceed thirty-five (35) years from the date of execution of each Loan Agreement. The final dates, original interest rate mode (as set forth above), and amortization of principal amounts of each Loan may be established by the County Mayor and the County Clerk as shall be determined by the County Mayor and the County Clerk to be in the best interests of the County, in accordance with the terms of this resolution and each Loan Agreement, taking into consideration the present debt structure of the County and projected funds available for payment of debt service.

Section 2. Interest Rate Conversion. At any time while any Loan remains outstanding, each Loan and the Series of Bonds issued in connection therewith, may, in whole or in part, to the extent permitted by applicable law, be converted from one Rate Period (as defined in the Loan Agreement) to the other interest Rate Periods permitted and as provided in each related Loan Agreement and in the Indenture (which conversion may include such put features relative to any Series of the Bonds as the Indenture may permit) at the direction of the County Mayor and County Clerk and no further action shall be required by the Board of Commissioners.

Section 3. Approval of Loan Agreements. The form, terms and provisions of each Loan Agreement which have been presented at this meeting are hereby approved and the County Mayor and County Clerk are hereby authorized, empowered and directed to execute and deliver each Loan Agreement in the name and on behalf of the County. Each Loan Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall be approved by the County Mayor and County Clerk, the execution thereof by the County Mayor and County Clerk to constitute conclusive evidence of their approval of any and all changes or revisions therein. From and after the execution and delivery of each Loan Agreement, the County Mayor and the County Clerk are hereby authorized, empowered and directed to do all such acts and things and to

execute all such documents as may be necessary to carry out and comply with the provisions of each Loan Agreement as executed.

To the extent any Loan Agreement can be designated as a "qualified tax-exempt obligation" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended (the "Code"), it shall be so designated in the Loan Agreement.

Section 4. Pledge of Taxes. The County hereby covenants and agrees, through its governing body, to annually levy and collect a tax upon all taxable property within the County, in addition to all other taxes authorized by law, sufficient to pay when due the annual amounts payable by the County under each Loan Agreement as and when they become due and payable and to pay any expenses of maintaining and operating the Projects required to be paid by the County under the terms of each Loan Agreement and, for such purposes, the County hereby pledges such tax and the full faith and credit of the County to such payments, provided, however, that the tax hereinabove described will not be required to be levied or, if levied, may be proportionately reduced to the extent of funds appropriated by the governing body of the County to the payment of the amounts described above from other revenues of the County. Such tax, to the extent levied, shall be assessed, levied, collected and paid in like manner as other taxes of the County. Such tax shall not be included within any statutory or other limitation of rate or amount for the County but shall be excluded therefrom and be in addition thereto and in excess thereof, notwithstanding and without regard to the prohibitions, restrictions or requirements of any other law, whether public or private. Any amounts payable under each Loan Agreement falling due at any time when there are insufficient funds from the tax levy on hand shall be paid from current funds of the County and reimbursement therefore should be made out of the taxes hereby provided to be levied when the same shall have been collected.

Section 5. Approval of Bonds. For the purpose of providing funds to make each Loan to the County, as provided herein and in each Loan Agreement, and to pay legal, fiscal, and administrative costs incident thereto including costs incident to the issuance and sale of each Series of Bonds related

to a Loan Agreement, the issuance and sale of each Series of Bonds by the Authority in connection with a Loan Agreement is hereby approved and allocation of such Series of Bonds to the County for purposes of Section 265 of the Code is hereby accepted.

Section 6. Approval of Swap Agreements. Subject to compliance with the applicable provisions of the laws of the State of Tennessee, the guidelines of the Funding Board, and receipt of a report of the State Director of Local Finance, if required, the County hereby authorizes and approves the entering into and the execution and delivery by the County and/or the Authority of one or more Loan Swap Agreements or Swap Agreements in connection with all or any portion of any Loan Agreement or related Series of Bonds authorized herein, as such terms are defined in the Loan Agreement and the Indenture, in substantially the form of the International Swap Dealers Association, Inc. Swap Agreement, the form of which is presented to this meeting, with one or more financial institutions whose debt or claims-paying ability is rated, or is, collateralized, guaranteed or insured by an entity whose debt or claims-paying ability is rated "A" or better by Standard & Poor's or Moody's Investors Service (the "Swap Counterparty") in a notional amount which in the aggregate does not exceed the principal amount of the related Loan Agreement or Series of Bonds authorized herein declining in accordance with the amortization schedule for such Series of Bonds and each Loan Agreement relating to such Series of Bonds, having a term not longer than the final maturity of the Series of Bonds or the Loan Agreement to which it relates, providing for either a fixed rate or a variable rate payable by the Authority, or the County and either a variable rate or fixed rate payments by the Loan Swap Counterparty or the Swap Counterparty based on (i) BMA Municipal Swap Index, (ii) the rate on the Loan Agreement or Series of Bonds to which the Loan Swap Agreement or the Swap Agreement relates (iii) the rate on the Series of Bonds to which the Loan Swap Agreement or the Swap Agreement relates, plus Additional Payments (as defined in the Indenture), (iv) LIBOR or a percentage thereof or (v) such other index or method to be approved by the Chairman or Vice-Chairman of the Authority or the County Clerk.

Subject to compliance with the applicable provisions of the laws of the State of Tennessee and the guidelines of the Funding Board and receipt of the report of the State Director of Local Finance, if required, the County Mayor and the County Clerk, on behalf of the Board of Commissioners, will be authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Swap Agreement or the Swap Agreement as it relates to a Loan Agreement or any Series of Bonds issued in connection with a Loan Agreement authorized herein. The execution of the related Loan Agreement and delivery of a certificate, which may be the confirmation of the Loan Swap Agreement or the Swap Agreement, approving the terms and conditions of the Loan Swap Agreement or the Swap Agreement by the County Mayor and the County Clerk shall constitute conclusive evidence of their approval of the final terms and conditions of the Loan Swap Agreement or the Swap Agreement and, to the extent permitted by applicable law, no further action shall be required by the Board of Commissioners.

Section 7. Disposition of Proceeds. An amount necessary to pay costs of issuance of each Loan Agreement and related Series of Bonds shall be deposited to the Cost of Issuance Fund of the Borrower held by the Trustee under the Indenture.

All remaining proceeds shall be held in the Loan Fund of the Borrower and used for the Projects.

Section 8. Official Statement. The County Mayor and the County Clerk, or either of them, working with the Underwriter and the Authority, are hereby authorized and directed to provide for the preparation and distribution, which may include electronic distribution, of a Preliminary Official Statement describing each Series of Bonds related to a Loan Agreement of the County. After the Bonds have been sold, the County Mayor and the County Clerk, or either of them, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this resolution as are necessary or desirable to complete it as a final Official Statement for

purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission. The County Mayor and the County Clerk, or either of them, shall arrange for the delivery to the Underwriter of a reasonable number of copies of the Official Statement within seven business days after sale of a Series of Bonds for delivery, by the Underwriter, to each potential investor requesting a copy of the Official Statement and to each person to whom the Underwriter initially sells the Bonds.

The County Mayor and the County Clerk, or either of them, are authorized, on behalf of the County, as to the information relating to the County and the Series of Bonds related to the County's Loan Agreement, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12(b)(1), except for the omission in the Preliminary Official Statement of certain pricing and other information allowed to be omitted pursuant to such Rule 15c2-12(b)(1). The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the County except for the omission in the Preliminary Official Statement of such pricing and other information.

Section 9. Continuing Disclosure. The County hereby covenants and agrees that it will provide annual financial information and material event notices if and as required by Rule 15c2-12 of the Securities Exchange Commission for any Series of Bonds issued for a Loan Agreement of the County. The County Mayor and the County Clerk, or either of them, are authorized to execute an agreement for the benefit of and enforceable by the owners of such Series of Bonds specifying the details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the County to comply with the undertaking herein described and to be detailed in said closing agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the County to comply with their undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

Section 10. Consent to Assignment. The County hereby consents to the assignment pursuant to the Indenture of all the Authority's right, title and interest under each Loan Agreement as security for the Series of Bonds to which such Loan Agreement relates.

Section 11. Additional Authorizations. All acts and doings of the County Mayor and the County Clerk and any other representative or officer of the County which are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of each Series of Bonds and the execution and delivery of each Loan Agreement and each Swap Agreement as set forth herein shall be and same hereby are in all respects, approved and confirmed.

Section 12. Multiple Borrowings. The Loans authorized in Section 1 hereof, the Loan Agreements authorized in Section 3 hereof and the Bonds approved in Section 5 hereof may be executed and delivered in combination with other Loans, Loan Agreements and Bonds hereafter authorized by the County through the TN-LOANSSM Program.

Section 13. Reimbursement. This resolution shall serve as a notice of intent to reimburse for certain expenditures for up to \$3,000,000 as defined in accordance with the requirements of final regulations applicable thereto as promulgated by the United States Department of Treasury.

Section 14. Separability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. Repeal of Conflicting Resolutions and Effective Date. All other 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.

Adopted and approved this 2nd day of August, 2004.

/s/ Roy Blount
Commission Chairman

/s/ Lemmy Miller
County Mayor

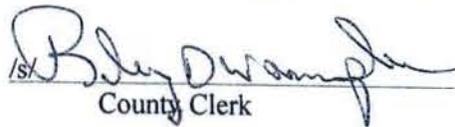
ATTEST:

/s/ Riley D. Temple
County Clerk

CERTIFICATE OF COUNTY CLERK

I, Riley D. Wampler, certify that I am the duly qualified and acting County Clerk of Loudon County, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a regular meeting of the governing body of the County held on August 2, 2004; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to not to exceed \$3,000,000 general obligation indebtedness of the County.

WITNESS my official signature and seal of said County on this the 2nd day of August, 2004.


County Clerk

(SEAL)

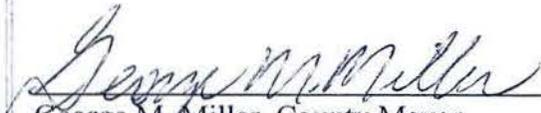
Resolution 080204-J

**Resolution to Allow for the Operation and Disbursement of
Expenses Until the 2004-2005 Budget is Approved**

WHEREAS, it has been determined that it is necessary to continue operating on the 2003-2004 budget appropriations until the Loudon County Board of Commissioners meet to adopt the budget and tax rate for the fiscal year beginning July 1, 2004 and ending June 30, 2005; therefore,

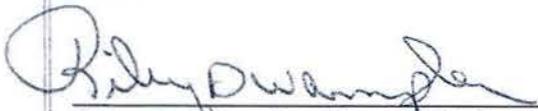
BE IT RESOLVED, by the Loudon County Board of Commissioners, meeting in Regular Session, this 2nd day of August, 2004, that each county department is approved to continue to operate on the 2003-2004 budget appropriations with additions mandated by state law until the Loudon County Board of Commissioners meets to adopt a tax rate and the 2004-2005 budget.

PASSED upon motion duly made and seconded this 2nd day of August, 2004.


George M. Miller, County Mayor


Roy H. Bledsoe, Chair

Attest:


Riley D. Wampler, County Clerk