

LOUDON COUNTY COMMISSION

REGULAR MEETING

October 4, 1999

1. Public Hearing
2. Opening of Meeting
3. Roll Call
4. Motion **passed** to adopt Agenda
5. Motion **passed** to adopt minutes of September 13, 1999 County Commission Meeting
6. Motion **passed** to adopt minutes of Special Called County Commission Meeting September 3, 1999
7. Audience Comments on Agenda Items
8. Audience Comments on Non-Agenda Items
9. Motion **passed** to adopt a resolution confirming action taken on Urban Growth Boundaries
Resolution # 100499, Exhibit A
10. Report from Hospital Lease Negotiating Committee
11. Report on CDGB grant application
12. Report from Capital Projects Committee
13. Motion **passed** to amend motion to adopt a resolution for surface water drainage and send to Planning Commission
14. Motion **passed** to adopt resolution requesting legislators to add subsections to TCA 5-1-118
Resolution # 100499, Exhibit B
15. Motion **passed** to adopt resolution authorizing issuance of \$6,990,000 bonds
Resolution # 100499, Exhibit C
16. Motion **passed** to approve request from FOP for \$500
17. Motion **passed** to adopt a resolution rezoning property at 1393 Waller's Ferry Rd.
Resolution # 100499, Exhibit D
18. Motion **passed** to adopt a resolution rezoning property at Waller's Ferry Rd. and Hwy. 321
Resolution # 100499, Exhibit E
19. Motion to accept a portion of DeWitt Road as county road
20. Motion **passed** to amend previous motion and add Gallaher Rd. and Mayo South Road to be accepted as county roads
21. Report on Connie Clark v. Loudon County and motion **passed** to have an executive session
22. Motion **passed** to adopt a resolution to file intervening petition contesting assessments of personal property
Resolution # 100499, Exhibit G
23. Report on Eaton Forest sewer project
24. Report on settlement of Mounger v. Loudon County
25. Building Commissioner's Report
26. Motion **passed** to authorize Don Palmer to sign TDOT contract on Hickory Creek Rd./Hwy. 70 project
27. Bond approved
28. Notaries approved
29. Motion to hire attorney to defend county in Connie Clark v. Loudon County
30. Motion **failed** to amend prior motion and make a counter proposal in the Connie Clark case
31. Motion **passed** to hire attorney to defend county in Connie Clark v. Loudon County
32. Adjournment

**LOUDON COUNTY COMMISSION
STATE OF TENNESSEE
COUNTY OF LOUDON**

**PUBLIC HEARING
October 4, 1999
6:00 PM**

(1)
Public Hearing

- 1) Rezoning request in the planning region for property on 1393 Wallers Ferry Rd., located in the Fifth Legislative District, referenced by Tax Map 11, Parcel 18.00, from R-1, Suburban Residential District, to C-2, General Commercial District – Agnes Shilling
No one came forward to speak.
- 2) Rezoning request in the planning region for property on Wallers Ferry Rd., Highway 321 North, located in the Fifth Legislative District, referenced by Tax Map 11, Parcel 11.4, from R-1, Suburban Residential District, to C-2, General Commercial District – Richard Guillemet
No one came forward to speak.
- 3) Consideration of request to accept a portion of DeWitt Road as a county road located off Ford Road, located in the Sixth Legislative District – Theo Ward
No one came forward to speak.

REGULAR MEETING

BE IT REMEMBERED that the Commission of Loudon County convened in regular session in Loudon, Tennessee on the 4th day of October 1999.

The meeting was called to order by the **Honorable Roy Bledsoe**.

Chief Deputy Tony Aikens opened Court, led the Pledge of Allegiance to the Flag of the United States of America, and **Howard Luttrell** gave the invocation.

Present were the following Commissioners: **Randolph, Thomas, Jenkins, Maples, Bledsoe, Masingo, Duff, Park, and Harold (9)**

Thereupon **Chairman Bledsoe** announced the presence of a quorum. Also present were the **Honorable George Miller**, County Executive, and the **Honorable Harvey Sproul**, County Attorney.

Chairman Bledsoe requested the October 4, 1999 agenda be adopted. A **Motion** was made by **Commissioner Park** with second by **Commissioner Thomas** to accept the October 4, 1999 agenda as presented.
Upon voice vote the motion **passed** unanimously.

Chairman Bledsoe requested the minutes of September 13, 1999 be read and accepted. A **Motion** was made by **Commissioner Park** with second by **Commissioner Harold** to accept the minutes of September 13, 1999 as presented.
Upon voice vote the motion **passed** unanimously.

Chairman Bledsoe requested the minutes of the Special Called Meeting September 3, 1999 be read and accepted. A **Motion** was made by **Commissioner Duff** with second by **Commissioner Park** to accept the minutes of the September 3, 1999 Special Called Meeting as presented.
Upon voice vote the motion **passed** unanimously.

(2)
Opening Of Meeting

(3)
Roll Call

(4)
Motion passed to adopt agenda

(5)
Minutes adopted for Sept. 13, 1999 meeting

(6)
Minutes Adopted for Special Called Meeting Sept. 3, 1999

Chairman Bledsoe asked for any visitor wishing to address the commission regarding items on the planned agenda to come forward.

(7)
Audience
Comments on
Agenda Items

Sue Engler, Lenoir City resident, came forward and asked commission to passed the resolution which will ask state legislators to amend T.C.A. 6-5-201 by adding subsections 22 and 23 of T.C.A. 5-1-118.

Bill Thomas, Lenoir City Resident, came forward and asked commission to pass the resolution on water surface drainage.

Bob Evans, Lenoir City resident, came forward and asked commission to passed the resolution on water surface drainage which will help flooding victims and protect them from developers who create drainage problems.

(8)
Audience
Comments on
Non-Agenda
Items

Chairman Bledsoe asked for any visitor wishing to address the commission regarding items not on the agenda.

No one came forward.

Thereupon no other visitors wished to address the commission, **Chairman Bledsoe** requested **Executive Miller** to continue with the agenda items.

County Executive George Miller requested that the item of *Connie Clark v. Loudon County* be discussed during the County Attorney's portion of the agenda and an executive session may be necessary at that time.

(9)
Motion passed
to adopt UGB
resolution

Executive George Miller requested consideration and possible action on the adoption of A Resolution Confirming Action Taken by Loudon County Commission on the Urban Growth Area Boundaries.

A motion was made by **Commissioner Randolph** with a second by **Commissioner Thomas** to adopt this resolution as presented.

Upon roll call vote the following commissioners voted Aye: **Randolph, Thomas, Maples, Masingo, Bledsoe, Duff and Park (7).**

The Following Commissioners voted Nay: Jenkins and Harold (2).

Thereupon the chairman announced the motion **Passed. (7-2)**

Resolution # 100499, Exhibit A

(10)
Hospital lease
committee
report

Executive Miller reported from the Hospital Lease Negotiating Committee. He reported that the committee had met to further discuss the issues concerning the hospital lease and the lawsuit concerning the lease. A letter has been sent requesting that specific items be addressed. Commissioner Park requested that, while in executive session, he be able to ask a question regarding the hospital suit.

(11)
CDGB report

Executive Miller reported on the CDBG grant application that was authorized to be filed last fall. In January 1999 a resolution was adopted authorizing the match for this grant, which would provide sewer to Gentry Drive, Harmon Drive, Duggan Road and a portion of Hwy. 70. The grant has been awarded and the engineering and design is underway.

(12)
Capital Projects
Committee
report

Commissioner Duff, Chairman of the Capital Projects Committee, reported the committee met and discussed a request by Judge Russell to enclose additional office space. This item was referred to the October 18th workshop for discussion.

Commissioner Ed Harold requested consideration of adopting a Resolution Requesting Passage Of Legislation Establishing Responsibilities Of Property Owners And Definitions For Non-Natural Changes In Surface Water Drainage With Cost Recovery Provisions.

(13)
Motion passed to amend motion on water surface drainage resolution

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

A motion was made by **Commissioner Randolph** with a second by **Commissioner Thomas** to amend the previous motion to send this resolution to the Planning Commission for a recommendation.

Upon voice vote the amendment to the motion passed.

Commissioner Park withdrew his second to the original motion.

Commissioner Ed Harold requested consideration of adopting a Resolution Requesting The Tennessee State Legislature To Add Sub Section 22 & 23 Of TCA 6-2-201 A Part Of TCA 5-1-118, The 1995 - County Powers Shared With Municipalities Act.

(14)
Motion passed to adopt resolution adding requesting the addition of subsection to TCA

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

Upon voice vote the motion passed.

Resolution # 100499, Exhibit B

Nancy Richesin, Director of Budgets and Accounts, requested consideration of approval of A Resolution Authorizing The Issuance Of General Obligation Public Improvement Bonds, Series 1999 In The Aggregate Principal Amount Of Not To Exceed Six Million Nine Hundred Ninety Thousand Dollars (\$6,990,000) Of Loudon County, Tennessee; Making Provisions For The Issuance, Sale And Payment Of Said Bonds; Establishing The Terms Thereof And The Disposition Of Proceeds Therefrom; And Providing For The Levy Of Tax For The Payment Of Principal Of And Interest On The Bonds and an Initial Resolution Authorizing The Issuance Of Not To Exceed Six Million Nine Hundred Ninety Thousand Dollars (\$6,990,000) General Obligation Public Improvement Bonds Of Loudon County, Tennessee.

(15)
Motion passed to adopt resolution on \$6.9M bonds issuance

A motion was made by **Commissioner Park** with a second by **Commissioner Randolph** to adopt these resolutions.

Upon roll call vote the following commissioners voted Aye: **Randolph, Thomas, Maples, Jenkins, Masingo, Bledsoe, Duff, Park and Harold (9).**

Thereupon the chairman announced the motion Passed. (9-0)

Resolution # 100499, Exhibit C

Ms Richesin requested consideration of approval of a request from the Fraternal Order of Police for \$500 for a memorial monument to be placed at the Justice Center.

A motion was made by **Commissioner Randolph** with a second by **Commissioner Thomas** to approve funding for this request.

Upon roll call vote the following commissioners voted Aye: **Randolph, Thomas, Maples, Jenkins, Masingo, Bledsoe, Duff, Park and Harold (9).**

Thereupon the chairman announced the motion Passed. (9-0)

Mr. Russ Newman, Office of Planning and Community Development, requested discussion and possible action on the following items referred to the county commission by the planning commission:

- 1) Rezoning request in the planning region for property on 1393 Wallers Ferry Rd., located in the Fifth Legislative District, referenced by Tax Map 11, Parcel 18.00, from R-1, Suburban Residential District, to C-2, General Commercial District

A motion was made by **Commissioner Park** with a second by **Commissioner Duff** to rezone this property.

Upon voice vote the motion passed unanimously.

Resolution # 100499, Exhibit D

(17)
Motion passed to rezone property at 1393 Waller's Ferry Rd.

(18)
Motion passed to rezone property on Waller's Ferry Rd. and Hwy. 321

2) Rezoning request in the planning region for property on Wallers Ferry Rd., Highway 321 North, located in the Fifth Legislative District, referenced by Tax Map 11, Parcel 11.4, from R-1, Suburban Residential District, to C-2, General Commercial District

A motion was made by Commissioner Park with a second by Commissioner Duff to rezone this property.

Upon voice vote the motion passed unanimously.

Resolution # 100499, Exhibit E

(19)
Motion to accept portion of DeWitt Rd. as county road

3) Consideration of request to accept a portion of DeWitt Road as a county road located off Ford Road, located in the Sixth Legislative District. This portion of DeWitt Road is a 130' newly constructed extension.

A motion was made by Commissioner Harold with a second by Commissioner Park to accept this road as a county road.

Resolution # 100499, Exhibit F

At this time Chairman Bledsoe handed the chair to Chair Pro-Tempore Maples.

(20)
Motion passed to amend previous motion and add Gallaher and Mayo South Roads

A motion was made by Commissioner Randolph with a second by Commissioner Bledsoe to amend the previous motion and add Mayo South Road (4th District) and Gallaher Road (1st District) to be accepted as county roads under the same provisions as the portion of DeWitt Road.

Upon roll call vote on the amendment the following commissioners voted Aye: **Randolph, Thomas, Maples, Jenkins, Masingo, Bledsoe, Duff, Park and Harold (9).**

Thereupon the chairman announced the amendment to the motion **Passed. (9-0)**

Upon roll call vote on the motion as amended the following commissioners voted Aye: **Randolph, Thomas, Maples, Jenkins, Masingo, Bledsoe, Duff, Park and Harold (9).**

Thereupon the chairman announced the amended motion **Passed. (9-0)**

Commissioner Harold requested that the acceptance of these roads be made as non-precedence.

(21)
Report on Connie Clark v. Loudon County

Attorney Sproul reported on the Connie Clark v. Loudon County case. He reported Executive Miller, Commissioner Jenkins and himself met with Ms. Clark and her attorney. A revised offer was made by Ms. Clark.

A motion was made by Commissioner Harold with a second by Commissioner Jenkins to have an executive session at the end of the meeting to discuss this case and the revised offer.

Upon voice vote the motion passed unanimously.

(22)
Motion passed to adopt resolution to file intervening petition

Attorney Sproul requested consideration of adopting a Resolution Approving Participating With Other Tennessee Counties In Filing An Intervening Petition And/Or Objections Or Exceptions Contesting Assessments Of Personal Property.

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

Upon roll call vote the following commissioners voted Aye: **Randolph, Thomas, Maples, Jenkins, Masingo, Bledsoe, Duff, Park and Harold (9).**

Thereupon the chairman announced the motion **Passed. (9-0)**

Resolution # 100499, Exhibit G

(23)
Eaton Forest sewer project report

Attorney Sproul reported that the easements for the Eaton Forest Sewer Project were being acquired and that most property owners were willing to sign easement agreements. A community meeting will be held in the near future.

(24)
Report on Mougerv. Loudon County

Attorney Sproul reported that the right -of -way was settled in the Mougerv case and an agreement has been signed. This agreement was accomplished with the funds from the insurance company and \$1,000 from the county.

Doug Lawrence, Building Commissioner, reported the totals for September 1999:

Permits issued:	50	Est. Value:	\$3,050,100
Amount collected:	\$5,014	New taxes:	\$16,000

Don Palmer, Road Commissioner, requested authorization to sign a contract with TDOT to receive up to \$126,000 for the Hickory Creed Road/Highway 70 project.

A **motion** was made by **Commissioner Park** with a second by **Commissioner Duff** to authorize Mr. Palmer to sign the contract.

Upon roll call vote the following commissioners voted Aye: **Randolph, Thomas, Maples, Jenkins, Masingo, Bledsoe, Duff, Park and Harold (9)**.

Thereupon the chairman announced the motion **Passed. (9-0)**

Howard Luttrell, Purchasing Agent, had no report.

A **Motion** was made by **Commissioner Masingo** with a second by **Commissioner Duff** to approve the following Bond:

Ramona M. Sutton

The motion **Passed** unanimously upon voice vote.

A **Motion** was made by **Commissioner Masingo** with a second by **Commissioner Park** to approve the following Notaries:

Lloyd A. Ezell, Jr.

E. K. Arnold

The motion **Passed** unanimously upon voice vote.

At this time the commission went into executive session.

Upon returning from executive session, a **motion** was made by **Commissioner Park** with a second by **Commissioner Randolph** to authorize the Executive Miller to hire an attorney to defend the case of Connie Clark v. Loudon County.

A **motion** was made by **Commissioner Jenkins** with a second by **Commissioner Harold** to amend the previous motion and make a counter-proposal to Ms. Clark for one employee effective upon agreement.

Upon roll call vote on the amendment to the motion the following commissioner voted **Aye: Jenkins and Harold (2)**.

The Following Commissioners voted **Nay: Randolph, Thomas, Maples, Masingo, Bledsoe, Duff, and Park (7)**.

Thereupon the chairman announced the motion **Failed. (2-7)**

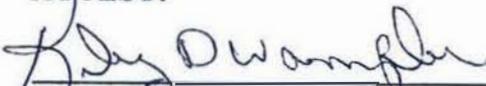
Upon roll call vote for the original motion the following commissioners voted **Aye: Randolph, Thomas, Maples, Jenkins, Masingo, Bledsoe, Duff, Park and Harold (8)**.

The Following Commissioner voted **Nay: Harold (1)**.

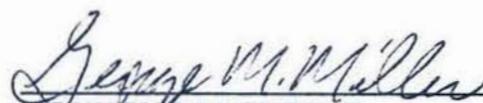
Thereupon the chairman announced the motion **Passed. (8-1)**

There being no further business, a **Motion** being duly made and seconded, the October 4, 1999 meeting stood adjourned at 9:03 p.m.

ATTEST:


COUNTY COURT CLERK


CHAIRMAN


COUNTY EXECUTIVE

(25)
Building
Commissioner's
Report

(26)
Motion passed
to authorize
signing of
TDOT contracts

(27)
Bonds approved

(28)
Notaries
approved

(29)
Motion to hire
counsel to
defend Connie
Clark suit

(30)
Motion failed to
amend prior
motion and
make counter
proposal

(31)
Motion passed
to hire counsel
to defend
Connie Clark
suit

(32)
Adjournment

LOUDON COUNTY COMMISSION

RESOLUTION NO. 100499-A

A RESOLUTION CONFIRMING ACTION TAKEN BY LOUDON COUNTY COMMISSION ON THE URBAN GROWTH AREA BOUNDARIES

WHEREAS, Chapter 1101 (Senate Bill 3278. House Bill 3295) requires that a Growth Management Plan be adopted by each county in Tennessee; and

WHEREAS, the Growth Management Plan consists of three areas: Urban Growth Area, Planned Growth Area and Rural Growth Area; and

WHEREAS, Loudon County must submit a recommended Growth Management Plan regarding the three areas to the Loudon County Coordinating Committee; and

WHEREAS; at the September 13, 1999 Loudon County Commission meeting a motion was made by Commissioner Park with a second by Commissioner Randolph that the Urban Growth Boundaries are to be where the existing city limits are in all areas of the county including Loudon, Lenoir City, Greenback and Philadelphia; and

WHEREAS, upon roll call vote the following Commissioners voted Aye: Randolph, Thomas, Maples, Masingo, Bledsoe, Park and Duff (7). The following Commissioners Nay; Jenkins and Harold (2); and

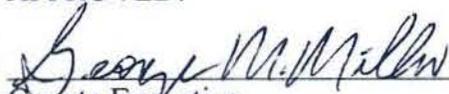
WHEREAS, the Chairman announced the motion passed with a 7-2 vote.

NOW, THEREFORE, BE IT RESOLVED that the County Commission of Loudon County, Tennessee meeting in regular session on this 4th day of October, 1999, confirms that the Loudon County Commission meeting on September 13, 1999 in regular session recommended by a 7-2 roll call vote that the Urban Growth Boundaries are to be where the existing city limits are in all areas of the county including Loudon, Lenoir City, Greenback and Philadelphia; and

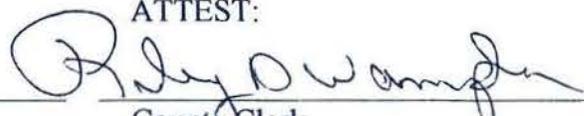
BE IT FURTHER RESOLVED that this action taken is the recommendation to the Loudon County Coordinating Committee and that a recommendation on the Planned Growth Areas and the Urban Growth areas have not yet been made to the Committee.

Adopted this 4th day of October 1999.

APPROVED:


County Executive

ATTEST:


County Clerk

LOUDON COUNTY COMMISSION

RESOLUTION NO. 100499-B

A RESOLUTION REQUESTING THE TENNESSEE STATE LEGISLATURE TO ADD SUB SECTIONS 22 & 23 OF T.C.A. § 6-2-201 A PART OF T.C.A. § 5-1-118, THE 1995 – COUNTY POWERS SHARED WITH MUNICIPALITIES

WHEREAS, counties are experiencing record growth and areas are urban like in nature and character; and

WHEREAS, it is government’s obligation and responsibility to facilitate and promote community harmony and tranquility through ensuring citizens safety and well being; and

WHEREAS, the County Technical Assistance Service’s legal staff has researched and opined that counties are without powers to deal with noise and other nuisance type problems and does not recommend a private act as a course of action to be relied upon. Regulation of noise, etc. by governments is normally done by municipal ordinance; and

WHEREAS, the support staff of CTAS has recommended adding subsections 22 and 23 as a way of dealing with such types of problems.

WHEREAS, that the inclusion of subsections 22 and 23 will allow counties to draft and pass resolutions establishing certain criteria and or regulations as deemed necessary and are enforceable by county Sheriffs and tried in session court with applicable monetary penalties – T.C.A. § 5-1-121 and 5-1-123.

NOW, THEREFORE, BE IT RESOLVED by the Loudon County Legislative Body meeting in regular session on this 4th day of October, 1999, strongly requests that our state representatives introduce legislation in the next session and work diligently for passage of a bill to add subsections 22 and 23 to T.C.A. § 6-2-101 as included under T.C.A. § 5-1-118 “county powers shared with municipalities”.

Subsection 22 reads as follows: Define, prohibit, abate, suppress, prevent and regulate all acts, practices, conduct, business occupations, callings, trades, uses of property and all other things whatsoever detrimental, or liable to be detrimental to the health, morals, comfort, safety, convenience or welfare of inhabitants of the municipality, and exercise general police powers.

Subsection 23 reads as follows: Prescribe limits within which business occupations and practices liable to be nuisances or detrimental to the health, morals, security or general welfare of the people may lawfully be established, conducted or maintained.

BE IT FURTHER RESOLVED that the Loudon County Executive be empowered and strongly urged to solicit the efforts of the Directors of the Tennessee County Commissioner Association and the Tennessee Sheriff’s Association (as recommended by Loudon County Sheriff Tim Guider) to lobby strongly for introduction and enactment of this legislation.

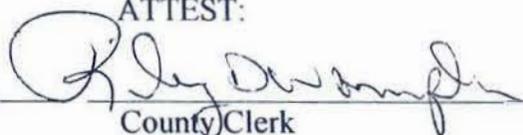
BE IT FURTHER RESOLVED that a copy of this resolution be mailed to all Tennessee County Legislative bodies requesting that they pass this resolution urging their legislators to diligently work for passage of this needed legislation.

Adopted this 4th day of October 1999.

APPROVED:


County Executive

ATTEST:


County Clerk

Resolution 100499-C

2049009.1 09/03/99

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 1999 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED SIX MILLION NINE HUNDRED NINETY THOUSAND DOLLARS (\$6,990,000) OF LOUDON COUNTY, TENNESSEE; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS; ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAX FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE BONDS.

WHEREAS, by Sections 9-21-101 et seq., Tennessee Code Annotated, counties in Tennessee are authorized through their respective governing bodies to issue and sell bonds of said counties to finance public works projects; and

WHEREAS, the Board of County Commissioners of Loudon County, Tennessee, has heretofore determined that it is necessary and advisable to issue not to exceed \$6,990,000 in aggregate principal amount of general obligation public improvement bonds for the purpose of financing in part (i) the construction of the infrastructure in and for an industrial park to be developed by the County together with the City of Loudon, Tennessee, including streets, roads, water, sewer and storm drainage systems; (ii) acquisition of land and site development for and the construction and equipping of a joint project among the Board of Regents of the State University and Community College System, the City of Lenoir City, Tennessee and the County consisting of a satellite campus for the Roane State Community College, such facility to be owned jointly by the County and the City of Lenoir City which facility will also include a public library and governmental offices related to work development programs; (iii) site development for and the construction of improvements and renovations to and the equipping of the County's judicial and criminal justice center (collectively, the "Projects"); (iv) all property real and personal appurtenant to the Projects, (v) engineering, legal, fiscal and administrative costs incident thereto; (vi) payment of capitalized interest on the bonds during the period of construction of the Projects and for a period of up to six (6) months thereafter; and (vii) payment of costs related to the issuance and sale of the bonds; and

WHEREAS, on the date hereof, the Board of County Commissioners of the County adopted an initial resolution (the "Initial Resolution") proposing the issuance of not to exceed \$6,990,000 in aggregate principal amount of general obligation bonds, the proceeds of which shall be used for the foregoing purposes; and

WHEREAS, the County Clerk has been directed to publish the Initial Resolution, together with the notice required by Section 9-21-206, Tennessee Code Annotated, in a newspaper of general circulation within the County; and

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WHEREAS, it is the intention of the Board of County Commissioners to adopt this resolution for the purpose of authorizing not to exceed \$6,990,000 in aggregate principal amount of said bonds, providing for the issuance, sale and payment of said bonds, establishing the terms thereof, and the disposition of proceeds therefrom, and providing for the levy of a tax for the payment of principal thereof and interest thereon.

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

Section 1. Authority. The bonds authorized by this resolution are issued pursuant to Sections 9-21-101, et seq., Tennessee Code Annotated, and other applicable provisions of law.

Section 2. Definitions. The following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Application" shall mean the application for the Certificate submitted to the Building Finance Committee as it relates to the Industrial Park Project;

(b) "Building Finance Committee" shall mean the Building Finance Committee of Tennessee Industrial and Agricultural Development Commission;

(c) "Bonds" shall mean not to exceed \$6,990,000 General Obligation Public Improvement Bonds, Series 1999 of the County, to be dated October 1, 1999, or such other dated date and series designation as shall be designated by the County Executive pursuant to Section 7 hereof, authorized to be issued by this resolution;

(d) "Certificate" shall mean Certificate of Public Purpose and Necessity No. 228, dated July 21, 1999, as amended, issued by the Building Finance Committee providing for, in part, the Industrial Park Project;

(e) "Code" shall mean the Internal Revenue Code of 1986, as amended, and all lawful regulations promulgated or proposed thereunder;

(f) "County" shall mean Loudon County, Tennessee;

(g) "Governing Body" shall mean the Board of County Commissioners of the County;

(h) "Industrial Park" shall mean the County's industrial park to be developed jointly with the City of Loudon, Tennessee on the Land in accordance with and as described in the Application and the Certificate;

(i) "Industrial Park Project" shall mean the construction of the infrastructure in and for the Industrial Park, including streets, roads, water, sewer and storm drainage systems, and engineering, legal, fiscal and administrative costs incident thereto;

(j) "Land" shall mean that certain real property consisting of 282.25 acres located in the southwest quadrant of Interstate 75 and State Highway 72, and all rights, rights-of-way, easements and privileges appurtenant thereto acquired pursuant to a Contract of Sale/Purchase between the County and James A. Purdy and Amy N. Purdy, dated August 19, 1999;

(j) "Projects" shall mean (i) the Industrial Park Project; (ii) acquisition of land and site development for and the construction and equipping of a joint project among the Board of Regents of the State University and Community College System, the City of Lenoir City, Tennessee and the County consisting of a satellite campus for the Roane State Community College, such facility to be owned jointly by the County and the City of Lenoir City which facility will also include a public library and governmental offices related to work development programs; (iii) site development for and the construction of improvements and renovations to and the equipping of the County's judicial and criminal justice center; (iv) all property real and personal appurtenant to the thereto, and (v) engineering, legal, fiscal and administrative costs incident thereto; and

(k) "Registration Agent" shall mean First Tennessee Bank National Association, Memphis, Tennessee, as registration and paying agent for the Bonds, or any successor designated by the Governing Body.

Section 3. Authorization and Terms of the Bonds. For the purpose of providing funds to pay the costs of the Projects, to pay capitalized interest on the Bonds during the period of construction and for a period of up to six (6) months thereafter, and to pay costs incident to the issuance and sale of the Bonds, as more fully set forth in Section 8 hereof, there are hereby authorized to be issued general obligation public improvement bonds of the County in the aggregate principal amount not to exceed \$6,990,000. The Bonds shall be issued in fully registered form, shall be known as "General Obligation Public Improvement Bonds, Series 1999" and each Bond shall be dated October 1, 1999, or such other series designation and dated date as shall be established pursuant to Section 7 hereof. The Bonds shall bear interest at a rate or rates not to exceed six and one-half percent (6-1/2%) per annum, and subject to the adjustments permitted pursuant to Section 7 hereof, such interest shall be payable semi-annually on the first day of April and October in each year commencing April 1, 2000. The Bonds shall be issued initially in \$5,000 denominations or integral multiples thereof, as shall be requested by the original purchaser thereof. The Bonds shall mature serially and be payable on April 1 of each year as follows (subject to the adjustments permitted pursuant to Section 7 hereof):

<u>Years</u>	<u>Amounts</u>
2003	\$245,000
2004	260,000
2005	270,000
2006	280,000
2007	295,000
2008	315,000
2009	325,000
2010	345,000
2011	360,000
2012	380,000
2013	400,000
2014	425,000
2015	445,000
2016	475,000
2017	500,000
2018	525,000
2019	560,000
2020	585,000

Bonds maturing April 1, 2003 through April 1, 2009, inclusive, shall mature without option of prior redemption. Bonds maturing April 1, 2010 and thereafter, shall be subject to redemption prior to maturity at the option of the County on April 1, 2009 and thereafter, as a whole or in part at any time at the redemption price of par plus interest accrued to the redemption date, or such other redemption dates and redemption prices as may be determined pursuant to Section 7 hereof.

If less than all the Bonds shall be called for redemption, the Governing Body, in its discretion, shall designate the maturity or maturities which will be redeemed, and, if less than all the Bonds of a single maturity shall be called for optional redemption, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion may determine.

Pursuant to Section 7 hereof, the County Executive is authorized to sell the Bonds, or any maturities thereof, as term Bonds with mandatory redemption requirements. In the event any or all the Bonds are sold as term Bonds, the County shall redeem such term Bonds on the redemption dates corresponding to the maturity dates set forth herein in aggregate principal amounts equal to the maturity amounts set forth herein for each redemption date, as such maturity amounts may be adjusted pursuant to Section 7 hereof. Bonds so redeemed shall be redeemed at a price of par plus accrued interest thereon to the date of redemption. The term Bonds to be so redeemed shall be selected by lot or in such other random manner as the Registration Agent in its discretion may determine.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the County may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the County on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The County shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Notice of call for redemption shall be given by the Registration Agent on behalf of the County not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. The Registration Agent shall mail said notices, in the case of term bonds with mandatory redemption requirements as and when provided herein and in the Bonds and, in the case of optional redemption, as and when directed by the County pursuant to written instructions from an authorized representative of the County given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein.

The Governing Body hereby appoints the Registration Agent and authorizes and directs the Registration Agent to maintain Bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance, upon transfer, or as otherwise directed by the County, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earliest redemption or submitted for exchange or transfer, to furnish the County at least annually a certificate of destruction with respect to Bonds canceled and destroyed, and to furnish the County at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The County Executive is hereby authorized to execute and the County Clerk is hereby

authorized to attest such written agreement between the County and the Registration Agent as they shall deem necessary or proper with respect to the obligations, duties and rights of the Registration Agent. The payment of all reasonable fees and expenses of the Registration Agent for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

The Bonds shall be payable, principal and interest, in lawful money of the United States of America at the principal corporate trust office of the Registration Agent. The Registration Agent shall make all interest payments with respect to the Bonds on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owners at their addresses shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the County in respect of such Bonds to the extent of the payments so made. Payment of principal of on the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable.

Any interest on any Bond which is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the County to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the County shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the County shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be Paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which Date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered owners. The Registration Agent shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the County to punctually pay or duly provide for the payment of principal of and interest on the Bonds when due.

The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or Bonds to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the County to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of Bonds of the same maturity in any authorized denomination or denominations.

The Bonds shall be signed by the County Executive and attested by the County Clerk by their respective manual or facsimile signatures, and shall have impressed thereon or imprinted thereon a facsimile of the corporate seal of the County.

The Registration Agent is hereby authorized to authenticate and deliver the Bonds to the original purchaser thereof or as it may designate upon receipt by the County 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 Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Registration Agent by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

In case any Bond shall become mutilated, or be lost, stolen or destroyed, the County, in its discretion, shall issue, and the Registration Agent, upon written direction from the County shall authenticate and deliver, a new Bond of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Bond, or in lieu of and substitution for such lost, stolen or destroyed Bond, or if any such Bond shall have matured or shall be about to mature, instead of issuing a substituted Bond the County may pay or authorize payment of such Bond without surrender thereof. In every case the applicant shall furnish evidence satisfactory to the County and the Registration Agent of the destruction, theft or loss of such Bond, and indemnity

satisfactory to the County and the Registration Agent; and the County may charge the applicant for the issue of such new Bond an amount sufficient to reimburse the County for the expense incurred by it in the issue thereof.

Section 4. Source of Payment. The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are hereby irrevocably pledged.

Section 5. Form of Bonds. The Bonds shall be in substantially the following form, the omissions to be appropriately completed when the Bonds are prepared and delivered:

(Form of Face of Bond)

REGISTERED
Number _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF LOUDON
GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 1999

Interest Rate: __ Maturity Date: __ Date of Bond: CUSIP No.: __
October 1, 1999

Registered Owner:
Principal Amount:

KNOW ALL MEN BY THESE PRESENTS: That Loudon County, Tennessee (the "County"), for value received hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth or earlier redemption as set forth herein, and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate of interest hereinabove set forth from the date hereof until said maturity date or redemption date, said interest being payable on April 1, 2000, and semi-annually thereafter on the first day of April and October in each year until this Bond matures or is redeemed. Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the principal corporate trust office of First Tennessee Bank National Association, Memphis, Tennessee, as registration agent and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Bond on each interest payment date directly to the registered owner hereof shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said Bond registration records, without, except for

final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the County to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent.

Reference is hereby made to the further provisions of this Bond set forth on the reverse side hereof and such further provisions shall for all purposes have the same effect as if set forth on the front side hereof.

It is hereby certified, recited, and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the County, does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the County has caused this Bond to be signed by its County Executive with his facsimile signature and attested by its County Clerk with his facsimile signature under a facsimile of the corporate seal of the County, all as of the date hereinabove set forth.

LOUDON COUNTY

BY: (Facsimile)
County Executive

(FACSIMILE SEAL)

ATTESTED:

 (Facsimile)
County Clerk

Transferable and payable at the
principal corporate trust office of: First Tennessee Bank National Association
Memphis, Tennessee

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

Date of Registration: _____

FIRST TENNESSEE BANK NATIONAL ASSOCIATION
Registration Agent

By: _____
Authorized Officer

(Form of Reverse Side of Bond)

The Bonds of the issue of which this Bond is one maturing April 1, 2003 through April 1, 2009 shall mature without option of prior redemption. Bonds maturing April 1, 2010 and thereafter, shall be subject to redemption prior to maturity at the option of the County on April 1, 2009 and on any date thereafter at a redemption price of [par plus interest accrued to the redemption date.]

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the Board of County Commissioners of the County, in its discretion, and, if less than all of the Bonds of a maturity shall be called for redemption, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or in such other random manner as the Registration Agent in its discretion shall determine.

[Subject to the credit hereinafter provided, the County shall redeem Bonds maturing April 1, ____ and April 1, ____ on the redemption dates set forth below opposite the respective maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. The Bonds to be so redeemed within such maturity shall be selected by lot or in such other random manner as the Registration Agent in its discretion may determine. The dates of redemption and principal amount of the Bonds to be redeemed on said dates are as follows:

<u>Maturity Date</u>	<u>Redemption Date</u>	<u>Principal Amount of Bonds to be Redeemed</u>
April 1, ____	_____	\$ _____
	_____*	_____
	_____	_____
April 1, ____	_____	\$ _____
	_____*	_____
	_____	_____

*final maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the County may (i) deliver to the Registration Agent for cancellation Bonds maturing April 1, ____ and April 1, ____, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation for any Bonds maturing April 1, ____ and April 1, ____, which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory redemption provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the County on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory redemption shall be accordingly reduced.]

Notice of call for redemption, [whether optional or mandatory] shall be given by the Registration Agent not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein.

This Bond is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the principal corporate trust office of the Registration Agent set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denomination or denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County

nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the County to call such Bond; provided, the Registration Agent, at its option, may make transfers after any of said dates.

This Bond is one of a total authorized issue aggregating \$_____ and issued by the County for the purpose of providing funds for financing in part (i) the construction of the infrastructure in and for an industrial park to be developed by the County together with the City of Loudon, Tennessee, including streets, roads, water, sewer and storm drainage systems; (ii) acquisition of land and site development for and the construction and equipping of a joint project among the Board of Regents of the State University and Community College System, the City of Lenoir City, Tennessee and the County consisting of a satellite campus for the Roane State Community College, such facility to be owned jointly by the County and the City of Lenoir City which facility will also include a public library and governmental offices related to work development programs; (iii) site development for and the construction of improvements and renovations to and the equipping of the County's judicial and criminal justice center (collectively, the "Projects"); (iv) all property real and personal appurtenant to the Projects, (v) engineering, legal, fiscal and administrative costs incident thereto; (vi) payment of capitalized interest on the bonds during the period of construction of the Projects and for a period of up to six (6) months thereafter; and (vii) payment of costs related to the issuance and sale of the bonds, under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101, et seq., Tennessee Code Annotated, and pursuant to a resolution duly adopted by the Board of County Commissioners of the County on September 13, 1999 (the "Resolution").

This Bond is payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of, [premium, if any,] and interest on this Bond, the full faith and credit of the County are irrevocably pledged. For a more complete statement of the general covenants and provisions pursuant to which this Bond is issued, reference is hereby made to said Resolution.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on interest on the Bond during the period the Bond is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Bond in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto _____, whose address is _____ (Please insert Federal Identification or Social Security Number of Assignee _____), the within Bond of Loudon County, Tennessee, and does hereby irrevocably constitute and appoint _____, attorney, to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

Section 6. Levy of Tax. The County, through its Governing Body, shall 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 principal of and interest on the Bonds when due, and for that purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds in said year. Principal, premium, if any, and interest falling due at any time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the County and reimbursement therefor shall be made out of the taxes hereby provided to be levied when the same shall have been collected. The tax herein provided may be reduced to the extent of any appropriations from other funds, taxes and revenues of the County to the payment of debt service on the Bonds.

Section 7. Sale of Bonds. (a) The Bonds shall be offered for public sale as required by law at a price of not less than ninety-nine percent (99%) of par, exclusive of original issue discount, plus accrued interest, as a whole or in part, from time to time in one or more emissions, as shall be determined by the County Executive in consultation with the County's financial advisor, J. C. Bradford & Co., Nashville, Tennessee.

(b) If the Bonds are sold in more than one emission, the County Executive is authorized to designate the series of each emission, to cause to be sold in each emission an aggregate principal amount of Bonds less than that shown in Section 3 hereof for each emission, and to make corresponding adjustments to the maturity schedule of each emission designated in Section 3 hereof, so long as the total aggregate principal amount of all emissions issued does not exceed the total aggregate of Bonds authorized to be issued herein.

(c) The County Executive is further authorized to change the dated date of the Bonds or any emission thereof, to a date other than October 1, 1999, to determine the series designation of each emission of Bonds, to change the first interest payment date on the Bonds or any emission thereof to a date other than April 1, 2000, to adjust the principal and interest payment dates and maturity amounts of the Bonds or any emission thereof, provided the total principal amount of all emissions of the Bonds does not exceed the total amount of Bonds authorized herein and the final maturity date of each emission shall not exceed twenty (20) years and six (6) months from the dated date of each emission, to sell less than the total principal amount of the Bonds, to change the County's optional redemption provisions of the Bonds, provided the redemption premium, if any, shall not exceed two percent (2%) of the par amount of the Bonds called for redemption, to sell the Bonds or any maturities thereof as term bonds with mandatory redemption requirements corresponding to the maturities set forth herein or as otherwise determined by the County Executive, as he shall deem most advantageous to the County, and to cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company to achieve the purposes set forth herein and to serve the best interests of the County.

(d) The County Executive is authorized to award each emission of the Bonds to the bidder whose bid results in the lowest true interest cost to the County, provided the rate or rates on none of the Bonds exceeds six and one-half percent (6.50%) per annum. The award of the Bonds by the County Executive to the lowest bidder shall be binding on the County, and no further action of the Governing Body with respect thereto shall be required. The form of the Bond set forth in Section 5 hereof, shall be conformed to reflect any changes made pursuant to this Section 7 hereof.

(e) None of the Bonds shall be issued hereunder until the publication of the Initial Resolution adopted on the date hereof, together with the statutory notice required by Section 9-21-206, Tennessee Code Annotated, and twenty (20) days have elapsed following such publication during which no legally sufficient petition protesting the issuance of the Bonds has been filed with the County Clerk.

(f) None of the Bonds of which proceeds shall be used to finance the Industrial Park Project shall be sold until receipt of the Certificate of Public Purpose and Necessity as such shall be amended.

(g) The County Executive and County Clerk, or either of them, are authorized to cause the Bonds to be authenticated and delivered by the Registration Agent to the successful bidder and

to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. The County Executive and County Clerk are hereby authorized to enter into a contract with J. C. Bradford & Co., Nashville, Tennessee, for financial advisory services in connection with the sale of the Bonds.

Section 8. Disposition of Bond Proceeds. From the proceeds of the sale of the Bonds, all accrued interest shall be deposited to the appropriate fund of the County to be used to pay interest on the Bonds on the first interest payment date following delivery of the Bonds.

The remainder of the proceeds of the sale of the Bonds shall be deposited with a financial institution regulated by the Federal Deposit Insurance Corporation or similar federal agency in a special fund known as the Public Improvement Construction Fund (the "Construction Fund") to be kept separate and apart from all other funds of the County. The County shall disburse funds in the Construction Fund to pay capitalized interest on the Bonds during construction of the Projects and for a period of up to six (6) months thereafter, to pay costs of issuance of the Bonds, including necessary legal, accounting and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, Registration Agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Bonds. The remaining funds in the Construction Fund shall be disbursed solely to pay the costs of the Project. Money in the Construction Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any, or, in the absence of such a statute, by a pledge of readily marketable securities having at all times a market value of not less than the amount in said Construction Fund. Money in the Construction Fund shall be expended only for the purposes authorized by this resolution. Any funds remaining in the Construction Fund after completion of the Project and payment of authorized expenses shall be used to pay principal of and interest on the Bonds. Moneys in the Construction Fund shall be invested at the direction of the County Trustee in such investments as shall be permitted by applicable law. Earnings from such investments shall be placed in the Construction Fund or deposited in the County's debt service fund as directed by the County Executive.

Section 9. Official Statement. The County Executive and County Clerk, or either of them, working with the County's financial advisor, J. C. Bradford & Co., are hereby authorized and directed to provide for the preparation and distribution of a Preliminary Official Statement describing the Bonds. After bids have been received and the Bonds have been awarded, the County Executive and 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(b)(3) of the Securities and Exchange Commission. The County Executive and County Clerk, or either of them, shall arrange for the delivery to the successful bidder on the Bonds of a reasonable number of copies of the Official Statement within seven business days after the Bonds have been awarded for delivery, by the successful bidder on the Bonds, to each potential investor requesting a copy of the Official

Statement and to each person to whom such bidder and members of his bidding group initially sell the Bonds.

The County Executive and County Clerk, or either of them, are authorized, on behalf of the County, 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 10. Industrial Park Covenants. If any portion of the Bonds proceeds are used to finance the Industrial Park Project, The County agrees with the owners of the Bonds as follows:

(a) Neither the Industrial Park nor the Land will be developed or disposed of in a manner which would violate the laws, statutes or constitution of the State.

(b) The County will comply with all requirements and conditions of the Certificate of Public Purpose and Necessity in the development of the Industrial Park.

(c) Any transfer of ownership of or delegation of management responsibilities for the Industrial Park shall be subject to the terms and conditions of this resolution, and the County will cause any subsequent owner or manager to comply with the requirements and provisions of this resolution.

(d) The total indebtedness of the County outstanding, including the portion of the Bonds allocable to the Industrial Park Project, solely for the purposes authorized by Sections 13-16-201 to 13-16-207, inclusive, and 7-55-101 to 7-55-116, inclusive, Tennessee Code Annotated, does not exceed ten percent (10%) of the total assessed valuation of the property in the County as ascertained by the last completed assessment.

Section 11. Tax Covenants. The County recognizes that the purchasers and owners of the Bonds will have accepted them on, and paid therefor a price that reflects, the understanding that interest thereon is excludable from gross income for purposes of federal income taxation under laws in force on the date of delivery of the Bonds. In this connection, the County covenants that it shall take no action which may cause the interest on any of said Bonds to be included in gross income for purposes of federal income taxation. It is the reasonable expectation of the Governing Body of the County that the proceeds of the Bonds 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, and to this end the said proceeds of the Bonds and other related funds established for the purposes herein set out shall be used and spent expeditiously for the purposes described herein. The Governing Body further covenants and represents that in the event it shall be required by Section 148(f) of the Code to pay

"rebate amount" with respect to the Bonds 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 being included in gross income for federal income tax purposes. The County Executive and County Clerk, or either of them, are authorized and directed to make such certifications in this regard in connection with the sale of the Bonds as either or both shall deem appropriate, and such certifications shall constitute a representation and certification of the County.

Section 12. Discharge and Satisfaction of Bonds. If the County shall pay and discharge the indebtedness evidenced by any of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of, premium, if any, and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers ("an Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Federal Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(c) By delivering such Bonds to the Registration Agent, for cancellation by it;

and if the County shall also pay or cause to be paid all other sums payable hereunder by the County with respect to such Bonds, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of, premium, if any, and interest on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the County to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the County shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Federal Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Federal Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Federal Obligations shall be withdrawn or used for any purpose other than, and shall be

held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Federal Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the County as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the County, as received by the Registration Agent. For the purposes of this Section, Federal Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any agency thereof, obligations of any agency or instrumentality of the United States or any other obligations at the time of the purchase thereof are permitted investments under Tennessee Law for the purposes described in this Section, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Section 13. 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 the Bonds. The County Executive is authorized to execute at the Closing of the sale of the Bonds, an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and material event notices to be provided and its obligations relating hereto. 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 its undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performances.

Section 14. Qualified Tax-Exempt Obligations. To the extent the Bonds may be designated as "qualified tax-exempt obligations" within the meaning of and pursuant to Section 265 of the Code, the County Executive shall designate the Bonds as "qualified tax-exempt obligations".

Section 15. Reasonably Expected Economic Life. The "reasonably expected economic life" of the Projects financed with the proceeds of the Bonds within the meaning of Sections 9-21-101, et seq., Tennessee Code Annotated, is not less than twenty-five years.

Section 16. Resolution a Contract. The provisions of this resolution shall constitute a contract between the County and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner until such time as the Bonds and interest due thereon shall have been paid in full.

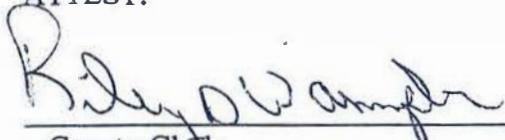
Section 17. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 18. 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 ⁴th day of ~~September~~ ^{October}, 1999.


County Executive

ATTEST:


County Clerk

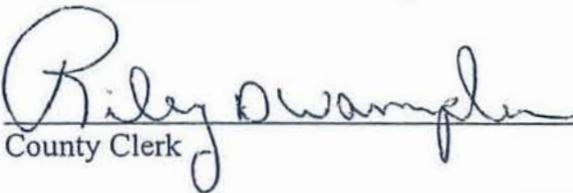
SEAL

STATE OF TENNESSEE)

COUNTY OF LOUDON)

I, Riley D. Wampler, hereby 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 meeting of the governing body of the County held on September 13, 1999; 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 an amount not to exceed \$6,990,000 General Obligation Public Improvement Bonds, Series 1999 of said County.

WITNESS my official signature and seal of said County this 4 day of ~~September~~^{October}, 1999.


County Clerk

The Board of County Commissioners of Loudon County, Tennessee, met in a regular session on ~~September 6~~ ^{October 4}, 1999, at 7:00 o'clock, p.m., at the Loudon County Courthouse, Loudon, Tennessee, with the Honorable George Miller, County Executive, presiding.

The following Commissioners were present:

Randolph, Thomas, Maples, Jenkins, Masingo, Bledsoe, Duff, Park and Harold

The following Commissioners were absent:

There was also present Riley D. Wampler, County Clerk.

After the meeting was duly called to order, the following resolution was introduced by Jerry Park, seconded by Ted Randolph and after due deliberation, was adopted by the following vote:

AYE: 9

NAY: 0

STATE OF TENNESSEE, LOUDON COUNTY
I, Riley D. Wampler, County Court Clerk for said county
certify this to be a true and correct copy of the original
which is on file in my office at the Court House in
Loudon. Witness my hand and seal at office, this

7th Oct 19 99 Pages 21
Riley D. Wampler Clerk
By W. Barbara Russell D.C.

RESOLUTION 100499-D

A RESOLUTION AMENDING THE ZONING MAP OF LOUDON COUNTY, TENNESSEE, PURSUANT TO CHAPTER FOUR, SECTION 13-7-105 OF THE TENNESSEE CODE ANNOTATED, TO REZONE PROPERTY AT 1393 WALLERS FERRY ROAD, LOCATED IN THE FIFTH LEGISLATIVE DISTRICT, REFERENCED BY TAX MAP 11, PARCEL 18, FROM DISTRICT R-1 SUBURBAN RESIDENTIAL DISTRICT, TO C-2, GENERAL COMMERCIAL DISTRICT.

WHEREAS, the Loudon County Commission, in accordance with Chapter Four, Section 13-7-105 of the Tennessee Code Annotated, may from time to time, amend the number, shape, boundary, area or any regulation of or within any district or districts, or any other provision of any zoning resolution, and

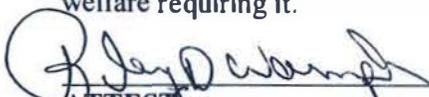
WHEREAS, the Regional Planning Commissions have forwarded recommendations regarding the amendment to the Zoning Map of Loudon County, Tennessee,

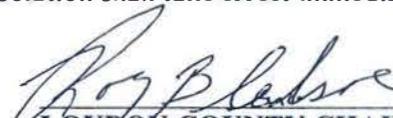
WHEREAS, a notice of public hearing and a description of the resolution appeared in the Loudon County News Herald on August 30, 1999, consistent with the provisions of Tennessee Code Annotated, Section 13-7-105,

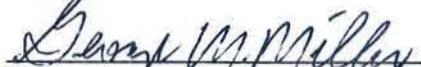
NOW, THEREFORE, BE IT RESOLVED by the Loudon County Commission that the Zoning Map of Loudon County, Tennessee be amended as follows:

1. That property at 1393 Wallers Ferry Rd., located in the Fifth Legislative District, referenced by Tax Map 11, Parcel 18, be rezoned from R-1, Suburban Residential District, to C-2, General Commercial District, as represented on the attached map; said map being part of this Resolution.

BE IT FINALLY RESOLVED, that this Resolution shall take effect immediately, the public welfare requiring it.


ATTEST

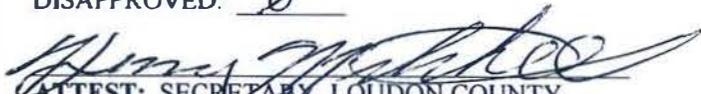

LOUDON COUNTY CHAIRMAN
DATE: Oct. 4, 1999


APPROVED: LOUDON COUNTY EXECUTIVE

The vote on the question of approval of this Resolution by the Planning Commissions is as follows:

APPROVED: 11

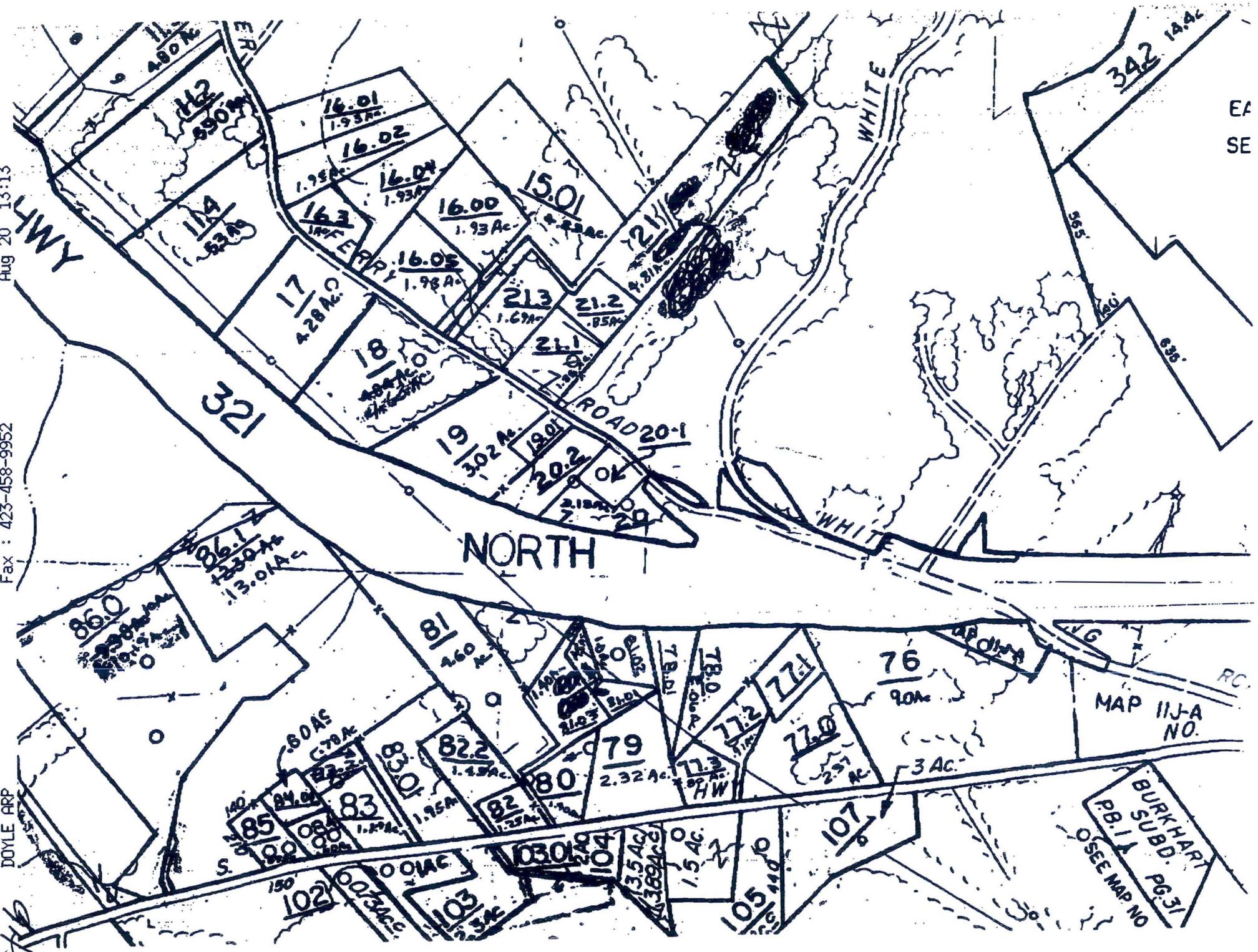
DISAPPROVED: 0


ATTEST: SECRETARY, LOUDON COUNTY
REGIONAL PLANNING COMMISSION
Dated: September 21, 1999

Aug 20 13:13

Fax : 423-458-9952

DOYLE ARP



EA
SE

MAP 11J-A
NO.

BURKHART
PB. 1A
PG. 31
SEE MAP NO

HWY

321

NORTH

WHITE

WHITE

ROAD 20-1

76

MAP 11J-A
NO.

BURKHART
PB. 1A
PG. 31
SEE MAP NO

DOYLE ARP

RESOLUTION 100-199-E

A RESOLUTION AMENDING THE ZONING MAP OF LOUDON COUNTY, TENNESSEE, PURSUANT TO CHAPTER FOUR, SECTION 13-7-105 OF THE TENNESSEE CODE ANNOTATED, TO REZONE PROPERTY AT WALLERS FERRY ROAD, HIGHWAY 321 NORTH, LOCATED IN THE FIFTH LEGISLATIVE DISTRICT, REFERENCED BY TAX MAP 11, PARCEL 11.4, FROM DISTRICT R-1 SUBURBAN RESIDENTIAL DISTRICT, TO C-2, GENERAL COMMERCIAL DISTRICT.

WHEREAS, the Loudon County Commission, in accordance with Chapter Four, Section 13-7-105 of the Tennessee Code Annotated, may from time to time, amend the number, shape, boundary, area or any regulation of or within any district or districts, or any other provision of any zoning resolution, and

WHEREAS, the Regional Planning Commissions have forwarded recommendations regarding the amendment to the Zoning Map of Loudon County, Tennessee,

WHEREAS, a notice of public hearing and a description of the resolution appeared in the Loudon County News Herald on September 2, 1999, consistent with the provisions of Tennessee Code Annotated, Section 13-7-105,

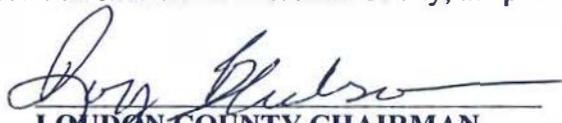
NOW, THEREFORE, BE IT RESOLVED by the Loudon County Commission that the Zoning Map of Loudon County, Tennessee be amended as follows:

1. That property at Wallers Ferry Rd., Highway 321 North, located in the Fifth Legislative District, referenced by Tax Map 11, Parcel 11.4, be rezoned from R-1, Suburban Residential District, to C-2, General Commercial District, as represented on the attached map; said map being part of this Resolution.

BE IT FINALLY RESOLVED, that this Resolution shall take effect immediately, the public welfare requiring it.

ATTEST

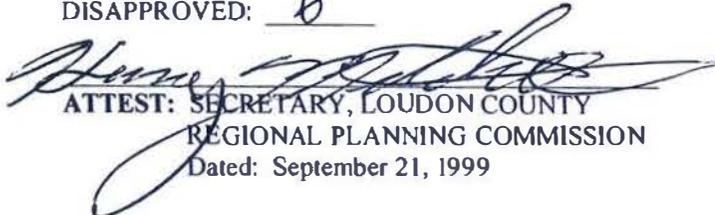

APPROVED: LOUDON COUNTY EXECUTIVE


LOUDON COUNTY CHAIRMAN
DATE: Oct. 4, 1999

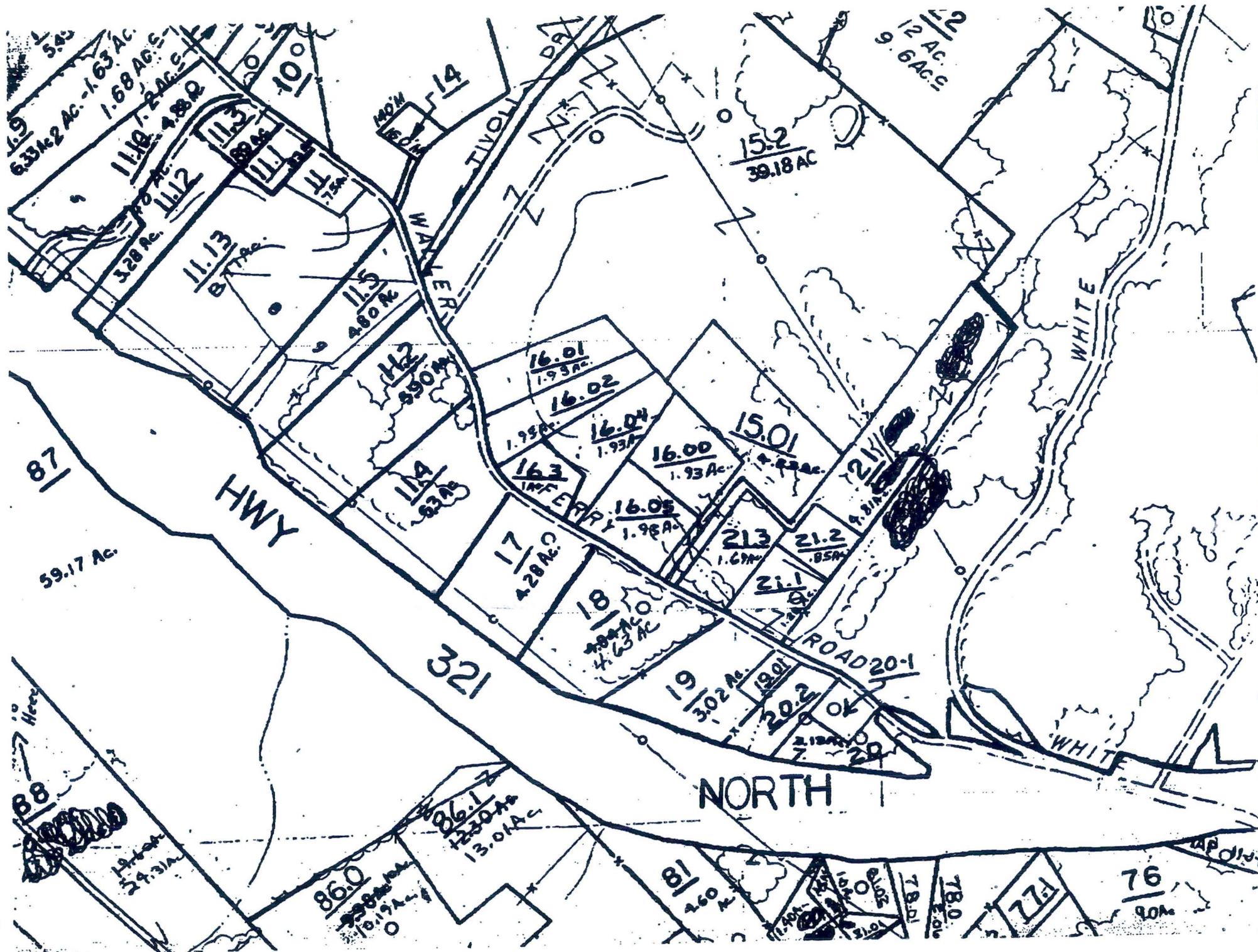
The vote on the question of approval of this Resolution by the Planning Commissions is as follows:

APPROVED: 11

DISAPPROVED: 0


ATTEST: SECRETARY, LOUDON COUNTY
REGIONAL PLANNING COMMISSION
Dated: September 21, 1999

FILE #99-8-107-R7-CO



DOYLE RRP

Fax : 423-458-9952

Aug 30 13:29

947

RESOLUTION 100499-F

A RESOLUTION ADOPTED BY THE LOUDON COUNTY COMMISSION ACCEPTING A PORTION OF DEWITT DRIVE INTO THE PUBLIC ROADWAY SYSTEM, LOCATED OFF FORD ROAD IN THE SIXTH LEGISLATIVE DISTRICT OF LOUDON COUNTY, TENNESSEE

WHEREAS, the chief legislative body of the county has the authority under Tennessee Code Annotated to accept the dedication of roads, to adopt policies and standards for the acceptance of new roads and to reopen previously closed county roads; and

WHEREAS, the Loudon County Regional Planning Commission has received a request from property owner Neil Ward and referred by the County Road Superintendent, requesting that a dedicated newly constructed 230' road extension to existing Dewitt Drive be accepted into the County's public road system; and

WHEREAS, said new extension consists of a gravel base and paved surface, approximately 13' in width, and a dedicated right-of-way of 50'; and

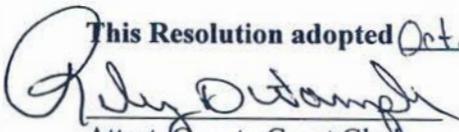
WHEREAS, there is no anticipated additional cost to the County to improve this road extension for public road purposes; and

WHEREAS, the Loudon County Regional Planning Commission has reviewed this matter and recommends that the new extension **be accepted** into the County's Roadway System based on the recently improved conditions and function of the road in the transportation network.

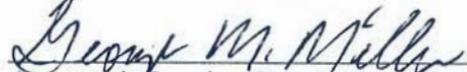
NOW, THEREFORE, BE IT RESOLVED, that the Loudon County Commission considers the acceptance of this new extension to be in the public benefit and that said road extension be accepted into the County's roadway system as indicated on the attached map, said map being a part of this Resolution. Dewitt Drive now becomes a total of 0.4 miles in length.

NOW, THEREFORE, BE IT FINALLY RESOLVED, that this Resolution shall take effect immediately the public welfare requiring it.

This Resolution adopted Oct. 4, 1999

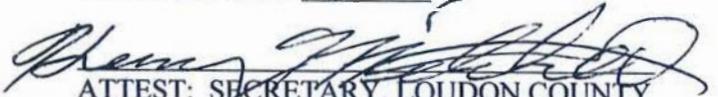

Attest, County Court Clerk


Loudon County Chairman

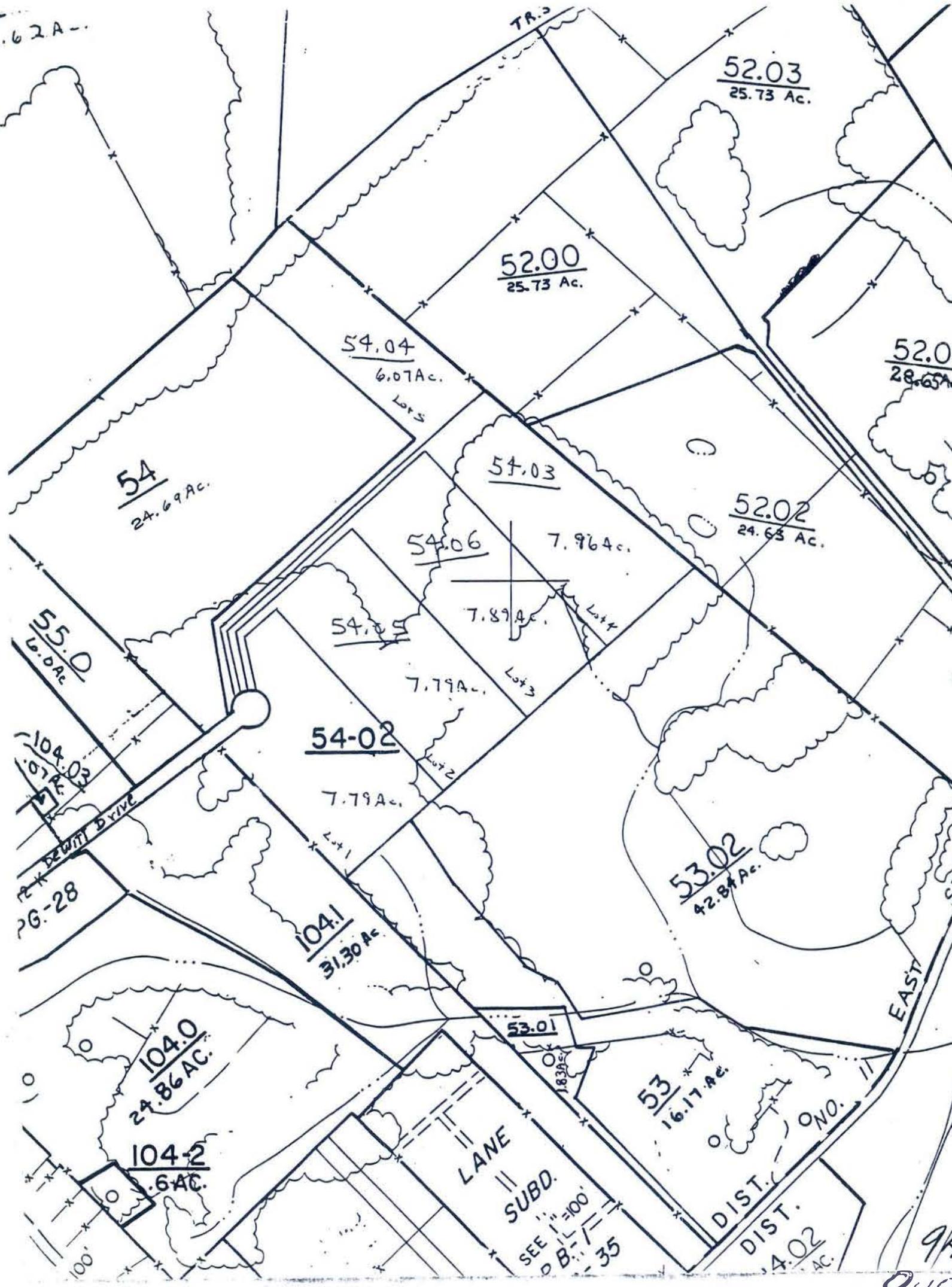

Approved: Loudon County Executive

The vote on the question of approval of this Resolution by the Planning Commission is as follows:

APPROVED: 9
DISAPPROVED: 0


ATTEST: SECRETARY, LOUDON COUNTY
REGIONAL PLANNING COMMISSION
DATE: 6/15/99

62A



54
24.69 Ac.

52.00
25.73 Ac.

54.04
6.07 Ac.
Lots

54.03

54.06 7.964 Ac.
Lot 4

54.05 7.89 Ac.
Lot 3

54.05 7.79 Ac.
Lot 3

54-02

7.79 Ac.
Lot 2

104.1
31.30 Ac.
Lot 1

53.02
42.84 Ac.

104.0
24.86 Ac.

104.2
7.64 Ac.

53.01
1.83 Ac.

53
16.17 Ac.

52.03
25.73 Ac.

52.01
28.65 Ac.

52.02
24.65 Ac.

104.0
0.17 Ac.

DEWITT DRIVE

PG-28

LANE
SUBD.

SEE 1" = 100'
B-35

DIST. ONO.
DIST. 4.02 AC.

94
949

LOUDON COUNTY COMMISSION

RESOLUTION NO. 100499-6

**RESOLUTION APPROVING PARTICIPATING WITH OTHER TENNESSEE COUNTIES
INILING AN INTERVENING PETITION AND/OR OBJECTIONS OR EXCEPTIONS
CONTESTING ASSESSMENTS OF PERSONAL PROPERTY**

WHEREAS, in Tennessee there are two (2) types of companies for tax reporting purposes, to-wit: #centrally-assessed# companies, and (2) #locally-assessed# companies; and

WHEREAS, #centrally-assessed# companies (basically airlines, railroads, pipelines, truck lines, and tele-communications companies) file directly with the State, pay the tax to the State, and the State then pays the counties; and

WHEREAS, the term #locally-assessed# companies basically includes all other companies and taxpayers not under the category of #centrally-assessed# companies, who basically file reports with the local property assessor and pay the tax on a local basis; and

WHEREAS, locally-assessed companies are subject to depreciation schedules codified in T.C.A. §67-5-903, which depreciation schedules were established by the legislature; and

WHEREAS, the legislature arbitrarily established depreciation schedules on an eight (8) year basis, whereas a centrally-assessed company with essentially the same equipment, has been allowed by the State to depreciate personalty over a twelve (12) year period, which means that centrally-assessed property has a longer life and higher values, which then results in proportionately more property tax being paid to the counties than under locally-assessed schedules; and

WHEREAS, after the depreciation schedules were implemented by the State, the airlines and railroads filed suit against the State Board of Equalization in federal court to object and obtain relief, with a temporary partial settlement of the litigation having then been made by the Tennessee State Board of Equalization granting a fifteen percent (15%) equalization relief to airlines and railroads (and later to the telephone company); and which relief, however,

WHEREAS, as aforesaid, Hamilton County, Davidson County, Shelby County, and Williamson County intervened in the federal court litigation, and reached an agreement with BellSouth that the Board of Equalization conduct a fact-finding hearing to determine whether or not the eight (8) year depreciation schedule adopted by the legislature for locally-assessed companies is fair, as compared to the twelve (12) year State depreciation schedule; and

WHEREAS, those counties also appealed the fifteen percent (15%) relief, but which relief, however has now been held to be inequitable in the litigation by the Tennessee Court of Appeals; and

WHEREAS, as a part of the appeals and agreements that have been made in the proceedings, a decision is expected soon, which decision is predicted to favor the counties by holding that the schedules established by the legislature undervalue locally assessed property by a significant amount (the estimate is somewhere between 20% to 50%); and

WHEREAS, the other counties in the State which are not presently involved in the litigation have the opportunity for the year 1999 of having the benefits of these developments if timely exceptions and interventions are filed with the State Board of Equalization, with there being a possibility of additional relief by intervening in the suit that is pending; and

WHEREAS, it is speculated by the attorneys for the counties that have been involved in these proceedings that counties with good industrial bases would have a substantial increase in taxes by the equalization of locally-assessed values with centrally-assessed depreciation schedules and values, and it also seems almost certain that counties who file exceptions in 1999 should get the fifteen percent (15%) equalization deduction removed, which was given to the airlines, railroads and telephone company; and

WHEREAS, the Loudon County Commission desires to be included with other counties in the State who are joining in to ask for equalization of the personal property tax assessments;

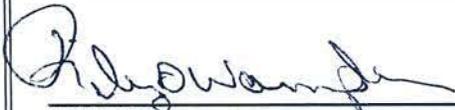
NOW, THEREFORE, BE IT RESOLVED by the Loudon County Commission, in regular session assembled on this 4th day of October, 1999, that the Loudon County Attorney and Loudon County Executive be authorized to file the necessary exceptions, interventions and pleadings to join with the other counties in the State of Tennessee in the matters pending, or to be filed before the State Board of Equalization and the Tennessee Court of Appeals, and are hereby authorized to take any necessary and reasonable steps to obtain the benefits, and to protect and secure the interest of Loudon County in these matters.

BE IT FURTHER RESOLVED that the initial steps already taken by the County Attorney in these matters are hereby ratified.

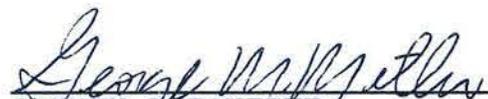
This resolution shall take effect upon adoption, the public welfare requiring it.


COUNTY CHAIRMAN

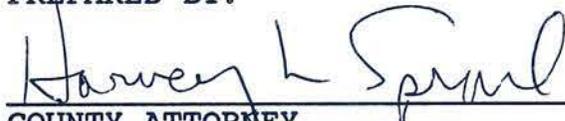
ATTEST:


COUNTY CLERK

APPROVED:


COUNTY EXECUTIVE

PREPARED BY:


COUNTY ATTORNEY