

LOUDON COUNTY COMMISSION

STATE OF TENNESSEE

COUNTY OF LOUDON

October 3, 2011

6:00 PM

REGULAR MEETING

- (1) **Opening of Meeting** **BE IT REMEMBERED** that the Board of Commissioners of Loudon County convened in regular session in Loudon, Tennessee on the 3rd day of October, 2011. The **Honorable Roy Bledsoe** called the meeting to order.
- Commissioner Franke** opened the County Commission Meeting, led the Pledge of Allegiance to the Flag of the United States of America and gave the invocation.
- (2) **Roll Call** Present were the following Commissioners: **Jenkins, Meers, Maples, Shaver, Franke, Bledsoe, Duff, Yarbrough, Harrelson, and Miller: (10)**
The following Commissioners were **Absent: (0)**
Thereupon **Chairman Bledsoe** announced the presence of a quorum.
Present was the **Honorable Mayor Estelle Herron.**
- (3) **Agenda Adopted As Amended** **Chairman Bledsoe** requested that the October 3, 2011 Agenda be adopted. **Commissioner Franke** requested to delete the item listed for him on Summit Hill Road stating that more investigation was needed before presenting it to the Commission and **Commissioner Yarbrough** requested to move her Item B.1. on the Tennessee County Loan Services Pool Representative forward on the agenda to prior to the **Mayor's** presentation and to delete the other two items listed for her. A **motion** was made by **Commissioner Maples** with a second by **Commissioner Meers** to adopt the Agenda as amended.
Upon voice vote the motion **Passed** unanimously.
- (4) **Coach Bill Thompson Day Proclamation Presented** **Chairman Bledsoe** announced the presentation of a **Proclamation Declaring October 3, 2011 as Coach Bill Thompson Day in Loudon County.** **Loudon County Director of Schools, Coach Thompson, John Napier,** and several members of the Loudon High School Baseball team came forward. **John Napier,** who has worked closely with the Coach for many years, read the Proclamation and **Chairman Bledsoe** made the presentation. **Coach Thompson** thanked everyone and said that he had been blessed to have worked here in Loudon County for so many years and that he had been extremely fortunate to have coached some extraordinary students. **Chairman Bledsoe** commented that **Coach Thompson** had accomplished so much in his 38 years of dedicated service to the County and that he was very deserving of this recognition. He made a **motion** with a second by **Commissioner Jenkins** to accept and approve this Proclamation.
Upon voice vote the motion **Passed** unanimously.

(5)
Minutes for
Sept 19, 2011
Approved
As Amended

Chairman Bledsoe requested that the September 19, 2011 County Commission Meeting Minutes be approved and accepted.
Commissioner Miller made some wording changes to Item 9 on page 3 and made a **motion** with a second by **Commissioner Yarbrough** to approve and accept these minutes as amended.
Upon voice vote the motion **Passed** unanimously.

(6)
Comments:
Agenda Items

Chairman Bledsoe asked that any visitor wishing to address the Commission regarding items on the planned Agenda come forward.
Wayne Schnell came forward to speak about the School Building Program Loans saying that he favored fixed rates emphasizing currently low interest rates. He is very supportive of keeping the property tax rate increase money set aside for School Building Program use only and he favors the 20 year loan term option.
Pat Hunter spoke about the Minutes for September 19, 2011 Commission Meeting regarding payment of the \$430,000. in Architect's fees discussed at this meeting and the issue of the School Board approving invoices in advance of payments. She provided invoices from past actions as proof that this is the usual procedure. She also questioned whether or not the Adequate Facilities Tax had been approved and asked **Budget Director Blair** to relook at this. She spoke about her concern regarding the fees the County has had to pay for past financing agreements. She spoke about the current School Building Program Funding and supported the Commission's intention to develop a Long-Range Financial Plan and a Debt Management Policy.

(7)
Commitment
Of Funding
For School
Building
Program
And
Authorization
For Mayor
To Sell Bonds
In 2011
Approved

Loudon County Commissioner, Sharon Yarbrough, requested discussion and possible consideration of the Tennessee County Services Loan Pool.
Commissioner Yarbrough said that she had moved this Item forward on the Agenda to allow the Commission an opportunity to discuss this option further prior to consideration of approving a Debt Issue Resolution for the School Building Program and she hoped the Commission would remain open to other funding options.
Commissioner Shaver stated that he felt there needed to be a motion on the floor prior to any discussion and he **made a motion** to approve the proposed fixed-rate Bond Resolution presented by Mr. Ayres with an amendment for \$43M at a fixed-rate and authorizing the Mayor to sell bonds for only \$10M in the calendar year 2011 for a term not to exceed 25 years.
Commissioner Miller seconded the motion.
Lengthy discussion followed with **Commissioner Yarbrough** expressing concern that the Commission was locking themselves into an agreement for management of the full \$43M program. Discussion resulted in a general agreement that this Resolution can be amended in the future after the County Debt Management Plan has been developed and approved and following further deliberations. The remaining \$33M is free to be financed differently if desired. **Commissioner Yarbrough** then questioned committing to the entire \$43M at this time and **Commissioner Miller** responded that he had the same concern prior to a discussion he had with **Joe Ayres from Morgan Keegan** earlier who pointed out that he believed the School Board would not be comfortable going forward without assurance of full commitment and that potential investors would not be willing to purchase Bonds unless they were assured that the entire \$43M had been committed. Therefore, this was necessary to proceed with securing funding.

Commissioner Yarbrough asked **Steve Walker from the Tennessee Services Loan Pool** to offer comments from his perspective. **Mr. Walker** said that he had not seen the Resolution but was assuming it authorized Public Sale of Bonds and, that being the case, he would not be able to bid on a public sale. He stated that he understood the Commission's position and felt they were doing the right things but passing this resolution as he understood it would eliminate him from participating. **Commissioner Miller and Commissioner Meers**, with several other Commissioners expressing support, voiced their desire to have the Loan Pool be able to participate. **Mr. Ayres** said that he and **Mr. Walker** had spoken prior to the meeting about this and he offered a possible process whereby it may be possible to allow **Mr. Walker's** participation. **Mr. Ayres** said that if they put the Bonds out for public sale within the next week to 10 days, and **Mr. Walker** wanted to submit his sealed-bid funding proposal which would be good for 30 days, the Commission and Mayor could consider both options before making a decision. This would require them to reach a final decision within the 30 day timeframe and, if they chose to select the Bond Fund proposal, the Mayor would have to reject the other bids. Coordination and quick reaction would be key to making this process work. **Commissioner Miller and Commissioner Meers** each spoke in favor of this option with other Commissioners agreeing. **Mr. Ayres** cautioned that the bond bidders would be expecting a quick response and that timing would be critical in this process. **Mr. Walker** stated that this would put him at a disadvantage in the competition because there would already be a deal on the table and he was still skeptical about this working out. **Commissioner Shaver** spoke about the difference between the two proposals being that the Bond Fund would provide a fixed-rate for only 10 years with review at 10 years and the proposal from **Mr. Ayres** offers a full-term fixed-rate which he much prefers. He stated that he would rather assume the risk for a full-term, fixed-rate bond, at possibly higher cost, than take a chance on the interest rate in the next 10 years on the \$10M. Other Commissioners supported this position. **Mr. Ayres** said that it's hard to envision how long term commitments will work out but that, if the Commission is more comfortable with the fixed-rate option, they need to make that decision firm to prevent looking "wishy-washy" to potential investors. **Commissioner Miller** asked **Mr. Walker** if any of the Banks he uses would be willing to lock-in for 25 years and the response was "No". He said that today it's 10 years but that it goes back and forth. He stated that the Loan Pool has no flexibility except what they can get the Banks to agree to. **Commissioner Miller** said that he believes that, with present interest rates being so low, the rates will be much higher within the next 10 years and he prefers a fixed-rate locked in for 20-25 years.

Chairman Bledsoe asked if there was any further discussion and upon receiving none he **called for a vote on the motion.**

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

The following Commissioner voted **Nay: Yarbrough: (1)**

The following Commissioners were **Absent: (0)**

Thereupon the Chairman announced the motion **Passed: (9, 1, 0)**

Resolution 100311-A

Exhibit 100311-A1 - Tennessee County Services Loan Pool School Funding Proposal

(8)
Lease
Agreement
Approved

Loudon County Mayor, Estelle Herron, requested consideration and possible action on the following Items:

1. Request Consideration of Approving a License Agreement between State of Tennessee Department of Environment and Conservation and Loudon County.

A **motion** was made by **Commissioner Franke** with a second by **Commissioner Jenkins** to approve this agreement.

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

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

The following Commissioners were **Absent: (0)**

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

Exhibit 100311-B

(9)
Boards/
Committees
Appointments
Approved

2. Request Consideration of Approving Boards/Committees Appointments for the following:

- a. Loudon County Air Quality Task Force
- b. Jail Study Ad-Hoc Committee
- c. Loudon County Library Board

A **motion** was made by **Commissioner Duff** with a second by **Commissioner Shaver** to approve all of these resolutions.

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

Resolutions 103011- C-E

(10)
County 2012
Schedules
Approved

3. Request Consideration of Approving the Following Schedules:

- a. Meeting Dates Schedule for 2012
- b. Holidays Schedule for 2012

A **motion** was made by **Commissioner Shaver** with a second by **Commissioner Franke** to approve both schedules.

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

Exhibits 100311- F-G

(11)
Reapportionment/
Redistricting
Plan
Approved

Loudon County Planning and Codes Director, Russ Newman, Requested Consideration of Approval of the Following:

1. Request Consideration of Approving a Resolution to Adopt a Reapportionment/Redistricting Plan for Loudon County.

A **motion** was made by **Commissioner Harrelson** with a second by **Commissioner Maples** to approve this resolution.

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

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

The following Commissioners were **Absent: (0)**

Thereupon the Chairman announced the motion **Passed: (9, 1, 0)**

Resolution 103011-H

Loudon County Budget Director, Tracy Blair, requested consideration and possible action on the following items:

(12)
Fund 101
Approved

1. Consideration of a Recommendation to Approve Amendments in the Following Funds:

a. Chancery Court Budget in County General Fund 101

A **motion** was made by **Commissioner Meers** with a second by **Commissioner Yarbrough** to approve this recommendation.

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

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

The following Commissioners were **Absent: (0)**

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

Exhibit 100311-I

(13)
Fund 141
Approved

b. General Purpose School Fund 141

A **motion** was made by **Commissioner Shaver** with a second by **Commissioner Franke** to approve this recommendation.

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

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

The following Commissioners were **Absent: (0)**

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

Exhibit 100311-I

(14)
Fund 142
Approved

c. School Federal Projects Fund 142

A **motion** was made by **Commissioner Miller** with a second by **Commissioner Jenkins** to approve this recommendation.

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

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

The following Commissioners were **Absent: (0)**

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

Exhibit 100311-K

(15)
Increase
County
Contribution
To Senior
Health Care
Approved

2. Consideration of Approval of an Increase in the County's Contribution to Sr. Health Insurance.

A **motion** was made by **Commissioner Yarbrough** with a second by **Commissioner Miller** to approve this recommendation.

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

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

The following Commissioners were **Absent: (0)**

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

Exhibit 100311-L

(16)
Notaries
Approved

Loudon County Commissioner, David Meers, made a **motion** with a second by **Commissioner Shaver** to approve the following **Notaries:** *Melissa R. Lowe; David M. Butler; Cynthia Annette Lennex; Charles Anthony Hale; Brittani Hale; Melissa M. Hickman; Carla A. Millsaps; Gayle G. Matlock; Susan H. Fox; Denise Ann Walls; and Judy F. Surrent.*

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

Exhibit 100311-M

(17)
Comments:
Non-Agenda
Items

Chairman Bledsoe asked that any visitor wishing to address the Commission regarding items not on the Agenda come forward.

No one came forward.

Chairman Bledsoe asked if there were any further comments and, upon receiving none, he asked for a motion to adjourn.

(18)
Adjournment

There being no further business, a **motion** being duly made and seconded, the October 3, 2011 County Commission Meeting stood adjourned at 9:00 p.m.

CHAIRMAN

ATTEST:

COUNTY CLERK

COUNTY MAYOR