

**STATE OF TENNESSEE
COUNTY OF HAMBLEN
CORPORATION OF MORRISTOWN
JULY 1, 2008**

The City Council for the City of Morristown, Hamblen County, Tennessee, met in regular session at the regular meeting place of the Council in the Morristown City Center at 4:00 p.m., Tuesday, July 1, 2008 with Honorable Mayor Barbara C. "Sami" Barile presiding and the following named Councilmembers present: Claude Jinks, Frank McGuffin, William Rooney, Kay Senter and Mel Tucker; absent: Rick Trent.

Councilmember Jinks made a motion to approve the June 17, 2008 minutes as circulated; Councilmember Rooney seconded the motion and all voted "aye".

A public hearing was held on the following captioned Resolution No. 16-08; Councilmember Jinks made a motion to adopt said Resolution. Councilmember McGuffin seconded the motion and upon roll call, all voted "aye".

RESOLUTION NO. 16-08

PLAN OF SERVICES

RESOLUTION ADOPTING A PLAN OF SERVICES FOR THE ANNEXATION OF 4959 SOUTH DAVY CROCKETT PARKWAY.

WHEREAS, TENNESSEE CODE ANNOTATED, TITLE 6, CHAPTER 51, AS AMENDED REQUIRES THAT A PLAN OF SERVICES BE ADOPTED BY THE GOVERNING BODY.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND COUNCIL OF THE CITY OF MORRISTOWN, TENNESSEE:

PROPERTY IDENTIFIED ON THE HAMBLEN COUNTY TAX MAP 057 PARCEL 102.00.

TO BE ZONED AS Intermediate Business (IB).

Beginning at the point of intersection of parcel 102.00 and 103.00 of Hamblen County Tax Map 57 with the western boundary of the South Davy Crockett Parkway (U.S. Highway 25E) right-of-way heading in a westerly direction along the common boundaries shared by parcels 102.00 and 103.00 of Hamblen County Tax Map 57 to the point of intersection with parcel 11.00 of Hamblen County Tax Map 57J Group C: Thence, in a northerly direction along the western boundary of parcel 102.00 of Hamblen County Tax Map 57 to the intersection with parcel 11.01 of Hamblen County Tax Map 57J Group C; Thence, in an easterly direction along the common boundary shared by parcel 11.01 of Hamblen County Tax Map 57J Group C with parcel 102 of Hamblen County Tax Map 57 to the western boundary of the South Davy Crockett Parkway (U.S. Highway 25E) right-of-way; Thence, in a southerly direction along the common boundary shared by the western boundary of the South Davy Crockett Parkway (U.S. Highway 25E) right-of-way and parcel 102.00 of Hamblen County Tax Map 57 to the point of beginning.

Section I. Pursuant to the provisions of Title 6, Chapter 51, Tennessee Code Annotated, there is hereby adopted, for the area bounded as described above, the following plan of services.

a. Police

1. Patrolling, radio responses to calls, and other routine police services, using present personnel and equipment, will be provided upon the effective date of annexation.

2. Traffic signals, traffic signs, street markings and other traffic control devices will be installed as the need therefore is established by appropriate study and traffic standards.

b. Fire

Fire protection by the present personnel and the equipment of the fire fighting force, within the limitations of available water and distances from fire stations, will be provided upon the effective date of annexation.

c. Water

1. Water for potable use will be provided in accordance with current policies of the Morristown Utility Commission unless located in an area in which another utility district has made service available and asserts Title 7 USC 1926b protection in the annexed area.

2. Water for fire protection to serve the substantially developed annexed area(s) will be provided in accordance with current policies of Morristown Utility Commission unless authorized by franchise agreement with another utility district which has made service available with capability to meet City of Morristown Fire Protection Standards. Any extension of water system infrastructure beyond that of the Morristown Utility Commission policies shall be at the expense of the property owner or developer.

3. In those parts of the annexed area that are currently served by another utility district, the above conditions and terms will begin upon acquisition of service area by Morristown Utility System or approval of franchise agreement with another utility district which may be delayed by negotiation and/or litigation.

d. Sewers

The necessary collecting, intercepting and trunk sewers to serve the substantially developed annexed area(s) shall be in accordance with the current policies of the city. Any extension of said sewers beyond that of the city's policies shall be at the expense of the property owner or property developer.

e. Electrical

1. Electrical service for domestic, commercial and industrial use will be provided at city rates for new lines as extended in accordance with current policies of Morristown Utility Commission.

2. In those parts of the annexed area presently served by an electric cooperative, the above conditions and terms will begin the acquisition of service area in accordance with State Statutes from such cooperatives or parts thereof, which may be delayed by negotiations and/or litigation.

f. Refuse Collection

The same regular refuse collection service now provided within the city will be extended to the annexed area upon the effective date of annexation.

g. Streets

1. Routine maintenance, on the same basis as in the present city, will begin in the annexed area when funds from the State gasoline tax based on the annexed population are received (usually July 1 following the effective date of annexation).

2. Reconstruction and resurfacing of streets, installation of storm drainage facilities, construction of curbs and gutters, and other such major improvements, as the need therefore is determined by the governing body, will be accomplished under current policies of the city.

h. Inspection Services

Any inspection services now provided by the city (building, electrical, plumbing, gas, housing, weights and measures, sanitation, etc.) will begin upon the effective date of annexation.

i. Planning and Zoning

The planning and zoning jurisdiction of the city will apply to the annexed area in conjunction with the effective date of annexation. The Morristown Regional Planning Commission recommended a zoning designation of Heavy Industrial (HI).

j. Street Lighting

Street lights will be installed under the standards currently prevailing in the existing city.

k. Recreation

Residents of the annexed area may use all existing recreational facilities, parks, etc., on the effective date of annexation. The same standards and policies now used in the present city will be followed in expanding the recreational program and facilities in the enlarged city.

l. Miscellaneous

Street name signs where needed will be installed as new street construction requires.

Section II. This Resolution shall become effective from and after its adoption.

Passed on this 1st day of July 2008.

Mayor

ATTEST:

City Administrator

A public hearing was held on the following captioned Ordinance No. 3334; Councilmember Jinks made a motion to adopt said Ordinance on second and final reading. Councilmember McGuffin seconded the motion and upon roll call, all voted "aye".

**Ordinance No. 3334
Entitled an Ordinance to annex certain territory and
to incorporate same within the Corporate Boundaries
of the City of Morristown, Tennessee. {Annexation of
property located at 4959 South Davy Crockett
Parkway with the Zoning Classification of
Intermediate Business.}**

A public hearing was held on the following captioned Ordinance No. 3335; Councilmember Senter made a motion to adopt said Ordinance on second and final reading. Councilmember McGuffin seconded the motion and upon roll call, all voted "aye".

**Ordinance No. 3335
Entitled an Ordinance to amend the Municipal Code of the
City of Morristown, Tennessee, Appendix B. {Rezoning of
property located at 1836 Old Liberty Hill Road from Single
Family Residential (R-1) to Agriculture and Forestry (A-1).}**

Councilmember Jinks made a motion to award the bid for the installation of the US 25E/Old Witt Road Sanitary Sewer Extension to Portland Utilities in the amount of \$656,319.21. Councilmember Senter seconded that motion and upon roll call, all voted "aye".

Administrator Crumley informed Council that the bids for the Library Renovation Project had opened and Andrews Construction Company was the low bidder at \$1,074,500. The Library Board will award the bid next week.

Councilmember McGuffin made a motion to adopt the following Resolution No. 17-08; Councilmember Jinks seconded the motion and upon roll call, all voted "aye".

RESOLUTION NO. 17-08

RESOLUTION TO APPROVE THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT FOR THE PURPOSE OF PROVIDING FUNDS TO PREPAY AND REFUND CERTAIN OUTSTANDING INDEBTEDNESS HERETOFORE INCURRED BY THE CITY OF MORRISTOWN, TENNESSEE, THROUGH THE EXECUTION OF LOAN AGREEMENTS, WITH A PUBLIC BUILDING AUTHORITY, FOR THE PURPOSE OF FINANCING PUBLIC WORKS PROJECTS

WHEREAS, the City of Morristown, Tennessee (the "Municipality"), pursuant to resolutions adopted by the City Council (the "Council") of the Municipality, has heretofore incurred indebtedness for the purpose of financing certain public works projects for the Municipality by the execution and delivery of Loan Agreements with a Public Building Authority, as follows (i) that certain Loan Agreement, dated as of March 1, 2005, in the original principal amount of \$18,000,000, of which \$18,000,000 principal amount is currently outstanding, the proceeds of such loan having been used for the purpose of financing the acquisition, construction, and/or equipping of a cable television and internet system for the Municipality (the "Cable System"), and (ii) that certain Loan Agreement, dated as of May 1, 2007, in the original principal amount of \$6,500,000, of which \$6,500,000 principal amount is currently outstanding, the proceeds of such loan having been used for the purpose of financing a portion of the Cable System, general public works projects for the Municipality, and water and sewer system improvements (collectively, the "Outstanding Indebtedness");

WHEREAS, the Outstanding Indebtedness is currently outstanding in the aggregate principal amount of \$24,500,000, which principal matures pursuant to the prior Loan Agreements, June 1, 2009 through June 1, 2030, inclusive;

WHEREAS, the Loan Agreements executed in connection with the Outstanding Indebtedness provide that the Outstanding Indebtedness may be prepaid at any time upon the terms and conditions set forth in the respective Loan Agreements without prepayment penalty; and,

WHEREAS, the Council of the Municipality has determined that it is in the best interests of the Municipality to prepay and refund the Outstanding Indebtedness, the proceeds thereof having been used to finance "projects", as defined in Title 9, Chapter 21, Tennessee Code Annotated, as from time to time amended and supplemented, and as set forth in an Indenture of Trust (the "Indenture"), between the Issuer and The Bank of New York Trust Company, N.A. as trustee (the "Trustee"), as permitted under Title 12, Chapter 10, Tennessee Code Annotated, as from time to time amended and supplemented, and as described in the form of a Loan Agreement (the "Loan Agreement"), between the Municipality, as borrower, and the Issuer, such loan to be in the amount of not to exceed \$25,500,000.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MORRISTOWN, TENNESSEE:

Section 1. Approval of the Loan Agreement. The terms of the Loan Agreement are in the best interest of the Municipality and are hereby approved and the Council hereby authorizes the Mayor and the City Administrator/City Recorder of the Municipality to execute and deliver the Loan Agreement, such Loan Agreement to be in substantially the form presented to this meeting, the execution of such Loan Agreement by the Mayor and the City Administrator/City Recorder to evidence their approval of any and all changes to such Loan Agreement, and any related documents necessary to the consummation of the transactions contemplated by the Loan Agreement.

Section 2. Fulfillment of Obligations. The Council of the Municipality is authorized and directed to fulfill all obligations under the terms of the Loan Agreement.

Section 3. Tax Levy. There shall be levied and collected in the same manner as other ad valorem taxes of the Municipality on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount, to the extent necessary in the event funds of the Municipality legally available to pay the indebtedness evidenced by the Loan Agreement are insufficient, a tax sufficient to pay when due the amounts payable under the Loan Agreement, as and when they become due, and to pay any expenses of maintaining and operating the projects required to be paid by the Municipality under the terms and provisions of the Loan Agreement. For the prompt payment of the Loan Agreement, both principal and interest, as the same shall become due, the full faith and credit of the Municipality are irrevocably pledged.

Section 4. Consent to Assignment. The Municipality hereby acknowledges that the provisions of the Indenture assign to the Trustee, among other things, all of the interest of the Issuer in and to the Loan Agreement (other than the rights of the Issuer under Section 7.03 and Section 7.04 of the Loan Agreement, which are reserved to the Issuer) and the Municipality agrees to pay directly to the Trustee any amounts required to be paid by the Municipality to the Issuer pursuant to the Loan Agreement.

Section 5. Prepayment of the Outstanding Indebtedness. Upon the execution and delivery of the Loan Agreement, the Outstanding Indebtedness maturing on and after June 1, 2009, is hereby authorized to be prepaid and notice of such intent to prepay the Outstanding Indebtedness shall be given by the Municipality to the trustee as provided in the Prior Loan Agreement executed in connection with the Outstanding Indebtedness and to instruct the trustee for the bonds outstanding in connection with such loans to redeem the bonds.

Section 6. Miscellaneous Acts. The Mayor, the City Administrator/City Recorder, the City Attorney, and all other appropriate officials of the Municipality are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, in connection with the execution of the Loan Agreement, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved and in connection with the prepayment of the Outstanding Indebtedness.

Section 7. Captions. The captions or headings in this Resolution are for convenience only and shall in no way define, limit, or describe the scope or intent of any provision hereof.

Section 8. Severability. Should any provision or provisions of this Resolution be declared invalid or unenforceable in any respect by final decree of any court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, ordinance, or provisions shall not affect the remaining provisions of such Resolution.

Section 9. Repeal of Conflicting Resolutions. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 10. Effective Date. This Resolution shall take effect upon its adoption, the welfare of the Municipality requiring it.

Adopted this 1st day of July, 2008.

(SEAL)

MAYOR

ATTEST:

CITY RECORDER

Councilmember McGuffin made a motion to appoint Garry Brooks, Bill Brittain and Ann Cranford to the Library Board for three-year terms to expire 7/1/2011. Councilmember Jinks seconded the motion and upon roll call, all voted "aye".

Councilmember Senter made a motion to appoint Justin Cook to the Industrial Development Board to fill the remainder of Keith Powers' term. Term to expire on 7/1/2012. Councilmember McGuffin seconded the motion and upon roll call, all voted "aye".

Councilmember McGuffin made a motion to appoint Terry Ball, Jack E. Campbell, Joel Hice, Anderson Smith and Anthony Price to the Industrial Development Board for six-year terms to expire 7/1/2014. Councilmember Senter seconded the motion and upon roll call, all voted "aye".

Councilmember Jinks made a motion to approve Change Order #2 to Long Foundation Drilling in the amount of \$39,889.67 for Vifan caissons. Councilmember Rooney seconded the motion and upon roll call, all voted "aye".

Bryan Fowler, Director of Wastewater Operations, asked Council to defer action on authorizing the use of eminent domain for sewer easements until next Council meeting to give him the opportunity to try to work out two issues.

CITY COUNCIL CONVENED AS THE BEER BOARD.

Councilmember Tucker made a motion to approve an On-Premise Beer Permit for Planet Wings Grille, 130 Terrace Lane, Suite #7. Councilmember Rooney seconded the motion and upon roll call, all voted "aye".

Mayor Barile adjourned the July 1, 2008 City Council meeting.

Mayor

ATTEST:

City Administrator