

CARTER COUNTY COMMISSION MEETING, REGULAR SESSION AUGUST 18, 2008

Notice of meeting.....539

Sonja Culler sworn in as new Commissioner, 7th District.....540

Resolution No. 491-Actuarial study for Tennessee Consolidated Retirement System-Carter County Tomorrow employees.....540-541

Memorandum of Agreement-Carter County Sheriff's Department and the Carter County Hunting & Fishing Association.....542-543

Notaries approved.....543

Purchase front end loader for landfill \$107,000.....544

15 water tanks for Little Milligan area.....544

Insurance benefits past retirement for employees hired before January 18, 2008.....544

Resolution No. 493-financial assistance for low-income elderly in the amount of \$20.00.....545-546

Budget amendments approved.....547

\$244,000 matching funds for Siam Bridge.....547

Matching funds for West Carter County Fire Department \$1,700.....547

Resolution No. 494-Capital Outlay Notes not to exceed \$130,000 to purchase front end loader for Solid Waster Transfer system.....548-550

1/2¢ Sales Tax put on referendum.....551

Motion to give Sheriff \$95,000 as requested not approved.....552-553

BE IT REMEMBERED, that the County Commission of Carter County, Elizabethton, Tennessee, met in REGULAR SESSION on August 18, 2008, at 10:00 A.M. in the main courtroom of the Carter County Courthouse. Present and presiding were the Honorable Johnny Holder, County Mayor/Chairman; the Honorable Keith Bowers, Jr., County Attorney and the Honorable Mary Gouge, County Clerk. The following Commissioners were present: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Richard Tester, Bill Armstrong, Robert Davis and Robert Gobble.

ROLL CALL.....QUORUM PRESENT  
PRAYER.....LAWRENCE HODGE  
PLEDGE.....ROBERT DAVIS



Carter County Commission

Johnny L. Holder  
County Chairman  
Lawrence Hodge  
Vice-Chairman

801 E. Elk Avenue  
Elizabethton, TN 37643  
(423) 542-1801  
(423) 542-9279 Fax

### **PUBLIC NOTICE OF A REGULAR SESSION OF THE CARTER COUNTY COMMISSION**

NOTICE IS HEREBY GIVEN to all members of the Carter County Commission, to all residents of the County of Carter, Tennessee, and to all persons interested, that the Regular Session of the Carter County Commission will be held Monday, August 18, 2008, 10:00 a.m., Main Courtroom, Carter County Courthouse, 801 E. Elk Avenue, Elizabethton, Tennessee.

#### Agenda

- Call to Order
- Roll Call
- Opening Prayer
- Pledge of Allegiance
- Public Comments
- Michael Hughes, WRRWA
- Don Hurst, Carter County Tomorrow
- Resolution to Authorize and Appropriate Funds for an Actuarial Study of the Cost(s) Associated with Participation of Carter County Tomorrow in the Tennessee Consolidated Retirement System
- Resolution Increasing the Litigation Tax Collected from Ten Dollars to Twenty Five Dollars
- Memorandum of Agreement for the Purpose of Allowing the Use of the Carter County Sheriff's Shooting Range by the Carter County Hunting and Fishing Association
- Recognition of Elected Officials/Guests
- Acceptance of Minutes from Previous Meeting
- Notaries/Bonds
- Appointments to Industrial Development Board
- Committee Reports/Recommendations
- Commissioner Comments
- Adjourn

All matters that may be normally considered may be taken up and acted on at such meetings.

Johnny Holder, County Chairman  
Carter County, Tennessee

Sonja Culler, the new elected Commissioner from the 7th District, was sworn in by Mayor Holder at this time. She was elected to fill the unexpired term of Jack Campbell who had previously resigned.

Under Public Comments, several citizens were recognized. Their main comments addressed the need to downsize the number of Commissioners on the County Commission by putting the issue on a referendum vote to allow the citizens of the County to decide.

Don Hurst, President of Carter County Tomorrow, addressed the Commission at this time stating that he and the Mayor had discussed the redevelopment of 100 acres of county land for industrial development, as well as looking into acquiring up to 500 acres for economic development.

Motion was made by Dickie Renfro, seconded by Jerry Pearman to suspend the reading of Resolution No. 491 which passed by voice roll call vote, Motion was then made by Jack Buckles, seconded by Robert Davis to approve Resolution 49 to authorize an actuarial study to allow Carter County Tomorrow employees to participate in the Tennessee Consolidated Retirement System. Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L.C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Sonja Culler, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble

NAYS: 0  
PASSING: 0  
ABSENT: 0

There being 24 ayes, 0 nays, 0 passing and 0 absent, motion duly carried this August 18, 2008.

Tennessee Consolidated Retirement System

A RESOLUTION NO. 491 to authorize and appropriate funds for an actuarial study of the cost(s) associated with participation of a political subdivision in the Tennessee Consolidated Retirement System in accordance with Title 8, Section 34 through 37 of the Tennessee Code Annotated.

WHEREAS, the Tennessee Code Annotated Section 8-35-201 permits a political subdivision to petition the Board of Trustees of the Tennessee Consolidated Retirement System for participation into said system; and

WHEREAS, CARTER COUNTY (Name of Political subdivision) desires to consider the cost(s) of such coverage effective for all its employees in all of its departments or instrumentalities prior to the final authorization of said coverage; and

WHEREAS, the determination of said cost(s) requires the service of an actuary, the cost of said actuarial study is required to be paid by the political subdivision; and all public entities responsible for the direct funding of the said political subdivision must approve these provisions.

NOW, THEREFORE BE IT RESOLVED, That the CARTER COUNTY COMMISSION (Name of Governing Body) of CARTER COUNTY (Name of Political subdivision) hereby authorizes and appropriates funds for an actuarial study of the cost(s) of participation for said employees in the Tennessee Consolidated Retirement System pursuant to Tennessee Code Annotated Section 8-35-201; and the basic actuarial study shall include the cost of determining the liability if, (a) the employer elects to purchase all of the employees' years of prior service and (b) the liability if, the employer elects to not purchase prior service, but accepts the unfunded liability if the employee elects to establish all years of prior service.

- 1. The employer may also elect to pay for further actuarial calculations based on one or more of the following prior service choices:
a. No prior service will be established.
b. The employer will purchase \_\_\_ years of prior service, and will accept the unfunded liability if the employee should elect to establish \_\_\_ years of additional prior service.
c. The employer will purchase \_\_\_ years of prior service, and no additional prior service will be established.

The political subdivision has the option of providing retirement coverage for part-time employees and hereby chooses to \_\_\_ such part-time employees from the actuarial study. (include/exclude)

There is hereby appropriated from the general funds such amount required to pay for the cost of said actuarial study. Upon receipt of the determination of such study, the \_\_\_ (Name of Political subdivision)

is hereby authorized and directed to pay the cost said study from the funds herein above appropriated, to the Tennessee Consolidated Retirement System or as directed by the Board of Trustees of said system.

STATE OF TENNESSEE COUNTY OF CARTER

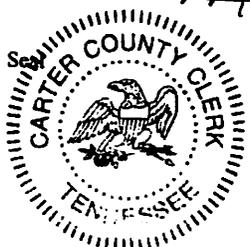
I, MARY GOUGE clerk of the board of the TR-9021

CARTER COUNTY COMMISSION (Name of Governing Body) of CARTER COUNTY (County, City, Town, etc.) Tennessee, do certify that this is a true and exact copy of the foregoing

resolution that was approved and adopted at a meeting held on the 18th day of August, 2008, the original of which is on file in this office. I further certify that \_\_\_ members voted in favor of the resolution and that 24 members of the governing body were present and voting.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the COUNTY OF CARTER (Name of County, City, Town, etc.)

Mary Gouge As Clerk of the Board, aforesaid



Motion was made by Dicky Renfro, seconded by Jack Buckles, to suspend the reading of the following Memorandum of Agreement to allow the Carter County Hunting and Fishing Association to use the Carter County Sheriff's Shooting Range. Motion duly carried by voice roll call vote. Motion was then made by Jack Buckles, seconded by Harry Sisk to approve the Memorandum of Agreement as presented. Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble

NAYS: 0  
PASSING: Sonya Culler  
ABSENT: 0

There being 23 ayes, 0 nays, 1 passing and 0 absent, motion duly carried this August 18, 2008.



Keith Bowers, Jr.  
Carter County Attorney

3863 Highway 19E  
Elizabethton, TN 37643  
(423) 542-0200  
(423) 542-0600 Fax

### MEMORANDUM OF AGREEMENT

This Agreement entered into on the 18th day of August, 2008, between the party of the first part, Carter County, Tennessee, (hereinafter known as "County"), and the party of the second part, Carter County Hunting and Fishing Association, (hereinafter known as the "Association"), is entered into for the purpose of allowing the use of the Carter County Sherriff's Shooting Range by the Association.

WHEREAS, the Carter County Commission, in the regularly scheduled August 18, 2008 Commission meeting approved and authorized the use of the Carter County Sherriff's Department Shooting Range by the Association; and,

WHEREAS, the Association agrees to provide to the County a Certificate of Insurance memorializing a policy of a minimum of one million dollars (\$1,000,000.00) naming the County as an additional insured with respect to the County's interest in the Shooting Range. Said policy shall also be in place to indemnify the County from liability associated with use of the Shooting Range. The Association will provide to the County a similar certificate each year upon renewal of the required policy or as renewed continually.

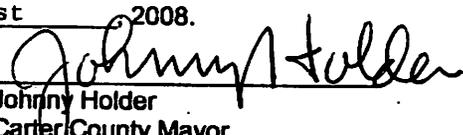
WHEREAS, the parties understand and agree that the Association holds the County harmless and indemnifies the County for any and all injuries to any Association member, either through shooting of any type of firearms in addition to any reason associated with being on the property of the County, and the Association, itself, remains solely liable for any injury that might occur to any member of the Association, while at said County Shooting Range.

WHEREAS, the Association agrees to have any individual who utilizes the County Shooting Range in any way or enters upon property of the County Shooting Range as a result of use by the Association or in connection with the Association execute a release and waiver thereby releasing the County of any liability that said individual could incur for the duration of time that the individual is either using or present at the County Shooting Range. The Association agrees to have said releases on file and make copies available to the County immediately upon their execution.

WHEREAS, the Association understands that they are permitted to use the Shooting Range only at times when it is not in use by the Carter County Sherriff's Department and if there is a scheduling conflict at anytime in the future that the Carter County Sherriff's Department will take a priority position.

WHEREAS, the party of the first part and the party of the second part agree that this Memorandum of Agreement constitutes the entire agreement between the parties, therefore any other agreement, whether written or oral between the parties is considered null and void.

Executed this the 18th day of August, 2008.

  
Johnny Holder  
Carter County Mayor

\_\_\_\_\_  
Chairman  
Carter County Hunting and Fishing  
Association

Mayor Holder recognized the elected and appointed officials in the audience at this time by asking them to stand.

On motion by Lynn Tipton, seconded by Jeff McKinney the minutes of the July 21, 2008, County Commission meeting were approved by voice roll call vote.

On motion by Ken Arney, seconded by Lawrence Hodge the following Notary Bonds/Applications were approved by voice roll call vote.

|                         |                     |
|-------------------------|---------------------|
| Linda S. Birchfield     | John K. Banks       |
| Heather Cole            | Janice Murray       |
| Lloyd Leo Meredith, Jr. | Judy K. Street      |
| Lorrie J. Snead         | Diane D. Hughes     |
| Patti Whitson           | Carol H. Chase      |
| Lonna J. Snead          | Ellen Marie Radford |
| C. Vaughn Pearson       | Angela H. Cornett   |
| Bobby L. Huffman        | Penny S. Cornett    |
| Janice Carol Smithdeal  |                     |

On recommendation of the Landfill Committee, motion was made by Jerry Pearman, seconded by Robert Davis to approve the purchase of a Caterpillar for the landfill in the amount of \$107,000. Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble

NAYS: 0  
PASSING: Sonja Culler  
ABSENT: 0

There being 23 ayes, 0 nays, 1 passing and 0 absent, motion duly carried this August 18, 2008.

On behalf of the Utility Board, Jerry Pearman told the Commissioners that 15 water tanks would be set up in the Little Milligan area next week. He stated that one was a 5000 gallon tank donated by Summers Hardware and the others were 1000 gallon tanks purchased by the Water Authority.

On behalf of the Rules/By-Laws Committee, Jim Whaley explained that the intentions of the committee was for employees hired before the adoption of the new County Employee Handbook on January 22, 2008, to receive the same "insurance benefits past retirement" that were in place at the time they were hired. The rules of the new handbook were for new hires and would only apply to employees hired after it was implemented. For the sake of clarification, motion was made by Jim Whaley, seconded by Nancy Brown for it to be known that employees of the County hired before January 22, 2008, would be "grandfathered-in" to the "insurance benefits past retirement" in effect when they were hired. Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Sonja Culler, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble

NAYS: 0  
PASSING: 0  
ABSENT: 0

There being 24 ayes, 0 nays, 0 passing and 0 absent, motion duly carried this the 18th day of August, 2008. Under the old handbook the county would carry health insurance on employees with 10 years of service from the age of 60 until they were 65. Under the new handbook the county will carry health insurance on employees with 20 years of service from the age of 55 until they are 65.

Jim Whaley reported for the Health and Welfare Committee and Jo Ann Blankenship reported for the Financial Management Committee. Copies of the minutes of these committees are on file in the County Clerk's Office.

Motion was made by Richard Tester, seconded by Jack Buckles to approve the following Resolution No. 493 to provide financial assistance to low-income elderly taxpayers in the amount of \$20.00. Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Sonja Culler, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble

NAYS: 0

PASSING: 0

ABSENT: 0

There being 24 ayes, 0 nays, 0 passing and 0 absent, motion duly carried this August 18, 2008.

RESOLUTION NO. 493

**RESOLUTION TO PROVIDE FINANCIAL ASSISTANCE TO BE PAID FROM CARTER COUNTY TAX REVENUES TO LOW-INCOME ELDERLY TAXPAYERS, TOTALLY AND PERMANENTLY DISABLED HOMEOWNERS, AND DISABLED VETERANS IN ADDITION TO THE TAX RELIEF ALREADY PROVIDED BY THE STATE OF TENNESSEE AS PROVIDED BY T.C.A. §67-5-701, ET SEQ.**

WHEREAS, a need exists in Carter County to provide financial assistance to low-income elderly residents of the county; and

WHEREAS, pursuant to T.C.A. §5-9-112, counties are authorized to appropriate funds on an annual basis for this purpose; and

WHEREAS, pursuant to T.C.A. §5-9-112, the county legislative body is authorized to develop guidelines for eligibility and participation in applying for this assistance;

WHEREAS, pursuant to T.C.A. §67-5-701, the legislative bodies of counties may provide for the appropriation of funds for tax relief for elderly low-income homeowners as described in T.C.A. §67-5-702, for disabled homeowners as described in T.C.A. §67-5-703 and for disabled veterans as described in T.C.A. §67-5-704.

NOW, THEREFORE, be it resolved by the Carter County legislative body meeting in regular session this 18th day of August, 2008, that:

SECTION 1. A low-income ad valorem real property taxpayer who is sixty-five (65) years of age or older and who resides in Carter County shall be eligible to apply for financial assistance based on the amount of real property taxes assessed and levied by the county. The amount shall be \$20, and eligibility shall be determined by the standards and conditions set out in T.C.A. §67-5-702.

SECTION 2. A totally and permanently disabled homeowner and who resides in Carter County shall be eligible to apply for financial assistance based upon the amount of real property taxes assessed and levied by the county. The amount shall be \$20, and eligibility shall be determined by the standards and conditions set out in T.C.A. §67-5-702.

SECTION 3. A disabled veteran real property taxpayer who resides in Carter County shall be eligible to apply for financial assistance based upon the amount of real property taxes assessed and levied by the county. The amount shall be \$20, and eligibility shall be determined by the standards and conditions set out in T.C.A. §67-5-702.

SECTION 4. Property tax relief shall be obtainable by application to the county trustee. The procedure shall conform to the requirements for state relief as stated in T.C.A. §§67-5-701, 67-5-702, 67-5-703 and 67-5-704, as applicable. After application is made, the trustee shall certify the amount of the relief to the county mayor, who shall issue a warrant for the

SECTION 5. The assistance set out herein is applicable solely for taxes levied and assessed for the 2008 calendar year. Eligible taxpayers must apply for the assistance no later than February 28, 2009, or on the date of payment of the 2008 taxes, whichever occurs first. Failure to apply within the prescribed time shall constitute a waiver of all claims for the assistance hereby authorized.

SECTION 6. The implementation of this program is dependent on appropriations to fund it in the general appropriations for the fiscal year 2008-2009, or any supplemental appropriations.

SECTION 7. This resolution shall be effective upon passage, contingent upon funding as provided in Section 4, the public welfare requiring it.

BE IT RESOLVED by the Carter County legislative body meeting in regular session this 18th day of August, 2008, that the property tax relief for low-income elderly residents shall be implemented as set forth above.

This Resolution shall take effect upon its passage, the public welfare requiring it.

  
Johnny Holder, County Mayor

8/18/08  
Date

Attest:   
Mary Gouge, County Court Clerk

8-18-08  
Date

On recommendation of the Budget Committee, motion was made by Bill Armstrong, seconded by Harry Sisk to approve the following General Fund Budget Amendment #2 as presented. Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Sonja Culler, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble

NAYS: 0  
PASSING: 0  
ABSENT: 0

There being 24 ayes, 0 nays, 0 passing and 0 absent, motion duly carried this August 18, 2008.

Carter County General Fund 101  
Budget Amendment # 2 2008-09

|         |  |                         |        |          |
|---------|--|-------------------------|--------|----------|
| Item #1 | 52500-106                                | Deputies -              | 615.15 | Decrease |
|         | 52500-119                                | Accountants/Bookkeepers | 615.15 | Increase |
|         | ( 52500 ) COUNTY CLERK'S OFFICE          |                         |        |          |
|         | To adjust payment to outside bookkeeper. |                         |        |          |

On recommendation of the Budget Committee, motion was made by Bill Armstrong, seconded by Jerry Pearman to approve the following Sports and Recreation Fund 123 Budget Amendment #1 as presented. Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery Ken Arney, Larry McKinney, Lynn Tipton, Sonja Culler, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble

NAYS: 0  
 PASSING: 0  
 ABSENT: 0

There being 24 ayes, 0 nays, 0 passing and 0 absent, motion duly carried this August 18, 2008.

**Carter County Sports and Recreation Fund 123  
 Budget Amendment # 1 2008-09**

|    |           |                           |        |          |
|----|-----------|---------------------------|--------|----------|
| #1 | 56700-599 | Other Charges             | 4,000  | Increase |
|    | 56700-799 | Other Capital Outlay      | 9,791  | Increase |
|    | 39000     | Undesignated Fund Balance | 13,791 | Decrease |

To create Sports and Recreation Fund beginning budget

On recommendation of the Budget Committee, motion was made by Bill Armstrong, seconded by Harry Sisk, to pay the state \$244,000 in matching funds for a grant to build a new Siam Bridge (Wilbur Dam Bridge over Watauga River). Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Sonja Culler, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble

NAYS: 0  
 PASSING: 0  
 ABSENT: 0

There being 24 ayes, 0 nays, 0 passing and 0 absent, motion duly carried this August 18, 2008.

On recommendation of the Budget Committee, motion was made by Gebe Ritchie, seconded by Charlie Bayless to approve the matching portion for a grant for West Carter County Fire Department, approximately \$1,700.00, to be taken from a prebudgeted line item. Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Sonja Culler, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble

NAYS: 0  
 PASSING: 0  
 ABSENT: 0

There being 24 ayes, 0 nays, 0 passing and 0 absent, motion duly carried this August 18, 2008.

On recommendation of the Budget Committee, motion was made by Jerry Pearman, seconded by Steve Lowrance to approve the following Resolution No. 494 authorizing the issuance of Capital Outlay Notes to purchase the front end loader for the Solid Waste Transfer Station. Roll call vote as follows:

- AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Sonja Culler, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble
- NAYS: Charlie Bayless
- PASSING: 0
- ABSENT: 0

There being 23 ayes, 1 nay, 0 passing and 0 absent, motion duly carried this August 18, 2008.

Resolution No. 494  
Date August 18, 2008

**THREE-YEAR CAPITAL OUTLAY NOTES—INFORMAL BID**  
(NOT TO EXCEED \$130,000.00)

**RESOLUTION OF THE GOVERNING BODY OF CARTER COUNTY, TENNESSEE,  
AUTHORIZING THE ISSUANCE, SALE, AND PAYMENT OF CAPITAL OUTLAY NOTES  
NOT TO EXCEED \$130,000.00 PURSUANT TO THE INFORMAL BID PROCESS**

WHEREAS, the Governing Body of Carter County, Tennessee, (the "Local Government") has determined that it is necessary and desirable to issue capital outlay notes in order to provide funds for the following public works project (the "Project"): Purchase of Front-end wheel loader for Solid Waste Transfer Station.

WHEREAS, the Governing Body has determined that the Project will promote or provide a traditional governmental activity or otherwise fulfill a public purpose; and

WHEREAS, under the provisions of Parts I, IV and VI of Title 9, Chapter 21, Tennessee Code Annotated (the "Act"), local governments in Tennessee are authorized to finance the cost of this Project through the issuance and sale of interest-bearing capital outlay notes upon the approval of the State Director of Local Finance; and

WHEREAS, the Governing Body finds that it is advantageous to the Local Government to authorize the issuance of Title 9 Chapter 21 Section 608 capital outlay notes to finance the cost of the Project;

**NOW, THEREFORE, BE IT RESOLVED, by the Governing Body as follows:**

Section 1. That, for the purpose of providing funds to finance the cost of the Project in and for the Local Government, the Chief Executive Officer of the Local Government is hereby authorized in accordance with the terms of this resolution, and upon approval of the State Director of Local Finance, to issue and sell interest-bearing capital outlay notes in a principal amount not to exceed One Hundred Thirty Thousand Dollars (\$130,000.00) (the "Notes") by an informal bid process pursuant to the terms, provisions, and conditions permitted by law. The Notes shall be designated "Public Works Capital Outlay Notes, Series 2008"; shall be numbered serially from 1 upwards; shall be dated as of the date of issuance; shall be in denomination(s) as agreed upon with the purchaser; shall be sold at not less than 99% of par value and accrued interest; and shall bear interest at a rate or rates not to exceed four per cent ( 4 %) per annum, and in no event shall the rate exceed the legal limit provided by law.

Section 2. That, the Notes shall mature not later than three (3) years after the date of issuance and, unless otherwise approved by the State Director of Local Finance, the Notes shall be amortized in an amount reflecting at least level debt service on the Notes approximately according to the following schedule:

| <b>Fiscal<br/>Year</b> | <b>Principal<br/>Amount</b> |
|------------------------|-----------------------------|
| 2009-2010              | \$41,645.31                 |
| 2010-2011              | \$43,311.12                 |
| 2011-2012              | \$45,043.57                 |

The Notes shall not exceed the reasonably expected economic life of the Project which is hereby estimated to be at least 7 years.

Section 3. That, the Notes shall be subject to redemption at the option of the Local Government, in whole or in part, at any time, at the principal amount and accrued interest to the date of redemption, without a premium, or, if sold at par, with or without a premium of not exceeding one percent (1%) of the principal amount.

Section 4. That, the Notes shall be direct general obligations of the Local Government, for which the punctual payment of the principal and interest on the notes, the full faith and credit of the Local Government is irrevocably pledged and the Local Government hereby pledges its taxing power as to all taxable property in the Local Government for the purpose of providing funds for the payment of principal of and interest on the Notes. The Governing Body of the Local Government hereby authorizes the levy and collection of a special tax on all taxable property of the Local Government over and above all other taxes authorized by the Local Government to create a sinking fund to retire the Notes with interest as they mature in an amount necessary for that purpose.

Section 5. That, the Notes shall be executed in the name of the Local Government; shall bear the manual signature of the chief executive officer of the Local Government and the manual signature of the county clerk, city recorder or other similar local government official as authorized by the governing body together with the Local Government seal affixed thereon; and shall be payable as to principal and interest at the office of the local government official as authorized by the Local Government or at the office of the paying agent duly appointed by the Local Government. Proceeds of the Notes shall be deposited with the county trustee, in the case of counties, or, in the case of municipalities or metropolitan governments, with the official designated by law as custodian of the funds. All proceeds shall be paid out for the purpose of financing the Project pursuant to this Resolution and as required by law.

Section 6. That, the Notes will be issued in fully registered form and that at all times during which any Note remains outstanding and unpaid, the Local Government or its agent shall keep or cause to be kept at its office a note register for the registration, exchange or transfer of the Notes. The note register, if held by an agent of the Local Government, shall at all times be open for inspection by the Local Government or any duly authorized officer of the Local Government. Each Note shall have the qualities and incidents of a negotiable instrument and shall be transferable only upon the note register kept by the Local Government or its agent, by the registered owner of the Note in person or by the registered owner's attorney duly authorized in writing, upon presentation and surrender to the Local Government or its agent together with a written instrument or transfer satisfactory to the Local Government duly executed by the registered owner or the registered owner's duly authorized attorney. Upon the transfer of any such Note, the Local Government shall issue in the name of the transferee a new registered note or notes of the same aggregate principal amount and maturity as the surrendered Notes. The Local Government shall not be obligated to make any such Note transfer during the fifteen (15) days

next preceding an interest payment date on the Notes or, in the case of any redemption of the Notes, during the forty-five (45) days next preceding the date of redemption.

Section 7. That, the Notes shall be in substantially the form authorized by the State Director of Local Finance and shall recite that the Notes are issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated.

Section 8. That, prior to the sale of the Notes, the Local Government shall submit a copy of this resolution authorizing the Notes to the State Director of the Local Finance for approval and a copy of the proposed disclosure statement, if any, and a statement showing the estimated annual principal and interest requirements for the Notes and a detailed statement showing the estimated cost of issuance which shall include at least the following, if applicable: (1) fiscal agent and/or financial advisor fees; (2) bond counsel fees; (3) other legal charges if any; (4) credit enhancement fees; (5) trustee fees; (6) registration fees; (7) paying agent fees; (8) rating agency fees; (9) underwriters' discount or charges; (10) remarketing agent fees; (11) printing, advertising and other expenses; (12) the number of financial institutions contacted by telephone or by letter (which should be at least three if possible) for the purpose of obtaining interest rates, and if only one institution was contacted a statement as to why only one institution was contacted. In its request for approval, the Local Government shall state and demonstrate that the proposed sale by the informal bid process is feasible, in the best interest of the Local Government, and that the Local Government should be able to amortize the proposed indebtedness together with all the obligations then outstanding.

Section 9. The Notes shall not be sold until receipt of the State Director of Local Finance's written approval for the sale of the Notes.

Section 10. That, the notes are hereby designated as qualified tax-exempt obligations for purpose of Section 265(b) (3) of the Internal Revenue Code of 1986.

Section 11. That, after the sale of the Notes, and for each year that any of the notes are outstanding, the Local Government shall prepare an annual budget in a form consistent with accepted governmental standards and as approved by the State Director of Local Finance (the "Director".) The budget shall be kept balanced during the life of the notes. The annual budget shall be submitted to the Director immediately upon its adoption; however, it shall not become the official budget for the fiscal year until such budget is approved by the Director in accordance with Title 9, Chapter 21, Tennessee Code Annotated (the "Statutes".) If the Director determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes, or as directed by the Director.

Section 12. That, if any of the Notes shall remain unpaid at the end of three (3) years from the issue date, then the unpaid Notes shall be retired from the funds of the Local Government or be converted into bonds pursuant to Chapter 11 of Title 9 of the Tennessee Code Annotated, or any other law, or be otherwise liquidated as approval by the State Director of Local Finance.

Section 13. That, all orders or resolutions in conflict with this Resolution are hereby repealed insofar as such conflict exists; and this Resolution shall become effective immediately upon its passage.

Duly passed and approved this 18th day of August, 2008.

  
Johnny Holder, County Mayor

ATTESTED:

  
Mary Gouge, County Clerk

After discussing the passing of the sales tax referendum by the City of Elizabethton, motion was made by Lawrence Hodge, seconded by Jerry Pearman, to place a 1/2¢ sales tax increase referendum on the ballot in November. Election Administrator Tracy Harris was asked about the cost of such a referendum and the deadline for getting it on the ballot. She stated the cost would be approximately \$2,500 and the deadline was September 5, 2008. After further discussion, motion was made by Richard Tester, seconded by Lynn Tipton, to TABLE Commission Hodge's motion. Roll call vote as follows:

AYES: Gebe Ritchie, Nancy Brown, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Tom Bowers, Charlie Bayless, Ken Arney, Lynn Tipton, Richard Tester & Bill Armstrong  
NAYS: Jack Buckles, Lawrence Hodge, Jeff McKinney, R. L. Miller, Steve Lowrance, Jo Ann Blankenship, Dickie Renfro, Terry Montgomery, Larry McKinney, Sonja Culler, Robert Davis & Robert Gobble

Two Commissioners changed their votes from aye to nay at the very end of the roll call and the vote was given as 11 ayes and 13 nays putting the motion made by Lawrence Hodge to put the tax referendum on the November ballot was placed back on the floor. Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, Steve Lowrance, Jo Ann Blankenship, Dickie Renfro, Terry Montgomery, Larry McKinney & Sonja Culler  
NAYS: Jeff McKinney, L. C. Tester, Tom Bowers, Charlie Bayless, Ken Arney, Lynn Tipton, Richard Tester, Bill Armstrong, Robert Davis & Robert Gobble  
PASSING: 0  
ABSENT: 0

There being 14 ayes, 10 nays, 0 passing and 0 absent, motion carried this August 18, 2008.

Mayor Holder asked Dickie Renfro to read the "conflict of interest" disclaimer at this time. The following Commissioners acknowledged the statement: Dickie Renfro, Charlie Bayless, L. C. Tester, Sonja Culler, Jim Whaley and Ken Arney.

Jeff McKinney suggested at this time that the Highway and Work Release Committees be disbanded stating that \$56,000 in Work Release funds could be given to the Sheriff's Department to buy two cruisers and the remaining \$14,000 could be used by the Sheriff for other purposes. After much discussion, motion was made by Commissioner McKinney to refer this issue back to the Rules and By-Laws Committee. By voice roll call vote, motion duly carried this August 18, 2008.

Motion was made by Nancy Brown, seconded by Jeff McKinney to put the downsizing of the Commission on the ballot. After discussing how to decide how many Commissioners would be enough to represent the County and the fact that the County would be redistricted in 2010, motion was made by Gebe Ritchie, seconded by Bill Armstrong to TABLE Nancy Brown's motion until after the 2010 census. Roll call vote to TABLE as follows:

YES: Gebe Ritchie, Lawrence Hodge, R. L. Miller, Harry Sisk, Jerry Pearman, Tom Bowers, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton, Richard Tester, Bill Armstrong & Robert Davis  
NAYS: Jack Buckles, Nancy Brown, Jeff McKinney, Jim Whaley, L. C. Tester, Steve Lowrance, Sonja Culler & Robert Gobble  
PASSING: 0  
ABSENT: 0

There being 16 ayes, 8 nays, 0 passing and 0 absent, motion to TABLE duly carried this August 18, 2008.

Sheriff Mathes addressed the Commission at this time discussing his request for \$95,000 to be put in his budget. He stated that \$85,000 of these funds were for employee benefits and step raises that had been voted on and approved previously but never funded. Motion was made by Richard Tester, seconded by Harry Sisk to approve funding to the Sheriff's Department in the amount of \$95,000. After further discussion, motion was made by Terry Montgomery, seconded by Ken Arney to amend Richard Tester's motion to include step raises for all county employees. After listening to the comments from various Commissioners, motion was made by Gebe Ritchie, seconded by Robert Davis, to TABLE both the motion by Richard Tester and the amendment by Terry Montgomery. Roll call vote to TABLE as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Jerry Pearman, Tom Bowers, Ken Arney, Lynn Tipton & Robert Davis  
NAYS: Harry Sisk, L. C. Tester, Steve Lowrance, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Larry McKinney, Sonja Culler, Richard Tester, Bill Armstrong & Robert Gobble  
PASSING: 0  
ABSENT: 0

There being 12 ayes, 12 nays, 0 passing and 0 absent, motion to TABLE failed. The motion to AMEND Commissioner Tester's motion to include a step raise for all County employees and not just the Sheriff's Department was back on the floor. Roll call vote as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Harry Sisk, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Jo Ann Blankenship, Terry Montgomery, Ken Arney, Larry McKinney, Robert Davis & Robert Gobble

NAYS: Charlie Bayless, Dickie Renfro, Lynn Tipton, Sonja Culler,  
Richard Tester & Bill Armstrong

PASSING: 0

ABSENT: 0

There being 18 ayes, 6 nays, 0 passing and 0 absent, motion to AMEND carried this August 18, 2008 and the motion made by Richard Tester to fund the \$95,000 to the Sheriff's Department as amended to give all County employees a step raise was back on the floor. Roll call vote as follows:

AYES: Harry Sisk, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Terry Montgomery, Larry McKinney & Richard Tester

NAYS: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jim Whaley, Jerry Pearman, L. C. Tester, Steve Lowrance, Tom Bowers, Ken Arney, Lynn Tipton, Sonja Culler, Bill Armstrong, Robert Davis & Robert Gobble

PASSING: 0

ABSENT: 0

There being 7 ayes, 17 nays, 0 passing and 0 absent, motion failed to carry this August 18, 2008.

Motion was made by Gebe Ritchie, seconded by Robert Davis to adjourn. Before a vote was taken to adjourn, motion was made by Richard Tester, seconded by Charlie Bayless to give the Sheriff the \$95,000 he requested. As the motion first on the floor was to adjourn and was not removed from the floor by Commissioner Ritchie the roll call vote was taken by the Clerk to Adjourn as follows:

AYES: Jack Buckles, Gebe Ritchie, Lawrence Hodge, Nancy Brown, Jeff McKinney, R. L. Miller, Jerry Pearman, Tom Bowers, Terry Montgomery, Ken Arney, Larry McKinney, Lynn Tipton & Robert Davis

NAYS: Jim Whaley, Harry Sisk, L. C. Tester, Steve Lowrance, Jo Ann Blankenship, Charlie Bayless, Dickie Renfro, Sonja Culler, Richard Tester, Bill Armstrong & Robert Gobble

PASSING: 0

ABSENT: 0

There being 13 ayes, 11 nays, 0 passing and 0 absent, motion to ADJOURN duly carried this August 18, 2008.