

## GENERAL CAPITAL PROJECT SUBFUND: BUC

Subfund BUC was established for expenditures associated with site development at Highlands Business Park for location of a new manufacturing facility and corporate offices for Tennessee Packaging, a division of Buckeye Corrugated, Inc.

On June 7, 2010, County Commission approved entering into an agreement with Tennessee Packaging on contributing funds for local match for a State ECD Grant for infrastructure and site work. (See Exhibit 2; Exhibit 3; and Exhibit 4)

All local match requirements of the Grant Program were to be reimbursed by Buckeye Corrugated.

On August 9, 2010, County Commission approved resolutions rescinding prior resolutions from June 7, 2010 with Tennessee Packaging, contracting instead with Buckeye Corrugated Incorporated, the parent company of Tennessee Packaging. (See Exhibit 5; Exhibit 6; and Exhibit 7)

On October 4, 2010, County Commission approved resolution 100401-F to provide cash flow for the Buckeye Corrugated project from Fund 171 Subfund FLO. (See Exhibit 8)

|                            | <b>Fiscal<br/>Year<br/><u>2010-2011</u></b> | <b>Fiscal<br/>Year<br/><u>2011-2012</u></b> | <b>Fiscal<br/>Year<br/><u>2012-2013</u></b> |
|----------------------------|---|---|---|
| Beginning Cash Balance     | -   | (850,058.62)                                | (14,488.31)                                 |
| Revenue                    | 726,588.63                                  | 352,943.35                                  | 72,095.61                                   |
| Expenditures               | (1,068,450.34)                              | (25,569.95)                                 | (57,607.30)                                 |
| Due from other Governments | (508,196.91)                                | 508,196.91                                  | -   |
| Ending Cash Balance        | <u>(850,058.62)</u>                         | <u>(14,488.31)</u>                          | <u>-</u>                                    |



**6/30/2013  
Cash Balance**

Resolution 060710-G

**A RESOLUTION TO AUTHORIZE THE SUBMISSION OF A FAST TRACK  
INFRASTRUCTURE DEVELOPMENT PROGRAM (FIDP) APPLICATION ON  
BEHALF OF TENNESSEE PACKAGING**

WHEREAS, Loudon County recognizes and supports the need for business expansion within the county; and

WHEREAS, Tennessee Packaging will be constructing a new facility to be located in the Highlands Business Park on Elizabeth Lee Parkway; and

WHEREAS, Tennessee Packaging has indicated that site drainage, utilities and grading improvements are needed in order to prepare the site for the facility construction; and

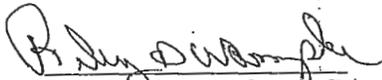
WHEREAS, the State of Tennessee offers grants to local communities to finance site drainage improvements that support business expansion through its Fast Track Infrastructure Development Program (FIDP); and

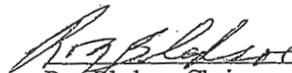
WHEREAS, Loudon County must submit a formal application in order to be eligible for funding through the FIDP program, said application to request funding for site, drainage and infrastructure improvements to support the Tennessee Packaging facility construction.

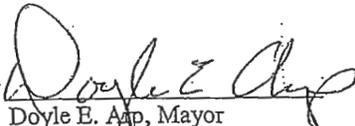
NOW, THEREFORE, BE IT RESOLVED that Loudon County hereby authorizes the Mayor or his representative to prepare and submit a FIDP grant application for up to \$546,679 to partially finance the cost of site drainage, grading and infrastructure improvements to support the Tennessee Packaging facility construction and to sign necessary contracts in connection with this grant.

BE IT FURTHER RESOLVED, that Loudon County acknowledges that the local share requirements of the FIDP program will be satisfied by Tennessee Packaging by separate agreement.

This Resolution adopted this the 7th day of June, 2010.

  
Riley D. Wampler, County Court Clerk

  
Roy Bledsoe, Chairman

  
Doyle E. App, Mayor



Resolution 060710-H

A Resolution authorizing the Loudon County Mayor to enter into an agreement with Tennessee Packaging regarding contribution of local match and surety for a Tennessee FastTrack Infrastructure Development Program (FIDP) grant through the Tennessee Department of Economic and Community Development

WHEREAS, Loudon County has submitted a grant application for financial assistance toward the location of Tennessee Packaging at Highlands Business Park within the City of Loudon through the Tennessee Department of Economic and Community Development under the FastTrack Infrastructure Development Program (FIDP); and

WHEREAS, Loudon County has a 69% local grant rate for FIDP eligible projects with the balance of the funding coming from a local match; and

WHEREAS, it is anticipated that the County will be the recipient of said grant in the amount of \$546,679.00 based on an estimated project cost of \$792,289.95, per a Preliminary Engineering Report prepared by Wilbur Smith Associates dated April 7, 2010, herein attached as "Exhibit A"; and

WHEREAS, the State of Tennessee Department of Economic and Community Development may issue a Notice To Proceed At Risk prior to execution of contracts that allows the community to incur costs that are eligible for reimbursement upon execution of the contract with the County and State; and

WHEREAS, in anticipation of said authorization, and in order to proceed expediently with the project, it is necessary to commence with the design and construction of said project prior to execution of contracts; and

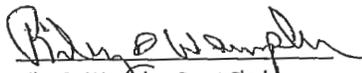
WHEREAS, the Loudon County Economic Development Agency will be designated as Project Manager for said project; and

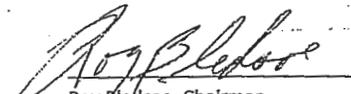
THEREFORE, BE IT RESOLVED, that the Loudon County Commission does hereby authorize the County Mayor to enter into an agreement with Tennessee Packaging that insures proper surety in the form of an irrevocable letter of credit that covers the anticipated construction and design costs, and to execute a letter to the State Department of Economic and Community Development for authorization to proceed at risk.

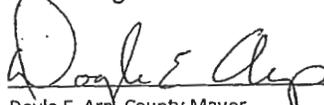
NOW, THEREFORE, BE IT FURTHER RESOLVED, that said agreement shall require that Tennessee Packaging provide the funds necessary, at the request of the County, for the required local match and any cost overruns associated with the project as may be necessary;

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

Passed this the 7<sup>th</sup> day of June, 2010

  
Riley D. Wampler, Court Clerk

  
Roy Bledsoe, Chairman

  
Doyle E. Arr, County Mayor

Preliminary Engineering Report for  
Proposed Relocation of Tennessee Packaging

Existing Conditions

Tennessee Packaging is a manufacturer located in Sweetwater, Monroe County, TN and is a subsidiary to their parent company Buckeye Corrugated Incorporated. Buckeye Corrugated, Inc. owns and operates seven (7) Corrugated Manufacturing Facilities, a packaging Supply Business, and a Sales & Design Center. These operations are located in eight (8) Midwestern & Southern States (See attached Location Map), where they supply a diverse range of customers with Quick-Turn Service, Specialty Products, Point-of-Purchase Displays, Point-of-Sale Packaging, and Just-In-Time Delivery. The corporate headquarters is located in Akron, Ohio. The Tennessee location presently has two locations: one in Sweetwater, TN with approximately a 72,000 square feet manufacturing plant on a single lot of approximately 8 acres and the other in Lenoir City, TN with a 45,000 storage facility for finished goods. Their specialties include Point-of-Purchase Packaging, JIT service programs, structural and graphic design and a full product line of traditional corrugated products and services. Operating a fulfillment center in support of their sheet plant activities, they also provide leading edge service in Tennessee's highly concentrated automotive supply market. Having their operations in two separate locations reduces efficiency by double handling products redundancy of operations. Due to the increase in demand for their product, the existing manufacturing facility structure and along with the site layout will not accommodate their needs for expansion. In addition, this existing facility has lost opportunities for additional business on key accounts.

Proposed Expansion Requirements

The present escalating demand for their product requires a structure of at least 120,000 square feet with 1,500 square feet additional for office space. In addition, the process will require additional loading docks and truck/trailer storage space. The Tennessee operation is proposed to be one of the largest locations in the corporation and the first new plant construction in 15 years. Therefore, the corporation views the Tennessee central location as viable for the corporate headquarters' location on the same site. This will require an additional 5,000 square foot structure for office space. In addition, based on the growth from their northern facilities, their plans are to expand this proposed manufacturing structure from 120,000 sf to 220,000 sf.

The existing 45 jobs at the Sweetwater location and 4 jobs at the Lenoir City location will be retained and it is planned to add 30 more positions in three years. The increase will be due to being more efficient and starting two shifts.

Proposed Site for Expansion

The increase demand for the company's product also will increase the traffic in and out of the site. The desire is to have a site with an easy access to the interstate system specifically for heavy truck traffic. City of Loudon offered a location that has a site just off interstate I-75 on state route 72. The site offers easy access to the interstate interchange and great visibility. The site is approximately 16 acres and has over 1800 lineal feet of road frontage. City of Loudon owns the right-of-way and maintains the road. Water and sewer is available along the right-of-way adjacent to the proposed site. The existing site is presently undeveloped and mostly forest covered. The existing slopes of the site range from 12% to 15%.

Storm water runoff within the site slopes away from the roadway and channelizes to two channels at the rear of the site. The channels split direction with one running east to west and continue behind the adjacent existing structure to the west of the site. The other channel runs west to east and continues through a culvert under the existing roadway. There is presently one industry on the existing road which, based on visual inspection, appears to have a potential traffic count of 35 vehicles per day (20 cars/15 trucks).

#### Proposed Improvements for Selected Site

The proposed main building Finish-Floor-Elevation (FFE) is planned to be 919.0. There will be two ingress/egress points to the roadway, which will accommodate both small and heavy vehicles. The proposed increase in traffic is approximately a maximum of 35 vehicles (20 vehicles/15 trucks) during a working shift. Due to the low volume of traffic on the existing road and the proposed addition, no improvements will be needed to this road. The area behind the structure will be a loading dock with a FFE of 915.0. This will accommodate loading and unloading of heavy truck/trailers. In addition, this area will be used to store trailers to help expedite loading operations. The structure for the corporate office will be located on the most easterly end of the property and have a FFE of 876.0. This location will allow for the future expansion of the main structure. There will be 62 parking spaces for the main building and 11 spaces at the corporate office including the required handicap spaces according to ADA requirements. Due to the sloping of the site from South to North creating sheet flow during storm events and because the site is below the roadway, grade work is necessary to control and accommodate the site drainage and to place the structures in a location visible from the interstate which is a pre-requisite of Tennessee Packaging. The proposed drainage will be mostly surface runoff and will slope away from the main road and will all be collected in a detention pond on the northwest corner of the property. The pond will be designed to hold a post-development runoff and release at a pre-development rate before exiting the site. The existing drainage channels within the site will be modified, within the site, to accommodate the development. The outlet channel on the west side of the property will not be affected by this change. The channel on the east-southeast corner will be modified to accommodate a new driveway entrance with additional roadway culverts. Three inches (3") of base stone will be placed to stabilize the stone graded areas (see attached C1.0 - Grading and Layout Plan with colored stone areas), within 14 days after completion, to be in compliance with the Erosion Control Requirements of the Tennessee Department of Environment and Conservation. The remaining disturbed areas will be stabilized by seeding.

The site will have the ability to connect to existing water and sanitary lines. Both lines run parallel to the existing road and the proposed improvements can connect directly within the road frontage area. The proposed water requirements will consist of fire protection and a small domestic supply for employees. Due to length of the proposed main structure, it is proposed to provide a loop system around the building (approx. 1329 LF) to provide adequate flow and pressure for the fire protection. The system will include enough fire hydrants and post-indicator valves as required by code. The existing sanitary system along the road is a gravity line flowing east to west. The proposed lateral connection will also be gravity with an approximate length of 1021 LF. The connection to the corporate office will require a force main connection of approximately 895 LF. The contributing flows will be from restrooms and a possible employee breakroom, which the existing system can adequately handle.

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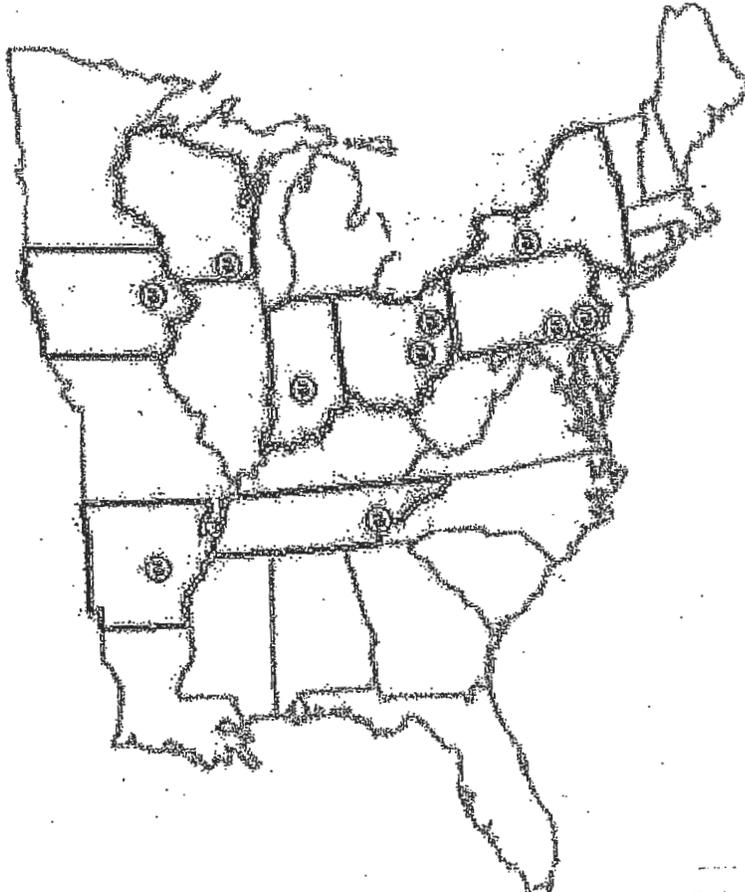
WilburSmith

Summary

Buckeye Corrugated Incorporated is experiencing an increase in a demand for their product, specifically at their Tennessee Packaging facility presently in Sweetwater, TN. This demand requires them to increase their operation from a 72,000 sf structure to a 120,000 sf structure. The existing site will not allow for this expansion, therefore, they have found a new location in Loudon County. In addition, due to the increase demand they are seeing in the South, they are proposing to move their corporate headquarters to this site, which will provide a more centralized spot from their present and future locations. The proposed site will accommodate their immediate needs as well as allow for future expansion.

If the State of Tennessee can provide funding for the grading and infrastructure improvements for this new location, Buckeye Corrugated Incorporated will be much more favorable for the company to expand their Tennessee plant in lieu of another location outside the state. The estimated project costs for the improvements including engineering, survey and construction administration and review fees is estimated to be \$792,289 (see attached Estimated Infrastructure Improvements Costs).

# BUCKEYE CORRUGATED, INC. LOCATION MAP







LOUDON COUNTY COMMISSION

Resolution 060710-K

A RESOLUTION AUTHORIZING FUNDS FROM THE  
GENERAL CAPITAL PROJECTS FUND (171)  
TO PROVIDE CASH FLOW FOR THE CONSTRUCTION OF AN INDUSTRIAL LOCATION AT  
HIGHLANDS BUSINESS PARK FOR TENNESSEE PACKAGING

WHEREAS, Tennessee Packaging has agreed to purchase property at Highlands Business Park owned by the City of Loudon for the construction of a manufacturing facility and corporate office, consolidating facilities in Monroe and Loudon Counties; and

WHEREAS, a request for funding assistance will be submitted to the Tennessee Department of Economic and Community Development (hereinafter "ECD") under the Fastrack Infrastructure Development Program for drainage improvements, grading and infrastructure within Highland Business Park to serve future business prospects; and

WHEREAS, upon award of funding assistance, Loudon County will enter into an agreement with the ECD to locally manage the design and construction of said improvements and related infrastructure necessary to the operation of Tennessee Packaging and future tenants of Highland Business Park; and

WHEREAS, Tennessee Packaging will participate financially by contributing the balance of the costs associated with design and construction of the infrastructure beyond what is received from the grant program; and

WHEREAS, Loudon County will establish subfund "TPG" in its General Capital Projects Fund 171 to manage accounts payable and accounts receivable associated with this project; and

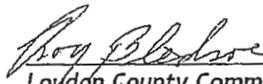
WHEREAS, Loudon County previously approved Resolution # 030308-J authorizing the transfer of \$1,000,000.00 from County General Fund 101 to General Capital Projects Fund 171 to establish subfund "FLO" to provide cash flow related to a project that is now complete; and

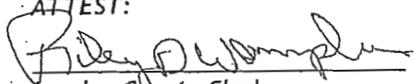
WHEREAS, Loudon County now desires to utilize funds in General Capital Projects Fund 171 subfund "FLO" to provide cash flow related to the project herein described;

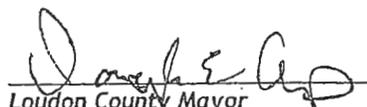
**NOW, THEREFORE, BE IT RESOLVED**, that in consideration of premises set forth herein, that General Capital Projects Fund 171 subfund "FLO" shall be utilized to provide cash flow for the project herein described.

**BE IT FURTHER RESOLVED**, that if in the future Loudon County determines that this transfer of funds to General Capital Projects is no longer necessary, Loudon County may, by Resolution, transfer funds back to County General Fund 101.

**BE IT FINALLY RESOLVED** that this Resolution take effect immediately upon its passage.

  
\_\_\_\_\_  
Loudon County Commission Chair

ATTEST:  
  
\_\_\_\_\_  
Loudon County Clerk

  
\_\_\_\_\_  
Loudon County Mayor

Resolution 080910 - D

**A RESOLUTION TO AUTHORIZE THE SUBMISSION OF A FASTTRACK  
INFRASTRUCTURE DEVELOPMENT PROGRAM (FIDP) APPLICATION ON  
BEHALF OF BUCKEYE CORRUGATED THE PARENT COMPANY OF  
TENNESSEE PACKAGING**

WHEREAS, Loudon County recognizes and supports the need for business expansion within the county; and

WHEREAS, Buckeye Corrugated, Inc. will be constructing a new facility for Tennessee Packaging to be located in the Highlands Business Park on Elizabeth Lee Parkway; and

WHEREAS, Buckeye Corrugated, Inc. has indicated that site drainage, utilities and grading improvements are needed in order to prepare the site for the facility construction; and

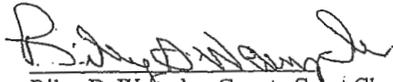
WHEREAS, the State of Tennessee offers grants to local communities to finance site drainage improvements that support business expansion through its FastTrack Infrastructure Development Program (FIDP); and

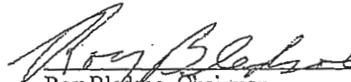
WHEREAS, Loudon County must submit a formal application in order to be eligible for funding through the FIDP program, said application to request funding for site, drainage and infrastructure improvements to support the Buckeye Corrugated Inc, Tennessee Packaging facility construction.

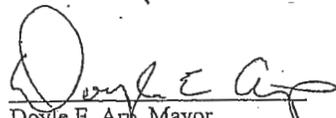
**NOW, THEREFORE, BE IT RESOLVED** that Loudon County hereby authorizes the Mayor or his representative to prepare and submit a FIDP grant application for up to \$546,679 to partially finance the cost of site drainage, grading and infrastructure improvements to support the Buckeye Corrugated, Inc., Tennessee Packaging facility construction and to sign necessary contracts in connection with this grant.

**BE IT FURTHER RESOLVED**, that Loudon County acknowledges that the local share requirements of the FIDP program will be satisfied by Buckeye Corrugated, Inc. by separate agreement.

This Resolution adopted this the 9th day of August, 2010.

  
Riley D. Wampler, County Court Clerk

  
Roy Bledsoe, Chairman

  
Doyle E. Arp, Mayor

Resolution 080910 - E

A Resolution authorizing the Loudon County Mayor to enter into an agreement with Buckeye Corrugated, Inc regarding contribution of local match and surety for a Tennessee FastTrack Infrastructure Development Program (FIDP) grant through the Tennessee Department of Economic and Community Development

WHEREAS, Loudon County has submitted a grant application for financial assistance toward the location of Tennessee Packaging, a division of Buckeye Corrugated, Inc. at Highlands Business Park within the City of Loudon through the Tennessee Department of Economic and Community Development under the FastTrack Infrastructure Development Program (FIDP); and

WHEREAS, Loudon County has a 69% local grant rate for FIDP eligible projects with the balance of the funding coming from a local match; and

WHEREAS, It is anticipated that the County will be the recipient of said grant in the amount of \$546,679.00 based on an estimated project cost of \$792,289.95, per a Preliminary Engineering Report prepared by Wilbur Smith Associates dated April 7, 2010, herein attached as "Exhibit A"; and

WHEREAS, the State of Tennessee Department of Economic and Community Development may issue a Notice To Proceed At Risk prior to execution of contracts that allows the community to incur costs that are eligible for reimbursement upon execution of the contract with the County and State; and

WHEREAS, in anticipation of said authorization, and in order to proceed expediently with the project, it is necessary to commence with the design and construction of said project prior to execution of contracts; and

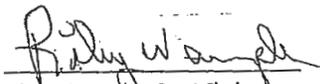
WHEREAS, the Loudon County Economic Development Agency will be designated as Project Manager for said project; and

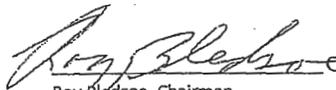
THEREFORE, BE IT RESOLVED, that the Loudon County Commission does hereby authorize the County Mayor to enter into an agreement with Buckeye Corrugated, Inc. for Tennessee Packaging that insures proper surety in the form of an Irrevocable letter of credit that covers the anticipated construction and design costs, and to execute a letter to the State Department of Economic and Community Development for authorization to proceed at risk.

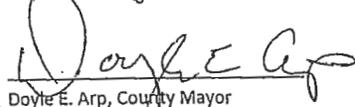
NOW, THEREFORE, BE IT FURTHER RESOLVED, that said agreement shall require that Buckeye Corrugated, Inc. provide the funds necessary, at the request of the County, for the required local match and any cost overruns associated with the project as may be necessary;

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

Passed this the 9<sup>th</sup> day of August, 2010

  
Riley D. Wampler, Court Clerk

  
Roy Bledsoe, Chairman

  
Doyle E. Arp, County Mayor

## AGREEMENT

THIS AGREEMENT is hereby entered into on this the 23<sup>rd</sup> day of August, 2010, ("Agreement"), by and between the County of Loudon, Tennessee (hereinafter "County") and Buckeye Corrugated, Inc. (hereinafter "Company").

WHEREAS, Company has entered into a contract for sale with the City of Loudon, Tennessee to purchase certain land containing 16.05 acres +/- located in Highlands Business Park on Elizabeth Lee Parkway for the construction of a manufacturing facility ("Project"), and

WHEREAS, the Tennessee Department of Economic and Community Development has extended a proposal to Tennessee Packaging, a division of Buckeye Corrugated, Inc., dated May 17, 2010, committing up to \$546,679 under the Fastrack Infrastructure Development Program to provide funds for certain site improvements including drainage, grading and utility improvements to assist in the location of Company, and

WHEREAS, County has passed a Resolution of support and submitted an application under the Fastrack Infrastructure Development Program through the Tennessee Department of Economic and Community Development, and

WHEREAS, the Fastrack Infrastructure Development Program requires a commitment through a local match of 31% for the total cost of the related Project expenses, including construction, administration and design and Company desires to participate financially, providing the local match and guaranteeing any cost overruns and contributing the balance of the costs associated with the project in the manner provided below, and

WHEREAS, the County has agreed to provide funds from the General Capital Projects Fund (171) to provide cash flow for site development activities in anticipation of being fully reimbursed by Company for the local match and by the State of Tennessee from funds provided under the Fastrack Infrastructure Development Program, and

WHEREAS, both parties realize that in order to expedite the project in a timely manner, costs will be incurred prior to the execution of a contract with the State of Tennessee for the Fastrack Infrastructure Development Funds, and that until such contract is duly executed by the County and State of Tennessee the County will proceed with incurring costs under a notice to proceed at risk that will be provided by the State of Tennessee Department of Economic and Community Development that allows for reimbursement of expenses incurred once the contract is fully executed, and

WHEREAS, the parties in exchange for the consideration of the mutual covenants and promises as set forth herein, desire to enter into this agreement for the purpose of expediting the construction of infrastructure and site development improvements to serve the Company and Highlands Business Park.

NOW, THEREFORE, in consideration of the premises set forth herein, the parties expressly agree as follows:

1. Upon execution of this Agreement, County shall enter into a contract with the State of Tennessee Department of Economic and Community Development for the utilization of funds under the Fastrack Infrastructure Program for the future location of Tennessee Packaging at Highlands Business Park.
2. County agrees to competitively bid the construction of the utilities and site grading in conformance with local and State requirements, and in conformance with the scope of work and plans and specifications, if any, approved by Company with respect to such work, and to provide cash flow to initially pay all related design and construction invoices for the Project.
3. Company agrees to reimburse County promptly, upon receipt of invoice(s) for the share of local match of 31% for expenditures relating to the project, and in all events within 30 days of receipt of such invoice(s).
4. Company shall obtain surety satisfactory to the County for the project in the form of an irrevocable letter of credit, with the County as beneficiary, prior to the County obligating or committing any funds for the Project. The letter of credit shall not be less than \$792,289.95 (the anticipated development costs as outlined by Wilbur Smith Inc. in a Professional Engineering Report dated April 9, 2010). In the event the lowest best bid and incurred professional services contracts exceed the letter of credit, Company shall provide supplemental surety for the difference. This may be in the form of a new letter of credit or other surety acceptable to both parties.
5. County shall invoice Company monthly identifying reimbursements received, or pending, and the balance due from Company. Company shall, within 30 days of receipt of said invoice, submit payment to County.
6. Company understands and agrees that Loudon County shall be held-harmless financially for costs incurred and that in the event the State of Tennessee does not meet its commitment in funds (not to exceed \$546,679) under the Fastrack Infrastructure Development Program, Company shall provide the balance of the funds for the project. It is agreed and understood that County is entitled to be reimbursed by Company for any funds spent by County on the manufacturing facility project.
7. Should any part or portion of this Agreement be deemed unenforceable by a court of law or equity, the remainder of the Agreement shall be deemed to be severable and shall continue to be enforceable to the full extent allowed by applicable law. The Agreement shall be construed under Tennessee law, without regard to its conflict of law provisions. Jurisdiction and venue concerning any matter arising from or pertaining to this Agreement or the Project shall be vested exclusively in a state court located in Loudon County, Tennessee.

By: Doyle E. Arp  
Doyle E. Arp  
Mayor, Loudon County, Tennessee

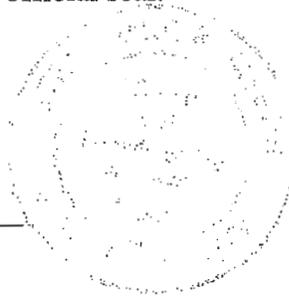
By: Douglas A. Bosnik  
Douglas A. Bosnik, President, CEO  
For Buckeye Corrugated,  
Incorporated

STATE OF TENNESSEE )  
COUNTY OF LOUDON )

On this, the 23<sup>rd</sup> day of August, 2010, before me a notary public, the undersigned officer, personally appeared **Doyle E. Arp**, known to me (or satisfactorily proven) to be Mayor to the County of Loudon, Tennessee, and the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In witness hereof, I hereunto set my hand and official seal.

Stephanie K. Myers  
Notary Public



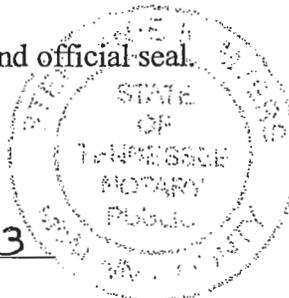
My Commission Expires: 4/23/2013

STATE OF TENNESSEE )  
COUNTY OF LOUDON )

On this, the 23<sup>rd</sup> day of August, 2010, before me a notary public, the undersigned officer, personally appeared **Douglas A. Bosnik** known to me (or satisfactorily proven) to be President and CEO of Buckeye Corrugated, Incorporated, and the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In witness hereof, I hereunto set my hand and official seal.

Stephanie K. Myers  
Notary Public



My Commission Expires: 4/23/2013

RESOLUTION 100401-F

A RESOLUTION RESCINDING RESOLUTION #060710-K AND  
AUTHORIZING FUNDS FROM THE  
GENERAL CAPITAL PROJECTS FUND (171)  
TO PROVIDE CASH FLOW FOR THE CONSTRUCTION OF AN INDUSTRIAL LOCATION AT  
HIGHLANDS BUSINESS PARK FOR BUCKEYE CORRUGATED, INC

WHEREAS, on June 7, 2010 Loudon County Commission adopted Resolution #060710-K  
"Authorizing Funds From the General Capital Projects Fund (171) to Provide Cash Flow for  
the Construction of an Industrial Location at Highlands Business Park for Tennessee  
Packaging"; and

WHEREAS, in the process of preparing the FastTrack Infrastructure Development Program  
(FIDP) application, it was discovered that Tennessee Packaging is registered in Tennessee as  
Buckeye Corrugated, Incorporated; and

WHEREAS, Buckeye Corrugated, Incorporated has agreed to purchase property at Highlands  
Business Park owned by the City of Loudon for the construction of a manufacturing facility  
and corporate office, consolidating facilities in Monroe and Loudon Counties; and

WHEREAS, a request for funding assistance will be submitted to the Tennessee Department of  
Economic and Community Development (hereinafter "ECD") under the Fastrack Infrastructure  
Development Program for drainage improvements, grading and infrastructure within Highland  
Business Park to serve future business prospects; and

WHEREAS, upon award of funding assistance, Loudon County will enter into an agreement  
with the ECD to locally manage the design and construction of said improvements and related  
infrastructure necessary to the operation of Buckeye Corrugated, Incorporated and future  
tenants of Highland Business Park; and

WHEREAS, Buckeye Corrugated, Incorporated will participate financially by contributing the  
balance of the costs associated with design and construction of the infrastructure beyond  
what is received from the grant program; and

WHEREAS, Loudon County will establish subfund "BUC" in its General Capital Projects Fund  
171 to manage accounts payable and accounts receivable associated with this project; and

WHEREAS, Loudon County previously approved Resolution # 030308-J authorizing the transfer  
of \$1,000,000.00 from County General Fund 101 to General Capital Projects Fund 171 to  
establish subfund "FLO" to provide cash flow related to a project that is now complete; and

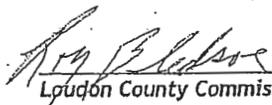
WHEREAS, Loudon County now desires to utilize funds in General Capital Projects Fund 171  
subfund "FLO" to provide cash flow related to the project herein described;

**NOW, THEREFORE, BE IT RESOLVED**, that in consideration of premises set forth herein, that  
General Capital Projects Fund 171 subfund "FLO" shall be utilized to provide cash flow for the  
project herein described.

**BE IT FURTHER RESOLVED**, that if in the future Loudon County determines that this transfer  
of funds to General Capital Projects is no longer necessary, Loudon County may, by  
Resolution, transfer funds back to County General Fund 101.

**BE IT ALSO RESOLVED**, that Resolution #060710-K is hereby rescinded in its entirety and  
replaced with this Resolution.

**BE IT FINALLY RESOLVED** that this Resolution take effect immediately upon its passage.

  
Loudon County Commission Chair

ATTEST:  
  
Loudon County Clerk

  
Loudon County Mayor

Balance Sheet  
JUNE 30, 2013

171 GENERAL CAPITAL PROJECTS

BUC BUCKEYE CORRUGATED, INC

| End-Funct-Obj      | Sub Cost Fnd-Centr-Obj | Sub | Account Name                          | Amount     |
|--------------------|------------------------|-----|---------------------------------------|------------|
| ASSETS             |                        |     |                                       |            |
| 171-14600-         | -BUC                   |     | EXP CHGD TO RESERVE FOR PRIOR YRS ENC | 57,607.30  |
|                    |                        |     |                                       | -----      |
| TOTAL ASSETS       |                        |     |                                       | 57,607.30  |
| LIABILITIES        |                        |     |                                       |            |
| 171-28500-         | -BUC                   |     | REVENUES (CONTROL)                    | 72,095.61- |
|                    |                        |     |                                       | -----      |
| TOTAL LIABILITIES  |                        |     |                                       | 72,095.61- |
| EQUITIES           |                        |     |                                       |            |
| 171-34120-         | -BUC                   |     | ENCUMBRANCES - PRIOR YEAR             | 55,876.04- |
| 171-39000-         | -BUC                   |     | UNASSIGNED                            | 70,364.35  |
|                    |                        |     |                                       | -----      |
| TOTAL EQUITIES     |                        |     |                                       | 14,488.31  |
|                    |                        |     |                                       | -----      |
| Fund Is In Balance |                        |     |                                       | 0.00       |
|                    |                        |     |                                       | =====      |

G/L Month: 06 JUNE  
 Beginning Fund: 171 Beginning Sub Fund: BUC  
 Ending Fund: 171 Ending Sub Fund: BUC

\* End of Report: LOUDON CO CENTRAL ACCOUNTING \*

Balance Sheet  
JUNE 30, 2012

171 GENERAL CAPITAL PROJECTS

BUC BUCKEYE CORRUGATED, INC

| Fnd-Funct-Obj      | Sub Cost<br>-Fnd-Centr-Obj | Account Name                          | Amount                 |
|--------------------|----------------------------|---------------------------------------|------------------------|
| ASSETS             |                            |                                       |                        |
| 171-11140-         | -BUC                       | CASH WITH TRUSTEE                     | 14,488.31-             |
| 171-14100-         | -BUC                       | ESTIMATED REVENUES                    | 428,982.00             |
| 171-14600-         | -BUC                       | EXP CHGD TO RESERVE FOR PRIOR YRS ENC | 25,569.95              |
| TOTAL ASSETS       |                            |                                       | -----<br>440,063.64    |
| LIABILITIES        |                            |                                       |                        |
| 171-28500-         | -BUC                       | REVENUES (CONTROL)                    | 352,943.35-            |
| TOTAL LIABILITIES  |                            |                                       | -----<br>352,943.35-   |
| EQUITIES           |                            |                                       |                        |
| 171-34120-         | -BUC                       | ENCUMBRANCES - PRIOR YEAR             | 87,120.75-             |
| 171-39000-         | -BUC                       | UNASSIGNED                            | 428,982.46             |
| 171-39000-         | -BUC                       | BUDGET UNASSIGNED                     | 428,982.00-            |
| TOTAL EQUITIES     |                            |                                       | -----<br>87,120.29-    |
| Fund Is In Balance |                            |                                       | -----<br>0.00<br>===== |

G/L Month: 06 JUNE  
Beginning Fund: 171 Beginning Sub Fund: BUC  
Ending Fund: 171 Ending Sub Fund: BUC

\* End of Report: LOUDON CO CENTRAL ACCOUNTING \*

Balance Sheet  
JUNE 30, 2011

171 GENERAL CAPITAL PROJECTS

BUC BUCKEYE CORRUGATED, INC

| Fnd-Funct-Obj      | Sub Cost | Sub | Account Name                          | Amount                 |
|--------------------|----------|-----|---------------------------------------|------------------------|
| ASSETS             |          |     |                                       |                        |
| 171-11140-         | -BUC     |     | CASH WITH TRUSTEE                     | 850,058.62-            |
| 171-11430-         | -BUC     |     | DUE FROM OTHER GOVERNMENTS            | 508,196.91             |
| 171-14100-         | -BUC     |     | ESTIMATED REVENUES                    | 1,156,728.00           |
| 171-14200-         | -BUC     |     | UNLIQUIDATED ENCUMBRANCES (CONTROL)   | 87,120.75              |
| 171-14500-         | -BUC     |     | EXPENDITURES - CURRENT YEAR (CONTROL) | 1,068,450.34           |
| TOTAL ASSETS       |          |     |                                       | -----<br>1,970,437.38  |
| LIABILITIES        |          |     |                                       |                        |
| 171-28100-         | -BUC     |     | APPROPRIATIONS (CONTROL)              | 1,156,728.00-          |
| 171-28500-         | -BUC     |     | REVENUES (CONTROL)                    | 726,588.63-            |
| TOTAL LIABILITIES  |          |     |                                       | -----<br>1,883,316.63- |
| EQUITIES           |          |     |                                       |                        |
| 171-34110-         | -BUC     |     | ENCUMBRANCES - CURRENT YEAR           | 87,120.75-             |
| TOTAL EQUITIES     |          |     |                                       | -----<br>87,120.75-    |
| Fund Is In Balance |          |     |                                       | -----<br>0.00<br>===== |

G/L Month: 06 JUNE  
 Beginning Fund: 171 Beginning Sub Fund: BUC  
 Ending Fund: 171 Ending Sub Fund: BUC  
 \* End of Report: LOUDON CO CENTRAL ACCOUNTING \*