

Be it remembered that the Loudon County Legislative Body met in regular session on Monday January 9, 1984 at 7:00 P.M. with the Honorable Ross Wilkerson, County Executive, Presiding and Riley D. Wampler, County Clerk, was present, whereupon Sheriff Joe Sims opened Court Led the Pledge Of Allegiance to the Flag and presented Commissioner Masingo who gave the invocation.

The following Commissioners were present:

J. J. Blair
Roy Bledsoe
Bill Webb
Al Bryant
Jerry Masingo

Bart Eldridge
Avery Petty
Jim Price

Absent was Glenn Luttrell

MINUTES
APPROVED

It was moved by Commissioner Blair and seconded by Commissioner Price that the minutes be approved as presented. The Vote was unanimous.

BUDGET
AMENDMENTS

It was moved by Commissioner Petty and seconded by Commissioner Bledsoe that the Budget Amendments presented by Mrs. Custead be approved. The Vote was unanimous. It was moved by Commissioner Webb and seconded by Commissioner Petty that a Portion of the General Fund Amendments concerning Salary increase for the Secretaries of the Purchasing Agent and County Executive be postponed until next Meeting. On Roll Call, Vote was 6 to 2 in favor with Blair and price Voting Nay. The Amendments are attached hereto as Exhibit 7.

EXTENSION
OF STALEY
CAPITAL
OUTLAY NOTES
APPROVED

Upon motion by Commissioner Petty and seconded by Commissioner Blair a resolution authorizing the issuance of interest Bearing Land Acquisition Capital Outlay Notes. (Extension 1984) in an amount not to exceed \$403,550.00 and providing for the payment of said Notes be approved. The Vote was unanimous and it is attached hereto as Resolution No 1-84 Exhibit B.

CABLE TV
APPROVED
FOR
3RD DISTRICT

Commissioner Masingo presented, Mr. David Boles, Representing Twin Lake Cable, Inc., concerning Cable TV in the 3rd Civil District. After much discussion it was moved by Commissioner Eldridge and seconded by Commissioner Masingo that this be approved. On Roll Call the Vote was unanimous. The Resolution is attached hereto as Resolution No 2-84 Exhibit C.

Mr. Thomas M. Ayers of Cumberland Securities Company Inc., spoke to the Commission concerning a Bond Resolution and the Bond Anticipation Note Resolution for \$4,850,000.00

SCHOOL
BOND

RESOLU-
TION OF
\$4,850,
000.00
APPROVED

It was moved by Commissioner Petty and seconded by Commissioner Eldridge that a resolution authorizing \$4,850,000. Bond Anticipation Notes for Eatons and Highland Park, plus an additional \$200,000 added for pods at Loudon Elementary. This was amended by Commissioner Petty to \$4,850,000 Bond Anticipation Notes for Eatons and Highland Park with an additional \$300,000 for pods at Loudon Elementary. There was some discussion as to whether this would be enough for Steekee. There was no second on the above and the motion died.

Commissioner Petty next moved that a resolution for \$4,850,000. Bond Anticipation Notes, plus an additional \$500,000 for Eatons, Highland Park and up to that amount for the additional pods at Loudon Elementary. Commissioner Price seconded the motion. Mr. Ayers responded that the Commissioners only have the power to authorize the bonds, that they could not put in the Bond Resolution any stipulations about where the money would be spent. The Commissioners withdrew the above and started all over.

It was moved by Commissioner Petty and seconded by Commissioner Price that a resolution providing the details of \$4,850,000 School Bonds, Series 1984, of Loudon County, Tennessee, authorizing and directing the sale thereof, and levying taxes for the payment thereof. On roll call, the vote was unanimous in favor of. It is attached hereto as resolution No. _____ Exhibit _____.

RESOLUTION

SCHOOL
BOND
ANTICI-
PATION
NOTES
APPROVED

It was then moved by Commissioner Petty and seconded by Commissioner Eldridge that the Resolution authorizing the issuance of \$4,850,000 School Bond Anticipation Notes of Loudon County, Tn., providing the details thereof, levying a tax for the payment thereof and authorizing the sale thereof. On roll call, the vote was unanimous in favor of and it is attached hereto as Resolution No. _____ Exhibit _____. It was moved by Commissioner Blair and seconded by Commissioner Webb that the School Board Report to the Commissioners in February the amount needed to repair Steekee. On roll call, the vote was unanimous.

APPROVE

FOR
ROADS &
EQUIPMENT

After the Budget Committee met to approve \$150,000 for \$150,000 trucks and equipment for roads, it was moved by Commissioner Eldridge and seconded by Commissioner Blair that this be approved. On roll call, the vote was unanimous.

RESOLUTION

AUTHO-
RIZING
\$150,
000.00
BONDS
FOR
ROAD &
EQUIP-
MENT

It was moved by Commissioner Blair and seconded by Commissioner Price that a resolution authorizing the issuance of not exceeding \$150,000 Road Bonds of Loudon County, Tn., be approved. On roll call, the vote was unanimous. The resolution being attached hereto as Resolution no. _____ Exhibit _____. It was moved by Commissioner Price and seconded by Commissioner Eldridge that a resolution authorizing the issuance of \$150,000 Bond Anticipation Notes of Loudon County, Tn., providing the details thereof, levying a tax for the payment thereof and authorizing the sale thereof be approved. On roll call, the vote was unanimous. It being attached hereto as resolution no. _____ exhibit _____.

PLANNING
COMMI-
SSION
REPORT

Mr. Pat Phillips presented the Planning Commission General Report which is attached hereto as Exhibit _____.

SUB-STANDARD

ROAD OFF POPULAR SPRINGS RD. It was moved by Commissioner Petty and seconded by Commissioner Price that the consideration of accepting a Sub-Standard Road off Popular Springs Road, Map 45, PARCEL 17 Parcel 17 not be approved. The Vote was unanimous.
NOT ACCEPTED

RESOLUTION
CONFIRMING
APPOINTMENT
AND TERMS OF
OFFICE ON
BOARD OF
ZONING APPEALS
FAILED

It was moved by Commissioner Price and seconded by Commissioner Petty that a Resolution confirming Appointment and Terms of Office to the Loudon County Board of Zoning Appeals be approved. On Roll Call the Vote was 5 to 3 with Blair, Bledsoe, Webb, Bryant and Eldridge Voting Nay and Commissioners Price, Petty and Masingo Voting Aye.

ONE THOUSAND
FT. OF MAP
8 PARCEL 34
APPROVED FOR
QUINCEY
SIGN

It was moved by Commissioner Eldridge and seconded by Commissioner Petty that the Rezoning request for Property adjacent to Interstate #75 (100 Ft. by 4400 Ft.) from R-1 Residential to C-2 General Commercial, Map 8 Parcel 34, 5th Legislative District not be rezoned but that one thousand ft. be rezoned for Quincey Sign. The Vote was unanimous.

COMMITTEE
TO NAME
ROADS
COMPILE AN
OFFICIAL
ROAD LIST

It was moved by Commissioner Blair and seconded by Commissioner Petty that County Executive, Ross Wilkerson's Appointment of all nine Commissioners form each of the five Legislative Districts form a Committee to name Roads and to compile and Official Road list. The Vote was unanimous.

COURTROOM
SPACE TO GO
TO BUILDING
COMMITTEE
FOR STUDY

Concerning the Courtroom space for Chancery Court, County Executive, Ross Wilkerson said the matter would be turned over to the Building Committee to study and report back to the Commission.

HEAD START
PROGRAM
AND SUB-
DIVISION
DEFINITION
TO BE DISCUSSED

After some discussion concerning the Head Start Program, the Commission requested a report at the next meeting. There will also be given a report concerning a Bradley County Resolution supporting and amendment of Definition of Sub-division under Tenn. Law at the next meeting.

LAW
LIBRARY

The Loudon County Bar Association request concerning changes for Loudon County Law Library was postponed until next meeting.

COURTHOUSE
LAWN

Commissioner Blair requested that unwanted paths pertaining to the Court House Lawn be looked into. This was turned over to the Building Committee.

HOSPITAL
SALE
REPORT

Commission Petty presented an up to date report from the the Committee concerning the sale of the Loudon County Memorial Hospital. He also said they would be meeting again January 18, 1984. The report is attached hereto as Exhibit 4.

SCHOOL
SUPERINTEND-
ENT

It was moved by Commissioner Eldridge and seconded by Commissioner Petty that a bill be sent to the Legislature in order that the School Board could appoint the School Superintendent. On Roll Call the Vote failed 5 to 3. Voting Aye Commissioner Eldridge, Petty, Price.

PURCHASING
AGENT
REPORT

Mr. Phil Reed presented the Purchasing Agents report which is attached as Exhibit _____.

BUILDING
COMMISSION
REPORT

Mr. Doug Lawrence gave the Building Commission Report for the Year 1983.

Total Permits 300
Fees \$17,091.00

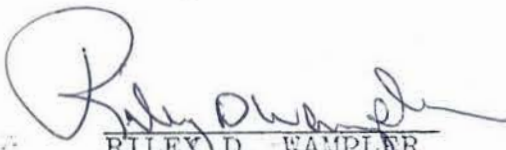
Value
\$7,107,150

It was moved by Commissioner Blair and seconded by Commissioner Masingo that a Resolution Praising and Congratulations the 1983 Loudon High School "Redskins" Football Team and that this special recognition also to to the Team Head-Coach, Henry Blackburn, and to the Assistant Coaches and Family and Friends. The Vote was unanimous and is attached hereto as Exhibit 5.

It was moved by Commissioner Eldridge and seconded by Commissioner Petty that the following Notaries be approved. The Vote was unanimous. Elizabeth C. Hutson, Carolyn S. Nelson, F. E. Hildreth and Bruce E. Lynn.

Upon motion by Commissioner Blair and seconded by Commissioner Webb Court adjourned at 9:55 P.M.

COUNTY EXECUTIVE
ROSS WILKERSON


RILEY D. WAMPLER
COUNTY CLERK

Budget Amendments

181

<u>Acct. #</u>		<u>Dr.</u>	<u>Cr.</u>
2110.4	Director's Salary	\$197.75	
2110.7	Secretary's Salary	\$108.00	
2210.20	Inst. Supervisor	\$197.75	
2210.31	Teacher's Salaries	\$5,935.61	
2851.1	Contr. to Local Retirement	\$7.00	
2851.21	Contr. to Soc. Sec.	\$561.00	
2851.4	State Teachers Retirement	\$2,249.00	
133.11	Revenue from State		\$8,656.11
2201.32	Sub. Teachers		\$600.00

Amendments Number 1

Chapter I 83-21

Budget Amendments

<u>Acct. #</u>		<u>Dr.</u>	<u>Cr.</u>
183-2210.31	Teachers Salaries		\$3,842.16

Amendment Number 1

(Revenue transfer from Chapter I 83-01, approved by State)

LOUDON COUNTY HIGHWAY DEPARTMENT

BOX 323

PHONE 458-2617

LOUDON, TENNESSEE 37774

December, 1983

Transfer \$4,000.00 from Account No. 142 43120 487 (Equipment Rental) to
Account No. 142 43110 940 (Office Equipment)



Don Palmer
Commissioner of Highways

Exhibit A

165

Resolution 1-84

RESOLUTION OF THE LEGISLATIVE BODY OF Loudon
 COUNTY, TENNESSEE, AUTHORIZING THE ISSUANCE OF INTEREST BEARING
Land Acquisition CAPITAL OUTLAY
 NOTES (EXTENSION 19 84) IN AN AMOUNT NOT TO EXCEED \$ 403,550.00
AND PROVIDING FOR THE PAYMENT OF SAID NOTES.

WHEREAS, this County Legislative Body pursuant to Section 5-10-501 to 5-10-509, inclusive, Tennessee Code Annotated, adopted on September 8, 19 80, a resolution authorizing the issuance of \$ 576,500.00 capital outlay notes for the purpose of Land Acquisition; and

WHEREAS, \$ 576,500.00 of said notes have been issued, dated January 15, 19 81, maturing January 15, 19 86; and

WHEREAS, due to unfavorable market conditions it is now necessary to extend the maturity date of \$ 403,500.00 capital outlay notes which will be outstanding on January 15, 19 84; and

WHEREAS, under the provisions of Sections 5-10-501 to 5-10-509, inclusive, Tennessee Code Annotated, counties in Tennessee are authorized through their respective Legislative Bodies, upon approval by the State Director of Local Finance, to extend the maturity date of interest bearing Capital Outlay Notes; and

WHEREAS, it appears advantageous to said County at this particular time to extend the maturity date of said Capital Outlay Notes:

NOW, THEREFORE, BE IT RESOLVED by the Legislative Body of Loudon County, Tennessee, as follows:

SECTION 1. That, for the purpose of providing funds to retire \$ 403,550.00 outstanding Land Acquisition Capital Outlay Notes in and for said County, there shall be issued negotiable interest bearing Capital Outlay Notes in a total principal amount not to exceed \$ 403,550.00. That, said notes shall be designated "Land Acquisition Capital Outlay Notes (Extension 19 84)" and shall be numbered serially beginning with the number 1. Each of said notes shall be dated as of the date of issuance thereof, shall be of such denomination as may be agreed upon by the County Executive and the purchaser of said notes, and shall mature not later than ~~four~~ ^{four (4)} years after the date of issuance, provided that not less than \$ 57,650.00 ^(1/10) of the notes issued hereunder, which is an amount equal to one-tenth ^(1/10) of the original principal amount of the notes dated January 15, 19 81, issued under the said resolution adopted on September 8, 19 80, shall mature, without renewal but subject to prior redemption, each year that any of the notes issued hereunder are outstanding.

Exhibit B

SECTION 2. That, said notes shall bear interest at a rate to exceed percent (8.375 %) per annum, payable in such manner as shall be determined by the County Executive and the purchaser of said notes. Both principal and interest on said notes shall be payable in lawful money of the United States of America at the Office of the County Trustee of Loudon County, Tennessee.

SECTION 3. That, said notes shall be subject to redemption at the option of the County, in whole or in part, at any time at the principal amount thereof and accrued interest to the date of redemption.

SECTION 4. That, said notes shall be executed in the name of Loudon County, Tennessee, signed by the County Executive and attested by the County Clerk with the seal of the County attached thereto.

SECTION 5. That, said notes shall be in substantially the form attached hereto.

SECTION 6. That, for the purpose of providing funds with which to pay the principal and interest accruing on said notes at maturity, there shall be levied upon all taxable property in Loudon County, in addition to all other taxes, a direct annual tax for each of the years while said notes, or any of them, are outstanding, in amounts sufficient for that purpose.

SECTION 7. That, the Capital Outlay Notes herein described shall not be issued until approval by the State Director of Local Finance shall have been obtained as required by Secion 5-10-501, Tennessee Code Annotated.

SECTION 8. That, the Capital Outlay Notes herein described shall not be sold for less than par and accrued interest.

SECTION 9. That, if any of said Capital Outlay Notes shall remain unpaid at the end of three (3) years from the date of issuance of same, the balance of said note or notes shall be converted to bonds as provided by Sections 9-11-101 to 9-11-119, inclusive, Tennessee Code Annotated, or otherwise liquidated in such manner as approved by the State Director of Local Finance in compliance with statutes relating to the issuance and redemption of bonds and notes.

SECTION 10. That, the proceeds of said notes shall be turned over to the County

SECTION 11. That, all orders or resolutions in conflict herewith be and the same are hereby repealed insofar as such conflict exists and this Resolution shall become effective immediately upon its passage.

Duly passed and approved this 9 day of January, 1984.

Frank Wilkerson
County Executive

Attested:

Reuben D. Wampler
County Clerk

RESOLUTION 2-84

WHEREAS, Twin Lakes Cable, Inc. has made application for a non-exclusive franchise for a cable tv operation for the third district of Loudon County, Tennessee, and

WHEREAS, cable tv services is not otherwise available in that part of Loudon County, Tennessee, and

WHEREAS, it appears that the franchise application submitted by Twin Lakes Cable, Inc. sets out terms and conditions which appear to be acceptable and adequate, and

WHEREAS, the county commission of Loudon County, Tennessee, has the authority to control and regulate cable tv operations within the boundaries of Loudon County, Tennessee,

It is, therefore,

RESOLVED that on the posting of a performance bond in the amount of \$5,000.00 payable to Loudon County, Tennessee, to insure substantial performance, Twin Lakes Cable, Inc. be and is granted a non-exclusive franchise for the operation of a cable tv system within the third civil district of Loudon County, Tennessee, in the area between the Little Tennessee River and the Tennessee River.

Be it further RESOLVED that this franchise is for a period of fifteen (15) years.

Be it further RESOLVED that the application to operate a cable tv service submitted by Twin Lakes Cable, Inc. is accepted according to the terms and conditions set out therein, a copy of which is attached hereto as Appendix I to this resolution as if incorporated in its entirety.

This resolution shall not take effect unless and until a bond for substantial performance is posted and in favor of Loudon County, Tennessee which bond shall be cancelled or returned to Twin Lakes Cable, Inc. within six (6) months if substantial performance of the cable television service project has been accomplished.

Exhibit C

Be it further RESOLVED that this resolution be impressed upon the minutes of the county commission of Loudon County, Tennessee.

Made this 9 day of Jan, 1984.

Ross Wilkerson
County Executive

Riley D Wampler
Riley Wampler

A PROPOSAL TO OFFER
CABLE TV SERVICES
TO THE RESIDENTS OF
LOUDON COUNTY, TENNESSEE

Submitted by:

Twin Lakes Cable, Inc.
606C S. Main St.
Sweetwater, TN 37874

PROPOSED BASIC CABLE TV SERVICES

The following television channels will be offered for viewing by subscribers to cable TV in the proposed service area:

<u>Channel</u>	<u>Point of Origin</u>	<u>Type</u>
WSJK	Sneedville	PBS
WATE	Knoxville	ABC
WBIR	Knoxville	CBS
WTVK	Knoxville	NBC
WINT 20	Knoxville	IND
WCKH 43	Knoxville	IND

SATELLITE PROGRAMING

WGN-TV, Chicago station
ESPN - 24-hour sporting events
The Nashville Network - country music entertainment
WTBS-TV - Independent Atlanta station
Cable News Network - 24-hour news
CBN

PREMIUM MOVIE CHANNELS

1. Showtime
2. Disney Channel

ADDITIONAL INFORMATION

The company will maintain an office or agent in the area so we can provide residents with prompt responses to service needs. All service calls will be handled in no more than twenty-four (24) hours when possible.

PROPOSED RATES FOR CABLE TV SERVICES

Installation - 1st outlet	\$25.00
Installation each additional outlet	7.50
Underground installation	Time and material
Basic cable TV monthly charge	10.00
Each additional basic cable outlet	2.50
Premium movie channel	9.25
Additional pay channel	8.45

SYSTEM DESIGN AND CONSTRUCTION

The distribution system shall incorporate solid-state electronics capable of at least thirty-six (36) channel transmission.

All system performance specifications shall meet or exceed Federal Communications Commission (FCC) specifications and rules.

The system shall comply with FCC regulations limiting radiation levels.

Automatic gain and slope control and thermal equalization will be provided.

System construction will be in accordance with utility company pole lease agreements, and National Electrical Safety Code will be followed at all times.

INSURANCE AND INDEMNITY

Twin Lakes Cable, Inc. will indemnify and save harmless the County from any and all liability, damage, or expense from accidents or damage either to itself or to persons or property or other which may occur by reason of applicant's activities in the conduct of business.

For this purpose and prior to commencing construction of any kind, the company will have in force and will maintain and file evidence thereof with the County Clerk, an insurance policy with liability limits of at least Fifty Thousand Dollars (\$50,000.00) for property damage, One Hundred Thousand Dollars (\$100,000.00) for personal injury to each person, and Three Hundred Thousand Dollars (\$300,000.00) for each accident.

The policy shall protect the County from and against any and all claims, actions, suits, liability, expense, or damage of any kind which may occur or be suffered by the County or by anyone by reason of the construction, operation or maintenance of cable tv facilities in Loudon County by the company.

RESOLUTION TO PERMIT TWIN LAKES CABLE, INC.
TO INSTALL AND OPERATE A CABLE TV SYSTEM IN
LOUDON COUNTY, TENNESSEE

WHEREAS, Twin Lakes Cable, Inc., hereinafter called grantee, of 606C S. Main St., Sweetwater, TN 37874, desires to install and operate a cable tv system in Loudon County, Tennessee, hereinafter called grantor, to provide all types of service usually furnished by such system through the media of transmission through cable and/or wires commonly called a master antenna cable system, or otherwise, and

WHEREAS, said contemplated cable system would, to a large extent, be attached to poles and its cables or wires or other appurtenances would cross the streets, sidewalks, and public land and highways of the grantor, and,

WHEREAS, said Twin Lakes Cable, Inc. has applied to Loudon County for a permit to do business by use of grantor's easements and rights of way for the installation of equipment.

Now, therefore, be it resolved that:

SECTION I.

That grantor hereby grants to the said grantee and its successors the right and privilege for a period of fifteen (15) years from the effective date of this resolution to conduct a cable tv service and to erect and maintain and operate towers, poles, lines, cables, necessary wiring, and other apparatus for the purpose of receiving, amplifying and distributing television and radio signals in and through present and future rights of way, street, alleys, and public places of grantor, subject to the condition that grantee at all times abides by the terms and conditions contained herein.

SECTION II.

That permission is granted said grantee and its assigns to attach and otherwise affix cables and wires to the pole facilities of any public utility company even though the same may cross over the street, sidewalks, and public lands of the grantor, provided the said grantee or assigns secures the permission and consent of said aforementioned public utility companies concerned to affix said cables and wires or other apparatus to their pole facilities, and provided that proper road and line clearances

are maintained in conformity with the National Electrical Safety Code. A copy of the pole access rights from utilities company shall be filed with County Clerk.

SECTION III.

Said grantee shall endeavor to attach or affix its cables, wires, and other apparatus to existing public utility poles and towers whenever possible, with the right to install new poles and towers only where necessary to make required service installations where no other utility poles are available. Where grantee is required to erect new poles and towers, it shall do so and shall install cable and wire in compliance with the National Electric Safety Code. The number and location of any new poles and towers, if so required, shall be fixed with a prior written approval and under supervision of grantor, consideration being given to the reasonable operation of the antenna cable system; provided, however, that grantee shall remove or change the location of its poles and towers upon the request of the grantor whenever said poles, lines, and cables restrict or obstruct the operation or location of existing or new streets and alleys and other public places; and provided further, that such transmission lines, cables, and facilities shall be placed underground by grantee at its expense at such time that both power and telephone companies place their service facilities underground.

SECTION IV.

That all streets and sidewalks disturbed or damaged in the construction or maintenance of said cable lines and other appurtenances shall be promptly repaired by the grantee at its expense and to the satisfaction of grantor.

SECTION V.

That the grantee shall be subject to all ordinances now in force or that may hereafter be enacted relative to the use of the streets and alleys of the grantor.

SECTION VI.

That the grantee shall hold grantor harmless from all claims for damages arising out of the construction, installation, maintenance, or operation of said towers, poles, cables, lines, and other appurtenances and shall obtain and furnish grantor with evidence of personal injury and liability insurance in the amount of \$100,000.00 per person; \$300,000.00 per accident; and \$500,000.00 property damage insurance to cover any liability that may arise therefrom.

SECTION VII.

That the terms, conditions, and obligations set forth in this ordinance shall be incorporated in an agreement to be executed by the grantee to the grantor assuring the grantor that the conditions set forth in this ordinance will be met. In the event that grantee breaches any of the terms and conditions of performance required of it as contained herein and in the agreement to be executed by it, grantor shall have the right to withdraw its permission for grantee's use of easements and rights of way and can demand the removal of grantee's equipment, poles, towers, cable and lines from said grantor's rights of way and property within twelve (12) months from the date of service of written notice of the grantor's demand by certified mail upon grantee's registered agent.

SECTION VIII.

The grantee shall begin construction within one (1) year from the date of the Federal Communications Commission certification of grantee's compliance with its rules and regulations governing cable tv operations; thereafter, grantee shall extend energized trunk cable to the remaining portions of the franchised area within one (1) year thereafter unless additional time is granted by the franchising authority upon request of the grantee for good cause shown. The agreement shall be null and void if not completed within three (3) years from the date of the franchise.

SECTION IX.

Grantee's initial rates for cable tv service as that term is defined herein shall be no more than:

INSTALLATION

Basic cable service (one outlet)	\$25.00
Re-connection (no parts or materials required)	10.00
Each additional outlet	10.00

MONTHLY SERVICE RATES

Basic cable	\$10.00
1 premium movie channel	9.25
Each additional premium movie channel	8.45
Each additional outlet	2.50

SECTION X.

Rates may be increased at a rate not to exceed fifty percent (50%) of the federally defined national cost of living index, for increases above the rate, grantee shall give written notice to grantor, which said written notice in detail, the changes or modifications desires by the grantee and such other facts and information as may be necessary and pertinent in connection therewith. Upon receipt of such written notice, the grantor shall fix a date and time for public hearing thereon, which said hearing shall be within the limits of grantor and shall be held and conducted no more than forty-five (45) days after the date of the receipt of such notice. Notice of the date, time, and place of the said hearing and in general terms the purpose thereof and the changes or modifications requested by the grantee shall be published in a newspaper of general circulation printed, published, and circulated in the service area and which publication shall appear no less than once a week for three successive weeks of such public hearing. All members of the public favoring or being aggrieved by the said proposed changes or modifications shall be heard and the grantor shall thereupon have the right to approve, disapprove, modify, or approve as modified such proposed changes.

SECTION XI.

During the time of the permit, and any renewal thereof, the grantee shall maintain a local business office or agent. The local business office shall be able to receive inquiries and complaints from subscribers during normal business hours. Any complaints from subscribers shall be acted upon as soon as practicable but within no more than 24 hours of their receipt except as provided.

The grantee shall, by appropriate means, such as a card or brochure, as subscribers are connected or re-connected to the system, furnish information about the procedures for making inquiries and/or complaints, that is the name, address, and local phone number of the grantee's employee or agent.

SECTION XII.

Should it be impossible or impracticable to correct any malfunctions within twenty-four (24) hours or less, then each subscriber whose television reception is so disrupted shall receive a rebate on subsequent bills from the grantee in the amount of one-thirtieth (1/30) of such

subscriber's monthly charge for every additional twenty-four (24) hour period that said subscriber's television reception is so disrupted. Any rebate made to any subscriber under this section, in any month, shall not exceed said subscriber's normal monthly fee paid to the grantee. Any interruptions, insofar as is possible, shall be preceded by notice.

SECTION XIII.

The grantee shall provide, upon request and without charge, service to any municipal buildings owned and operated by grantor and to any public or parochial elementary or secondary school passed by the cable. This shall mean only an energized cable to such building. The cost of any internal wiring for one outlet only shall be borne by the institution.

SECTION XIV.

Whenever the grantor shall undertake any public improvement which affects cable communications equipment, it shall, with due regard to reasonable working conditions, direct the grantee to remove or relocate its wires, conduits, cables and other property located in said street, right of way, or public place. The grantor shall give the grantee reasonable notice of the undertaking of public improvements which affect the cable communications equipment. The removal shall be made at the expense of the grantee, and should grantor be required to pay such expense, it shall be reimbursed for such expenditure by grantee.

SECTION XV.

The grantee shall, on request of any person holding a building moving permit in the service area temporarily raise or lower its wires to permit the moving of buildings. The expense of such temporary raising or lowering of the wires shall be paid by the person requesting the same, and the grantee shall be given not less than 48 hours advance notice to arrange for such temporary wire changes. The County or any other non-profit organization, including historical societies, shall be exempt from any changes.

SECTION XVI.

The grantee shall, after giving notice to the County, have the authority to trim trees upon and hanging over public ways and places in the service area so as to prevent the branches of such trees from coming in contact with the wires and cables of the cable system.

SECTION XVII.

In all sections of the service area where all existing cable or other like facilities of utility companies are presently or subsequently placed underground, the grantee shall place its cables or other like facilities underground.

SECTION XVIII.

The grantor shall have the right to install and maintain free of charge upon the poles and cables of the grantee any wire and pole fixtures necessary for the operation of its duties, on the condition that such wire or fixtures do not interfere with the cable tv operation of the grantee, in conformance with state and county regulations.

SECTION XIX.

This franchise may be assigned or transferred only upon receipt of prior consent of the grantor, which consent shall not be unreasonably withheld or delayed.

SECTION XX.

The grantee shall be able to remove basic tv channels from the system which are no longer available or no longer profitable and replace with other channels by permission of the grantor.

SECTION XXI.

Consistent with the requirements of Section 76.31(a)(6) of the Federal Communications Commission, any modifications of Section 76.31 resulting from an amendment thereto by the Federal Communications Commission shall, to the extent applicable, be considered to be part of this franchise as of the effective date of the amendment, and shall be incorporated into such franchises or permit by specific amendments thereto by lawful action of the grantor within one (1) year from the effective date of the Federal Communications Commission amendment, or at the time of the renewal of this permit, whichever occurs first.

SECTION XXII.

Service will be provided in any area of the Third District of Loudon County designated by the County and

having an average of twenty (20) homes per mile or otherwise economically feasible.

SECTION XXIII.

The grantee shall provide cable tv throughout the entire franchise area and shall maintain a record for a least three (3) years of all requests for service and complaints and make such records available to the grantor upon request.

SECTION XXIV

Grantee agrees to file with the grantor no later than ninety (90) days after the end of the first year, and annually thereafter, a copy of grantee's income statement, certified as being correct by an authorized officer of grantee.

SECTION XXV

The franchise may be renewed by grantor upon written request by grantee of at least twelve (12) months' notice. After giving public notice of renewal, grantor will hold a public meeting to determine satisfactory performance of grantee. The grantor will have two (2) months from the date of the public meeting to decide on renewing the franchise. If grantor finds grantee's performance satisfactory, a new franchise will be granted for a period of ten (10) years. If grantee's performance is found unsatisfactory, new applicants will be sought and evaluated for the franchise.

SECTION XXVI.

No cable tv system shall be allowed to operate in the Loudon County without a franchise.

SECTION XXVII.

In the event the grantee fails to comply with any law, resolution, ordinance, or regulation governing the franchise or fails to fulfill and perform each term and condition of the franchise, the grantor shall recover any losses or damages suffered and costs of removal or abandonment of any property of grantee, together with reasonable attorney's fees, from the bond.

SECTION XXVIII.

a. The grantee shall put, keep, and maintain all parts of the system in good condition throughout the franchise period.

b. Upon request for service by any person located within then franchise area, the grantee shall, within thirty (30) days, furnish the requested service, unless the trunk line to that area has not yet been installed.

c. Grantee shall not allow its cable or operations to interfere with tv reception of persons not served by the grantee.

d. In the event of a new owner, or grantee elects to rebuild, modify, etc., grantee will act to ensure continuous service to the subscribers.

e. In the event grantee fails to operate the system for five (5) consecutive days without prior approval, grantor may operate the system or hire an operator to maintain the service, and grantee shall reimburse grantor all costs incurred.

SECTION XXIX.

Grantee agrees to maintain records of complaints, maps, petitions, applications, income records, etc. and make those records available to grantor at reasonable times.

SECTION XXX.

At the end of the franchise or termination of such franchise and if the franchise is not renewed, the grantee shall remove at its expense all properties belonging to grantee. Should grantee fail to do so, grantor may perform the removal at the expense of the grantee.

SECTION XXXI.

Grantee will hold a performance evaluation meeting open to the public six (6) months after the franchise agreement and each six (6) months thereafter for a period of two years, with additional meetings to be held thirty (30) days after the end of the third, sixth, ninth, and twelfth years of the franchise.

SECTION XXXII.

In further consideration of the granting of the franchise to the grantee, grantee will pay to the grantor a sum of two percent (2%) of all gross receipts from monthly charges, said sum of money to be paid on an annual basis.

SECTION XXXIII.

Service area for this franchise is defined as the city limits of grantor as it exists on the date of the execution of this franchise.

LOUDON COUNTY, TENNESSEE

Commissioners

ATTEST:

Riley O Wampler
County Clerk

TWIN LAKES CABLE, INC.

by David Bales
Secretary and Treasurer

BE IT REMEMBERED that the Board of County Commissioners of Loudon County, Tennessee, acting as the county legislative body of said county, met in open, public, rescheduled regular session at its regular meeting place in the County Courthouse in Loudon, Tennessee, at 7:00 o'clock P.M., on January 9, 1984.

Present and presiding the Honorable H. Ross Wilkerson, County Executive and Chairman; also present Riley D. Wampler, County Clerk and the following County Commissioners, to-wit:

J. J. Blair, Roy Bledsoe, Al Bryant, Bart Eldridge, Jerry Masingo, Avery Petty, J. F. Price, William E. Webb

Absent: Glen H. Luttrell

* * *

(Other Business)

The following resolution was introduced by Avery Petty and read in full:

3-84

RESOLUTION providing the details of \$ 4,850,000 School Bonds, Series 1984, of Loudon County, Tennessee, authorizing and directing the sale thereof, and levying taxes for the payment thereof.

Exhibit D

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WHEREAS by Sections 49-3-1001 to 49-3-1007 (formerly Sections 49-701 to 49-720), inclusive, Tennessee Code Annotated, counties are authorized through their respective governing bodies to issue and sell bonds of said counties for school purposes; and

WHEREAS it appears that the educational requirements of Loudon County require the purchase of sites for school buildings and the erecting, repairing, furnishing and equipping of school buildings in and for said county:

NOW, THEREFORE, Be It Resolved by the Board of County Commissioners of Loudon County, Tennessee, acting as the county legislative body of the County, as follows:

Section 1. Definitions. For all purposes of this Resolution, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Section shall have the meanings set forth below, and shall include the plural as well as the singular.

"Act" shall mean Sections 49-3-1001 to 49-3-1007, inclusive, Tennessee Code Annotated, as amended and supplemented.

"Bond" or "Bonds" shall mean one or more of the School Bonds, Series 1984 authorized to be issued by the terms of this Resolution.

"Bond Register" shall mean the books of the County kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

"Bond Registrar" shall mean such bank or successor thereto as shall be designated as Bond Registrar for the Bonds by the County Executive of the County prior to the issuance of the Bonds.

"County" shall mean Loudon County, Tennessee.

"Governing Body" shall mean the Board of County Commissioners of the County, acting as the county legislative body of the County, or such other council, board, commission or body, by whatever name known, which shall succeed to its powers.

"Resolution" shall mean this resolution as adopted by the Governing Body of the County.

Section 2. Authorization. For the purpose of purchasing sites for school buildings and erecting, repairing, furnishing and equipping school buildings in and for the County, there shall be

borrowed the sum of \$ 4,850,000 and the bonds of the County shall be sold and issued therefor in the principal amount of \$ 4,850,000 pursuant to the provisions of the Act. The Bonds shall be designated "School Bonds, Series 1984," shall be dated January 1, 1984, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each and integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), shall be appropriately numbered, and shall mature serially on January 1 of each of the years 1985 to 1999, inclusive as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1985	\$150,000	1993	\$325,000
1986	175,000	1994	350,000
1987	200,000	1995	375,000
1988	225,000	1996	425,000
1989	225,000	1997	475,000
1990	250,000	1998	525,000
1991	275,000	1999	575,000
1992	300,000		

Section 3. Interest; Payment Provisions. The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, at a rate or rates not exceeding ten percent (10%) per annum established at the sale of the Bonds as hereinafter provided, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on the first days of January and July of each year, commencing on July 1, 1984. Interest on each Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such Bond is registered at the close of business on the 15th day of the calendar month next preceding the interest payment date. The principal of and premium (if any) on the Bonds shall be payable in lawful money of the United States of America at the principal office of the Bond Registrar.

Section 4. Execution; Authentication. The Bonds shall be executed on behalf of the County with the facsimile signature of its County Executive and attested with the facsimile signature of its County Clerk and shall have impressed or imprinted thereon

the corporate seal of the County or a facsimile thereof. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar as authenticating agent of the County and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Resolution. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 5. Registration of Bonds; Persons Treated as Owners. The County shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds as provided in this Resolution to be kept at the principal office of the Bond Registrar, which is hereby constituted and appointed the registrar of the County. Upon surrender for transfer of any Bond at the principal office of the Bond Registrar duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar duly executed by, the registered owner or his attorney duly authorized in writing, the County shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the County of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond. The Bond Registrar shall not be required to transfer or exchange any Bond during the period of fifteen days next preceding any interest payment date on such Bond, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed nor during the period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of, premium (if any) or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the County or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

Section 6. Redemption. Bonds maturing on and after January 1, 1990 shall be subject to redemption prior to maturity at the option of the County as a whole, or in part in integral multiples of \$5000 in inverse order of their maturity (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on January 1, 1989 and on any interest payment date thereafter, at redemption prices (expressed as percentages of principal amount) in accordance with the following schedule plus accrued interest to the redemption date:

<u>Date of Redemption</u> <u>(dates inclusive)</u>	<u>Redemption Price</u>
January 1, 1989 through July 1, 1990	102
January 1, 1991 through July 1, 1991	101
January 1, 1992 and thereafter	100

The Bonds shall be redeemed only in the principal amount of \$5000 each and integral multiples thereof. The County shall, at least 45 days prior to the redemption date (unless a shorter notice shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than 60 days prior to the redemption date by the Bond Registrar from the outstanding Bonds of the longest maturity then outstanding by such method as the Bond Registrar shall deem fair and appropriate, and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of \$5000 and integral multiples thereof.

The Bond Registrar shall promptly notify the County in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Section 7. Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the County by mailing the redemption notice by registered or certified mail at least thirty days and not more than sixty days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

Prior to any redemption date, the County shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Section 8. Form of Bonds. The Bonds, the certificate of authentication to be endorsed thereon and the form of assignment are all to be in substantially the following forms with necessary and appropriate variations, omissions and insertions as permitted or required by this Resolution:

(Form of Bond - Front Side)

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF LOUDON
SCHOOL BOND, SERIES 1984

See Reverse Side
for Additional
Provisions

No. _____

CUSIP _____
(optional)

<u>Rate of</u> <u>Interest</u>	<u>Maturity Date</u>	<u>Registered Owner</u>	<u>Principal Amount</u>
-----------------------------------	----------------------	-------------------------	-------------------------

KNOW ALL MEN BY THESE PRESENTS: That Loudon County, Tennessee (the "County") organized and existing under the laws of the State of Tennessee, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner hereinabove identified, or registered assigns as hereinafter provided, on the Maturity Date hereinabove identified, the Principal Amount hereinabove identified and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such principal amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Rate of Interest per annum hereinabove set forth on January 1 and July 1 of each year, commencing July 1, 1984, until said principal sum is paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be and become applicable hereto.

Both principal of and premium (if any) on this Bond are payable in lawful money of the United States of America at the principal office of _____ in _____, as bond registrar and paying agent (the "Bond Registrar"). Payment of each installment of interest shall be made to the registered owner hereof who shall appear on the registration books of the County maintained by the Bond Registrar at the close of business on the 15th day of the calendar month next preceding the interest payment date and shall be paid by check or draft of the Bond Registrar mailed to such registered owner at his address as it appears on such registration books or at such other address as may be furnished in writing by such registered owner to the Bond Registrar.

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

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist, happen and be performed precedent to and in the issuance of this Bond have been done, have existed, have happened and have been performed in regular form and manner as required by the constitution and statutes of the State of Tennessee; that this Bond, together with all other indebtedness of the County, does not exceed any limitation prescribed by law; and that provision has been made for the levy and collection of a direct annual tax, in addition to all other taxes, on all taxable property in the County sufficient to pay the interest hereon as the same falls due and for the payment of the principal hereof at maturity.

The full faith, credit and resources of the County are hereby pledged for the payment of the principal of and interest on this Bond and the issue of which it is a part as the same respectively become due and for the levy and collection of sufficient taxes for that purpose.

It is provided in Section 49-3-1002(c), Tennessee Code Annotated, that neither the principal nor the interest on this Bond shall be taxed by the State of Tennessee or by any county or municipality therein. Other provisions of said code indicate, however, that such exemption may not be available with respect to certain taxes.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF Loudon County, Tennessee, by its Board of County Commissioners, has caused this Bond to be executed with the duly authorized facsimile signature of its County Executive and attested by the duly authorized facsimile signature of its County Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, as of the first day of January, 1984.

(facsimile signature)
County Executive

[SEAL]

Attest:

(facsimile signature)
County Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Resolution and is one of the School Bonds, Series - 1984 of Loudon County, Tennessee.

Date of Authentication:

as Bond Registrar

By _____
Authorized Officer

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[Form of Bond - Reverse Side]

This Bond is one of an authorized issue of Bonds aggregating the principal amount of \$_____ (the "Bonds") issued for the purpose of paying the cost of purchasing sites for school buildings and erecting, repairing, furnishing and equipping school buildings, pursuant to the provisions of Sections 49-3-1001 to 49-3-1007, inclusive, Tennessee Code Annotated, as supplemented and amended, and a resolution adopted by the Board of County Commissioners of the County on January 9, 1984.

Bonds of the issue of which this Bond is one maturing on and after January 1, 1990 are subject to redemption prior to maturity at the option of the County as a whole, or in part in integral multiples of \$5000 in inverse order of their maturity (less than all the Bonds of a single maturity to be selected by the Bond Registrar in such manner as it shall deem fair and appropriate) on January 1, 1989 and on any interest payment date thereafter, at redemption prices (expressed as percentages of principal amount) in accordance with the following schedule plus accrued interest to the redemption date:

<u>Date of Redemption</u> <u>(dates inclusive)</u>	<u>Redemption Price</u>
January 1, 1989 through July 1, 1990	102
January 1, 1991 through July 1, 1991	101
January 1, 1992 and thereafter	100

Notice of any such redemption shall be sent by registered or certified mail not less than thirty days nor more than sixty days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed (in whole or in part) at the address shown on the registration books of the County maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond, or the portion thereof being so called for redemption, will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

This Bond is transferable by the registered owner hereof in person or by his attorney duly authorized in writing at the principal office of the Bond Registrar in _____, but only in the manner, subject to the limitations

and upon payment of the charges provided in the authorizing resolution, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Bonds are issued in fully registered form in the denomination of \$5000 each or integral multiples thereof. This Bond may be exchanged at the principal office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the authorizing resolution.

The County and the Bond Registrar may deem and treat the registered owner as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof, premium, if any, hereon and interest due hereon and for all other purposes and neither the County nor the Bond Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

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

Section 9. Levy of Tax. The Governing Body of the County is required by law and shall and does hereby pledge itself to levy in each year in which any of the Bonds are outstanding and unpaid a tax in addition to all other taxes on all taxable property in the County, fully sufficient to pay promptly the principal of and the interest on said Bonds as such principal and interest respectively fall due. Principal and interest falling due at any time when there shall be insufficient funds on hand from such tax levy shall be paid from the current funds of the County and reimbursement therefor shall be made out of the taxes hereby provided to be levied when the same shall have been collected.

Section 10. Sale of Bonds. The Bonds shall be sold to the highest bidder by the County Executive as a whole or in part from time to time as may be determined by said official, at not less than par and accrued interest at public sale after not less than five days advertisement thereof in The Bond Buyer, a financial newspaper published in New York, New York, and in a newspaper having general circulation in the County. Said Bonds shall bear interest at the rate or rates specified in the bid accepted therefor, and following each sale there shall be recorded in the minutes of the Governing Body a certificate by the County Executive evidencing the bids received and the award of the Bonds to the highest bidder. The action of said official in awarding said Bonds shall be conclusive and no further action shall be necessary on the part of the Governing Body.

Section 11. Delivery of Bonds and Use of Proceeds; No Arbitrage; Bonds to Remain in Registered Form. The Bonds shall be printed and executed as soon as may be after the sale thereof and thereupon shall be delivered to the purchasers thereof upon receipt by the County Trustee of the agreed purchase price. The proceeds of the Bonds shall be deposited in a special fund and used solely for the purpose for which the Bonds were authorized; provided, however, that in the event that bond anticipation notes of the County shall have been legally issued in anticipation of the proceeds of any portion of the Bonds, the principal proceeds of the Bonds in an amount not exceeding the principal amount of said notes then outstanding may be used to retire the principal amount of said notes.

The County recognizes that the purchasers and holders of the Bonds will have accepted them on, and paid therefor a price which reflects, the understanding that interest thereon is exempt from federal income taxation under laws in force at the time the Bonds shall have been delivered. In this connection the County agrees that it shall take no action which may render the interest on any of the Bonds subject to federal income taxation and that the principal proceeds of the sale of the Bonds shall be devoted to and used with due diligence for the

completion of the facilities for which the Bonds are hereby authorized to be issued or for the retirement of bond anticipation notes lawfully issued for such purpose.

The County Executive, the County Trustee and the County Clerk of the County, or any of them, are hereby authorized to execute on behalf of the County an Arbitrage Certificate to assure the purchasers and owners of the Bonds that the proceeds of the Bonds are not expected to be used in a manner which would or might result in the Bonds being "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1954, as amended (the "Code"), or the regulations of the United States Treasury Department currently in effect or proposed. Such Arbitrage Certificate shall constitute a representation and certification of the County and no investment of bond proceeds or of monies accumulated to pay the Bonds herein authorized shall be made in violation of the expectations prescribed by said Arbitrage Certificate.

The County further recognizes that Section 103(j) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the County agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 12. Duties of Bond Registrar. If requested by the Bond Registrar, the County Executive of the County is authorized to execute and the County Clerk of the County is authorized to attest the Bond Registrar's standard form of agreement between the County and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which shall include the following:

(a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;

(b) to give notice of redemption of Bonds as provided herein;

(c) to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

(d) to furnish the County at least annually a certificate of destruction with respect to Bonds cancelled and destroyed; and

(e) to furnish the County at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 13. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability or such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 14. Repeal. All resolutions in conflict herewith are hereby repealed to the extent of such conflict, and this resolution shall take effect from and after its passage.

Adopted and approved this 9th day of January, 1984.

/s/ H. Ross Wilkerson
County Executive

Attest:

/s/ Riley D. Wampler
County Clerk

It was thereupon moved by Avery Petty and seconded by J. F. Price that said resolution be adopted. Upon roll being called the following voted:

Aye: J. J. Blair, Roy Bledsoe, Al Bryant, Bart Eldridge
Jerry Masingo, Avery Petty, J. F. Price, William E. Webb

Nay: NONE

* * *
(Other Business)

The following resolution was thereupon introduced and read in full:

RESOLUTION authorizing the issuance of
\$4,850,000 School Bond Anticipation
Notes of Loudon County, Tennessee,
providing the details thereof, levying
a tax for the payment thereof and
authorizing the sale thereof.

WHEREAS it is now necessary that Loudon County, Tennessee (the "County") obtain funds in the amount of \$ 4,850,000 for the purpose of purchasing sites for school buildings and erecting, repairing, furnishing and equipping school buildings in and for the County; and

WHEREAS this Board of County Commissioners did heretofore on January 9, 1984, adopt a resolution pursuant to the provisions of 49-3-1001 to 49-3-1007, inclusive, Tennessee Code Annotated, authorizing the issuance of \$ 4,850,000 bonds of the County for such purpose; and

WHEREAS market conditions are such that it is not deemed desirable at this time to sell bonds for such purpose; and

WHEREAS by Section 5-10-502, Tennessee Code Annotated, counties are authorized, after approval by the State Director of Local Finance, to issue and sell interest-bearing bond anticipation notes for all county purposes for which general obligation bonds can be legally authorized and issued by a county; and

WHEREAS it is now necessary to issue such notes in the amount of \$ 4,850,000 :

NOW, THEREFORE, Be It Resolved by the Board of County Commissioners of Loudon County, Tennessee, acting as the county legislative body of said county, as follows:

Section 1. In anticipation of the proceeds of a principal amount of \$ 4,850,000 bonds to be issued by the County for the purpose of purchasing sites for school buildings and erecting, repairing, furnishing and equipping school buildings in and for the County under authority of Sections 49-3-1001 to 49-3-1007, inclusive, Tennessee Code Annotated, there shall be issued the bond anticipation notes of the County in the principal amount of \$ 4,850,000. Said notes shall be designated "School Bond Anticipation Notes," shall be dated as of the date of issuance thereof or such earlier date as may be agreed upon by the County Executive of the County and the purchaser or purchasers of the notes, shall mature not later than one year thereafter, shall be in such denomination or denominations as may be agreed upon by said County Executive and the purchaser or purchasers of the notes, and shall be appropriately numbered.

Section 2. Each of said notes shall be subject to prepayment prior to maturity at the option of the County, in whole or in part (in such manner as may be designated by the County), at any time (or, if coupon notes, on any interest payment date); provided, that with the consent of the original purchaser of any note, the County Executive may determine at the time of sale thereof that such note shall not be subject to prepayment. Any such prepayment shall be at the principal amount thereof and accrued interest to the date of prepayment. Thirty days' notice of intended prepayment shall be given by publication of an appropriate notice one time in a newspaper of general circulation in the County and by registered or certified mail to the original purchaser of each note intended for prepayment, but the holder of any note intended for prepayment may waive such notice.

Section 3. All of said notes shall be payable, both principal and interest, in lawful money of the United States of America, at the office of the County Trustee of the County at the County Courthouse in Loudon, Tennessee.

Section 4. Said notes shall be signed by the County Executive with his manual or facsimile signature and countersigned by the County Clerk and sealed with the official seal of the County or a facsimile thereof. Said notes shall bear interest at such rate or rates as may be agreed upon by the County Executive and the purchaser or purchasers of the notes, not to exceed ten per cent (10%) per annum, payable semiannually or annually as may be agreed upon by said County Executive and the purchaser or purchasers of such notes, from the date of said notes until the principal amount shall have been fully paid, and at the maturity of such notes. Said notes may be issued without coupons or as coupon notes, as may be agreed upon by said County Executive and the purchaser or purchasers of such notes at the time of sale thereof. Interest on all coupon notes shall be evidenced by coupons attached to each of said notes bearing the facsimile signatures of said County Executive and County Clerk.

Section 5. Said notes and the coupons to be attached to coupon notes shall be in substantially the following form, the language and omissions to be appropriately completed when the notes are prepared:

(Form of Note)

UNITED STATES OF AMERICA

STATE OF TENNESSEE

COUNTY OF LOUDON

SCHOOL BOND ANTICIPATION NOTE

Number _____

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That the County of Loudon (the "County"), in the State of Tennessee, hereby acknowledges itself to owe and for value received promises to pay to bearer the sum of _____ Dollars (\$ _____) on the _____ day of _____, 19____, with interest at the rate of _____ per cent (____%) per annum from the date hereof until the principal amount shall have been fully paid, such interest being payable semiannually on the _____ day of _____ and _____ of each year, and at the maturity hereof, [interest to maturity hereof being payable only upon presentation and surrender of the coupons hereto attached as they severally become due*]. Both principal hereof and interest hereon are hereby made payable in lawful money of the United States of America at the office of the County Trustee of the County at the County Courthouse in Loudon, Tennessee. For the prompt payment of this note, both principal and interest at maturity, and for the levy and collection of sufficient taxes for that purpose the full faith, credit and resources of the County are hereby irrevocably pledged.

This note is subject to prepayment prior to maturity at the option of the County, in whole or in part (in such manner as may be designated by the County), at any time [on any interest payment date*], at the principal amount hereof and accrued interest to the date of prepayment. Thirty days' notice of intended prepayment shall be given by publication of an appropriate notice one time in a newspaper of general circulation in the County and by registered or certified mail to the original purchaser of each note intended for prepayment, unless the holder of this note shall have waived such notice. Any such prepayment shall be applied first upon the accrued interest and then next applied upon the unpaid principal hereof. The County may require presentment of this note for endorsement of the prepayment in case the prepayment is in part and for surrender in case the prepayment is in full.

* to appear only in coupon notes

This note is one of an issue of notes aggregating \$ _____ issued under authority of and in full compliance with the Constitution and Statutes of Tennessee, including Sections 5-10-501 to 5-10-509, inclusive, Tennessee Code Annotated, for the purpose of anticipating the proceeds of school bonds to be issued by Loudon County under authority of Sections 49-3-1001 to 49-3-1007, inclusive, Tennessee Code Annotated, in the principal amount of not less than \$ _____.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist, happen and be performed precedent to and in the issuance of this note in order to make this note a legal, valid and binding obligation of the County, have been done, have existed, have happened and have been performed in regular and due time, form and manner as required by law, and that this note and the issue of which it is a part does not exceed any constitutional or statutory limitation.

Section 5-10-509 provides that neither the principal nor the interest of bond anticipation notes issued pursuant to the provisions of Sections 5-10-501 to 5-10-509, inclusive, Tennessee Code Annotated, shall be taxed by the State of Tennessee or by any county or municipality therein. Other provisions of said code indicate, however, that such exemption may not be available with respect to certain taxes.

IN WITNESS WHEREOF the County of Loudon, by its Board of County Commissioners, has caused this note to be signed by its County Executive with his manual or facsimile signature, countersigned by its County Clerk, and sealed with the official seal of the County or a facsimile thereof [and the coupons attached to this note to bear the facsimile signatures of said County Executive and County Clerk*], all as of the _____ day of _____, 19__.

Countersigned:

County Executive

County Clerk

* to appear only in coupon notes

(Form of Coupon to be attached to Coupon Notes)

Number _____

\$ _____

On the first day of _____, 19__, unless the note to which this coupon is appurtenant shall have been properly called for prepayment in whole or in part and provision for the payment thereof duly made, Loudon County, Tennessee, will pay to bearer the amount shown hereon in lawful money of the United States of America at the office of the County Trustee in Loudon, Tennessee, upon presentation and surrender of this coupon, being interest then due on its School Bond Anticipation Note, dated _____, 19__, No. ____.

(facsimile signature)

County Executive

Countersigned:

(facsimile signature)

County Clerk

Section 6. For the purpose of providing funds with which to pay interest accruing on said notes and the principal thereof at maturity there shall be levied upon all taxable property in the County, in addition to all other taxes, a direct annual tax for each of the years while said notes, or any of them, are outstanding, in amounts sufficient for that purpose. Principal or interest coming due at any time when there shall be insufficient funds on hand to pay the same shall be promptly paid when due from the general fund or other available funds of the County and reimbursement shall be made to such fund or funds in the amount thus advanced when taxes provided for that purpose shall have been collected. Provided, however, that when the bonds described in the preamble hereto shall have been issued, the principal proceeds of such bonds in an amount not exceeding the principal amount of the notes issued hereunder and then outstanding shall be applied to the retirement of the principal amount of such notes.

Section 7. The notes shall be sold by the County Executive in whole or in part from time to time at not less than par and accrued interest. The action of the County Executive in selling such notes and fixing the interest rate or rates thereon, but not exceeding ten per cent per annum, and fixing the form, denominations and maturities of such notes shall be binding on the County and this Board of County Commissioners, and no further action by this Board of County Commissioners shall be necessary in reference thereto.

Section 8. The notes shall be prepared in printed or typewritten form and executed as soon as may be after the sale thereof and thereupon shall be delivered to the purchasers thereof upon receipt by the County Trustee of the agreed purchase price. The proceeds of said notes shall be deposited in a special fund and used solely for the purpose for which the notes were authorized. The County recognizes that the purchasers and holders of the notes will have accepted them on, and paid therefor a price which reflects, the understanding that interest thereon is exempt from federal income taxation under laws in force at the time said notes shall have been delivered. In this connection the County agrees that it shall take no action which may render the interest on any of said notes subject to federal income taxation and that the principal proceeds of the sale of said notes shall be devoted to and used with due diligence for the completion of the facilities for which said notes are hereby authorized to be issued. The County Executive, the County Trustee and the County Clerk of the County, or any of them, are hereby authorized to execute on behalf of the County an Arbitrage Certificate to assure the purchasers and

holders of the notes that the proceeds of the notes are not expected to be used in a manner which would or might result in the notes being "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1954, as amended, or the regulations of the United States Treasury Department currently in effect or proposed. Such Arbitrage Certificate shall constitute a representation and certification of the County and no investment of note proceeds or of moneys accumulated to pay the notes herein authorized shall be made in violation of the expectations prescribed by said Arbitrage Certificate.

Section 9. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 10. All other orders or resolutions in conflict herewith are hereby repealed to the extent of such conflict, and this resolution shall take effect from and after its passage.

Adopted and approved this 9th day of January, 1984.

/s/ H. Ross Wilkerson
County Executive

Attest:

/s/ Riley D. Wampler
County Clerk

It was thereupon moved by Avery Petty
and seconded by Bart Eldridge that said resolution
be adopted. Upon roll being called the following voted:

Aye: J. J. Blair, Roy Bledsoe, Al Bryant, Bart Eldridge,
Jerry Masingo, Avery Petty, J. F. Price, William E. Webb

Nay: NONE

* * *

(Other Business)

Upon motion duly made, seconded and passed, the
Board of County Commissioners adjourned.

/s/ H. Ross Wilkerson
County Executive and Chairman

Attest:

/s/ H. Ross Wilkerson
County Clerk

STATE OF TENNESSEE)
)
COUNTY OF LOUDON)

I, Riley D. Wampler, hereby certify that I am the duly qualified and acting County Clerk of Loudon County, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of the meeting of the Board of County Commissioners of said county held on January 9, 1984; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original minute record relates to \$ 4,850,000 School Bonds, Series 1984, of said county dated January 1, 1984, and \$ 4,850,000 School Bond Anticipation Notes of said county.

WITNESS my official signature and the seal of said county this 13 day of January, 1984.


County Clerk

(SEAL)

REK:ld
12-23-83

BE IT REMEMBERED that the Board of County Commissioners of Loudon County, Tennessee, acting as the county legislative body of said county, met in open, public, rescheduled regular session at its regular meeting place in the County Courthouse in Loudon, Tennessee, at 7:00 o'clock P.M., on January 9, 1984.

Present and presiding the Honorable H. Ross Wilkerson, County Executive and Chairman; also present Riley D. Wampler, County Clerk and the following County Commissioners, to-wit:

J. J. Blair, Roy Bledsoe, Al Bryant, Bart Eldridge, Jerry Masingo, Avery Petty, J. F. Price, William E. Webb

Absent: Glen H. Luttrell

* * *

(Other Business)

The following resolution was introduced by J. J. Blair and read in full:

5-8p

INITIAL RESOLUTION authorizing the issuance of not exceeding \$ 150,000 Road Bonds of Loudon County, Tennessee.

Exhibit 7

205

BE IT RESOLVED by the Board of County Commissioners of Loudon County, Tennessee, acting as the county legislative body of said county, that for the purpose of paying the cost of constructing and improving roads in and for the County, including the acquisition of all property, real and personal, appurtenant thereto or connected with such work, there shall be issued the bonds of said county in an amount not to exceed \$ 150,000, which bonds shall bear interest at a rate or rates not exceeding ten per cent per annum. Said bonds, both principal and interest, shall be payable exclusively from ad valorem taxes to be levied for such purpose on all taxable property within Loudon County without limitation as to rate or amount.

Adopted and approved this 9th day of January, 1984.

/s/ H. Ross Wilkerson
County Executive

Attest:

/s/ Riley D. Wampler
County Clerk

It was moved by J. J. Blair and seconded by Avery Petty that said resolution be adopted, and upon roll being called the following voted:

Aye: J. J. Blair, Roy Bledsoe, Al Bryant, Bart Eldridge,
Jerry Masingo, Avery Petty, J. F. Price, William E. Webb

Nay: NONE

The County Executive and Chairman thereupon declared said resolution adopted.

Upon motion of J. J. Blair, seconded by Avery Petty, and unanimously adopted the County Clerk was instructed and authorized to cause a copy of said initial resolution to be published in a legally qualified newspaper of general circulation in said county, said resolution so published to have appended thereto the following notice:

N O T I C E

The foregoing resolution has been adopted. Unless within eighteen (18) days from the date of the publication hereof a petition signed by at least ten per cent (10%) of the registered voters of the county shall have been filed with the County Clerk protesting the issuance of the bonds, such bonds will be issued as proposed.

/s/ Riley D. Wampler
County Clerk

The following resolution was thereupon introduced and read in full:

RESOLUTION providing the details of \$ 150,000
Road Bonds, Series 1984, of Loudon County, Tennessee,
authorizing and directing the sale thereof, and
levying taxes for the payment thereof.

WHEREAS this Board of County Commissioners did on January 9, 1984, adopt an initial resolution pursuant to the provisions of the hereinafter mentioned Act, authorizing the issuance of \$ 150,000 bonds of Loudon County for the purpose of paying the cost of constructing and improving roads in and for the County, including the acquisition of all property, real and personal, appurtenant thereto or connected with such work, and

WHEREAS it is now necessary and advisable that proceedings be taken so as to provide the details of said bonds, to authorize and direct the sale of said bonds and to levy taxes to meet the principal and interest thereon as the same fall due:

NOW, THEREFORE, Be It Resolved by the Board of County Commissioners of Loudon County, Tennessee, acting as the county legislative body of the County, as follows:

Section 1. Definitions. For all purposes of this Resolution, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Section shall have the meanings set forth below, and shall include the plural as well as the singular.

"Act" shall mean Sections 5-11-101 to 5-11-125, inclusive, Tennessee Code Annotated, as amended and supplemented.

"Bond" or "Bonds" shall mean one or more of the Road Bonds, Series 1984 authorized to be issued by the terms of this Resolution.

"Bond Register" shall mean the books of the County kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

"Bond Registrar" shall mean such bank or successor thereto as shall be designated as Bond Registrar for the Bonds by the County Executive of the County prior to the issuance of the Bonds.

"County" shall mean Loudon County, Tennessee.

"Governing Body" shall mean the Board of County Commissioners of the County, acting as the county legislative body of the County, or such other council, board, commission or body, by whatever name known, which shall succeed to its powers.

"Resolution" shall mean this resolution as adopted by the Governing Body of the County.

Section 2. Authorization. The bonds authorized by the initial resolution adopted on January 9, 1984 and referred to in the preamble hereto shall be sold and issued in the principal amount of \$150,000 pursuant to the provisions of the Act. The Bonds shall be designated "Road Bonds, Series 1984," shall be dated January 1, 1984, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each and integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), shall be appropriately numbered, and shall mature serially on January 1 of each of the years 1985 to 1990, inclusive as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1985	\$25,000	1988	\$25,000
1986	25,000	1989	25,000
1987	25,000	1990	25,000

Section 3. Interest; Payment Provisions. The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, at a rate or rates not exceeding ten percent (10%) per annum established at the sale of the Bonds as hereinafter

provided, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on the first days of January and July of each year, commencing on July 1, 1984. Interest on each Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such Bond is registered at the close of business on the 15th day of the calendar month next preceding the interest payment date. The principal of and premium (if any) on the Bonds shall be payable in lawful money of the United States of America at the principal office of the Bond Registrar.

Section 4. Execution; Authentication. The Bonds shall be executed on behalf of the County with the facsimile signature of its County Executive and attested with the facsimile signature of its County Clerk and shall have impressed or imprinted thereon the corporate seal of the County or a facsimile thereof. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar as authenticating agent of the County and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Resolution. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 5. Registration of Bonds; Persons Treated as Owners. The County shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds as provided in this Resolution to be kept at the principal office of the Bond Registrar, which is hereby constituted and appointed the registrar of the County. Upon surrender for transfer of any Bond at the principal office of the Bond Registrar duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar duly executed by, the registered owner or his attorney duly authorized in writing, the County

shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the County of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond. The Bond Registrar shall not be required to transfer or exchange any Bond during the period of fifteen days next preceding any interest payment date on such Bond, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed nor during the period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of, premium (if any) or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the County or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

Section 6. Redemption. Bonds maturing on and after January 1, 1990 shall be subject to redemption prior to maturity at the option of the County as a whole, or in part in integral multiples of \$5000 in inverse order of their maturity (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on January 1, 1989 and on any interest payment date thereafter, at redemption prices (expressed as percentages of principal amount) in accordance with the following schedule plus accrued interest to the redemption date:

<u>Date of Redemption</u> <u>(dates inclusive)</u>	<u>Redemption Price</u>
January 1, 1989 through July 1, 1990	102
January 1, 1991 through July 1, 1991	101
January 1, 1992 and thereafter	100

The Bonds shall be redeemed only in the principal amount of \$5000 each and integral multiples thereof. The County shall, at least 45 days prior to the redemption date (unless a shorter notice shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than 60 days prior to the redemption date by the Bond Registrar from the outstanding Bonds of the longest maturity then outstanding by such method as the Bond Registrar shall deem fair and appropriate, and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of \$5000 and integral multiples thereof.

The Bond Registrar shall promptly notify the County in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Section 7. Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the County by mailing the redemption notice by registered or certified mail at least thirty days and not more than sixty days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

Prior to any redemption date, the County shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Section 8. Form of Bonds. The Bonds, the certificate of authentication to be endorsed thereon and the form of assignment are all to be in substantially the following forms with necessary and appropriate variations, omissions and insertions as permitted or required by this Resolution:

(Form of Bond - Front Side)

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF LOUDON
ROAD BOND, SERIES 1984

See Reverse Side
for Additional
Provisions

No. _____

CUSIP _____
(optional)

<u>Rate of</u> <u>Interest</u>	<u>Maturity Date</u>	<u>Registered Owner</u>	<u>Principal Amount</u>
-----------------------------------	----------------------	-------------------------	-------------------------

KNOW ALL MEN BY THESE PRESENTS: That Loudon County, Tennessee (the "County") organized and existing under the laws of the State of Tennessee, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner hereinabove identified, or registered assigns as hereinafter provided, on the Maturity Date hereinabove identified, the Principal Amount hereinabove identified and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such principal amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Rate of Interest per annum hereinabove set forth on January 1 and July 1 of each year commencing July 1, 1984 until said principal sum is paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be and become applicable hereto.

Both principal of and premium (if any) on this Bond are payable in lawful money of the United States of America at the principal office of _____ in _____, as bond registrar and paying agent (the "Bond Registrar"). Payment of each installment of interest shall be made to the registered owner hereof who shall appear on the registration books of the County maintained by the Bond Registrar at the close of business on the 15th day of the calendar month next preceding the interest payment date and shall be paid by check or draft of the Bond Registrar mailed to such registered owner at his address as it appears on such registration books or at such other address as may be furnished in writing by such registered owner to the Bond Registrar.

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

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

The full faith, credit and resources of the County are hereby pledged for the payment of the principal of and interest on this Bond and the issue of which it is a part as the same respectively become due and for the levy and collection of sufficient taxes for that purpose.

It is provided in Section 5-11-125, Tennessee Code Annotated, that this Bond and the income herefrom are exempt from all state, county and municipal taxation in the State of Tennessee except inheritance, transfer and estate taxes. Other provisions of said code indicate, however, that such exemption may not be available with respect to certain taxes.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF Loudon County, Tennessee, by its Board of County Commissioners, has caused this Bond to be executed with the duly authorized facsimile signature of its County Executive and attested by the duly authorized facsimile signature of its County Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, as of the first day of January, 1984.

(facsimile signature)
County Executive

[SEAL]

Attest:

(facsimile signature)
County Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Resolution and is one of the Road Bonds, Series 1984 of Loudon County, Tennessee.

Date of Authentication:

as Bond Registrar

By _____
Authorized Officer

[Form of Bond - Reverse Side]

This Bond is one of an authorized issue of Bonds aggregating the principal amount of \$_____ (the "Bonds") issued for the purpose of paying the cost of constructing and improving roads in and for the County, including the acquisition of all property, real and personal, appurtenant thereto or connected with such work, pursuant to the provisions of Sections 5-11-101 to 5-11-125, inclusive, Tennessee Code Annotated, as supplemented and amended, and a resolution adopted by the Board of County Commissioners of the County on January 9, 1984.

Bonds of the issue of which this Bond is one maturing on and after January 1, 1990 are subject to redemption prior to maturity at the option of the County as a whole, or in part in integral multiples of \$5000 in inverse order of their maturity (less than all the Bonds of a single maturity to be selected by the Bond Registrar in such manner as it shall deem fair and appropriate) on January 1, 1989 and on any interest payment date thereafter, at redemption prices (expressed as percentages of principal amount) in accordance with the following schedule plus accrued interest to the redemption date:

<u>Date of Redemption (dates inclusive)</u>	<u>Redemption Price</u>
January 1, 1989 through July 1, 1990	102
January 1, 1991 through July 1, 1991	101
January 1, 1992 and thereafter	100

Notice of any such redemption shall be sent by registered or certified mail not less than thirty days nor more than sixty days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed (in whole or in part) at the address shown on the registration books of the County maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond, or the portion thereof being so called for redemption, will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

This Bond is transferable by the registered owner hereof in person or by his attorney duly authorized in writing at the

principal office of the Bond Registrar in _____, but only in the manner, subject to the limitations and upon payment of the charges provided in the authorizing resolution, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Bonds are issued in fully registered form in the denomination of \$5000 each or integral multiples thereof. This Bond may be exchanged at the principal office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the authorizing resolution.

The County and the Bond Registrar may deem and treat the registered owner as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof, premium, if any, hereon and interest due hereon and for all other purposes and neither the County nor the Bond Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

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

Section 9. Levy of Tax. The Governing Body of the County is required by law and shall and does hereby pledge itself to levy in each year in which any of the Bonds are outstanding and unpaid a tax in addition to all other taxes on all taxable property in the County, fully sufficient to pay promptly the principal of and the interest on said Bonds as such principal and interest respectively fall due. Principal and interest falling due at any time when there shall be insufficient funds on hand from such tax levy shall be paid from the current funds of the County and reimbursement therefor shall be made out of the taxes hereby provided to be levied when the same shall have been collected.

Section 10. Sale of Bonds. If no referendum petition shall be filed with the County Clerk as permitted by law within 18 days after publication of said initial resolution, the Bonds shall be sold to the highest bidder by the County Executive as a whole or in part from time to time as may be determined by said official, at not less than par and accrued interest at public sale after not less than five days advertisement thereof in The Bond Buyer, a financial newspaper published in New York, New York, and in a newspaper having general circulation in the County. Said Bonds shall bear interest at the rate or rates specified in the bid accepted therefor, and following each sale there shall be recorded in the minutes of the Governing Body a certificate by the County Executive evidencing the bids received and the award of the Bonds to the highest bidder. The action of said official in awarding said Bonds shall be conclusive and no further action shall be necessary on the part of the Governing Body.

Section 11. Delivery of Bonds and Use of Proceeds; No Arbitrage; Bonds to Remain in Registered Form. The Bonds shall be printed and executed as soon as may be after the sale thereof and thereupon shall be delivered to the purchasers thereof upon receipt by the County Trustee of the agreed purchase price. The proceeds of the Bonds shall be deposited in a special fund and used solely for the purpose for which the Bonds were authorized; provided, however, that in the event that bond anticipation notes of the County shall have been legally issued in anticipation of the proceeds of any portion of the Bonds, the principal proceeds of the Bonds in an amount not exceeding the principal amount of said notes then outstanding may be used to retire the principal amount of said notes.

The County recognizes that the purchasers and holders of the Bonds will have accepted them on, and paid therefor a price which reflects, the understanding that interest thereon is exempt from federal income taxation under laws in force at the time the Bonds shall have been delivered. In this connection the County agrees that it shall take no action which may render the interest on any of the Bonds subject to federal income taxation and that the principal proceeds of the sale of the Bonds shall be devoted to and used with due diligence for the

completion of the facilities for which the Bonds are hereby authorized to be issued or for the retirement of bond anticipation notes lawfully issued for such purpose.

The County Executive, the County Trustee and the County Clerk of the County, or any of them, are hereby authorized to execute on behalf of the County an Arbitrage Certificate to assure the purchasers and owners of the Bonds that the proceeds of the Bonds are not expected to be used in a manner which would or might result in the Bonds being "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1954, as amended (the "Code"), or the regulations of the United States Treasury Department currently in effect or proposed. Such Arbitrage Certificate shall constitute a representation and certification of the County and no investment of bond proceeds or of monies accumulated to pay the Bonds herein authorized shall be made in violation of the expectations prescribed by said Arbitrage Certificate.

The County further recognizes that Section 103(j) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the County agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 12. Duties of Bond Registrar. If requested by the Bond Registrar, the County Executive of the County is authorized to execute and the County Clerk of the County is authorized to attest the Bond Registrar's standard form of agreement between the County and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which shall include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to give notice of redemption of Bonds as provided herein;
- (c) to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
- (d) to furnish the County at least annually a certificate of destruction with respect to Bonds cancelled and destroyed; and
- (e) to furnish the County at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 13. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability or such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 14. Repeal. All resolutions in conflict herewith are hereby repealed to the extent of such conflict, and this resolution shall take effect from and after its passage.

Adopted and approved this 9th day of January, 1984.

/s/ H. Ross Wilkerson
County Executive

Attest:

/s/ Riley D. Wampler
County Clerk

It was thereupon moved by Avery Petty and seconded by J. F. Price that said resolution be adopted. Upon roll being called the following voted:

Aye: J. J. Blair, Roy Bledsoe, Al Bryant, Bart Eldridge
Jerry Masingo, Avery Petty, J. F. Price, William E. Webb

Nay: NONE

* * *

(Other Business)

The following resolution was thereupon introduced and read in full:

RESOLUTION authorizing the issuance of
\$ 150,000 Bond Anticipation
Notes of Loudon County, Tennessee, pro-
viding the details thereof, levying a
tax for the payment thereof and author-
izing the sale thereof.

WHEREAS it is now necessary that Loudon County,
Tennessee (the "County") obtain funds in the amount of \$ 150,000
for the purpose of paying the cost of constructing and improving
roads in and for the County, including the acquisition of all
property, real and personal, appurtenant thereto or connected
with such work; and

WHEREAS this Board of County Commissioners did heretofore on January 9, 1984 adopt an initial resolution pursuant to the provisions of Section 5-11-101 to 5-11-125, inclusive, Tennessee Code Annotated, authorizing the issuance of \$ 150,000 bonds of the county for such purpose; and

WHEREAS market conditions are such that it is not deemed desirable at this time to sell bonds for such purpose; and

WHEREAS by Section 5-10-502, Tennessee Code Annotated, counties are authorized, after approval by the state director of local finance, to issue and sell interest-bearing bond anticipation notes for all county purposes for which general obligation bonds can be legally authorized and issued by a county, provided that the resolution authorizing said notes shall not be effective until the initial resolution authorizing the issuance of the bonds, if required, shall have been adopted, published and no petition protesting the issuance of such bonds shall have been filed as permitted by law; and

WHEREAS it is now necessary to issue such notes in the amount of \$ 150,000 :

NOW, THEREFORE, Be It Resolved by the Board of County Commissioners of Loudon County, Tennessee, acting as the county legislative body of said county, as follows:

Section 1. In anticipation of the proceeds of a like principal amount of bonds to be issued by the county for the purpose of paying the cost of constructing and improving roads in and for the County, including the acquisition of all property, real and personal, appurtenant thereto or connected with such work, under authority of Sections 5-11-101 to 5-11-125, inclusive, Tennessee Code Annotated, there shall be issued the bond anticipation notes of the County in the principal amount of \$ 150,000 . Said notes shall be designated "Road Bond Anticipation Notes," shall be dated as of the date of issuance thereof or such earlier date as may be agreed upon by the County Executive of the County and the purchaser or purchasers of the notes, shall mature not later than one year thereafter, shall be of such denomination or denominations as shall be agreed upon by the County Executive and the purchaser or purchasers of the notes and shall be appropriately numbered.

Section 2. Said notes shall be subject to prepayment prior to maturity at the option of the County as a whole, or in part (in such manner as may be designated by the County), at any time (or, if coupon notes, on any interest payment date); provided, that with the consent of the original purchaser of any note, the County Executive may determine at the time of sale

thereof that such note shall not be subject to redemption. Any such prepayment shall be at the principal amount thereof and accrued interest to the date of prepayment. Thirty days' notice of prepayment shall be given by publication of an appropriate notice one time in a newspaper of general circulation in the County any by registered or certified mail to the original purchaser of each note intended for prepayment, but the holder of any note thus intended for prepayment may waive such notice.

Section 3. Each of said notes shall be signed by the County Executive with his manual or facsimile signature and countersigned by the County Clerk and sealed with the official seal of the county or a facsimile thereof. Said notes shall bear interest at such rate or rates as may be agreed upon by the County Executive and the purchaser or purchasers of the notes, not to exceed ten per cent (10%) per annum, payable semiannually or annually as may be agreed upon by said county executive and the purchaser or purchasers of such notes from the date of the notes until the principal amount shall have been fully paid, and at the maturity of such notes. Said notes may be issued without coupons or as coupon notes as may be agreed upon by said County Executive and the purchaser or purchasers of such notes at the time of sale thereof. Interest on all coupon notes shall be evidenced by coupons attached to each of said notes bearing the facsimile signatures of said County Executive and County Clerk.

Section 4. All of said notes and coupons shall be payable in lawful money of the United States of America at the office of the County Trustee of the County at the County Courthouse.

Section 5. Said notes and the coupons to be attached to coupon notes shall be in substantially the following form, the omissions to be appropriately completed when the notes are prepared:

(Form of Note)

UNITED STATES OF AMERICA

STATE OF TENNESSEE

COUNTY OF LOUDON

ROAD BOND ANTICIPATION NOTE

Number _____

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That the County of Loudon (the "County"), in the State of Tennessee, hereby acknowledges itself to owe and for value received promises to pay to bearer the sum of _____ Dollars (\$ _____) on the _____ day of _____, 19____, with interest at the rate of _____ per cent (____%) per annum from the date hereof until the principal amount shall have been fully paid, such interest being payable semiannually on the _____ day of _____ and _____ of each year, and at the maturity hereof, [interest to maturity hereof being payable only upon presentation and surrender of the coupons hereto attached as they severally become due*]. Both principal hereof and interest hereon are hereby made payable in lawful money of the United States of America at the office of the County Trustee of the County at the County Courthouse in Loudon, Tennessee.

For the prompt payment of this note, both principal hereof and interest hereon, the full faith, credit and resources of the county are hereby irrevocably pledged. Provision has been made for the levy and collection of a direct annual tax, in addition to all other taxes, on all taxable property in the county, sufficient for the payment of principal of and interest on this note and the issue of which it is a part.

The notes of the issue of which this note is one are subject to prepayment prior to maturity at the option of the County as a whole, or in part (in such manner as may be designated by the County), at any time [on any interest payment date*], at the principal amount thereof and accrued interest to the date of prepayment. Thirty days' notice of intended prepayment shall be given by publication of an appropriate notice one time in a newspaper of general circulation in the County, and by registered or certified mail to the original purchaser of each note intended for prepayment unless the holder of the note shall have waived such notice. Any such prepayment shall

be applied first upon the accrued interest and then next applied upon the unpaid principal hereof. The County may require presentment of this note for endorsement of the prepayment in case the prepayment is in part or for surrender in case the prepayment is in full.

This note is one of an issue of notes aggregating \$ _____ issued under authority of and in full compliance with the constitution and statutes of Tennessee, including Sections 5-10-501 to 5-10-509, inclusive, Tennessee Code Annotated, for the purpose of anticipating the proceeds of road bonds to be issued by the county under authority of Sections 5-11-101 to 5-11-125, inclusive, Tennessee Code Annotated, in the principal amount of not less than \$ _____.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist, happen and be performed precedent to and in the issuance of this note in order to make this note a legal, valid and binding obligation of the county, have been done, have existed, have happened and have been performed in regular and due time, form and manner as required by law, and that this note and the issue of which it is a part does not exceed any constitutional or statutory limitation.

Section 5-10-509 provides that neither the principal nor the interest of bond anticipation notes issued pursuant to the provisions of Sections 5-10-501 to 5-10-509, inclusive, Tennessee Code Annotated, shall be taxed by the State of Tennessee or by any county or municipality therein. Other provisions of said code indicate, however, that such exemption may not be available with respect to certain taxes.

IN WITNESS WHEREOF the County of Loudon, by its Board of County Commissioners, has caused this note to be signed by its County Executive with his manual or facsimile signature, countersigned by its County Clerk, and sealed with the official seal of the county or a facsimile thereof [and the coupons attached to this note to bear the facsimile signatures of said County Executive and County Clerk*], all as of the _____ day of _____, 19__.

Countersigned:

(facsimile signature)
County Executive

County Clerk

*to appear only in coupon notes

(Form of Coupon to be attached to Coupon Notes)

Number _____

\$ _____

On the _____ day of _____, 19____, unless the note to which this coupon is appurtenant shall have been properly called for prepayment and provision for the payment thereof duly made, Loudon County, Tennessee, will pay to bearer the amount shown hereon in lawful money of the United States of America at the office of the County Trustee in Loudon, Tennessee, upon presentation and surrender of this coupon, being interest then due on its Road Bond Anticipation Note, dated _____, 19____, No. ____.

(facsimile signature)

County Executive

Countersigned:

(facsimile signature)

County Clerk

Section 6. The County Executive and County Clerk are hereby authorized and directed to make application to the state director of local finance for his approval of the issuance of said notes and to present a certified copy of this resolution to such official.

Section 7. For the purpose of providing funds with which to pay interest accruing on said notes and the principal thereof at maturity there shall be levied upon all taxable property in said county, in addition to all other taxes, a direct annual tax for each of the years while said notes, or any of them, are outstanding, in amounts sufficient for that purpose. Principal or interest coming due at any time when there shall be insufficient funds on hand to pay the same shall be promptly paid when due from the general fund or other available funds of the county and reimbursement shall be made to such fund or funds in the amount thus advanced when taxes provided for that purpose shall have been collected. Provided, however, that when the bonds, in anticipation of which said notes are issued, shall have been issued, the principal proceeds of such bonds in an amount not exceeding the principal amount of the notes issued hereunder and then outstanding shall be applied to the retirement of the principal amount of such notes.

Section 8. If no referendum petition shall be filed with the County Clerk as permitted by law within 18 days after publication of the initial resolution referred to in the preamble hereto, the notes shall be sold by the County Executive in whole or in part from time to time at not less than par and accrued interest. The action of the County Executive in selling such notes and fixing the interest rate or rates thereon, but not exceeding ten per cent per annum, and fixing the date, denomination and maturities of such notes shall be binding on the county and this Board of County Commissioners, and no further action by this Board of County Commissioners shall be necessary in reference thereto.

Section 9. The notes shall be prepared in printed or typewritten form and executed as soon as may be after the sale thereof and thereupon shall be delivered to the purchasers thereof upon receipt by the County Trustee of the agreed purchase price. The proceeds of said notes shall be deposited in a special fund and used solely for the purpose for which the notes were authorized. The county recognizes that the purchasers and holders of the notes will have accepted them on, and paid therefor a price which reflects, the understanding that interest thereon is exempt from federal income taxation under laws in force at the time said notes shall have been delivered. In this connection the county agrees that it shall take no action which may render the interest on any of said notes subject to federal income taxation

and that the principal proceeds of the sale of said notes shall be devoted to and used with due diligence for the completion of the facilities for which said notes are hereby authorized to be issued. The County Executive, the County Trustee and the County Clerk of the county, or any of them, are hereby authorized to execute on behalf of the county an Arbitrage Certificate to assure the purchasers and holders of the notes that the proceeds of the notes are not expected to be used in a manner which would or might result in the notes being "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1954, as amended, or the regulations of the United States Treasury Department currently in effect or proposed. Such Arbitrage Certificate shall constitute a representation and certification of the county and no investment of note proceeds or of moneys accumulated to pay the notes herein authorized shall be made in violation of the expectations prescribed by said Arbitrage Certificate.

Section 10. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 11. All orders or resolutions in conflict herewith are hereby repealed to the extent of such conflict, and this resolution shall take effect from and after its passage.

Adopted and approved this 9th day of January, 1984.

/s/ H. Ross Wilkerson
County Executive

Attest:

/s/ Riley D. Wampler
County Clerk

It was thereupon moved by Avery Petty
and seconded by Bart Eldridge that said resolution
be adopted. Upon roll being called the following voted:

Aye: J. J. Blair, Roy Bledsoe, Al Bryant, Bart Eldridge, Jerry
Masingo, Avery Petty, J. F. Price, William E. Webb

Nay: NONE

* * *

(Other Business)

Upon motion duly made, seconded and passed, the Board of
County Commissioners adjourned.

/s/ H. Ross Wilkerson
County Chairman

Attest:

/s/ Riley D. Wampler
County Clerk

STATE OF TENNESSEE)
COUNTY OF LOUDON)

I, Riley D. Wampler, hereby certify that I am the duly
qualified and acting County Clerk of Loudon County, Tennessee,
and as such official I further certify that attached hereto is a
copy of excerpts from the minutes of the meeting of the Board of
County Commissioners of said county held on January 9, 1984;
that I have compared said copy with the original minute record
of said meeting in my official custody; and that said copy is a
true, correct and complete transcript from said original minute
record insofar as said original record relates to \$ 150,000
Road Bonds and \$ 150,000 Road Bond Anticipation Notes of
said county.

WITNESS my official signature and the seal of said
county this 13 day of January, 1984.

Riley D Wampler
County Clerk

(SEAL)



STATE OF TENNESSEE
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
DIVISION OF COMMUNITY DEVELOPMENT
Local Planning Office

East Tennessee Region
P.O. Box 1069
1114 West Clinch Avenue
Knoxville, TN 37901

Phone
615-522-2185
Network phone
8-240-9101

M E M O R A N D U M

TO: County Executive, Ross Wilkerson and members of the Loudon County Commission

FROM: Patrick Phillips

DATE: January 9, 1984

SUBJECT: General Report

The Loudon County Regional Planning Commission met on December 9, 1983 to consider and/or recommend the following:

1. Recommend that the county commission appoint a citizens group to study and prepare a county road naming list.
2. Commission discussed system of solid waste convenient centers and directed staff to prepare a feasibility study of same.
3. Heard report from Loudon County road engineer regarding construction of roads in Oakwood Estates.
4. Heard building commissioner's report stating that in November, 23 permits were issued and a total evaluation of \$358,300 with fees collected amounting to \$2,197.
5. Commission also recommends that the building commissioner's salary be adjusted given his job performance.

PP:sat

Exhibit H

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LOUDON COUNTY MEMORIAL HOSPITAL

SALE OF HOSPITAL STUDY COMMITTEE

December 14, 1983

The Committee met in the hospital board room at 7:00 p.m. with all members present with the exception of Commissioner J. J. Blair, namely:

Ross Wilkerson
William Casady
Gene Hamby
Dr. Walter Shea
June Custead
Harvey Sproul
Glenn Luttrell
Avery Petty

Also present were Dr. Elsie Tompkinson and News-Herald Editor, Brenda Shoun.

Chairman Wilkerson opened the meeting by explaining the purpose as established by the Loudon County Commission, for which reason the Committee has been established.

It was agreed after discussion that the purpose of the Committee was to make a proposal or alternate proposals for consideration by the County Commission as to the best methods and procedure for asking for requests for proposals for the purchase of the Loudon County Memorial Hospital. It was also agreed that it was the Committee's opinion that the County Commission would listen to any recommendation that the Committee might have. Some members of the Committee stated that even though they were willing to consider the sale of the hospital, that they would not support such a measure unless it would result in substantial benefits to the County with no decrease in the medical services offered to Loudon Countians at the present time at a continued reasonable cost, and unless the present employees were protected.

Chairman Wilkerson called upon Hospital Administrator Casady for a report, indicating that the Chairman had asked the Administrator to look into as much preliminary information as he could concerning three or four areas that had already been indicated as being of concern to persons involved in making the decision as to whether or not to sell the hospital.

Administrator Casady stated that it was possible that it could be considered to be a conflict of interest for him to be involved on the Committee, when he in turn was an employee of the Hospital Corporation of America, who in turn would be very interested in the possibility of purchasing the hospital. He stated that his own personal position would continue to be that as Administrator of the hospital he would attempt to speak for the best interest of the hospital and to try and show fairly all sides of any question that might come up. He was assured that his position would be kept in mind, but that as the Hospital Administrator his assistance on the Committee was needed and desired.

The first question Administrator Casady addressed was the indigent care problem wherein he stated that there was a difference between "bad debts" and persons who are "indigent". Persons who are indigent meet certain qualifications and

12/30/83

E. L. I.

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Loudon County Memorial Hospital (Sale)

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December 14, 1983

are reported through the Hill-Burton reporting procedure. The Loudon County Hospital being obligated to render "free" service to indigents because of the federal grant funds involved in the construction of the hospital. He said that the average, based on the last 3 1/2 years of experience, was a 2.1% of indigent write-offs for 1983, but the average over 3 1/2 years had been 8.7%. Revenue for 1983 was \$5,100,000.00, while bad debts written off were \$470,000.00, and Hill-Burton indigent care rendered was \$57,000.00. A table is attached. He felt that any proposal to a hospital or any request for proposals should include a question as to how a proposed purchaser would handle the indigent care in Loudon County, and what if anything would be expected from the County. ①

The second question addresses what should be done about the Hill-Burton grant funds which were \$1,191,583.00 at the time the hospital was built. This obligation remains for twenty years, and apparently the law at the present time is that any sale of the hospital would require a reimbursement of federal funds in the entire amount. The obligation for the primary amount of the Hill-Burton funds begins in September, 1968, as "approval of funds" date, or July, 1971, as the "opening" date. ②

It would appear also that there is a possibility that under the Medicare/Medicaid regulations a credit for depreciation has been claimed as attributable to the federal program, in the amount of \$801,000.00, and it is possible that would have to be repaid.

At this point, there was some discussion as to the possibility of a lease to an operator for a period of time with an option to buy after several years at which point it would appear that there would be no obligation to make these reimbursements. ③

Thirdly, retirement benefits for the hospital employees--he stated that he was not knowledgeable about this, and did not have any specific information concerning what the results would be. He was aware that the Carter County Hospital had just been sold, and that it had in fact been purchased by Hospital Corporation of America, and that other hospitals had been sold in recent months and years and that possibly additional ideas and assistance concerning the factors in these particular hospitals could be gained.

Fourthly, other items that should be considered in a proposal include:

A. Would a proposal involve expanding the present hospital, maintaining it as it is, or replacing it? ⑤

B. Would it remain a full service hospital, or would it become a satellite hospital, or would it change services in any way--what commitment is there as to what occurs if the original intention is changed some years down the road. ⑥

C. What is to be included in what is being sold (e.g. accounts receivable, all buildings, land, the funded depreciation)? ⑦

Loudon County Memorial Hospital (Sale)
Page 3
December 14, 1983

D. What is the experience and capability of the proposed buyer, and its history, (as well as the history of others) as to what has occurred in other institutions in the past? } 8

E. Will the new buyer be a private institution or a public institution or a charitable institution, and how does that effect the payment of taxes? } 9

Chairman Wilkerson then called upon Attorney Sproul for a brief report, who stated that he had discussed this matter in skeleton form with the Comptroller's office (the Director of Local Finance) in Nashville, and that some of the factors that might be considered in continuing ownership of the hospital included the fact that it might be possible to change the present practices so that the Trustee would charge a commission on handling of hospital funds, which in essence would be paid over as excess funds when the Trustee's commissions and fees went into the county general fund. He stated also that in reference to the capital indebtedness (to wit, the \$800,000.00 in bonds and interest paid from the county bond debt fund--as opposed to having been paid from the hospital revenue) could probably also be reclaimed by the County and refunded from the hospital back to the County in some reasonable point and fashion. These were informal oral opinions. 10

The discussion went into what should be the next step, and whether or not it would be desirable to retain a consultant to study the entire situation and make a recommendation, and the pros and cons of this was discussed.

After discussion it was decided that the Hospital Administrator and the County Attorney would work together to obtain additional information concerning the various ideas that had been expressed, and to investigate what other counties had done and the basis on which they made their decision as to whether or not to sell their hospital, with each member of the Committee to also do investigation as they saw fit, or to make specific requests to the administrator and the attorney as to areas they wished to be explored, and that the Committee would meet again on January 18, 1984, at 7:00 p.m., to discuss further the entire matter and the next step for procedure at that time.

There being no additional business or comments, the meeting adjourned at 8:15 p.m.

Ross Wilkerson, Chm.

HLS:bw

LOUDON COUNTY COMMISSION

RESOLUTION OF THE LEGISLATIVE BODY OF LOUDON COUNTY, TENNESSEE, PRAISING AND CONGRATULATING THE 1983 LOUDON HIGH SCHOOL "REDSKINS" FOOTBALL TEAM.

WHEREAS, the Loudon High School "Redskins" Football Team during the football season of 1983 went undefeated through the regular season, fielding a team that showed guts, skill, and determination; and

WHEREAS, in the Tennessee Secondary School Association's AA classification playoffs; the Loudon High School "Redskins" Football Team were the Champions of District V, composed of several excellent football teams; and

WHEREAS, the "Redskin" Football Team went on to become the Champions of TSSAA Region III; and

WHEREAS, the "Redskins" Football Team went to the State Semi-Finals of the AA Classification, losing to the Austin-East High School Football Team, which eventually won the State Championship; and

WHEREAS, the efforts and accomplishments of this football team are deserving of recognition for the outstanding record it has made, and the fine tradition it has kept going, carried on in previous years by State Championship football teams from Loudon High School in 1969, 1974, and 1975;

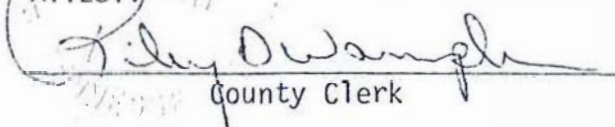
NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COMMISSION OF LOUDON COUNTY in regular session assembled, that congratulations and praise on behalf of the people of Loudon County are rendered to the Loudon High School "Redskins" Football Team and to the coaching staff for an outstanding season in 1983, and for the leadership recognition that has come to the school and to the county because of the accomplishments of this fine football team.

BE IT FURTHER RESOLVED that this special recognition also goes to the team Head-Coach, Henry Blackburn, and to the assistant coaches, and to the family, friends, and fans who have supported this team during the entire season.

(This the 9 day of January, 1984.


County Executive

ATTEST:


County Clerk

Ex Libris J

PUBLIC HEARING

THE 1984 TENNESSEE COUNTY SINGLE FAMILY HOME MORTGAGE
PROGRAM IN LOUDON COUNTY

Be it remembered that the Loudon County Legislative Body called a Public Hearing at 7:00 P.M., Monday, January 9, 1984, re: The 1984 Tennessee County Single Family Home Mortgage Program in Loudon County.

No one appeared before the Public Hearing with any comments.

The County Commission meeting began immediately following the close of the Public Hearing.