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FAYETTE COUNTY LEGISLATIVE BODY

June 22, 2004

BE IT REMEMBERED That the Fayette County Legislative Body met in regular session at the Courthouse in Somerville, Tennessee on the 22nd day of June, 2004.

Present and presiding, Chairman Christopher L. Campbell. Also present, Dell T. Graham, County Clerk and the following County Commissioners: Joann C. Allen, Steve Anderson, Joe B. Burnette, Jr., Bob Doll, Lee "Sissy" Dowdle, John F. Dowdy, Thomas Howell Fowler, Willie German, Jr., Ronnie Graves, Ronnie Harris, Myles Leifer, David H. Lillard, Sr., Sylvester Logan, George McCloud, Claude D. Oglesby, Jr., Gordon M. Tomlin and Allen Yancey, Jr.

Absent: Commissioner Myles Wilson.

With a quorum being present, the following proceedings were had and entered or record, to-wit:

The floor was opened to the public to address items not on the Agenda. Larry Forrester addressed the Board and public.

Motion was made by Commissioner Dowdle, seconded by Commissioner McCloud and unanimously carried by the Board approving the minutes of the May 2004 meeting.

Motion was made by Commissioner McCloud, seconded by Commissioner Leifer and unanimously carried by the Board approving the minutes of the Special Session of this Board held June 08th, 2004 at 7:00 P.M.

Motion was made by Commissioner Fowler, seconded by Commissioner Dowdy, and unanimously carried by the Board approving the minutes of the Special Session of this Board held June 08th, 2004 at 7:30 P.M.

Now before the Board was the request rezone 34 acres located in Civil District 7 from R - 3 to B - 3. The floor was opened to the public. With no one coming forward, the public hearing was closed. As recommended by the Development Committee for approval, motion was made by Commissioner Logan, seconded by Commissioner Allen and unanimously carried by the Board to approve the rezoning request. Same being as follows:

RESOLUTION _____

A RESOLUTION TO AMEND THE FAYETTE COUNTY ZONING MAP TO REZONE LAND FROM R-3 (RESTRICTED RESIDENTIAL) TO B-3 (COMMUNITY BUSINESS) LOCATED ON HIGHWAY 64 IN THE OAKLAND URBAN GROWTH BOUNDARY

WHEREAS, pursuant to Tennessee Code Annotated Sections 13-7-101 and 13-7-102 the Fayette County Chief Legislative Body has adopted a Zoning Resolution and Map for Fayette County; and

WHEREAS, the Fayette County Regional Planning Commission has recommended the amendment to the Zoning Map to the Fayette County Chief Legislative Body described below in accordance with said section cited above; and

WHEREAS, pursuant to Tennessee Code Annotated Section 13-7-105 a public hearing was held before this body on Tuesday, the 22nd day of June 2004, the time and place of which was published with 15 days advance notice:

NOW, THEREFORE BE IT RESOLVED BY THE FAYETTE COUNTY LEGISLATIVE BODY:

SECTION 1. That the following described property, generally known as parcel 19.00 on Fayette County Tax Map number 85 be rezoned from **R-3 (RESTRICTED RESIDENTIAL)** to **B-3 (COMMUNITY BUSINESS)**:

Part of the Agness Elizabeth W. Carnathan and husband Edward H. Carnathan property recorded in Book 384, Page 912 and part of the William A. Whitworth Residuary Trust property recorded in Book 48±. Page 200 in Civil District No. 7, Fayette County, Tennessee.

Beginning at a point in the north line of US Hwy No. 64 (106.50' from centerline), said point being located in the west line of the Thomas L. Maclin and wife Helen Maclin property recorded in Book 278, Page 191; thence south 79 degrees 48 minutes 39 seconds west with the north line of said US Hwy 64, 50.80 feet to a point in the east line of the Gerald R. Chondler and wife Kathleen Alford Chandler property recorded in Book 200, Page 605; thence north 00 degrees 00 minutes 03 seconds west with the east line of said property recorded in Book 200, Page 605, 447.92 feet to a point; thence south 90 degrees 00 minutes 00 seconds west with the north line of said property recorded in Book 200, Page 605, 416.90 feet to a point; thence south 89 degrees 36 minutes, 32 seconds west across the William A. Whitworth Residuary Trust property recorded in Book 481, Page 200 and across the Agnes Elizabeth W. Carnathan and husband Edward J. Carnathan property recorded in Book 354, Page 912, 1110.67 feet to a point in the east line of the Annie Bell Morris property recorded in Book 127, Page 403; thence north 00 degrees 23 minutes 28 seconds west with the east line of said property recorded in Book 127, Page 403, 949.76 feet to a point in a south line of said property recorded in Book 354, Page 912; thence north 89 degrees 53 minutes 42 seconds east with a south line of sold property recorded in Book 354, Page 912 and the westward projection thereof and across said property recorded in Book 481, Page 200, 1536.91 feet to a found concrete monument in the west line of the James F. Schceffer, Sr. property recorded in Book 473, Page 222; thence with the west line of said property recorded in Book 473, Page 222, the following calls: south 00 degrees 55 minutes 33 seconds east, 750.00 feet to a found rebar; north 89 degrees 59 minutes 57 seconds east, 35.00 feet to a found rebar; thenc south 00 degrees 00 minutes 03 seconds east continuing with the west line of said property recorded in Book 473, Page 222 and with the west line of said property recorded in Book 278, Page 191, 634.00 feet to the point of beginning and containing 34.143 acres of land.

SECTION 2. BE IT FURTHER RESOLEVED that this Resolution shall become effective immediately upon its passage, THE PUBLIC WELFARE REQUIRING IT.

The floor was again opened to the public regarding the rezoning request concerning 7.8 acres located in Civil District 7 for rezoning from R - 3 to B - 3. With no one from the public wishing to address the Board, the public hearing was closed. Motion was made by Commissioner Logan, seconded by Commissioner McCloud and unanimously carried by the Board approving the rezoning as recommended by the Development Committee. Same being as follows:

RESOLUTION _____

A RESOLUTION TO AMEND THE FAYETTE COUNTY ZONING MAP TO REZONE LAND FROM R-3 (RESTRICTED RESIDENTIAL) TO B-3 (COMMUNITY BUSINESS) LOCATED ON HIGHWAY 64 IN THE OAKLAND URBAN GROWTH BOUNDARY

WHEREAS, pursuant to Tennessee Code Annotated Sections 13-7-101 and 13-7-102 the Fayette County Chief Legislative Body has adopted a Zoning Resolution and Map for Fayette County; and

WHEREAS, the Fayette County Regional Planning Commission has recommended the amendment to the Zoning Map to the Fayette County Chief Legislative Body described below in accordance with said section cited above; and

WHEREAS, pursuant to Tennessee Code Annotated Section 13-7-105 a public hearing was held before this body on Tuesday, the 22nd day of June 2004, the time and place of which was published with 15 days advance notice:

NOW, THEREFORE BE IT RESOLVED BY THE FAYETTE COUNTY LEGISLATIVE BODY:

SECTION 1. That the following described property, generally known as parcel 19.05 on Fayette County Tax Map number 85 be rezoned from R-3 (RESTRICTED RESIDENTIAL) to B-3 (COMMUNITY BUSINESS):

Commencing on the southwest corner of the T.L. Maclin property (Book 278, Page 191) in the north line of U.S.Hwy No. 64 (106.50 feet north of centerline), the southeast corner of the William A. Whitworth "326.70 acres" (Book 107, Page 581); thence north 0 degrees 00 minutes 03 seconds west along the west line of the Maclin tract a distance of 280.36 feet to the northwest corner of the Maclin tract, the southwest corner of the Bobby Jackson tract, (Book 347, Page 66) in the east line of the Whitworth tract, the point of beginning of this survey; thence north 0 degrees 00 minutes 03 seconds west along the east line of the Whitworth tract, a distance of 353.64 feet to an old iron pin, a northeast corner of the Whitworth tract; thence south 89 degrees 59 minutes 57 seconds west along a north line of the Whitworth tract, a distance of 35.0 feet to an old iron pin, an internal corner of the Whitworth tract; thence north 0 degrees 55 minutes 33 seconds west along the east line of the Whitworth tract, a distance of 750.0 feet to an old concrete monument, the southwest corner of the Jerome Lader tract (Book 311, Page 870): thence south 89 degrees 31 minutes 25 seconds east along the south line of the Lader tract, a distance of 327.31 (call 327.83) feet to an old steel fence post, the northwest corner of the Bobby Jackson "50.0 acres"; thence south 0 degrees 10 minutes 02 seconds east along the west line of the Bobby Jackson "5.0 acres", a distance of 649.68 (call 650.20) feet to an old pipe, the southwest of the Bobby Jackson "5.0 acres", the northwest corner of the James F. Schaeffer, Sr., tract; thence south 1 degree 15 minutes 42 seconds east along the west line of the Schaeffer tract, a distance of 449.39 feet to a set iron pin, the northeast corner of the Maclin tract; thence south 89 degrees 38 minutes 01 second west along the north line of the Maclin tract, a distance of 291.97 (call 292.60) feet to the point of beginning, containing 7.8736 acres of land.

SECTION 2. BE IT FURTHER RESOLEVED that this Resolution shall become effective immediately upon its passage, THE PUBLIC WELFARE REQUIRING IT.

Again, having been recommended by the Development Committee for approve, the rezoning of 46.31 acres located in Civil District 7 from R – 3 to B – 3 was now before the Board. The floor was opened to the public, but with no comments offered, the public hearing was closed. Motion was then made by Commissioner Logan, seconded by Commissioner Allen and unanimously carried by the Board approving the requested rezoning. Same being as follows:

RESOLUTION _____

A RESOLUTION TO AMEND THE FAYETTE COUNTY ZONING MAP TO REZONE LAND FROM R-3 (RESTRICTED RESIDENTIAL) TO B-3 (COMMUNITY BUSINESS) LOCATED ON HIGHWAY 64 and DONELSON ROAD IN THE OAKLAND URBAN GROWTH BOUNDARY

WHEREAS, pursuant to Tennessee Code Annotated Sections 13-7-101 and 13-7-102 the Fayette County Chief Legislative Body has adopted a Zoning Resolution and Map for Fayette County; and

WHEREAS, the Fayette County Regional Planning Commission has recommended the amendment to the Zoning Map to the Fayette County Chief Legislative Body described below in accordance with said section cited above; and

WHEREAS, pursuant to Tennessee Code Annotated Section 13-7-105 a public hearing was held before this body on Tuesday, the 22nd day of June 2004, the time and place of which was published with 15 days advance notice:

NOW, THEREFORE BE IT RESOLVED BY THE FAYETTE COUNTY LEGISLATIVE BODY:

SECTION 1. That the following described property, generally known as parcel 75.01 on Fayette County Tax Map number 86 be rezoned from R-3 (RESTRICTED RESIDENTIAL) to B-3 (COMMUNITY BUSINESS):

BEGINNING at the northeast corner of the Nancy Ivy McCraw original 372.89 acre tract and being the northeast corner of the tract herein described, FROM SAID POINT OF BEGINNING South 00 degrees 30 minutes West 967.5 feet to the north margin of U. S. Highway No. 64 (60 feet wide), this point being in the east line of the said McCraw tract; THENCE South 83 degrees 21 minutes West 2,034.2 feet along the north margin of said Highway to a point in a west line of the said McCraw tract; THENCE North 1,203.0 feet to the northwest corner of the said McCraw tract; THENCE East 2,029.0 feet along the north line of the said McCraw tract to the point of beginning and containing by calculation 50.43 acres. But there is included and hereby excluded a 1.5 acre tract conveyed by Nancy Ivy McCraw and husband, Harris L. McCraw, Jr., to T. H. Trotter and wife, Mary Margaret W. Trotter, by a Warranty Deed dated July 13, 1973 as of record in Deed Book 188, Page 735 and a 2.62 acre tract know as Parcel No. 1 of Tract No. 32 as conveyed by Nancy Ivy McCraw and husband, Harris L. McCraw, Jr. to the State of Tennessee by a Consent Judgement and Final Decree dated January 8, 1993 as of record in Deed Book 374, Page 784, leaving a net acreage of 46.31 acres.

This tract being subject to any and all road right-of-way rights to Donelson Road.

THIS BEING 46.31 ACRES OR ALL THAT REMAINING PORTION LYING NORTH OF U. S. HIGHWAY NO. 64, AS WIDENED, OFF THE NORTH END OF AN ORIGINAL 372.89 ACRE TRACT AS CONVEYED BY AGNES WEBER WHITWORTH, WILLIAM A. WHITWORTH, ANNIE WEBER IVY, MARY BERNICE WHITWORTH WHITTINGTON AND EDWARD WEBER IVY TO NANCY IVY MCCRAW BY A PARTITION DEED DATED JANUARY 25, 1954 AS OF RECORD IN DEED BOOK 107, PAGE 585. ALL DEEDS AS OF RECORD IN THE REGISTER'S OFFICE OF FAYETTE COUNTY, TENNESSEE.

SECTION 2. BE IT FURTHER RESOLEVED that this Resolution shall become effective immediately upon its passage, THE PUBLIC WELFARE REQUIRING IT.

Now before the Board was the rezoning request regarding 184.29 acres located in Civil District 7 from R - 1 to R - 3. This was reviewed by the Development committee and presented with their recommendation for passage. The floor was opened to the public. With no comments being offered, the public hearing was closed. Motion was then made by Commissioner Logan, seconded by commissioner McCloud and unanimously carried by the Board approving the rezoning. Same being as follows:

RESOLUTION _____

A RESOLUTION TO AMEND THE FAYETTE COUNTY ZONING MAP TO REZONE LAND FROM R-1 (RURAL RESIDENTIAL) TO R-3 (RESTRICTED RESIDENTIAL) LOCATED ON FIELDS ROAD IN THE OAKLAND URBAN GROWTH BOUNDARY

WHEREAS, pursuant to Tennessee Code Annotated Sections 13-7-101 and 13-7-102 the Fayette County Chief Legislative Body has adopted a Zoning Resolution and Map for Fayette County; and

WHEREAS, the Fayette County Regional Planning Commission has recommended the amendment to the Zoning Map to the Fayette County Chief Legislative Body described below in accordance with said section cited above; and

WHEREAS, pursuant to Tennessee Code Annotated Section 13-7-105 a public hearing was held before this body on Tuesday, the 22nd day of June 2004, the time and place of which was published with 15 days advance notice:

NOW, THEREFORE BE IT RESOLVED BY THE FAYETTE COUNTY LEGISLATIVE BODY:

SECTION 1. That the following described property, generally known as parcels 35.00 and 35.01 on Fayette County Tax Map number 63 be rezoned from R-1 (RURAL RESIDENTIAL) to R-3 (RESTRICTED RESIDENTIAL):

BEING A DESCRIPTION OF THE SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735), PART OF THE SWIFT TREADWELL, JR & SALLY W. TREADWELL PROPERTY (DEED BOOK 317, PAGE 490) AND THE SWIFT TREADWELL, JR. PROPERTY (DEED BOOK 421, PAGE 31), LOCATED NORTH OF HICKORY WITH ON FIELDS DRIVE IN FAYETTE COUNTY, TENNESSEE AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTERLINE OF FIELDS DRIVE (50.00 FEET WIDE), SAID POINT BEING THE NORTHWEST CORNER OF THE SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735); THENCE N89°24'50"E ALONG THE CENTERLINE OF SAID FIELDS DRIVE A DISTANCE OF 280.31 FEET TO A POINT; THENCE S89°30'59"E AND CONTINUING ALONG THE CENTERLINE OF SAID FIELDS DRIVE A DISTANCE OF 309.52 FEET TO A POINT, SAID POINT BEING THE NORTHERN MOST NORTHEAST CORNER OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735); THENCE S0°08'01"W ALONG THE WESTERN MOST EAST LINE OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735) A DISTANCE OF 585.83 FEET TO A FOUND IRON PIN; THENCE N89°42'09"E ALONG THE SOUTHERN MOST NORTH LINE OF THE SAID SWIFT TREADWELL & COMPANY, INC. (BOOK D595, PAGE 735) AND SWIFT TREADWELL, JR & SALLY W. TREADWELL PROPERTY (DEED BOOK 317, PAGE 490) A DISTANCE OF 1958.08 FEET TO A FOUND IRON PIN AT THE EASTERN MOST NORTHEAST CORNER OF THE SAID SWIFT TREADWELL, JR & SALLY W. TREADWELL PROPERTY (DEED BOOK 317, PAGE 490); THENCE S1°45'46"W ALONG THE EAST LINE OF THE SAID SWIFT TREADWELL, JR & SALLY W. TREADWELL PROPERTY (DEED BOOK 317, PAGE 490) A DISTANCE OF 2018.05 FEET TO A STEEL FENCE POST AT THE NORTHWEST CORNER OF THE SWIFT TREADWELL, JR. PROPERTY (DEED BOOK 421, PAGE 31); THENCE S89°17'13"E ALONG THE NORTH LINE OF THE SAID SWIFT TREADWELL, JR.

PROPERTY (DEED BOOK 421, PAGE 31) A DISTANCE OF 1687.94 FEET TO A STEEL FENCE POST AT THE NORTHEAST CORNER OF THE SAID SWIFT TREADWELL, JR. PROPERTY (DEED BOOK 421, PAGE 31); THENCE S1°12'16"W ALONG THE EAST LINE OF THE SAID SWIFT TREADWELL, JR. PROPERTY (DEED BOOK 421, PAGE 31) A DISTANCE OF 99.84 FEET TO A POINT; THENCE N89°17'09"W ALONG THE SOUTH LINE OF THE SAID SWIFT TREADWELL, JR. PROPERTY (DEED BOOK 421, PAGE 31) A DISTANCE OF 1685.68 FEET TO A STEEL FENCE POST AT THE SOUTHWEST CORNER OF THE SAID SWIFT TREADWELL, JR. PROPERTY (DEED BOOK 421, PAGE 31), SAID POINT ALSO LIES ON THE EASTERN MOST EAST LINE OF THE SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735); THENCE S0°05'14"E ALONG EASTERN MOST EAST LINE OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735) A DISTANCE OF 556.75 FEET TO A FOUND IRON PIN AT THE NORTHERN MOST SOUTHEAST CORNER OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735); THENCE S89°54'39"W ALONG THE NORTHERN MOST SOUTH LINE OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735) A DISTANCE OF 680.02 FEET TO A STEEL FENCE POST; THENCE S0°19'11"E A DISTANCE OF 531.90 FEET TO A FOUND P.K. NAIL AT THE SOUTHERN MOST SOUTHEAST CORNER OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735); THENCE S61°35'23"W ALONG THE SOUTHERN MOST SOUTH LINE OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735) A DISTANCE OF 168.69 FEET TO THE SOUTHERN MOST SOUTHWEST CORNER OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735); THENCE N0°18'14"E A DISTANCE OF 611.54 FEET TO A STEEL FENCE POST; THENCE ALONG THE NORTHERN MOST SOUTH LINE OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735) THE FOLLOWING CALLS AND DISTANCES:

S89°54'39"W - 297.70 FEET TO A STEEL FENCE POST;
 S23°29'47"W - 184.38 FEET TO A STEEL FENCE POST;
 S77°25'01"W - 151.68 FEET TO A STEEL FENCE POST;
 S59°07'02"W - 92.32 FEET TO A POINT;
 N80°20'03"W - 36.42 FEET TO A POINT;
 S33°44'23"W - 108.28 FEET TO A POINT;
 S34°39'17"W - 82.83 FEET TO A POINT;
 S24°39'39"W - 148.58 FEET TO A STEEL FENCE POST;
 S83°55'50"W - 21.52 FEET TO A STEEL FENCE POST;
 S87°08'58"W - A DISTANCE OF 260.23 FEET TO A FOUND IRON PIN;
 N89°28'58"W - 378.95 FEET TO A FOUND IRON PIN;
 S87°52'29"W - 359.77 FEET

TO A FOUND IRON PIN AT THE WESTERN MOST SOUTHWEST CORNER OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735); THENCE N2°21'44"E ALONG WESTERN MOST WEST LINE OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735) A DISTANCE OF 982.24 FEET TO A FOUND IRON PIN; THENCE N0°22'51"E AND CONTINUING ALONG THE WESTERN MOST WEST LINE OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735) A DISTANCE OF 275.87 FEET TO A FOUND IRON PIN; THENCE S89°19'21"E A DISTANCE OF 82.50 FEET TO A FOUND IRON PIN; THENCE N0°48'03"E ALONG THE WESTERN MOST WEST LINE OF THE SAID SWIFT TREADWELL & COMPANY, INC. PROPERTY (BOOK D595, PAGE 735) A DISTANCE OF 2553.78 FEET TO A THE POINT OF BEGINNING AND CONTAINING 8,028,008 SQUARE FEET, OR 184.298 ACRES.

SECTION 2. BE IT FURTHER RESOLEVED that this Resolution shall become effective immediately upon its passage, THE PUBLIC WELFARE REQUIRING IT.

The next rezoning addressed was that of 205.33 acres located in Civil District 2 for rezoning from R – 1 to R – 3. The floor was opened to the public for comments. Addressing the Board against the rezoning was Virginia Campbell. The public hearing was then closed. Addressing the Board was Kevin Perk, Development Director and Harris Armour, Chairman of the Planning Commission. Motion was then made by Commissioner Logan, seconded by Commissioner McCloud, not to approve this rezoning request, agreeing with the recommendation of the Development committee. Said motion carried with commissioner Burnette abstaining due to conflict of interest.

Motion was made by Commissioner Leifer, seconded by Commissioner Dowdy and unanimously carried by the Board appointing the following as Notaries Public: Donna T. Anderson, Anita Brown, Deshondria L. Catron, Arthur Durien, Jr., Gary Fergie, Becky R. Hooton, Ed Horn, Terry A. Peterson and Pamela D. Rose.

Mayor Taylor reported orally for his office.

Reports from the Trustee's Office, Board of Education, Public Works, Sheriff's Department and Juvenile Court were called for, but none presented.

Commissioner Logan reported for the Development committee. Motion was made by Commissioner Logan, seconded by Commissioner Burnette and unanimously carried by the Board approving the airport contract as recommended by the Development Committee.

Motion was then made by Commissioner Anderson, seconded by Commissioner Leifer and unanimously carried by the Board approving the project on US Hwy 72. Same being as follows:

RESOLUTION

RE: Proposal to County of Fayette
State Project 24001-2207-14
Federal Project: DPS-T002(2)
S. R. 86 (U.S. 72): From Mississippi State Line
To 500 feet south of Shelby Drive
Fayette/Shelby Counties

Whereas, the State of Tennessee, Department of Transportation, submitted the above captioned project proposal for acceptance "as is" to the Fayette County Commission for approval and adoption, and

Whereas, Motion was made by Commissioner Anderson seconded by Commissioner Leifer to accept this proposal.

NOW, THEREFORE BE IT RESOLVED BY THE COUNTY COMMISSION OF FAYETTE COUNTY, TENNESSEE, in regular session on this 22nd day of June, 2004, that the above proposal is hereby accepted.

Having been addressed by Jim Smith of Public Works that all contingencies had been met regarding Cedar Chase subdivision, motion was made by Commissioner Logan, seconded by Commissioner German and unanimously carried by the Board accepting Allenby Drive, Devenshire Cove and Cedar Trace Drive as roads.

Commissioner Logan advised that the speed limit matter for Dowdy Road would be addressed at the next meeting.

Commissioner Graves reported for the Criminal Justice & Public Safety Committee.

Report from the Personnel Committee was called for but none presented.

Commissioner McCloud reported orally for the Education Committee.

Commissioner Lillard covered the report of the Health & Welfare Committee.

Commissioner Doll addressed the meeting of the Budget Committee. After reviewing School Board Budget Amendments, he moved for approval of same. Motion was seconded by Commissioner German and upon Roll Call Vote, same was unanimously approved by members present. Same being as follows.

FAYETTE COUNTY BOARD OF EDUCATION
GENERAL PURPOSE FUND
FUND 141
JUNE, 2004

		INCREASE	DECREASE
71000	INSTRUCTION		
71100	REGULAR INSTRUCTION PROGRAM		
71100 127	Extended Contract Career Ladder	\$8,000.00	
71100 201	Social Security	\$496.00	
71100 204	State Retirement	\$272.00	
71100 212	Medicare	\$116.00	
71100 399	Other Contracted Services	\$3,000.00	
71100 429	Instructional Supplies and Materials	\$31,000.00	
71100 722	Regular Instructional Equipment		\$34,000.00
	TOTAL:	\$42,884.00	\$34,000.00
1200	SPECIAL EDUCATION PROGRAM		
1200 128	Homebound Teachers	\$4,967.00	
1200 311	Contracts w/Other School Systems		\$12,082.00
1200 312	Contracts w/Private Agencies		\$11,083.00
1200 336	Maintenance & Repair Services -Eq.		\$1,000.00
1200 429	Instructional Supplies and Materials	\$4,903.00	
1200 725	Special Education Equipment	\$4,295.00	
	TOTAL:	\$14,165.00	\$24,165.00
1300	VOCATIONAL EDUCATION PROGRAM		
1300 116 ISY	Teachers		\$10,854.00
1300 201 ISY	Social Security		\$695.00
1300 204 ISY	State Retirement		\$917.00
1300 212 ISY	Employer Medicare		\$161.00
1300 299 ISY	Other Fringe Benefits		\$63.00
2230 355 ISY	Travel	\$14,002.00	
2230 429 ISY	Instructional Supplies and Materials	\$2,727.00	
2230 599 ISY	Other Charges		\$16,380.00
300 116 SY1	Teachers	\$10,854.00	
300 201 SY1	Social Security	\$673.00	
300 204 SY1	State Retirement	\$594.00	
300 212 SY1	Medicare	\$157.00	
300 299 SY1	Other Fringe Benefits	\$63.00	
	TOTAL:	\$29,070.00	\$29,070.00

000	SUPPORT SERVICES		
120	HEALTH SERVICES		
120 131	Medical Personnel		\$3,000.00
	TOTAL:	\$0.00	\$3,000.00

220	SPECIAL EDUCATION PROGRAM		
220 307	Communications	\$1,000.00	
220 355	Travel	\$2,000.00	
220 524	Inservice/Staff Development		\$2,000.00
220 599	Other Charges		\$1,000.00
	TOTAL:	\$3,000.00	\$3,000.00

2260	ADULT EDUCATION PROGRAM		
2260 355 RBOG	Travel		\$800.00
2260 599 RBOG	Other Charges	\$800.00	
2260 399 AB1	Other Contracted Services		\$79.18
2260 599 AB1	Other Charges	\$79.18	
	TOTAL:	\$879.18	\$879.18

2320	OFFICE OF THE SUPERINTENDENT		
2320 307	Communications		\$1,000.00
	TOTAL:	\$0.00	\$1,000.00

410	OFFICE OF THE PRINCIPAL		
410 127	Extended Contract Career Ladder	\$4,000.00	
410 161	Secretary	\$3,000.00	
410 201	Social Security	\$62.00	
410 204	State Retirement	\$322.00	
410 212	Medicare	\$58.00	
410 307	Communications	\$1,000.00	
	TOTAL:	\$8,442.00	\$0.00

410	TRANSPORTATION		
410 729 SPED	Transportation Equipment	\$10,000.00	
	TOTAL:	\$10,000.00	\$0.00

GRAND TOTAL: \$108,440.18 \$95,114.18

Net Increase: \$13,326.00

Revenue:	34379	Reserve for Extended Contract	(\$13,326.00)
Revenue:	47590 ISY	Other Federal Thru State	(\$12,341.00)
	47590 SY1	Other Federal Thru State	\$12,341.00

Revenue:	Prior Total Available Funds	\$20,598,289.26
	Total Increase This Amendment	\$0.00
	Total Available Funds This Amendment	\$20,598,289.26
Expenditure:	Prior Total Estimated Expenditures	\$20,123,366.37
	Total Increase This Amendment	\$13,326.00
	Total Estimated Expenditures This Amend.	\$20,136,692.37

FAYETTE COUNTY BOARD OF EDUCATION
CENTRAL CAFETERIA FUND
FUND 143
JUNE, 2004

		INCREASE	DECREASE
73000	OPERATION OF NON-INSTRUCTIONAL SERVICES		
73100	FOOD SERVICES		
73100 105	Supervisor/Director	\$801.00	
73100 119	Accountant/Bookkeeper	\$275.00	
73100 201	Social Security	\$1,500.00	
73100 212	Medicare	\$300.00	
73100 499	Other Supplies and Materials		\$2,876.00
	TOTAL:	\$2,876.00	\$2,876.00

Total Increase/Decrease: \$.00

Moneys transferred to areas needed to finish out the year.

FAYETTE COUNTY BOARD OF EDUCATION
FEDERAL PROJECTS FUND
FUND 142
SUBFUND 471 - TITLE I
JUNE, 2004

		INCREASE	DECREASE
71000	INSTRUCTION		
71100	REGULAR INSTRUCTION PROGRAM		
71100 116	Teachers	\$38,000.00	
71100 195	Substitute Teachers	\$600.00	
71100 201	Social Security	\$9,500.00	
71100 204	State Retirement	\$5,000.00	
71100 212	Medicare	\$1,900.00	
71100 429	Instructional Supplies and Materials		\$19,000.00
71100 722	Regular Instructional Equipment		\$19,000.00
	TOTAL:	\$55,000.00	\$38,000.00

2000	SUPPORT SERVICES		
2710	TRANSPORTATION		
2710 412	Diesel		\$6,000.00
2710 425	Gasoline		\$6,000.00
2710 599	Other Charges		\$5,000.00
	TOTAL:	\$0.00	\$17,000.00
	GRAND TOTAL:	\$55,000.00	\$55,000.00

Total Increase/Decrease: \$.00

Monies not needed for NCLB "set aside" transferred to teacher salaries and benefits

FAYETTE COUNTY BOARD OF EDUCATION
 FEDERAL PROJECTS FUND
 FUND 142
 SUBFUND 498 - READING FIRST GRANTS
 JUNE, 2004

		INCREASE	DECREASE
71000	INSTRUCTION		
71100	REGULAR INSTRUCTION PROGRAM		
71100 189 CT	Other Salaries and Wages	\$1,225.00	
71100 189 JF	Other Salaries and Wages	\$1,635.00	
71100 189 LM	Other Salaries and Wages	\$3,270.00	
71100 189 NW	Other Salaries and Wages	\$1,000.00	
71100 189 SM	Other Salaries and Wages	\$1,775.00	
71100 189 SW	Other Salaries and Wages	\$1,550.00	
71100 399 CT	Other Contracted Services		\$1,225.00
71100 399 JF	Other Contracted Services		\$1,635.00
71100 399 LM	Other Contracted Services		\$3,270.00
71100 399 NW	Other Contracted Services		\$1,000.00
71100 399 SM	Other Contracted Services		\$1,775.00
71100 399 SW	Other Contracted Services		\$1,550.00
71100 599 CT	Other Charges		\$6,044.00
71100 599 JF	Other Charges		\$6,044.00
71100 599 LM	Other Charges		\$6,044.00
71100 599 NW	Other Charges		\$6,044.00
71100 599 SM	Other Charges		\$6,044.00
71100 599 SW	Other Charges		\$6,044.00
	TOTAL:	\$10,455.00	\$46,719.00

2000	SUPPORT SERVICES		
2210	REGULAR INSTRUCTION PROGRAM		
2210 189 CT	Other Salaries and Wages	\$5,250.00	
2210 189 JF	Other Salaries and Wages	\$5,250.00	
2210 189 LM	Other Salaries and Wages	\$5,250.00	
2210 189 NW	Other Salaries and Wages	\$5,250.00	
2210 189 SM	Other Salaries and Wages	\$5,250.00	
2210 189 SW	Other Salaries and Wages	\$5,250.00	

72210 201 CT	Social Security	\$327.00	
72210 201 JF	Social Security	\$327.00	
72210 201 LM	Social Security	\$327.00	
72210 201 NW	Social Security	\$327.00	
72210 201 SM	Social Security	\$327.00	
72210 201 SW	Social Security	\$327.00	
72210 204 CT	State Retirement	\$363.00	
72210 204 JF	State Retirement	\$363.00	
72210 204 LM	State Retirement	\$363.00	
72210 204 NW	State Retirement	\$363.00	
72210 204 SM	State Retirement	\$363.00	
72210 204 SW	State Retirement	\$363.00	
72210 212 CT	Medicare	\$80.00	
72210 212 JF	Medicare	\$80.00	
72210 212 LM	Medicare	\$80.00	
72210 212 NW	Medicare	\$80.00	
72210 212 SM	Medicare	\$80.00	
72210 212 SW	Medicare	\$80.00	
72210 299 CT	Other Fringe Benefits	\$24.00	
72210 299 JF	Other Fringe Benefits	\$24.00	
72210 299 LM	Other Fringe Benefits	\$24.00	
72210 299 NW	Other Fringe Benefits	\$24.00	
72210 299 SM	Other Fringe Benefits	\$24.00	
72210 299 SW	Other Fringe Benefits	\$24.00	
	TOTAL:	\$36,264.00	\$0.00
	GRAND TOTAL:	\$46,719.00	\$46,719.00

Total Increase/Decrease: \$.00

FAYETTE COUNTY BOARD OF EDUCATION
 FEDERAL PROJECTS FUND
 FUND 142
 SUBFUND 491 - IDEA
 JUNE, 2004

		INCREASE	DECREASE
71000	INSTRUCTION		
71200	SPECIAL EDUCATION PROGRAM		
71200 429	Instructional Supplies and Materials		\$5.00
	TOTAL:	\$0.00	\$5.00

Total Decrease: \$5.00

Revenue: 47143 Special Education Grants (\$5.00)

Revenue: Prior Total Available Funds \$5,279,229.37
 Total Decrease This Amendment (\$5.00)
 Total Available Funds This Amendment \$5,279,224.37

Expenditures: Prior Total Estimated Expenditures \$5,279,229.37
 Total Decrease This Amendment (\$5.00)
 Total Estimated Expenditures This Amendment \$5,279,224.37

FAYETTE COUNTY BOARD OF EDUCATION
 FEDERAL PROJECTS FUND
 FUND 142
 SUBFUND 470 - 21ST CENTURY GRANT
 JUNE, 2004

		INCREASE	DECREASE
1000	INSTRUCTION		
1100	REGULAR INSTRUCTION PROGRAM		
1100 163	Teacher Assistants	\$4,000.00	
1100 399	Other Contracted Services		\$11,720.00
	TOTAL:	\$4,000.00	\$11,720.00
2000	SUPPORT SERVICES		
2710	TRANSPORTATION		
2710 146	Bus Drivers	\$4,000.00	
2710 201	Social Security	\$250.00	
2710 204	State Retirement	\$250.00	
2710 212	Medicare	\$60.00	
2710 299	Other Fringe Benefits	\$160.00	
2710 425	Gasoline	\$3,000.00	
	TOTAL:	\$7,720.00	\$0.00
	GRAND TOTAL:	\$11,720.00	\$11,720.00

Total Increase/Decrease: \$.00

Commissioner Doll then reviewed Budget Amendments to the General Fund Budget and moved for the approval of same. Motion was seconded by Commissioner Fowler and unanimously carried by Roll Call Vote by members present. Same being as follows:

RESOLUTION

BE IT RESOLVED, by the County Legislative Body and/or the Board of County Commissioners of Fayette County, Tennessee, in regular session on this 22nd day of June, 2004, it being the fourth Tuesday of the month and the regular monthly meeting of the County Legislative Body in the Courthouse in Somerville, Tennessee.

That the General Fund #101 Budget Amendment be amended in the following words and figures, to-wit:

**COUNTY GENERAL FUND
 BUDGET AMENDMENT
 F/Y 03/04
 June, 2004**

	INCREASE	DECREASE
Adjustment to Revenue Accounts:		
46120 Airport Maintenance Program		<u>\$1,220,147.14</u>
TOTAL INCREASE/DECREASE TO REVENUE ACCOUNT		\$1,220,147.14

	INCREASE	DECREASE
<u>Adjustment to Expenditure Accounts:</u>		
<u>51100 County Commission</u>		
189 Other Salaries & Wages	\$ 177.00	
316 Contributions		\$ 177.00
331 Legal Services	33,800.00	
355 Travel		<u>293.00</u>

51100-Subtotal

897 \$ 33,977.00 \$ 470.00

<u>51300 County Mayor</u>		
338 Maint & Repair-Vehicles		\$ 493.00
355 Travel		296.00
425 Gasoline	\$ 200.00	
51300-Subtotal	\$ 200.00	\$ 496.00
<u>51500 Election Commission</u>		
337 Maint & Repair-Office Equip		\$ 100.00
349 Printing, Stationery & Forms	\$ 100.00	
51500-Subtotal	\$ 100.00	\$ 100.00
<u>51600 Register of Deeds</u>		
349 Printing, Stationery & Forms	\$ 620.00	
355 Travel		\$ 1,095.00
709 Data Processing Equipment		1,975.00
719 Office Equipment	2,450.00	
51600-Subtotal	\$ 3,070.00	\$ 3,070.00
<u>51220 Beer Board</u>		
191 Board & Comm Member Fees	\$ 129.00	
51220-Subtotal	\$ 129.00	
<u>51710 Development</u>		
435 Office Supplies		\$ 129.00
51710-Subtotal		\$ 129.00
<u>51800 County Buildings</u>		
141 Foremen	\$ 1,715.00	
168 Temporary Personnel		\$ 3,000.00
187 Overtime Pay	1,785.00	
307 Communication	300.00	
348 Postal Charges	3,400.00	
425 Gasoline	191.00	
446 Small Tools		191.00
452 Utilities		3,400.00
499 Other Supplies & Materials		300.00
711 Furniture & Fixtures		500.00
51800-Subtotal	\$ 7,391.00	\$ 7,391.00
<u>51810 Other Facilities</u>		
335 Maint & Repair-Buildings	\$ 250.00	
415 Electricity		\$ 250.00
51810-Subtotal	\$ 250.00	\$ 250.00
<u>52100 Accounting and Budgeting</u>		
196 In Service Training	\$ 296.00	
301 Accounting Services	411.00	
305 Audit Services		\$ 603.00
355 Travel	293.00	
435 Office Supplies	192.00	
52100-Subtotal	\$ 1,192.00	\$ 603.00
<u>52300 Property Assessor's Office</u>		
196 In Service Training		\$ 598.00
338 Maint & Repair-Vehicles	\$ 598.00	
52300-Subtotal	\$ 598.00	\$ 598.00
<u>52400 County Trustee's Office</u>		
337 Maint & Repair-Office Equip		\$ 420.00
355 Travel	\$ 420.00	
52400-Subtotal	\$ 420.00	\$ 420.00
<u>52500 County Clerk's Office</u>		
332 Legal Notices	\$ 300.00	
355 Travel		\$ 300.00
709 Data Processing Equipment	30,435.00	
52500-Subtotal	\$ 30,735.00	\$ 300.00

<u>53300 General Sessions Court</u>		
317 Data Processing Services	\$ 547.00	
349 Printing, Stationery & Forms		\$ 1,644.00
351 Rentals	347.00	
435 Office Supplies	750.00	
	<hr/>	<hr/>
53300-Subtotal	\$ 1,644.00	\$ 1,644.00
<u>53400 Chancery Court</u>		
196 In Service Training		\$ 753.00
307 Communication		1,382.00
332 Legal Notices	\$ 2,735.00	
337 Maint & Repair-Office Equip		600.00
349 Printing, Stationery & Forms	354.00	
411 Data Processing Supplies		354.00
435 Office Supplies	100.00	
719 Office Equipment		100.00
	<hr/>	<hr/>
53400-Subtotal	\$ 3,189.00	\$ 3,189.00
<u>54110 Sheriff's Department</u>		
106 Deputy(ies)		\$ 8,000.00
108 Investigator(s)	\$ 7,000.00	
109 Captain(s)		15,000.00
115 Sergeant		500.00
169 Part Time Personnel		5,000.00
348 Postal Charges		500.00
425 Gasoline	10,500.00	
451 Uniforms		3,500.00
599 Other Charges		450.00
707 Building Improvements		550.00
718 Motor Vehicles	100.00	
	<hr/>	<hr/>
54110-Subtotal	\$ 17,600.00	\$ 33,500.00
<u>54150 Drug Enforcement</u>		
105 Supervisor/Director		\$ 1,273.00
140 Salary Supplement	\$ 525.00	
168 Temporary Personnel	1,003.00	
187 Overtime Pay	250.00	
212 Employer Medicare	220.00	
	<hr/>	<hr/>
54150-Subtotal	\$ 1,998.00	\$ 1,273.00
<u>54210 Jail</u>		
160 Guards	\$ 1,500.00	
165 Cafeteria Personnel	100.00	
205 Employee & Dep Insurance	50.00	
335 Maint & Repair-Buildings	3,900.00	
340 Medical & Dental Services	8,000.00	
410 Custodial Supplies	500.00	
422 Food Supplies	3,000.00	
425 Gasoline	200.00	
716 Law Enforcement Equipment		\$ 3,500.00
718 Motor Vehicles		500.00
790 Other Equipment		3,000.00
	<hr/>	<hr/>
54210-Subtotal	\$ 17,250.00	\$ 7,000.00
<u>54220 Workhouse</u>		
340 Medical & Dental Services	\$ 1,000.00	
499 Other Supplies		\$ 300.00
	<hr/>	<hr/>
54220-Subtotal	\$ 1,000.00	\$ 300.00
<u>54310 Fire Prevention and Control</u>		
167 Maintenance Personnel		\$ 4,135.00
309 Contracts with Government Agencies	\$ 3,989.79	
335 Maint & Repair-Buildings		1,000.00
340 Medical & Dental Charges		500.00
348 Postal		288.00
412 Diesel		2,885.00
425 Gasoline	\$ 385.00	
452 Utilities	\$ 445.00	
506 Insurance		445.00
511 Vehicle & Equipment Insurance	2,190.00	
599 Other Charges	2,243.21	
	<hr/>	<hr/>
54310-Subtotal	\$ 9,253.00	\$ 9,253.00

<u>54420</u>	<u>Rescue Squad</u>		
338	Maint & Repair-Vehicles		\$ 1,000.00
499	Other Supplies	\$ 1,000.00	
	54420-Subtotal	\$ 1,000.00	\$ 1,000.00
<u>54610</u>	<u>County Coroner/Medical Examiner</u>		
309	Contracts with Government Agencies	\$ 4,050.00	
	54610-Subtotal	\$ 4,050.00	
<u>54410</u>	<u>Civil Defense</u>		
105	Supervisor/Director		\$ 853.00
338	Maint & Repair-Vehicles	\$ 324.00	
351	Rentals	477.00	
599	Other Charges	52.00	
	54410-Subtotal	\$ 853.00	\$ 853.00
<u>54900</u>	<u>Other Public Safety</u>		
417	Equipment Parts-Lights	\$ 3,000.00	
425	Gsaoline	625.00	
451	Uniforms		\$ 500.00
452	Utilities	100.00	
	54900-Subtotal	\$ 3,725.00	\$ 500.00
<u>55110</u>	<u>Local Health Center</u>		
191	Board & Comm Members Fees		\$ 188.28
307	Communications		632.90
328	Janitorial Services		199.68
335	Maint & Repair-Buildings	\$ 152.23	
413	Drugs & Medical Supplies	397.48	
435	Office Supplies	471.15	
	55110-Subtotal	\$ 1,020.86	\$ 1,020.86
<u>55120</u>	<u>Rabies and Animal Control</u>		
338	Maint & Repair-Vehicles		\$ 3,100.00
401	Animal Food & Supplies		500.00
425	Gasoline	\$ 1,000.00	
452	Utilities		500.00
	55120-Subtotal	\$ 1,000.00	\$ 4,100.00
<u>55130</u>	<u>Ambulance Services</u>		
164	Attendants	\$ 9,000.00	
169	Part-Time Personnel	25,630.00	
187	Overtime Pay	28,760.00	
201	Social Security	450.00	
204	State Retirement		\$ 5,800.00
205	Employee & Dep. Insurance		3,980.00
210	Unemployment Compensation		500.00
212	Employer Medicare	168.00	
335	Maint & Repair-Buildings	1,000.00	
412	Diesel Fuel	500.00	
413	Drugs & Medical Supplies	3,800.00	
425	Gasoline	800.00	
435	Office Supplies	3,700.00	
452	Utilities	300.00	
	55130-Subtotal	\$ 74,108.00	\$ 10,280.00
<u>55720</u>	<u>Sanitation Education</u>		
205	Emp & Dependent Insurance	\$ 720.00	
443	Road Signs		\$ 720.00
	55720-Subtotal	\$ 720.00	\$ 720.00
<u>56500</u>	<u>Libraries</u>		
169	Part-time Personnel	\$ 50.00	
201	Social Security	91.00	
204	State Retirement		\$ 830.00
205	Emp & Dependent Insurance		306.00
212	Employer Medicare	3.74	
335	Maint & Repair-Buildings	239.00	
337	Maint & Repair-Office Equipment		123.00
432	Library Books/Media	806.00	
435	Office Supplies		84.00
499	Other Supplies		58.74
599	Other Charges	212.00	
	56500-Subtotal	\$ 1,401.74	\$ 1,401.74

<u>56700 Parks and Fair Boards</u>		
105	Supervisor/Director	\$ 1,720.89
191	Board & Comm Members Fees	393.68
201	Social Security	106.70
204	State Retirement	106.80
212	Employer Medicare	24.94
307	Communication	158.00
452	Utilities	1,001.52
499	Other Supplies & Materials	<u>381.00</u>
	56700-Subtotal	\$ 3,893.53
 <u>57500 Soil Conservation</u>		
351	Rentals	\$ 149.00
355	Travel	<u>\$ 149.00</u>
	57500-Subtotal	\$ 149.00
 <u>58220 Airport</u>		
191	Board & Comm Member Fees	\$ 643.00
307	Communication	\$ 131.00
335	Maint & Repair-Buildings	1,515.00
399	Other Contracted Services	1,229,313.14
452	Utilities	809.00
506	Liability Insurance	<u>1,218.00</u>
	58220-Subtotal	\$1,231,471.14
<u>58300 Veterans Services</u>		
307	Communication	\$ 40.00
435	Office Supplies	<u>\$ 40.00</u>
	58300-Subtotal	\$ 40.00
 <u>58400-Other Charges</u>		
510	Trustee's Commission	<u>\$ 10,815.00</u>
	58400-Subtotal	\$ 10,815.00
 <u>58600 Employee Benefits</u>		
204	State Retirement	\$ 23,406.00
205	Employee & Dependent Insurance	<u>\$ 23,406.00</u>
	58600-Subtotal	\$ 23,406.00
 <u>58900 Miscellaneous</u>		
509	Refunds	<u>\$ 1,003.00</u>
	58900-Subtotal	\$ 1,003.00
 TOTAL INCREASE/DECREASE TO EXPENDITURE ACCOUNT		
		\$ 1,488,652.27
		\$ 115,907.60
 Prior Estimated Expenditures		
		\$8,336,926.62
 Total Estimated Expenditures This Amendment		
		\$8,489,524.15
 Projected Fund Balance before Amendment		
		\$1,903,381.38
 Change in Fund Balance This Amendment		
		\$ 152,597.53
 Estimated Ending Fund Balance as of June 30 th , 2004		
		\$1,750,783.85

After reviewing amendments to the Solid Waste Budget, motion was made by Commissioner Doll, seconded by Commissioner Leifer and unanimously carried by Roll Call Vote by members present, approving the following amendment.

RESOLUTION

BE IT RESOLVED, by the County Legislative Body and/or the Board of County Commissioners of Fayette County, Tennessee, in regular session on this 22nd day of June, 2004, it being the fourth Tuesday of the month and the regular monthly meeting of the County Legislative Body in the Courthouse in Somerville, Tennessee.

That the Solid Waste/Sanitation Fund #116 Budget Amendment be amended in the following words and figures, to-wit:

**SOLID WASTE/SANITATION FUND
BUDGET AMENDMENT
F/Y 03/04
June, 2004**

<u>Adjustment to Expenditure Accounts:</u>	INCREASE	DECREASE
<u>55732 Convenience Centers</u>		
314 Contracts with Public Carriers	\$ 6,075.00	
733 Solid Waste Equipment		\$ 2,250.00
<u>55754 Landfill Operation & Maintenance</u>		
119 Accountants/Bookkeepers		\$ 500.00
168 Temporary Personnel	\$ 950.00	
187 Overtime Pay	500.00	
191 Board Fees		200.00
196 In Service Training	150.00	
201 Social Security		2,500.00
204 State Retirement		725.00
205 Employee & Dep Insurance	1,200.00	
212 Employer Medicare	2,350.00	
307 Communication	400.00	
308 Consultants		2,000.00
317 Data Processing Services	150.00	
332 Legal Notices		650.00
336 Maint & Repair-Equipment		1,000.00
355 Travel		400.00
412 Diesel Fuel		750.00
418 Equipment & Machinery Parts	8,000.00	
425 Gasoline	1,800.00	
433 Lubricants	100.00	
450 Tires & Tubes		2,000.00
452 Utilities	1,200.00	
499 Other Supplies & Materials		100.00
506 Liability Insurance		3,500.00
513 Workers Compensation Insurance	500.00	
599 Other Charges		400.00
602 Principal on Notes	200.00	
604 Interest on Notes		600.00
708 Communication Equipment		500.00
724 Site Development	3,000.00	
733 Solid Waste Equipment		<u>8,500.00</u>
55754-Subtotal	\$26,575.00	\$26,575.00
TOTAL INCREASE/DECREASE TO EXPENDITURE ACCOUNT	\$26,575.00	\$26,575.00

Prior Estimated Expenditures	\$ 722,066.14
Total Estimated Expenditures This Amendment	\$ 722,066.14
Projected Fund Balance before Amendment	\$ 303,059.86
Change in Fund Balance This Amendment	\$ 00.00
Estimated Ending Fund Balance as of June 30 th , 2004	\$ 303,059.86

Mayor Taylor asked for a Budget Amendment for summer employment to the District Attorney's Office in the amount of \$577.00. Motion was made by Commissioner Fowler, seconded by Commissioner Dowdle to allow this amendment. Upon Roll Call Vote, the following Voted "YES": Commissioners Allen, Anderson, Burnette, Doll, Dowdle, Dowdy, Fowler, German, Graves, Harris, Leifer, Lillard, Logan, McCloud, Oglesby, Tomlin and Yancey. (17)

Absent: Commissioner Wilson.

Thereupon, said amendment was approved.

RESOLUTION

BE IT RESOLVED, by the County Legislative Body and/or the Board of County Commissioners of Fayette County, Tennessee, in regular session on this 22nd day of June, 2004, it being the fourth Tuesday of the month and the regular monthly meeting of the County Legislative Body in the Courthouse in Somerville, Tennessee.

That the General Fund #101 Budget Amendment be amended in the following words and figures, to-wit:

**COUNTY GENERAL FUND
BUDGET AMENDMENT
F/Y 03/04
JUNE, 2004**

<u>Adjustment to Expenditure Accounts:</u>	INCREASE	DECREASE
53600 District Attorney General		
103 Assistant	\$ 577.00	
53600-Subtotal	\$ 577.00	
TOTAL INCREASE/DECREASE TO EXPENDITURE ACCOUNT	\$ 577.00	

Prior Estimated Expenditures	\$8,336,926.62
Total Estimated Expenditures This Amendment	\$8,913,926.62
Projected Fund Balance before Amendment	\$1,903,381.38
Change in Fund Balance This Amendment	\$ 577.00
Estimated Ending Fund Balance as of June 30 th , 2004	\$1,902,804.38

Commissioner Doll advised that the Budget Committee was awaiting information from the Mayor regarding expansion of the ambulance headquarters. This would come before this Board as a budget amendment.

Motion was made by Commissioner Doll, seconded by Commissioner McCloud, and unanimously carried by the Board approving application for a Litter and Trash Collecting Grant. Same being as follows:

**RESOLUTION AUTHORIZING SUBMISSION OF AN APPLICATION
FOR A LITTER AND TRASH COLLECTING GRANT FROM THE
TENNESSEE DEPARTMENT OF TRANSPORTATION AND AUTHORIZING
THE ACCEPTANCE OF SAID GRANT**

WHEREAS, the County of Fayette intends to apply for the aforementioned grant, from the Tennessee Department of Transportation; and

WHEREAS, the contract for the grant will impose certain legal obligations upon the County of Fayette.

NOW, THEREFORE, BE IT RESOLVED, by the County Legislative Body and/or the Board of County Commissioners of Fayette County, Tennessee, in regular session assembled on this 22nd day of June, 2004, in the Courthouse in Somerville, Tennessee.

1. That Rhea Taylor is authorized to apply on behalf of Fayette County, for a litter and trash collecting grant from the Tennessee Department of Transportation.
2. That should said application be approved by the Tennessee Department of Transportation, then Rhea Taylor is authorized to execute contracts or other necessary documents, which may be required to signify acceptance of the litter and trash collecting grant by Fayette County.

Commissioner Doll then presented a "Resolution to Increase Jail Litigation Tax Rate" and moved for the adoption of same. Motion was seconded by Commissioner Leifer. Barbara Walls, Clerk & Master, asked for the beginning date of this new rate. Commissioner Doll then amended his original motion to adopt the Resolution with a beginning date of July 15, 2004. Same was duly seconded. Upon Roll Call Vote, the following voted "YES": Commissioners Allen, Anderson, Burnette, Doll, Dowdle, Dowdy, Fowler, German, Graves, Harris, Leigfer, Lillard, Logan, McCloud, Oglesby, Tomlin and Yancey. (17)

Absent: Commissioner Wilson.

Thereupon, the following Resolution was adopted with the beginning date of July 15, 2004:

RESOLUTION TO INCREASE JAIL LITIGATION TAX RATE

June 8, 2004

WHEREAS, the 102nd General Assembly has raised the maximum amount of litigation tax that may be assessed on all civil and criminal cases from ten dollars (10.00) to twenty-five dollars (\$25.00); and

WHEREAS, the tax, as defined in TCA 67-4-601, is to be used for the purposes of jail or workhouse construction re-construction or upgrading, or to retire debt, including principal and interest and related expenses, on such construction, re-construction or upgrading or for courthouse renovation; and

WHEREAS, Fayette County wants to use this tax as a means to defray costs that would otherwise be borne by property taxes; and

WHEREAS, the approval for raising the amount of litigation tax requires a two-thirds vote of the Fayette County Commission;

NOW, THEREFORE, BE IT RESOLVED by the County Commission of Fayette County that the rate for the litigation tax, as described in TCA 67-4-601 shall be raised from its present ten dollars to the maximum of twenty-five dollars.

Commissioner Doll turned the floor over to Commissioner Lillard to review the proposed Adequate Facilities Tax. He reviewed the proposed "Application for Certificate of Adequate Facilities Tax Paid" and the explanation of collection process. Motion was made by Commissioner McCloud, seconded by Commissioner Anderson and unanimously carried by the Board approving same as presented.

Commissioner Lillard then addressed the Capital Improvement Plan and made motion to approve only the part that involved the Justice Complex. Motion was seconded by Commissioner German. Discussion followed.

Commissioners Lillard and German then amended their original motion to vote on the full Capital Improvement Plan. Discussion continued.

Commissioner Lillard then restated his motion to approve the Capital Improvement Plan in the current order of 1 - 6. Discussion again.

Vote was then taken to adopt the Capital Improvement Plan as presented. Same carried with Commissioners Burnette and Leifer voting "NO".

Same being as follows:

CAPITAL IMPROVEMENTS PROGRAM

PROJECT No. _____ ACTIVITY Justice Complex
Purpose (Benefit): To relieve overcrowding of current court system, increased safety in the handling of prisoners and more efficient utilization of Sheriff Department staff.
Juvenile Court has increased from 464 cases in 2001 to 610 cases in 2003 an increase of 32%.
Circuit Court increased from 489 cases in 2001 to 609 cases in 2003 an increase of 35%.
General Sessions Court decreased from 10,022 in 2001 to 8265 cases in 2003 primarily due to the transfer of Highway Patrol Officer out of this district. Juvenile Court has logged 542 in the first five months of 2004, which will put this court on a tract for a possible increase for this year of 100%. The inability of court officials to interview juvenile prisoners in a private setting creates a major problem.

New Facilities Cost Justification:

Jail Space	Total New: 175 Beds	Total Old: 97 Beds	% New Money 44.57%
	New Amount: \$3,428,020	Additional New Money: \$1,532,525	
	Additional Jail Money Annual Payment: \$98,099		
Court Space	Total New: 2 Courts	Total Old: 1 Court	%
New Money 50%	New Amount: \$1,647,569	Additional New Money: \$ 823,794	
	Additional Court Money Annual Payment: \$52,732		
	Total Annual Payment for New Facilities: \$150,831		

These amounts are based on adjusted square footages for facilities for new growth. Square footage that is replacing old is not factored in. The yearly amounts are figured for 25 years@ 4% on a level payment per year and may have to be adjusted up or down depending on the interest rate and construction costs.

The current court system requires the transportation of prisoners to the court house. This requires four to five of the sheriff's staff on three to four days a week handle this task. This places a burden on the sheriff's department along with a steady growth in the routine law enforcement duties of the department as outlined below:

Year	Warrants Served	Complaint Calls	Arrests
1999	1271	7708	1937
2003	3754	12686	2888

	FY2004-5	FY2005-6	FY2006-7	FY 2007-08	FY2008-9
Estimated Project Cost	\$142,000	\$142,000	\$142,000	\$142,000	\$142,000
Financing Method: AFT	\$150,831	\$150,831	\$150,831	\$150,831	\$150,831

Eligible for AFT (must be growth related facilities or infra-structure): Yes

CAPITAL IMPROVEMENTS PROGRAM

PROJECT No. _____ ACTIVITY Ambulance Service
 Purpose (Benefit): Fayette County experienced a growth rate of 12.2% in the period of April 1, 2000 to July 1, 2003. Fayette County ranked 96th in population increases of all county's in the country. The Fayette County Ambulance service has shown an increase in calls every year for 4 years as outlined below:

3/1/2001	3116	3/1/2003	3730
3/1/2002	3331	3/1/2004	3817

This represents a 19% increase in number of calls from 3/1/2000 to 3/1/2004. This has put an added burden on ambulances (5) to the point that new ambulances have to be purchased every year due to the wear and tear on the equipment. Three of these ambulances are out in the weather summer and winter. This requires that perishable equipment on board be down loaded after each call to storage that is temperature controlled. Time is wasted in restocking these three units before a call can be made. This problem needs to be solved by an addition to the current facilities.

	FY2004-2005	FY2005-6	FY2006-7	FY2007-8	FY2008-9
New Ambulance Chassis	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000
Storage Facility for Units	\$ 50,000				
Method of Financing AFT	\$105,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000

Eligible for AFT (Growth related facilities or infra-structure): Yes

CAPITAL IMPROVEMENTS PROGRAM

PROJECT No. _____ ACTIVITY GIS Mapping System-Base Maps
 Purpose (Benefit): Inaccurate assignment of addresses in the county has created a major liability problem for the county. Addresses are being assigned that are in some instances or on the wrong side of the road and may be off by as much as one or two miles. Development is being held up due to the inability of the county to assign new addresses in a timely manner.

In addition, growth in the county requires a more sophisticated and robust method for planning infrastructure, services and development.

	FY2004-2005	FY2005-2006	FY2006-2007
Tennessee Base Maps	\$62,500		
Computer Terminals	\$ 4,500	\$ 9,000	\$9,000
Mapping Printer	On hand		
GPS Units	\$ 900	\$ 300	
Method of Financing AFT	\$ 38,400	\$ 9,300	
911 Board	\$ 29,500		

Eligible for AFT (Growth related facilities or infra-structure): Yes

CAPITAL IMPROVEMENTS PROGRAM

PROJECT No. _____ ACTIVITY Public Works Department
 Purpose (Benefit): Improvement of roads and bridges made necessary by increased traffic. One example is the improvement of Cherry Road which is in a high development areas of the county. The traffic on this road has increases by 258% in a nine year period according to traffic counts that are listed below.

1995 ADT = 355 2004 ADT = 918
 (ADT is Average Daily Traffic)

The estimated costs to upgrade this road to 22 ft width and apply hot mix asphalt are very liberal and can be reduced. It may be possible to do this update over a two year period-widening one year and paving the following year.

	FY2004-2005	FY2005-2006
Widening Road	\$225,000	
Hot Mix paving		\$100,000
Method of Financing AFT	\$225,000	\$100,000

Eligible for AFT (Growth related facilities or infra-structure): Yes

CAPITAL IMPROVEMENTS PROGRAM

PROJECT No. _____ ACTIVITY Fire Department
 Purpose (Benefit): The county's major responsibility to the volunteer fire departments is one of furnishing adequate equipment and facilities to house same. The fire department has some aging equipment that will need to be replaced in the near future.

The western part of the county is growing at a rapid rate (4 new subdivisions are on the drawing board) with more to come. Therefore it will be necessary to add a new bay on to West Fire Station to house a tanker. This is necessary in order for the station to meet the requirements for a lower the ISO rating and to protect loaded tanker freezing temperatures.

The Hickory With fire station has land donated to build a fire station close to Highway 64. They are currently renting a bay on a year to year lease.

More dry hydrants need to be purchased and installed thru out the county.

The fire department has submitted a request for a \$500,000 HAZMAT grant for equipment and will need a storage facility for this equipment in the near future.

	FY2004-2005	FY2005-2006	FY2006-2007	FY2007-2008
Fire trucks	\$150,000		\$150,000	
Tankers		\$105,000		\$105,000
Hickory With 3 bay station	\$ 75,000			
Storage Facility for HAZMAT			\$ 20,000	
Dry Hydrants @\$850/unit	\$ 15,000	\$ 15,000	\$ 15,000	
Training Facility	\$100,000			
Method of Financing AFT	\$340,000	\$120,000	\$180,000	\$105,000

Eligible for AFT (Growth related or infra-structure): Yes

CAPITAL IMPROVEMENTS PLAN

PROJECT No. _____ ACTIVITY Court House
 Purpose (Benefit): Renovation of the Court House is made necessary by the need to comply with a ADA lawsuit and to relieve overcrowding.

The first step in compliance with the ADA requirements would be to provide access to the upper floor by means of a chair lift or elevator.

The installation of an elevator would serve two purposes, one for ADA compliance and the other to more safely move prisoners from the first floor to the second floor without having to walk them thru the main floor hall ways.

It is anticipated that the current facility will need to be used for up to at least three years or longer depending on whether the courtrooms are added to the jail complex at the time the jail is constructed.

Neither the installation of a chair lift or elevator will solve the problem of overcrowding of the workspaces. The ultimate solution to overcrowding would require the relocation of the Assessors office and the Register of Deeds office.

The Assessors office currently occupies 678 sq ft of space with a requirement more in line with 1200 sq ft. The Register of Deeds office currently occupies 1226 sq ft of space with a requirement more in line with 1600 sq ft.

The other option would be to relocate the Trustee's office which currently occupies 835 sq ft of space with a requirement more in line with 1200 sq ft. With the relocation of the Trustee's office the Assessor could utilize this space plus 175 sq ft of the storage vault now utilized.

This would free up space for the instillation of a elevator in the current space (513 sq ft) occupied by the assessor with the exit point being a room behind the main court room on the second floor. This would facilitate the transfer of prisoners to the courtroom.

The following estimates are only speculative estimates by a salesman from United Elevator Services, LLC and do not constitute firm quotes. The company would have to bring in their engineers for a firm quote.

		ELEVATOR FY2004-5	LIFT CHAIR FY2004-4
Estimated Project Cost		\$225,000	\$ 40,000
Financing Methods:	Litigation Tax	\$190,000	\$ 40,000
	AFT	\$ 35,000	

Eligible for AFT (must be growth related facilities or infra-structure): Yes

Commissioner Lillard then presented and reviewed the "Resolution Establishing Adequate Facilities Tax Rate" with an effective date of October 01, 2004. Much discussion followed. Commissioners Tomlin and Dowdle made a motion regarding the Resolution, but a recess was called for before action was taken on same.

Upon the meeting being back in session, County Attorney Rosser reviewed a change to the Resolution regarding heating space and the effective date. Commissioners Tomlin and Dowdle withdrew their original motion and moved for adoption of the Resolution as presented by Mr. Rosser. The floor was opened to the public for comments. Addressing the Board was Virgil Jones with the City of Moscow. The floor was then closed to the public.

The following Roll Call Vote was then taken on the motion. Voting "YES": Commissioners Allen, Anderson, Doll, Dowdle, Fowler, German, Graves, Harris, Lillard, Logan, McCloud, Oglesby, Tomlin and Yancey. (14)

Voting "NO": Commissioners Burnette, Dowdy and Leifer. (3)

Chairman Campbell voted "YES", making the total vote 15 "YES" and 3 "NO".

Said Resolution was adopted, same being as follows:

RESOLUTION

ESTABLISHING ADEQUATE FACILITIES TAX RATE

WHEREAS, Fayette County has previously approved the Private Act allowing the Fayette County Adequate Facilities Tax but no tax rate thereunder has been established; and

WHEREAS, Section 5 of the Private Act authorizes the Board of County Commissioners by resolution to impose the tax at a rate not to exceed the amounts authorized in Section 7 of the Act, said amounts being one dollar (\$1.00) per gross square foot of new residential development and one dollar (\$1.00) per gross square foot of new non-residential development; and

WHEREAS, the Board of County Commissioners finds that the public facilities anticipated to be funded in part by this tax pursuant to the Capital Improvements Program are reasonably related to new development in Fayette County; and

WHEREAS, the Capital Improvements Program designating the use of tax funds may be amended from time to time,

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Fayette County, Tennessee, in regular session this 22nd day of June, 2004, at the Courthouse in Somerville, Tennessee, that the Fayette County Adequate Facilities Tax rate is hereby imposed at the rate of twenty (20¢) per gross square foot of new residential development and fifteen cents (15¢) per gross square foot of new non-residential development; and

BE IT FURTHER RESOLVED that the Fayette County Adequate Facilities Tax shall become effective December 01, 2004.

BE IT FURTHER RESOLVED that attic, sellar, bacement, porch and garage space shall be defined as enclosed heated and air-conditioned space that is finished or can be finished at a later date or can be utilized as living quarters and that this definition can only be changed by a 2/3 majority of the County Commission.

BE IT FURTHER RESOLVED that porch space shall be defined as areas that are enclosed in glass or other solid wall material that can be utilized as living space.

BE IT FURTHER RESOLVED that said tax shall be collected at the time of application for a building permit for development, as defined in the Act, by the County Official duly authorized by the County Executive; and

BE IT FURTHER RESOLVED that payment of the Fayette County Adequate Facilities Tax shall be made in cash or other negotiable instrument customarily accepted as payment for county building permits; and

BE IT FURTHER RESOLVED that the "Certificate of Adequate Facilities Tax Paid" form attached hereto as Exhibit A is hereby approved for use; and

BE IT FURTHER RESOLVED that the document entitled "Fayette County Adequate Facilities Tax on New Development" attached hereto as Exhibit B shall be distributed no later than June 27, 2004, by the County Official duly authorized by the County Executive to collect said tax, to all municipalities in the county along with a copy of the Act and shall be made available to the public at the Fayette County Office of Planning and Development; and

BE IT FURTHER RESOLVED that the County Official duly authorized by the County Executive to collect said tax shall, at least twice each fiscal year, audit the building permits issued by all municipalities in the county since the last audit to insure a Certificate of Adequate Facilities Tax Paid is on file for each applicable municipal building permit and is in agreement with the square footage recorded on the corresponding municipal building permit, and that said County Official shall collect from the liable municipality the sum that would have been collected by Fayette County on any applicable municipal building permit where a Certificate of Adequate Facilities Tax Paid is not on file or the square footage on the Certificate of Adequate Facilities Tax Paid is exceeded by the square footage recorded on the corresponding municipal building permit; and

BE IT FURTHER RESOLVED that the County Official duly authorized by the County Executive to collect said tax shall, pursuant to Tennessee Code Annotated §5-20-106, enforce the requirement for issuance of a county building permit for construction within incorporated cities and towns within the county which have not elected to adopt their own building codes and shall collect said tax where applicable; and

BE IT FURTHER RESOLVED that no further administrative guidelines, procedures, regulations or forms in addition to those provided herein or by the Act are deemed necessary at this time; and

BE IT FURTHER RESOLVED that the Fayette County Board of Commissioners hereby establish the Fayette County Board of Adjustment and Appeals for Development Fee or Adequate Facilities Tax. This board will comprised of five members with staggered five year terms. The initial terms for the first members shall be one to five years. The function of this board will be to hear appeals of the decisions made by the County Building Commissioner or other responsible officials. The County Mayor shall nominate the members of the board subject to the approval of the Fayette County Board of Commissioners.

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

Commissioner Doll advised that the Budget committee had addressed the Jail site, but no recommendation was being presented. Mayor Taylor advised that after consideration of available areas, he suggested the Landfill site.

Commissioner Leifer then made motion for the Largent site to be accepted for the Jail site. No second was made to this motion.

Motion was then made by Commissioner McCloud and seconded by Commissioner Burnette to accept the Landfill property for the Jail site contingent upon engineering results.

Commissioner Doll asked that this motion be amended to reimburse Sydney Wilson for the cost of \$2,300.00 for survey of his property that had been considered as a Jail site. Motion was seconded by Commissioner Tomlin and unanimously carried by the Board.

Discussion continued. The floor was opened to the public. Addressing the Board were John Jones and Genell Strickland.

Motion was then made by Commissioner Lillard, seconded by Commissioner Anderson to amend the motion for the construction access road to be through the landfill and not down Clark Road and Hwy 196. Discussion followed. The amending motion was then withdrawn.

The following Roll Call Vote was then taken on the original motion to select the Landfill property for the Jail site and to reimburse Mr. Wilson on his survey cost. Upon Roll Call Vote, the following voted "YES": Commissioner Allen, Anderson, Burnette, Dowdle, Dowdy, Fowler, German, Graves, Leifer, Lillard, McCloud, Oglesby, Tomlin. (13)

Voting "NO": Commissioners Doll and Logan. (2)

Passing: Commissioners Harris and Yancey. (2)

Thereupon said motion carried setting the Landfill Property as the site for the Jail/Justice Complex.

Commissioner Doll reported that the Budget committee had addressed the issue of Courthouse renovation and asked that the Mayor move forward to obtain information and cost on becoming ADA compliant.

Motion was made by Commissioner Doll, seconded by Commissioner Leifer and unanimously carried by Roll Call Vote adopting the following Continuing Budget Resolution:

**A RESOLUTION TO ADOPT A CONTINUING BUDGET
AND TAX RATE FOR THE FISCAL YEAR BEGINNING
JULY 1, 2004, AND TO AUTHORIZE THE ISSUANCE OF
TAX ANTICIPATION NOTES FOR THE COUNTY OF FAYETTE**

WHEREAS, it now appears that the 2004-05 fiscal year budget of Fayette County, Tennessee, will not be approved during the 2004 July term of the Board of County Commissioners, now;

THEREFORE, BE IT RESOLVED by the Board of Commissioners of Fayette County, Tennessee, that amounts set out in the 2003-04 Appropriation Resolution are hereby continued until a new 2004-05 Appropriation Resolution is adopted, and;

BE IT FURTHER RESOLVED, that the property tax rate of \$1.74 per each \$100.00 of taxable property for the fiscal year beginning July 1, 2004, shall remain in effect until a new property tax rate is adopted, and;

BE IT FURTHER RESOLVED, that the County Mayor and County Clerk are hereby authorized to borrow money on tax anticipation notes, provided that such notes are first approved by the State Director of Local Finance, to pay for the expenses herein authorized until the taxes and other revenues for the fiscal year 2004-05 have been collected, not exceeding 60% of the appropriations of each individual fund of the continuing budget. The notes evidencing the loans authorized under this section shall be issued under the authority of Title 9, Chapter 21, Tennessee Code Annotated. All said notes shall mature and be paid in full without renewal not later than June 30, 2005.

BE IT FURTHER RESOLVED, that this Resolution shall take effect from and after its passage and its provisions shall be in force from and after July 1, 2004.

Motion was made by Commissioner Anderson and seconded by Commissioner Logan to adopt a Resolution Authorizing School Bus Lease/Purchase. Said motion carried with Commissioners Doll and Graves "Passing". Said being as follows:

RESOLUTION AUTHORIZING SCHOOL BUS LEASE PURCHASE AGREEMENT BY THE FAYETTE COUNTY BOARD OF EDUCATION AND DESIGNATING SUCH LEASE AS A QUALIFIED TAX-EXEMPT OBLIGATION UNDER SECTION 265(b)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986

WHEREAS, this Board of County Commissioners has previously authorized the Fayette County Board of Education (the "School Board") to enter into a lease agreement for school buses, and based upon such approval, the School Board will by appropriate competitive bid determine the most advantageous lease purchase arrangement; and

WHEREAS, the School Board has authorized and proposes to enter into a School Bus Lease Purchase Agreement, pursuant to which the Lessor will receive as a portion of the rental payments, an amount which will be treated as tax exempt interest; and

WHEREAS, in the event Fayette County, Tennessee (the "County"), including its subordinate entities, issues less than \$10,000,000 of tax-exempt obligations, including the Lease, in calendar year 2004, it will be treated as a small issuer under Section 265(b)(3)(B) of the Internal Revenue Code of 1986 (the "Code"); and

WHEREAS, a governmental unit may allocate all or a portion of its calendar year \$10,000,000 exemption to one or more subordinate entities; and

WHEREAS, the Fayette County Board of Education ("School Board") proposes to enter into a School Bus Lease Purchase Agreement in a total principal amount of not-to-exceed \$380,000 (the "Lease") which will be a qualified tax-exempt obligation under Section 265 of the Code if the County designates the Lease as such pursuant to Section 265(b)(3)(B) of the Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Fayette County, Tennessee, as follows:

1. In accordance with Section 7-51-901 of the Tennessee Code Annotated, as amended, the County hereby authorizes the School Board to enter into the Lease.

2. The County hereby finds and declares that the School Board is a subordinate entity of the County for purposes of Section 265(b) of the Internal Revenue Code of 1986.

2. The County hereby irrevocably designates the Lease as a qualified tax exempt obligation pursuant to Section 265(b)(3)(B) of the Code for calendar year 2004.

3. The County hereby represents that it has not and does not intend to issue in excess of \$10,000,000 in aggregate principal amount of tax-exempt bonds, including the Lease, during calendar year 2004 and has not and will not allocate to any other subordinate entity an amount which, when combined with the Lease and the tax-exempt bonds issued and to be issued by the County during calendar year 2004 will exceed \$10,000,000.

Motion was made by Commissioner Doll, second by Commissioner Leifer and unanimously carried by Roll Call Vote adopting the following Resolution Authorizing the Sale of General Obligation Bonds not to Exceed \$2,300,000.00:

RESOLUTION AUTHORIZING THE SALE BY THE COUNTY MAYOR AND PROVIDING THE DETAILS OF NOT TO EXCEED \$2,300,000 GENERAL OBLIGATION BONDS, SERIES 2004, OF FAYETTE COUNTY, TENNESSEE, AND PROVIDING FOR THE LEVY OF AD VALOREM TAXES IN CONNECTION THEREWITH.

WHEREAS, the Board of County Commissioners of Fayette County, Tennessee (the "County") has determined that it is necessary to acquire land, do site preparation, and construct and equip facilities for use as a new county jail, which facilities may also include a justice complex, and to acquire, construct, renovate and/or equip other buildings or facilities for county use; and

WHEREAS, the County is authorized by Sections 9-21-101 *et seq.* of the Tennessee Code Annotated to issue bonds for such purposes; and

WHEREAS, the County has previously authorized the issuance of not to exceed \$5,900,000 General Obligation Bonds, Series 2004 (the "Previously Authorized Bonds"), of Fayette County to be issued pursuant to authority of Sections 9-21-101 *et seq.*, of the Tennessee Code Annotated, as amended for the above-referenced purposes; and

WHEREAS, the County proposes to issue not to exceed \$2,300,000 General Obligation Bonds, Series 2004B (the "Bonds") pursuant to authority of Sections 9-21-101 *et seq.* of the Tennessee Code Annotated, as amended, in addition to the Previously Authorized Bonds, for the above-referenced purposes.

WHEREAS, prior to the issuance and sale of the Bonds, it is necessary that the County publish a Notice of Sale with respect to the Bonds of the County proposed to be issued; and

WHEREAS, it is appropriate for the County Mayor to conduct the sale of the Bonds, to accept the best bid for the Bonds and to sell the Bonds to the best bidder; and

WHEREAS, it is further appropriate for this Board to provide the details of the Bonds and the pledge of revenues thereto at this time; and

WHEREAS, the Initial Resolution, together with the notice required by Section 9-21-206, Tennessee Code Annotated, as amended, will be published as required by law; and

WHEREAS, in the event no petition protesting the issuance of the bonds is filed pursuant to the requirements of Section 9-21-207, Tennessee Code Annotated, as amended, this Board desires the County Mayor to proceed with the issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Fayette County, Tennessee, as follows:

SECTION 1. In order to finance the acquisition of land, site preparation, and the construction and equipping of a new county jail, which facilities may also include a justice complex, and to acquire, construct, renovate and/or equip other buildings or facilities for county use, the County shall borrow a sum not exceeding \$2,300,000, and General Obligation Bonds of the County in the principal amount borrowed shall be issued pursuant to Sections 9-21-101 et seq., inclusive, of the Tennessee Code Annotated as amended.

SECTION 2. The following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Bond Registrar" shall mean the registration and paying agent for the Bonds appointed by the County Mayor of the County pursuant to Section 9, or any successor as from time to time designated by the Governing Body.

(b) "Bonds" shall mean the General Obligation Bonds, Series 2004B, of the County, in an aggregate amount not to exceed the principal amount specified in Section 1, to be dated June 1, 2004 or as otherwise permitted pursuant to Section 7, authorized to be issued by this resolution;

(c) "Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository, or to its nominee as Registered Owner, with the certificate of bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the County or the Bond Registrar, constitute the written record that identifies, and records the transfer of, the beneficial "book-entry" interests in those bonds;

(d) "Code" shall mean the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder;

(e) "County" shall mean Fayette County, Tennessee;

(f) "County Mayor" shall mean the duly elected County Mayor of the County from time to time.

(g) "Depository" shall mean any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to, DTC;

(h) "DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns;

(i) "DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC System;

(j) "Financial Advisor," shall mean Coastal Securities, L.P., Memphis, Tennessee.

(k) "Governing Body" shall mean the Board of County Commissioners of the County;

(l) "Previously Authorized Bonds" mean the not to exceed \$5,900,000 General Obligation Bonds, Series 2004, previously authorized to be issued by the County, for purposes of the Project.

(m) "Project" shall mean (i) the acquisition of land, site preparation, and construction and equipping of facilities for use as a new county jail, which facilities may also include a justice complex, (ii) the acquisition, construction, renovation and/or equipping of other buildings or facilities for county use, (iii) the payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing, and (iv) the retirement of obligations of the County previously issued for such purposes;

SECTION 3 The County Mayor is hereby authorized and directed to determine the principal amount of the Bonds not to exceed the principal amount specified in Section 1 to be actually issued (which may be in one or more emissions) and to effect adjustments in the maturity schedule and optional redemption dates set forth herein as authorized in Section 7. The determinations made by the County Mayor, as described above, and the finalization of the details of the Bonds and sale of the Bonds to the successful bidder by the County Mayor shall be binding on the County and no further action by the Governing Body with respect thereto shall be required. The County Mayor shall cause, if advantageous to the County, all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company so long as it is demonstrated to the County Mayor's satisfaction either (i) that such insurance is necessary to sell the Bonds, or the portion thereof to be insured, or (ii) the present value of the projected savings in interest costs to the County as a result of obtaining such bond insurance exceeds the premium cost to the County for such bond insurance.

The County Mayor is hereby authorized and directed to publish a Notice of Sale for Bonds and, if appropriate, for any other bonds of the County which are being competitively sold at the same time, in The Fayette Falcon, Somerville, Tennessee, and, if required by law, in The Bond Buyer, New York, New York, and the date of publication shall be selected by the County Mayor as he may deem appropriate for the purpose of conducting the sale of the Bonds at public sale at the earliest possible date after complying with the requirement of Tennessee Code Annotated, Section 9-21-203 that the Bonds must be advertised for sale for not less than 5 days prior to the sale of the Bonds. Such Notice of Sale shall be in such form as shall be approved by the County Mayor and the Financial Advisor. The Bonds shall be sold by physical delivery of bids or by electronic bidding means of an internet bidding service as shall be determined by the County Mayor, in consultation with the Financial Advisor. The County Mayor is hereby authorized to enter into a contract for financial advisory services in connection with the sale of the Bonds and to authorize the Financial Advisor to submit a bid either alone or with other bidders at such public sale.

SECTION 4. The County Mayor and County Clerk, working with the Financial Advisor, are hereby authorized and directed to provide for the preparation and distribution, electronic or otherwise, of a Preliminary Official Statement describing the Bonds and any other bonds or notes which in the discretion of the County Mayor are sold at the same time as the Bonds including, but not limited to, the Previously Authorized Bonds. After the Bonds have been sold, the County Mayor and the County Clerk shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission. The County Mayor and County Clerk shall arrange for the delivery of a reasonable number of copies of the Official Statement within seven business days after the Bonds have been sold to the successful bidder, to each potential investor requesting a copy of the Official Statement and to each person to whom such bidder and members of its bidding group initially sell the Bonds.

The County Mayor and County Clerk are authorized, on behalf of the County, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12(b)(1), except for the omission in the Preliminary Official Statement of certain pricing and other information allowed to be omitted pursuant to

such Rule 15c2-12(b)(1). The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the County except for the omission in the Preliminary Official Statement of such pricing and other information.

SECTION 5. The County Mayor is hereby authorized and directed to conduct the sale of General Obligation Bonds, Series 2004B, to determine the principal amount of the Bonds not to exceed the amount specified in Section 1 to be actually issued (which may be in one or more emissions), to effect adjustments in the maturity schedule and optional redemption dates set forth herein as authorized in Section 7 and to accept the bid which results in the lowest true interest cost to the County at not less than ninety-nine percent (99%) of the par value plus accrued interest, all in accordance with the Notice of Sale and upon the date selected for such sale by the County Mayor. The determinations of the County Mayor, as described above, and the award of the Bonds by the County Mayor shall be binding on the County and no further action by the Governing Body with respect thereto shall be required.

SECTION 6. Subject to the adjustments permitted pursuant to Section 7, the Bonds shall be designated "General Obligation Bonds, Series 2004B," shall be dated June 1, 2004, shall be numbered from 1 upward, shall be of the denomination of \$5,000 (or integral multiples thereof), and shall be subject to option of prior redemption as set forth below.

SECTION 7. The Bonds shall bear interest, payable semiannually, at the rates per annum approved by the County Mayor, not to exceed five and one-half percent (5 ½%) per annum, and shall mature April 1 in the years and in the amounts (subject to adjustment by the County Mayor prior to issuance as set forth below) as follows:

<u>YEAR</u>	<u>AMOUNT</u>
2005	-0-
2006	-0-
2007	-0-
2008	-0-
2009	-0-
2010	-0-
2011	-0-
2012	-0-
2013	-0-
2014	-0-
2015	-0-
2016	-0-
2017	-0-

2018	-0-
2019	-0-
2020	-0-
2021	\$ 210,000
2022	\$ 220,000
2023	\$ 230,000
2024	\$ 240,000
2025	\$ 255,000
2026	\$ 265,000
2027	\$ 280,000
2028	\$ 295,000
2029	\$ 305,000

The County Mayor is authorized to increase or decrease the amount of each maturity, to change the dated date of the Bonds to a date other than June 1, 2004, to sell the Bonds in one or more emissions, to change the Series designation of the Bonds, to adjust the principal and interest payment dates of the Bonds, and to change the optional redemption dates and provide for a premium not to exceed two percent (2%) of the par amount to be redeemed, such adjustments to be made as the County Mayor in his sole discretion shall deem most advantageous to the County, provided that the aggregate amount of Bonds issued pursuant to this resolution shall not exceed the principal amount specified in Section 1. The County Mayor is authorized to sell the Bonds, or any maturities thereof, as term bonds with mandatory redemption requirements corresponding to the maturities set forth herein or as determined by the County Mayor. In the event any or all the Bonds are sold as term bonds, the County shall redeem term bonds on redemption dates corresponding to the maturity dates set forth herein, in aggregate principal amounts equal to the maturity amounts established pursuant to this Section 7 for each redemption date, as such maturity amounts may be adjusted pursuant to this Section 7, at a price of par plus accrued interest thereon to the date of redemption. The term bonds to be redeemed within a single maturity shall be selected in the manner described in Section 8.

The County Mayor is hereby authorized to increase or decrease the amount of any maturity, such adjustments to be made as the County Mayor in his sole discretion shall deem appropriate, provided that the aggregate principal amount of Bonds issued pursuant to this resolution shall not exceed the principal amount specified in Section 1.

The County Mayor is authorized to combine all or a portion of the Bonds with the Previously Authorized Bonds for all purposes related to the issuance and sale of the Bonds including, but not limited to, designating all or a portion of the Bonds and the Previously

Authorized Bonds as a single series, making appropriate adjustments in the form of the Bond, and taking such other actions as are appropriate in connection therewith.

SECTION 8. Subject to the adjustments permitted pursuant to Section 7 hereof, any Bonds maturing April 1, 2005 through April 1, 2014 shall mature without option of prior redemption. Bonds maturing April 1, 2015 and thereafter shall be subject to redemption on April 1, 2014 and at any time thereafter at a redemption price of par plus interest accrued to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Governing Body in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the Bonds within the maturity to be redeemed shall be selected as follows:

(a) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(b) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Bond Registrar by lot or such other random manner as the Bond Registrar in its discretion shall determine.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such mandatory redemption date, the County may (i) deliver to the Bond Registrar for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Bond Registrar and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Bond Registrar at 100% of the principal amount thereof on the obligation of the County on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be

accordingly reduced. The County shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Bond Registrar with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this paragraph are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Notice of call for redemption, whether optional or mandatory, shall be given by the Bond Registrar on behalf of the County not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Bond Registrar as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Bond Registrar to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the County nor the Bond Registrar shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Bond Registrar shall mail said notices as and when directed by the County pursuant to written instructions from an authorized representative of the County (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Bond Registrar). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Bond Registrar for the payment thereof and if notice has been duly provided as set forth herein.

SECTION 9. The County hereby authorizes the County Mayor to appoint the initial paying agent and bond registrar (the "Bond Registrar") with respect to the Bonds and authorizes and directs the Bond Registrar to maintain Bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance or upon transfer, to effect transfers of the Bonds, and to make all payments of principal and interest with respect to the Bonds as provided herein, and to cancel and destroy Bonds which have been paid

at maturity or upon earlier redemption or submitted for exchange, transfer or cancellation and to furnish the County with a certificate of destruction. The Bond Registrar shall maintain registration books for the registration and registration of transfer of the Bonds, which books shall be kept in a manner that complies with the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, and Regulations thereunder (or under corresponding provisions of prior law, if applicable) for recordkeeping relating to "registration-required bonds" and in accordance with the Tennessee Public Obligations Registration Act (T.C.A. §9-19-101 et seq., as amended).

SECTION 10. The Bonds shall be payable, both principal and interest, in lawful money of the United States of America at the designated corporate trust office of the Bond Registrar. The Bond Registrar shall make all interest payments with respect to the Bonds on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Bond Registrar as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by depositing such payment in the United States mail, postage prepaid, addressed to such owners at such owners' addresses shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the County in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Bond Registrar as the same shall become due and payable. In the event the Bonds are no longer registered in the name of DTC, or a successor Depository, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Bond Registrar and written notice of any such election and designated account is given to the Bond Registrar prior to the record date.

The Bonds are transferrable only by presentation to the Bond Registrar by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment on the reverse side thereof (or attached thereto) completed in full and signed with the name of the registered owner as it appears upon the face of

the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Bond Registrar shall issue a new Bond or Bonds to the assignee(s) in such authorized denominations, as requested by the registered owner requesting transfer. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Bond Registrar shall be affected by any notice to the contrary, including, but not limited to, any previous transfer request not accompanied by acceptable documentation.

The Bonds shall be signed by the County Mayor with his manual or facsimile signature, shall be attested by the County Clerk by his or her manual or facsimile signature, and shall have imprinted or impressed thereon the official seal of the County (or a facsimile thereof).

The Bond Registrar is hereby authorized to authenticate and deliver the Bonds from time to time to the original purchasers thereof or as it or they may designate upon receipt by the County of the proceeds of the sale thereof, together with any necessary documentation, and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Bond Registrar by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

In case any Bond shall become mutilated, or be lost, stolen, or destroyed, the County, in its discretion, shall issue, and the Bond Registrar shall authenticate and deliver a new Bond of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Bond, or in lieu of and substitution for such lost, stolen or destroyed Bond, or if any such Bond shall have matured or shall be about to mature, instead of issuing a substituted Bond the County may pay or authorize payment of such Bond without surrender thereof. In every case, the applicant shall furnish evidence satisfactory to the County and the Bond Registrar of the destruction, theft or loss of such Bond, and indemnity satisfactory to the County and the Bond Registrar, and the County may charge the applicant for the issue of such new Bond an amount sufficient to reimburse the County for the expense incurred by it in the issue thereof.

Any interest on any Bond that is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the County to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the County shall notify the Bond Registrar in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the County shall deposit with the Bond Registrar an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Bond Registrar for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Bond Registrar of the notice of the proposed payment, the Bond Registrar shall fix a Special Record Date for the payment of such Defaulted Interest which Date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered owners. The Bond Registrar shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Bond Registrar as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the County to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on the Bonds when due.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the County to call such Bond for redemption; provided, the Bond Registrar, at its option, may make transfers after any of said

dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Bond Registrar shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Bond Registrar, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations.

Except as otherwise provided in this resolution, the Bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity shall be issued to DTC and immobilized in its custody. A Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. The holders of these beneficial ownership interests are hereinafter referred to as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, THE BOND REGISTRAR SHALL TREAT CEDE & CO., AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE BOND REGISTRAR TO TAKE OR NOT TO TAKE, OR CONSENTING

TO, CERTAIN ACTIONS UNDER THIS RESOLUTION.

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Bond Registrar directly to DTC or its nominee, Cede & Co. as provided in the Letter of Representation relating to the Bonds from the County and the Bond Registrar to DTC (the "Letter of Representation"). DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. The County and the Bond Registrar shall not be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the County determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, the County shall discontinue the Book-Entry System with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County shall cause the Bond Registrar to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner.

THE COUNTY AND THE BOND REGISTRAR SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY DTC PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS, (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS OWNER.

The Bond Registrar is hereby authorized to take such action as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Bond Registrar) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the owners of the Bonds, provided, however, that the Bond Registrar shall not be liable with respect to any such arrangements it may make pursuant to this section.

SECTION 11. The Bonds shall be in substantially the following form:

(Form of Bond)

REGISTERED

REGISTERED

Number _____

\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE

COUNTY OF FAYETTE
GENERAL OBLIGATION BOND, SERIES 2004B

Interest Rate:

Maturity Date:

Date of Bond:
June 1, 2004

CUSIP No.:

Registered Owner:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS: That the County of Fayette in the State of Tennessee (the "County"), for value received hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth (or upon earlier redemption as set forth herein), and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate of interest hereinabove set forth from the date hereof until said maturity date or redemption date, said interest being payable on October 1, 2004, and semi-annually thereafter on the first day of April and October in each year until this Bond matures or is redeemed. Both principal hereof and interest hereon are

payable in lawful money of the United States of America by check or draft at the corporate trust office of _____, _____, _____, as bond registrar and paying agent (the "Bond Registrar"). The Bond Registrar shall make all interest payments with respect to this Bond on each interest payment date directly to the registered owner hereof shown on the Bond registration records maintained by the Bond Registrar as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the County to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Bond Registrar, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any,] on this Bond shall be made when due upon presentation and surrender of this Bond to the Bond Registrar.

Except as otherwise provided herein or in the Resolution, as hereinafter defined, this Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds of the series of which this Bond is one. One Bond for each maturity of the Bonds shall be issued to DTC and immobilized in its custody. A book-entry system shall be employed, evidencing ownership of the Bonds in \$5,000 denominations, or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants, as defined in the Resolution, pursuant to rules and procedures established by DTC. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the County and the Bond Registrar shall treat Cede & Co., as the only owner of the Bonds for all purposes under the Resolution, including receipt of all principal, premium, if any, and interest on the Bonds, receipt of notices, voting and requesting or taking or not taking, or consenting to, certain actions hereunder. Payments of principal, maturity amounts, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid directly to DTC or its nominee, Cede & Co. DTC shall remit such payments to DTC Participants, and such payments

thereafter shall be paid by DTC Participants to the Beneficial Owners, as defined in the Resolution. Neither the County nor the Bond Registrar shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants. In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the County determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect its interests or the interests of the Beneficial Owners of the Bonds, the County may discontinue the book-entry system with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County shall cause the Bond Registrar to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner. Neither the County nor the Bond Registrar shall have any responsibility or obligations to any DTC Participant or any Beneficial Owner with respect to (i) the Bonds; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by DTC or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal or maturity amounts of and interest on the Bonds; (iv) the delivery or timeliness of delivery by DTC or any DTC Participant of any notice due to any Beneficial Owner that is required or permitted under the terms of the Resolution to be given to Beneficial Owners, (v) the selection of Beneficial Owners to receive payments in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC, or its nominee, Cede & Co., as owner.

If no Term Bonds are issued, the following provision shall be included:

[Bonds of the issue of which this Bond is one maturing April 1, 2005 through April 1, 2014 shall mature without option of prior redemption.] Bonds of the issue of which this Bond is one maturing April 1, 2015 and thereafter shall be subject to redemption at the option of the County, in whole or in part on April 1, 2014 and at any time thereafter at a price of par plus interest accrued to the redemption date.

If Term Bonds are issued, the following provisions shall be included:

[The County shall redeem Bonds maturing April 1, _____ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of

Bonds of which this Bond is one, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC, or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Bond Registrar by lot or such other random manner as the Bond Registrar in its discretion shall select. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

<u>Stated Maturity</u>	<u>Redemption Date</u>	<u>Principal Amount of Bonds Redeemed</u>
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*Final Maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the County may (i) deliver to the Bond Registrar for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Bond Registrar and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Bond Registrar at 100% of the principal amount thereof on the obligation of the County on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The County shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Bond Registrar with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Notice of call for redemption shall be given by the Bond Registrar not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail,

postage prepaid, at the addresses shown on the Bond registration records of the Bond Registrar as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Bond Registrar to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the County nor the Bond Registrar shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Bond Registrar for the payment thereof and if notice has been duly provided as set forth in the Resolution, as hereafter defined.]

This Bond is transferable by the registered owner hereof in person or by such owner's legal representative duly authorized in writing at the designated corporate trust office of the Bond Registrar set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Bond Registrar shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Bond Registrar shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor during a period following the receipt of instructions from the County to call such Bond for redemption.

This bond is one of a series of bonds, all of like date, tenor and effect, except as to number, rate of interest and date of maturity, in an aggregate principal amount of \$2,300,000 issued for the purpose of providing funds to finance (i) the acquisition of land, site preparation, and the construction and equipping of a new county jail, which facilities may also include a justice complex, (ii) the acquisition, construction, renovation and/or equipping of other buildings or facilities for county use, (iii) the payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing, and (iv) the retirement of obligations previously issued for such purposes, and is issued under and pursuant to and in full compliance with the Constitution and statutes of the State of Tennessee, including Tennessee Code Annotated, Sections 9-21-101 *et seq.*, inclusive, and pursuant to a Resolution duly adopted by the Board of County Commissioners of Fayette County, Tennessee, on June 22, 2004. It is hereby certified, recited and declared that all acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond, in order to make the same a legal, valid and binding obligation of Fayette County, Tennessee, have happened, do exist and have been performed in regular and due time, form and manner as required by law; that due provision has been made for the levy and collection of a direct annual tax, as may be found necessary each year, upon all taxable property within Fayette County, sufficient to pay the principal hereof and interest hereon as the same become due and payable; that for the prompt payment of principal and interest on this Bond, the full faith and credit of the County are hereby irrevocably pledged and that this Bond and the issue of which it forms a part, together with all other indebtedness of Fayette County, Tennessee, do not exceed any applicable Constitutional or statutory debt limit.

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 and except Tennessee franchise, excise and corporate privilege taxes applicable to certain holders.

[This Bond is a "qualified tax-exempt obligation" designated by the County for purposes of Section 265(b) (3) (B) of the Internal Revenue Code of 1986, as amended.]

IN WITNESS WHEREOF, Fayette County, Tennessee, through its Board of County Commissioners, has caused this Bond to be signed by its County Mayor by his manual or facsimile signature and countersigned by the manual or facsimile signature of its County Clerk under the impressed or imprinted seal (or a facsimile thereof) of the County all as of the twenty-second day of June, 2004.

COUNTERSIGNED:

FAYETTE COUNTY, TENNESSEE

(SEAL)

County Clerk

County Mayor

Transferable and payable at the corporate trust
office of

Date of Registration: _____

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

_____, as
Bond Registrar

By: _____
Authorized Officer

(Form of Assignment)

For value received, the undersigned hereby sells, assigns and transfers unto

_____ whose address is _____

[_____ (please insert social security number or tax identification

number)], the within mentioned Bond and hereby irrevocably constitutes and appoints

_____, or its successor as Bond Registrar, to transfer the

same on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Registered Owner

Signature Guaranteed:

Notice: The signature must correspond with the name of the registered owner as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Notice: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Bond Registrar.

SECTION 12. When the Bonds hereby authorized are issued, the same shall be the absolute and general obligations of Fayette County, Tennessee, to the payment of which the full faith, credit and resources of Fayette County, Tennessee, are hereby irrevocably pledged, and in order to provide for the payment of the Bonds and the interest thereon, there shall be and there is hereby directed to be levied and collected, at the same time and in the same manner as other taxes of Fayette County, Tennessee, are levied and collected, a direct, continuing annual tax upon all taxable property within the boundaries of Fayette County, Tennessee, in such amount as may be found necessary each year to provide for the payment of the principal of the Bonds and the interest thereon, as the same mature and become due.

It shall be the duty of the tax-levying and collecting authorities of Fayette County, Tennessee, in each year while any of the Bonds issued hereunder shall remain outstanding and unpaid, without any further direction or authority to levy and collect the taxes herein provided for, and the rate of taxation to be levied in each year shall be sufficient, after making allowance for delinquencies in the payment of taxes and the cost of collection, to provide the sums required in each year for the payment of the principal and the interest on the Bonds. Should there be a failure in any year to comply with the requirements of this Section, such failure shall not impair the right of the holders of any of the Bonds in any subsequent year to have adequate taxes levied and collected to meet the obligations of the Bonds herein authorized to be issued, both as to principal and interest. Principal and interest falling due at any time when there are insufficient funds on hand 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. The tax herein provided may be reduced to the extent of direct appropriations from the general funds of the County to the payment of debt service on the Bonds.

SECTION 13. Remedies of Bondholders. Except as herein expressly limited, the registered owners of the Bonds shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Tennessee and of the United States of America for the enforcement of payment of such Bonds and the interest thereon and of the pledge of the revenues made hereunder and of the covenants of the County hereunder, including all the benefits and rights granted by Sections 9-21-101 et seq. of the Tennessee Code Annotated.

SECTION 14. From the proceeds of the sale of the Bonds, all accrued interest shall be deposited to the Bond Fund of the County and used to pay interest on the Bonds on the first

interest payment date following delivery of the Bonds.

From the remaining proceeds, all costs of issuance and sale of the Bonds, including necessary legal, accounting, fiscal, printing, engraving, advertising and similar expenses and Bond Registrar fees' shall be paid or provided for.

The balance of the proceeds from the sale of the Bonds shall be deposited with the County Trustee and shall be kept separate and apart from all other funds of the County in a special fund hereby designated as the "Fayette County, Tennessee, 2004 Construction Fund," which shall be applied exclusively to pay costs of the Project, to refund, call or make principal and interest payments on obligations of the County previously issued for such purposes and to pay any unpaid expenses in the issuance and sale of the Bonds, including but not limited to necessary legal, accounting, engineering and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs and Bond Registrar fees; and it shall be used for no other purposes. Any Bond funds not put to immediate use shall be deposited at interest by the County Trustee until needed. The interest arising therefrom shall be used only towards retiring the Bonds or may be added to Bond proceeds and used for the same purposes. Money in such Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any, or, in the absence of such a statute, by a pledge of readily marketable securities having at all times a market value of not less than the amount in such Fund. Any funds remaining in such Fund after completion of the Project and payment of authorized expenses shall be used to pay principal of and interest on the Bonds or may be used by the County Mayor, on approval of the County Trustee, to purchase Bonds at not more than par value.

SECTION 15. The County recognizes that the purchasers and holders of the Bonds will have accepted them on, and paid therefor a price that reflects, the understanding that interest thereon is exempt from federal income taxation under laws in force on the date of delivery of the Bonds. In this connection, the County agrees that it shall take no action which may render the interest on any of said Bonds subject to federal income taxation and agrees to take all action as may be necessary to comply with the provisions of the Code and regulations thereunder in order to maintain or assure the tax exempt status of the Bonds. It is the reasonable expectation of the Governing Body of the County that the proceeds of the Bonds will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the

Code, including any lawful regulations promulgated or proposed thereunder (or under corresponding provisions of prior law, if applicable), and to this end the said proceeds of the Bonds and other related funds established for the purposes herein set out, shall be used and spent expeditiously for the purposes described herein. The County Mayor, County Clerk and County Trustee or either of them, are authorized and directed to make such certifications in this regard in connection with the sale of the Bonds as they shall deem appropriate, and such certifications shall constitute representations and certifications of the County.

SECTION 16. To the extent it may do so, the County hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b) (3) (B) of the Code and covenants that the Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income taxes (excluding, however, private activity bonds as defined in Section 141 of the Code, other than qualified 501(c) (3) Bonds as defined in Section 145 of the Code and further excluding bonds issued to refund, other than to advance refund, other bonds to the extent the amount of the refunding bonds do not exceed the outstanding amount of the refunded bonds), including the Bonds, have been or are reasonably expected to be issued by the County, including all subordinate entities of the County, during the calendar year 2004, or in any subsequent year in which any emission of the Bonds may be issued.

SECTION 17. If the County shall pay and discharge the indebtedness evidenced by any of the Bonds in any one or more of the following ways, to wit:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Bond Registrar, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or bank whose deposits are insured by the Federal Deposit Insurance Corporation and which has trust powers ("an Agent which Agent may be the Bond Registrar), in trust, on or before the date of maturity or redemption, sufficient money or Obligations of the United States of America, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay premium, if any, and interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for

the giving of such notice) and if the County shall, also pay or cause to be paid all other sums payable hereunder by the County with respect to such Bonds, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Agent to pay amounts when and as required to the Bond Registrar for the payment of principal of and interest and redemption premiums, if any, on such Bonds when due; or

(c) By delivering such Bonds to the Bond Registrar, for cancellation by it; then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the County to the owners of such cease, terminate and become void.

If the County shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Obligations of the United States of America deposited as aforesaid.

Except as otherwise provided in this Section 17, neither the Obligations of the United States of America nor moneys deposited with the Bond Registrar pursuant to this Section nor principal or interest payments on any such Obligations of the United States of America shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and premium, if any, and interest on said Bonds; provided, that any cash received from such principal or interest payments on such Obligations of the United States of America deposited with the Bond Registrar, (A) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Obligations of the United States of America maturing at times and in amounts sufficient to pay when due the principal and premiums, if any, and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the County, as received by the Bond Registrar.

SECTION 18. Continuing Disclosure. The County hereby covenants and agrees that it will provide annual financial information and material event notices if and as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The County Mayor is authorized to execute a continuing disclosure agreement for the benefit of and enforceable by the

owners of the Bonds specifying the details of the financial information and material event notices to be provided and the County's obligations relating thereto. Failure of the County to comply with the undertaking herein described and to be detailed in such continuing disclosure agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the County to comply with its undertaking as set forth herein and in such continuing disclosure agreement, including the remedies of mandamus and specific performance.

SECTION 19. The provisions of this Resolution shall constitute a contract between the County and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this Resolution shall be made in any manner until such time as the Bonds and interest due thereon shall have been paid in full except such changes as shall be required to assure the validity and/or tax exempt status of the Bonds.

SECTION 20. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall remain in full force and effect, it being expressly hereby found and declared that the remainder of the Resolution would have been adopted by this Board despite the invalidity of such section, paragraph, clause or provision.

SECTION 21. All orders or resolutions in conflict herewith be and the same are hereby repealed insofar as such conflict exists.

SECTION 22. This resolution shall take effect from and after its approval, the general welfare of Fayette County requiring it.

Passed and approved June 22, 2004.

With no further matters to come before this Board, said meeting adjourned.

CHRISTOPHER L. CAMPTELL
Chairman

ATTEST:

Dell T. Graham, County Clerk