

FILE COPY

FAYETTE COUNTY LEGISLATIVE BODY

MAY 27, 2008

BE IT REMEMBERED that the Fayette County Legislative Body met in regular session at the Bill G. Kelley Justice Complex in Somerville, Tennessee, on the 27th day of May, 2008. Present and presiding was Chairman Rhea Taylor. Also present were the following: Sue W. Culver, County Clerk; James R. Riles; Sheriff; and the following County Commissioners: Ed Allen, Joann Allen, Steve Anderson, Charles Brewer; Joe B. Burnette, Jr., Larry Cook, Odis Cox, Lee "Sissy" Dowdle, John F. Dowdy, Ron Gant, Willie German, Jr., Ronald Harris, Tom Karcher, David Lillard, Sylvester Logan, George McCloud, Claude Oglesby, Myles Wilson.

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

The floor was opened to the public for comments on non-agenda items. Meredith Webb, the Moscow Fire Chief, speaking on behalf of Mayor Nancy Johnson, as well as the citizens of Moscow, addressed the matter of having an ambulance and crew stationed at Moscow.

The first item on the agenda was the approval of the minutes from April 22, 2008. Motion was made by Commissioner Logan, seconded by Commissioner Dowdy, and passed unanimously by the Board.

The next item on the agenda was a resolution to establish a speed limit on Burnette Road. The floor was opened for a public hearing on the matter. With no one speaking "for" or "against", the public hearing was closed. Commissioner Gant moved that the speed limit be approved. Commissioner Lillard seconded the motion, which was passed unanimously as follows:

BE IT RESOLVED, by the Board of County Commissioners and/or County Legislative Body of Fayette County, Tennessee, in regular session assembled on this 27th day of May 2008, being the fourth Tuesday of said month and the regular monthly meeting date of the May said County Legislative Body, in the Criminal Justice Complex at Somerville, Tennessee, that pursuant to the provisions of Chapter No. 357 of the Private Acts of Tennessee, 1967-68, and amendment thereto, it shall be unlawful for any person to operate or drive a motor vehicle in excess of twenty five (25) miles per hour on that portion of Burnett Road (0.73 miles) from Highway 193 on the north to the dead end on the south, being located in the 11th Civil District of Fayette County, Tennessee; and

BE IT FURTHER RESOLVED that any person violating the provisions of this Resolution shall be guilty of a misdemeanor and punished accordingly.

The floor was again opened for a public hearing in the matter of establishing a speed limit on Liberty Drive in Civil District 12. With no one speaking "for" or "against" the matter, the public hearing was closed. Commissioner Burnette moved that the resolution to establish a speed limit of 40 MPH on a portion of Liberty Drive be

approved, motion was seconded by Commissioner Kelley and approved unanimously as follows:

BE IT RESOLVED by the Board of County Commissioners and/or County Legislative Body of Fayette County, Tennessee, in regular session assembled on this 27th day of May, 2008, being the fourth Tuesday of said month and the regular monthly meeting date of the May said County Legislative Body, in the Bill G. Kelley Criminal Justice Complex at Somerville, Tennessee, that pursuant to the provisions of Chapter No. 357 of the Private Acts of Tennessee, 1967-68, and amendment thereto, it shall be unlawful for any person to operate or drive a motor vehicle in excess of 40MPH on Liberty Drive from Hwy 76 on the west to Hwy 57 on the south, this road being located in the 12th Civil District of Fayette County, Tennessee, and BE IT FURTHER RESOLVED that any person violating the provisions of this Resolution shall be guilty of a misdemeanor and punished accordingly.

The next item on the agenda was the approval of notaries public. Commissioner Brewer moved that the list be approved, motion was seconded by Commissioner Dowdy, and approved unanimously by the Board to approve the following as notaries public: April Bolton, Ed Horn, Melvin L. Jones, Jerry A. Kirk, Pamela D. Rose, Faye Scott, and Myles Wilson.

Motion was then made by Commissioner German, seconded by Commissioner Cook, to accept the resignation of Greg Phelps, from the Fayette County School Board for health reasons. The motion was approved unanimously.

The next item on the agenda was to appoint a new member to the School Board to replace Mr. Phelps from now until after the August, 2008, election. Commissioner Oglesby placed in nomination the name of Major Coburn, and Commissioner Ed Allen nominated Bryan O'Bryan. Commissioner Logan moved that the nomination cease, and this was seconded by Commissioner Dowdle, and passed. A roll call vote was then taken and resulted in the following:

Voting for Major Coburn were the following Commissioners: Anderson, Brewer, Cox, Dowdle, Dowdy, Harris, Kelley, Logan, Oglesby, and Wilson. (10)

Voting for Bryan O'Bryan were the following Commissioners: Ed Allen, Joann Allen, Burnette, Cook, Gant, German, Karcher, Lillard, and McCloud. (9)

Thereupon, Major Coburn was appointed to the School Board.

The next item on the agenda was the appointment of the Fayette County Board of Equalization. Motion was made to re-appoint Charles Brewer from the Longtown-Braden area, Charles Allen from the Hickory Withe area, Otis Cox from Moscow, and Will Gresham from District 15, by Commissioner Joann Allen, seconded by Commissioner German and approved unanimously by the Board.

Chairman Taylor reported for the mayor's office, giving an update on the water pressure at the Justice Complex. After some discussion, the floor was yielded to Shannon Cotter to update the Commission on the steps being taken to fix the problems with the water lines at the Justice Complex. Charlie Goforth, also of Barge Waggoner, addressed the Board concerning the problem with the back flow preventers. He stated that the system is still not working properly in all areas. Mr. Goforth stated that he would bring in an independent plumbing engineer firm to analyze the situation and make suggestions to correct it.

Chairman Taylor stated that the correct procedure now for the Fire Sprinkler Resolution to be readdressed is for John Pitner, Director of Planning and Development, and the Building Inspector to review any drafts before it is re-introduced to the Commission.

Chairman Taylor addressed the issue of the zoning of the Fayette County Animal Rescue facility which is located in a residential area. John Pitner, Director of Planning and Development, has sent a letter to FCAR stating that nothing will be done to enforce the zoning law at the facility until September, 2008. FCAR had requested an exception for the facility, but has withdrawn the request for now with the right to resubmit the request at a later date. Lorie Turner with FCAR addressed the Board and stated that all programs at the facility had been temporarily shut down. She further stated that there are still options for noise reduction at the facility they could implement, and they would like to come back and propose those to the Board at a later time.

Chairman Taylor stated that the Census Bureau had an estimate for the population of Fayette County – 37,193, as of July 1, 2007. He further stated that Fayette County is the number one county in the state for economic growth according to a TACIR study.

Connie Doyle, Circuit and General Sessions Court Clerk, addressed the Board and stated that she has enlisted the services of Solutia, a collections agency, in order to collect the \$4,775,054 in fines and costs that is now outstanding on her books. She stated that \$6400 has already been recouped by Solutia in a two week period. She stated that anything six (6) months or more delinquent would be turned over.

No reports were given for the Sheriff's Department, the Board of Education, Juvenile Court, or the Board of Public Works.

Next on the agenda were the reports of standing committees.

Commissioner Wilson reported for the Development Committee. He stated that the Committee had reviewed budgets for the Agricultural Extension Office, the Beer Board, Development, Building, Airport, Soil Conservation, and Industrial Development Offices, and had passed them on to the Budget Committee.

The Committee reviewed the Loan Resolutions for the Airport and West Fayette Fire Departments and recommended approval to Budget.

The Committee also reviewed the request of Public Works for a Budget Amendment and recommended it's approval to the Budget Committee.

The Bernard Center lease agreement was also reviewed and recommended for approval.

Speed limits on Liberty and Burnett Roads were also reviewed and recommended for approval.

The land sale at the Industrial Park in which Mr. Allen Birmingham wished to purchase an acre adjacent to his current site was also recommended for approval.

Commissioner German then reported for the Health and Welfare Committee. He stated that the Committee has reviewed two proposals to do an analysis of the Ambulance Service. One bid was from Ludwig and Associates (Gary Ludwig) who proposed to review the service, set up public and commissioner meeting, review income sources, station locations, and suggest new revenue sources for \$19,500. The other bid was from Ambulance Consultants of Tennessee (Bart Regan) who proposed to spend 100 hours reviewing the operations of the ambulance service to see the utilization of the facilities, analyze the controls for deployment, and to review the maintenance of the fleet, for

\$2500. The Committee recommended that the bid from Ambulance Consultants of Tennessee be accepted, and this was forwarded to Budget.

Commissioner German stated that the Committee had reviewed the budgets of the Animal Rabies, Health Department, Solid Waste, and Ambulance Departments and had moved to send them to the Budget Committee.

The Personnel Committee did not meet.

Commissioner Dowdy reported for the Criminal Justice/Public Safety Committee. He stated that Fayette County Fire Chief gave an update on the bid process for the new pumper for the Macon Fire Department.

Mayor Taylor also presented 3 resolutions to raise funds for the Jail and the Sheriff's Office: (a.) Charges for each day of Misdemeanor imprisonment, (b.) Co-payments for medical treatment, (c.) Booking fees for in-mates. The Committee sent these to Budget with recommendation for approval. The Committee also reviewed the budgets of Chancery and Circuit Court Clerks, EMA, Sheriff's Office, Jail, Drug Enforcement, Repair Shop, Workhouse, Rescue Squad, and the County Coroner, and forwarded these to Budget with no recommendation for employee raises. The Committee also forwarded the Fire Department Budget to the Budget Committee.

Commissioner Oglesby stated that the Education Committee did not meet.

Commissioner Harris then reported for the Budget Committee. He moved that the Ambulance Analysis proposal of Ambulance Consultants of Tennessee in the amount of \$2500. be approved. Motion was seconded by Commissioner Burnett, and approved with 17 Commissioners voting "Yes", and 2 voting "No". Motion passed..

Commissioner Harris moved that the following Budget amendment to the General Fund be approved. Motion was duly seconded and approved unanimously by the Board.

BE IT RESOLVED, by the County Legislative Body and/or the Board of County Commissioners of Fayette County, Tennessee, in regular session on this 27th day of May, 2008, 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
FY 07/08
May, 2008**

<u>Adjustment to Reserve Account:</u>	INCREASE	DECREASE
34164 <u>Reserved for Automation</u>		
<u>General Sessions Court</u>		\$ 15,000.00
TOTAL INCREASE/DECREASE TO RESERVE ACCOUNT:		\$ 15,000.00
 <u>Adjustment to Revenue Accounts:</u>	 INCREASE	 DECREASE
44120 <u>Lease/Rentals</u>		\$ 16,620.69
44135 <u>Sale of Gasoline</u>		40,000.00
46140 <u>Aging Programs</u>		40,000.00
46980 <u>Other State Grants</u>		46,832.45
47220 <u>Civil Defense Reimbursement</u>		<u>233,733.66</u>
TOTAL INCREASE/DECREASE TO REVENUE ACCOUNT:		\$ 377,186.80

<u>Adjustment to Expenditure Account:</u>	INCREASE	DECREASE
<u>51100 County Commission</u>		
191 Board & Comm. Member Fees		\$ 482.00
307 Communication		250.00
331 Legal Services	\$30,000.00	
425 Gasoline	250.00	
Subtotal - 51100	\$ 30,250.00	\$ 732.00
 <u>51300 County Mayor</u>		
337 Maint. & Repair - Office Equip.		\$ 200.00
425 Gasoline	\$ 200.00	
Subtotal - 51300	\$ 200.00	\$ 200.00
 <u>51400 County Attorney</u>		
189 Other Salaries & Wages	\$ 300.00	
191 Board & Comm. Members Fees	182.00	
199 Other Per Diem & Fees	10,653.00	
201 Social Security	1,000.00	
204 State Retirement		\$ 1,400.00
212 Employer Medicare	400.00	
Subtotal - 51400	\$12,535.00	\$ 1,400.00
 <u>51500 Election Commission</u>		
307 Communication	\$ 1,500.00	
355 Travel		\$ 1,500.00
709 Data Processing Equipment	\$ 1,773.08	
Subtotal - 51500	\$ 3,273.08	\$ 1,500.00
 <u>51710 Development</u>		
191 Board & Comm. Member Fees		\$ 2,000.00
307 Communication	\$ 1,000.00	
332 Legal Notices, Record. & Court Costs	166.00	
337 Maint. & Repair - Office Equip.		36.25
351 Rentals		86.00
399 Other Contracted Services		43.75
435 Office Supplies	600.00	
499 Other Supplies		860.00
Subtotal - 51710	\$ 1,766.00	\$ 3,026.00
 <u>51730 Building</u>		
191 Board & Comm. Member Fees	\$ 1,400.00	
196 In-Service Training		\$ 385.00
307 Communication	860.00	
332 Legal Notices, Record. & Court Costs		9.00
349 Printing, Stationery & Forms	100.00	
355 Travel	444.00	
435 Office Supplies	250.00	
599 Other Charges	100.00	
708 Communication Equipment		500.00
Subtotal - 51730	\$ 3,154.00	\$ 894.00
 <u>51800 County Buildings</u>		
338 Maint & Repair - Vehicles	\$ 700.00	
425 Gasoline	1,600.00	
446 Small Tools		800.00
499 Other Supplies & Materials		500.00
711 Furniture & Fixtures		500.00
734 Disabilities Act Improvements		500.00
791 Other Construction		\$ 40,653.00
Subtotal - 51800	\$ 2,300.00	\$ 42,953.00

<u>52100 Accounting & Budgeting</u>	715		
196 In-Service Training		\$ 750.00	
317 Data Processing Services			\$ 1,100.00
332 Legal Notices, Record. & Court Costs			500.00
349 Printing, Stationery & Forms		500.00	
435 Office Supplies		<u>350.00</u>	
Subtotal - 52100		\$ 1,600.00	\$ 1,600.00
<u>52300 Property Assessor's Office</u>			
196 In-Service Training			\$ 1,000.00
335 Maint. & Repair - Bldgs.			500.00
338 Maint. & Repair - Vehicles		\$ 500.00	
425 Gasoline		<u>1,000.00</u>	
Subtotal - 52300		\$ 1,500.00	\$ 1,500.00
<u>52400 County Trustee's Office</u>			
307 Communication			\$ 500.00
349 Printing, Stationery, & Forms		\$ 200.00	
351 Rentals			200.00
355 Travel		500.00	
499 Other Supplies & Materials			6.00
719 Office Equipment		<u>6.00</u>	
Subtotal - 52400		\$ 706.00	\$ 706.00
<u>52500 County Clerk's Office</u>			
307 Communication			\$ 800.00
332 Legal Notices, Record. & Court Costs		\$ 800.00	
Subtotal - 52500		\$ 800.00	\$ 800.00
<u>53100 Circuit Court</u>			
307 Communication			\$ 4.00
337 Maint. & Repair - Office Equip.			470.00
348 Postal Charges		\$ 4.00	
354 Transportation - Other than Students			800.00
355 Travel		800.00	
435 Office Supplies		400.00	
719 Office Equipment		<u>70.00</u>	
Subtotal - 53100		\$ 1,274.00	\$ 1,274.00
<u>53300 General Sessions Court</u>			
317 Data Processing Services			\$ 3,526.00
435 Office Supplies		\$ 720.00	
709 Data Processing Equipment		15,000.00	
719 Office Equipment		<u>775.00</u>	
Subtotal - 53300		\$ 16,495.00	\$ 3,526.00
<u>53310 General Sessions Judge</u>			
106 Deputy(ies)		\$ 13,249.98	
189 Other Salaries & Wages			\$ 13,249.98
355 Travel		300.00	
432 Library Books/Media			450.00
435 Office Supplies		<u>150.00</u>	
Subtotal - 53310		\$ 13,699.98	\$ 13,699.98
<u>53320 General Sessions Court Clerk</u>			
317 Data Processing Services		\$ 2,031.00	
355 Travel		250.00	
452 Utilities			\$ 250.00
Subtotal - 53320		\$ 2,281.00	\$ 250.00
<u>53400 Chancery Court</u>			
194 Jury & Witness			\$ 1,735.15
196 In-Service Training			250.00
307 Communication			800.00
320 Dues & Memberships		\$ 100.00	
322 Legal Notices, Record. & Court Cost			500.00
337 Maintenance & Repair Services		3,485.15	
349 Printing, Stationery & Forms		200.00	
707 Building Improvements		\$ 17,059.37	
719 Office Equipment			<u>500.00</u>
Subtotal - 53400		\$ 20,844.57	\$ 3,785.15

53500 Juvenile Court

355 Travel \$ 610.00
435 Office Supplies \$ 450.00

499 Other Supplies & Materials 160.00
Subtotal - 53500 \$ 610.00 \$ 610.00

54110 Sheriff's Department

101 County Official/Admin. Officer \$ 0.04
105 Supervisor/Director \$ 8,000.04
106 Deputy(ies) 25,000.00
108 Investigator(s) 15,000.00
109 Captain(s) 38,000.00
115 Sergeant(s) 70,000.00
187 Overtime Pay 10,500.00
205 Employee & Dependent Insurance 5,600.00
307 Communication 1,000.00
335 Maint. & Repair - Bldgs. 585.00
337 Maint. & Repair - Office Equip. 10,700.00
340 Medical & Dental Services 4,000.00
349 Printing, Stationery, & Forms 2,000.00
355 Travel 200.00
425 Gasoline 2,900.00
435 Office Supplies 10,500.00
451 Uniforms 10,000.00
499 Other Supplies & Materials 600.00
515 Liability Claim 7,000.00
708 Communication Equipment 10,000.00
709 Data Processing Equipment 600.00
718 Motor Vehicles 585.00
Subtotal - 54110 \$125,885.04 \$106,885.04

54150 Drug Enforcement

105 Supervisor/Director \$ 24.00
108 Investigator(s) \$ 24.00
140 Salary Supplements 100.00
186 Longevity Pay 100.00
187 Overtime Pay 2,000.00
201 Social Security 50.00
204 State Retirement 1,350.00
205 Employee & Dependent Insurance 550.00
Subtotal - 54150 \$ 4,074.00 \$ 124.00

54210 Jail

160 Guards \$ 23,000.00
187 Overtime Pay \$ 23,000.00
196 In-Service Training 9,000.00
205 Employee & Dependent Insurance 61,000.00
312 Contracts w/Private Agencies 2,000.00
317 Data Processing Services 750.00

May 27, 2008

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Fund 101

348	Postal Charges		750.00
349	Printing, Stationery & Forms		1,600.00
421	Food Preparation Supplies	1,600.00	
422	Food Supplies		50,000.00
425	Gasoline	5,000.00	
435	Office Supplies		2,000.00
441	Prisoners Clothing		3,000.00
451	Uniforms		1,678.00
499	Other Supplies & Materials	2,000.00	
506	Liability Insurance	1,678.00	
707	Building Improvements		2,000.00
708	Communication Equipment	9,025.00	
711	Furniture & Fixtures		25.00
716	Law Enforcement Equipment		4,000.00
718	Motor Vehicles		5,000.00
	Subtotal - 54210	\$104,053.00	\$ 104,053.00
<u>54310 Fire Prevention and Control</u>			
333	Licenses		\$ 200.00
336	Maint. & Repair - Equip	\$ 500.00	
338	Maint. & Repair - Vehicles		500.00
348	Postal Charges	200.00	
502	Building & Contents Insurance	853.00	
506	Liability Insurance	3,817.00	
511	Vehicle & Equip. Insurance		4,670.00
707	Building Improvements		50,000.00
708	Communication Equipment		25,000.00
718	Motor Vehicles	105,000.00	
790	Other Equipment		30,000.00
791	Other Construction	\$ 12,000.00	
	Subtotal - 54310	\$122,370.00	\$110,370.00
<u>54410 Civil Defense</u>			
103	Assistant(s)		\$ 3,150.00
106	Deputy(ies)		5,000.00
169	Part-time Personnel	\$ 3,150.00	
307	Communication		73.75
332	Legal Notices, Record. & Court Costs		143.80
338	Maint. & Repair Services - Vehicles		500.00
348	Postal Charges		15.00
349	Printing, Stationery & Forms		200.00
355	Travel	515.00	
412	Diesel Fuel		1,500.00
425	Gasoline	1,000.00	
451	Uniforms	43.80	
452	Utilities		1,252.50
499	Other Supplies & Materials	238,817.41	
599	Other Charges	2,052.50	
	Subtotal - 54410	\$245,578.71	\$ 11,835.05
<u>54420 Rescue Squad</u>			
412	Diesel Fuel	\$ 4,000.00	
425	Gasoline	625.00	
499	Other Supplies & Materials	\$ 7,000.00	
718	Motor Vehicles		\$ 7,625.00
	Subtotal - 54420	\$ 11,625.00	\$ 7,625.00

<u>54900 Other Public Safety</u>		
351 Rentals	\$ 1,600.00	
499 Other Supplies & Materials		\$ 1,600.00
Subtotal - 54900	\$ 1,600.00	\$ 1,600.00
<u>55110 Local Health Center</u>		
307 Communication		\$ 1,000.00
348 Postal Charges		2,272.05
435 Office Supplies		275.00
452 Utilities	\$ 3,547.05	
Subtotal - 55110	\$ 3,547.05	\$ 3,547.05
<u>55130 Ambulance/Emergency Medical Services</u>		
164 Attendants		\$ 73,930.00
187 Overtime Pay	\$ 65,000.00	
201 Social Security	350.00	
204 State Retirement	5,500.00	
205 Employee & Dependent Insurance	3,000.00	
212 Employer Medicare	80.00	
351 Rentals		145.00
355 Travel	145.00	
708 Communication Equipment	142.00	
711 Furniture & Fixtures		142.00
Subtotal - 55130	\$ 74,217.00	\$ 74,217.00
<u>55720 Sanitation Education/Information</u>		
141 Foremen	\$ 2,768.84	
201 Social Security	148.78	
204 State Retirement	637.07	
205 Employee & Dependent Insurance	1,600.00	
212 Employer Medicare	34.04	
351 Rentals		\$ 2,951.66
443 Road Signs		637.07
499 Other Supplies	1,000.00	
Subtotal - 55720	\$ 6,188.73	\$ 3,588.73
<u>56300 Senior Citizens Assistance</u>		
791 Other Construction	\$ 40,000.00	
Subtotal - 56300	\$ 40,000.00	
<u>56500 Libraries</u>		
201 Social Security	\$ 145.00	
204 State Retirement	542.00	
205 Employee & Dependent Insurance	5,650.00	
307 Communication		\$ 542.00
337 Maint. & Repair - Office Equip.		145.00
432 Library Books/Media		5,650.00
452 Utilities	500.00	
599 Other Charges		500.00
Subtotal - 56500	\$ 6,837.00	\$ 6,837.00
<u>58120 Industrial Development</u>		
191 Board & Comm. Member Fees		\$ 750.00
452 Utilities	\$ 750.00	
Subtotal - 58120	\$ 750.00	\$ 750.00
<u>58220 Airport</u>		
168 Temporary Personnel	\$ 9,465.00	
191 Board & Comm. Member Fees		\$ 3,009.00
307 Communication	3,009.00	
425 Gasoline	40,000.00	
452 Utilities	7,155.69	
506 Liability Insurance	6,906.00	
Subtotal - 58220	\$66,535.69	\$ 3,009.00

<u>58400 Other Charges</u>			
501 Boiler Insurance			\$ 615.00
506 Liability Insurance			7,906.00
508 Premiums on Corp. Surety Bonds	\$ 2,500.00		
510 Trustee's Commission	5,000.00		
540 Tax Relief Program	<u>976.00</u>		
Subtotal - 58400	\$ 8,476.00		\$ 8,521.00

<u>58600 Employee Benefits</u>			
186 Longevity			\$ 8,861.00
201 Social Security			600.00
204 State Retirement			1,350.00
205 Employee & Dependent Insurance	\$ 10,000.00		
210 Unemployment Compensation	1,624.20		
212 Employer Medicare			1,600.00
513 Worker's Comp. Insurance			<u>13,824.20</u>
Subtotal - 58600	\$ 11,624.20		\$ 26,235.20

<u>58900 Miscellaneous</u>			
509 Refunds	\$ 2,200.00		
Subtotal - 58900	\$ 2,200.00		

TOTAL INCREASE/DECREASE TO EXPENDITURE ACCOUNTS	\$ 948,850.00	\$ 547,653.20
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Prior Estimated Expenditures	\$12,794,422.32
Total Estimated Expenditures this Amendment	\$12,803,432.32
Projected Fund Balance before Amendment	\$ 2,201,111.57
Change in Fund Balance this Amendment	00.00
Estimated Ending Fund Balance as of June 30th, 2008	\$ 2,201,111.57

Commissioner Harris then moved that the following amendment to the Drug Fund be approved. Motion was seconded by Commissioner Dowdle and approved unanimously by the Board.

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 27th day of May, 2008, 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 Drug Control Fund #122 Budget Amendment be amended in the following words and figures, to-wit:

**DRUG CONTROL FUND
BUDGET AMENDMENT
F/Y 07/08
May, 2008**

<u>Adjustment to Revenue Account:</u>	INCREASE	DECREASE
42990 <u>Other Fines, Forfeitures, and Penalties</u>		\$ 8,232.65

TOTAL INCREASE/DECREASE TO REVENUE ACCOUNTS:		\$ 8,232.65
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<u>Adjustment to Expenditure Account:</u>	INCREASE	DECREASE
54150 <u>Drug Enforcement</u>		
499 Other Supplies & Materials	\$ 8,232.65	

TOTAL INCREASE/DECREASE TO EXPENDITURE ACCOUNT	\$ 8,232.65	
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Prior Estimated Expenditures	\$ 88,000.00
Total Estimated Expenditures This Amendment	\$ 96,232.65
Projected Fund Balance before Amendment	\$ 150,867.00
Change in Fund Balance This Amendment	\$ 00.00
Estimated Ending Fund Balance as of June 30 th , 2008	\$ 150,867.00

Commissioner Harris further moved that the Public Works Budget Amendment to the 2007-2008 Highway Fund 131 be approved. The motion was seconded by Commissioner Dowdle and approved unanimously as follows:

2007-2008 Highway Fund 131

<u>REVENUES</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>AMENDED TOTAL</u>
44170 Misc. Refunds	\$ 55,000.00		\$ 55,300.00
44530 Sale of Equipment	40,000.00		50,000.00
Total Est. Revenues	\$ 95,000.00		\$ 5,164,293.00

EXPENDITURES

62000 Highway & Bridge Maint.

145 Equip. Oper. (Light)	\$ 2,000.00		\$ 85,616.00
186 Longevity	1,500.00		42,700.00
187 Overtime	6,000.00		16,000.00
399 Contracted Services		(6,000.00)	4,000.00
456 Gravel & Chert	1,000.00		4,000.00
Total 62000:	\$ 10,500.00	\$ (6,000.00)	\$ 1,324,222.00

63100 Oper. & Maint. Equip.

412 Diesel Fuel	\$ 35,000.00		\$ 150,000.00
425 Gasoline	5,000.00		55,000.00
Total 63100:	\$ 40,000.00		\$ 510,000.00

<u>EXPENDITURES</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>AMENDED TOTAL</u>
<u>65000 Other Charges</u>			
307 Communication	\$ 500.00		\$ 8,500.00
452 Utilities	1,000.00		19,000.00
501 Trustee's Commission	3,000.00		49,000.00
Total 65000:	\$ 4,500.00		\$ 220,800.00
<u>68000 Capital Outlay</u>			
705 Bridge Const.	\$ 6,000.00		\$ 106,000.00
714 Highway Equip.	49,000.00		289,000.00
726 State Aid Proj.		(9,000.00)	1,013,500.00
Total 68000:	\$ 55,000.00	\$ (9,000.00)	\$ 2,446,243.00
Total Est. Expenditures	\$110,000.00	\$ (15,000.00)	\$ 5,414,234.00
Est. E.F.B., June 30,2008			<u>No Change</u>

Commissioner Harris moved that the following budget amendment for the Board of Education be approved. Motion was seconded by Commissioner Oglesby and approved unanimously.

FAYETTE COUNTY BOARD OF EDUCATION
GENERAL PURPOSE FUND
FUND 141
MAY, 2008

MAY - 5 2008

		<u>INCREASE</u>	<u>DECREASE</u>
71000	INSTRUCTION		
71100	REGULAR INSTRUCTION PROGRAM		
71300	VOCATIONAL EDUCATIONAL PROGRAM		
71300 116 ISY	Teachers		\$8,580.00
71300 201 ISY	Social Security		\$532.00
71300 204 ISY	State Retirement		\$350.00
71300 212 ISY	Medicare		\$125.00
71300 299 ISY	Other Fringe Benefits		\$125.00
71300 116 OSY	Teachers	\$11,090.00	
71300 201 OSY	Social Security	\$687.00	
71300 204 OSY	State Retirement	\$730.00	
71300 212 OSY	Medicare	\$161.00	
71300 299 OSY	Other Fringe Benefits	\$50.00	
71300 355	Travel		\$53.36
	TOTAL:	\$12,718.00	\$9,765.36
71600	ADULT EDUCATION PROGRAM		
71600 116 AE	Teachers	\$1,000.00	
71600 204 AE	State Retirement	\$270.00	
71600 429 AE	Instructional Supplies and Materials		\$5,000.00
	TOTAL:	\$1,270.00	\$5,000.00

00	SUPPORT SERVICES		
30	VOCATIONAL EDUCATION PROGRAM		
30 189 ISY	Other Salaries and Wages		\$173,695.00
30 201 ISY	Social Security		\$10,631.00
30 204 ISY	State Retirement		\$11,369.00
30 207 ISY	Health Insurance		\$2,626.00
30 212 ISY	Medicare		\$2,444.00
30 299 ISY	Other Fringe Benefits		\$5,302.00
30 307 ISY	Communications		\$120.00
30 336 ISY	Maintenance and Repair Services		\$2,243.00
30 355 ISY	Travel		\$5,409.00
30 499 ISY	Other Supplies and Materials		\$9,170.00
30 599 ISY	Other Charges	\$4,243.00	
30 189 OSY	Other Salaries and Wages	\$24,061.00	

72230 201 OSY	Social Security	\$1,446.00	
72230 204 OSY	State Retirement	\$2,456.00	
72230 207 OSY	Health Insurance		\$786.00
72230 212 OSY	Medicare	\$338.00	
72230 299 OSY	Other Fringe Benefits		\$1,097.00
72230 307 OSY	Communications		\$820.00
72230 336 OSY	Maintenance and Repair Services		\$2,500.00
72230 355 OSY	Travel	\$707.00	
72230 499 OSY	Other Supplies and Materials		\$750.00
72230 599 OSY	Other Charges	\$1,673.00	
72230 790 OSY	Vocational Education Equipment		\$9,300.00
72230 355	Travel	\$53.36	
	TOTAL:	\$34,977.36	\$238,262.00

72260	ADULT EDUCATION PROGRAM		
72260 105 AE	Director/Supervisor	\$2,000.00	
72260 189 AE	Other Salaries and Wages	\$1,000.00	
72260 201 AE	Social Security	\$500.00	
72260 212 AE	Medicare	\$230.00	
	TOTAL:	\$3,730.00	\$0.00

72610	OPERATION OF PLANT		
72610 415 ISY	Electricity		\$2,000.00
72610 415 OSY	Electricity	\$5,000.00	
	TOTAL:	\$5,000.00	\$2,000.00

72710	TRANSPORTATION		
72710 412 ISY	Diesel		\$15,225.00
72710 412 OSY	Diesel		\$312.00
72710 453		\$1,055.00	
	TOTAL:	\$1,055.00	\$15,537.00

GRAND TOTAL: \$58,750.36 \$270,564.36

Total Decrease: (\$211,814.00)

Revenues:	49700 Insurance Recovery	\$1,055.00
	47590 ISY Other Federal thru State	(\$245,703.00)
	47590 OSY Other Federal thru State	\$32,834.00
	Total:	(\$211,814.00)

Revenue:	Prior Total Available Funds	\$26,232,700.68
	Adjustment to Prior Yr Encumbrance	(\$490.99)
	Total Decrease This Amendment	<u>(\$211,814.00)</u>
	Total Available Funds This Amendment	\$26,020,395.69

Expenditure:	Prior Total Estimated Expenditures	\$26,098,675.40
	Total Decrease This Amendment	<u>(\$211,814.00)</u>
	Total Estimated Expenditures This Amend.	\$25,886,861.40

ISY and OSY programs are being adjusted for summer programs and to finish out year
 Insurance recovery is for bus #54 involved is accident
 AE Adult Education amendments will cover the charges to balance the end of expenses

Commissioner Harris moved that the proposed charges for each day of misdemeanor imprisonment be approved. The motion was seconded by Commissioner Burnette, and approved unanimously as follows:

WHEREAS, the Tennessee Code Annotated, Section 8-26-105, authorizes county legislative bodies to pass a resolution fixing the amount of jailer's fee which may be applied to misdemeanant prisoners for each calendar day the prisoner is confined to local facility; and

WHEREAS, the Board of County Commissioners of Fayette County has been shown that the cost of room and board at the Fayette County Justice Complex is \$16.00 (Sixteen Dollars) per misdemeanor prisoner per calendar day of confinement; and

WHEREAS, Fayette County is not reimbursed for by the State of Tennessee for incarcerating misdemeanor prisoners; and

WHEREAS, the Board of County Commissioner of Fayette County desires to receive reimbursement for incarceration of those misdemeanor prisoners in the amount of \$16.00 (Sixteen Dollars) per day of incarceration.

NOW, THEREFORE BE IT RESOLVED, by the county legislative body of Fayette County, Tennessee assembled in regular session on this 19th day of May, 2003 in Union City, Tennessee that:

SECTION 1. The jailer's fee for Fayette County is hereby set at \$16.00 per misdemeanor prisoner per calendar day of confinement.

SECTION 2. The jailer's fee herein fixed shall be collected by the clerk of appropriate court as a part of the fines and costs imposed in each misdemeanor case upon a finding of guilt.

SECTION 3. A copy of this resolution shall be transmitted to each clerk of a court hearing criminal matters in Fayette County and shall be spread upon the minutes of this meeting by the County Clerk.

NOW, THEREFORE BE IT FUTHER RESOLVED, that all resolutions of the Board of County Commissions of Fayette County, Tennessee, which are in conflict with this resolution are hereby repealed.

NOW, THEREFORE BE IT FURTHER RESOLVED that this resolution take effect from and after its passage, the public welfare requiring it. This resolution shall be spread upon the minutes of the Board of Fayette County Commissioners.

On a motion by Commissioner Harris, second by Commission Brewer, the following resolution to authorize the Fayette County Sheriff to charge inmate fees in connection with the Commissary Program at the Justice Complex. Because the matter requires a two-thirds majority vote to pass, a roll call vote was taken. The Resolution was approved with 18 "Ayes" and No "Nays".

WHEREAS, Tennessee Code Annotated; 41-4-115 is a local option law which authorizes counties to establish and implement a plan to authorize the Sheriff of the county to charge inmate fees, not to exceed the actual cost, for items issued to inmates upon each new admission to the correctional facility; and,

WHEREAS, the Fayette County Board of County Commissioners has determined that it is in the best interest of the citizens of Fayette County, Tennessee that the County adopt this act and establish a plan to seek payment of amounts from inmates in the said county correctional facility.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Fayette County, Tennessee, assembled in regular session on this _____ day of May, 2008, a two-thirds (2/3) vote of the said Board voting in the affirmative that:

Section 1. Pursuant to the provisions of the Tennessee Code Annotated, Section 41-4-115, the Sheriff of the Fayette County Justice Complex is authorized to seek from an inmate incarcerated in the county correctional facility, fees for items issued to the inmate upon admission to the correctional facility as well as during incarceration. A schedule of fees to be charged is attached herewith as Exhibit "A".

Section 2. This resolution shall not be construed as authorizing the County to deny any necessary items to an inmate who cannot pay the amount established by the plan for necessary items. Nothing in this Section shall be construed as authorizing the county to issue necessary clothing or hygiene items based on the inmate's ability to pay.

Section 3. Pursuant to the provisions of Tennessee Code Annotated, Section 41-4-115, if an inmate cannot pay the amounts established by Section 1 of this Resolution, the Sheriff is authorized to deduct the amount from such inmate's commissary account or any other account or fund established by or for the benefit of such inmate while incarcerated.

Section 4. This Resolution shall be effective upon its passage by two-thirds (2/3) vote of the Fayette County, Tennessee, Board of County Commissioners.

BE IT FURTHER RESOLVED by the Board of County Commissioners of Fayette County, Tennessee does hereby authorize the proceeds of the commissary program be deposited into the appropriate revenue account in the County General Fund.

BE IT FINALLY RESOLVED that a true copy of this Resolution be spread upon the Commission record this date.

Commissioner Harris then moved that the following Resolution to Authorize the Fayette County Sheriff to Charge Inmate Medical Co-Pay fees, and upon second by Commissioner Brewer, said Resolution passed unanimously on a roll call vote.

WHEREAS, Tennessee Code Annotated; 41-4-115 is a local option law which authorizes counties to establish and implement a plan to authorize the Sheriff of the county to charge an inmate a co-pay amount for any medical care, treatment, or pharmacy services provided to the inmate by the county; and,

WHEREAS, the Fayette County Board of County Commissioners has determined that it is in the best interest of the citizens of Fayette County, Tennessee that the County adopt this act and establish a plan to seek co-pay amounts from inmates in the Fayette County Sheriff's Office and Correctional Facility; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Fayette County, Tennessee, assembled in regular session on this 19th day of May, 2002, a two-thirds (2/3) vote of the said Board voting in the affirmative that:

Section 1. Pursuant to the provisions of the Tennessee Code Annotated, Section 41-4-115(d), the Sheriff of the Fayette County Justice Complex is authorized to seek from an inmate incarcerated in the county correctional facility a co-pay in the amount of \$10.00 (Ten Dollars) per visit for any visit to a Doctors Office, Medical clinic, Hospital, or other medical facility and a co-pay amount of \$5.00 (Five dollars) per prescription for pharmacy services provided to the inmate by the county.

Section 2. This resolution shall not be construed as authorizing the County to deny medical care, treatment, or pharmacy services to an inmate who cannot pay the co-pay amount established by the plan.

Section 3. Pursuant to the provisions of Tennessee Code Annotated, Section 41-4-115(e), if an inmate cannot pay the amounts established by Section 1 of this Resolution, the Sheriff is authorized to deduct the co-pay amount from such inmate's commissary account or any other account or fund established by or for the benefit of such inmate while incarcerated.

Section 4. Pursuant to the provisions of Tennessee Code Annotated, Section 41-4-115(f), the Sheriff is authorized to seek reimbursement for the expenses incurred in providing medical care, treatment, hospitalization or pharmacy services to an inmate incarcerated in such correctional facility from an insurance company, health care corporation, TennCare or other subscribes to a health care corporation or other source for those expenses.

Section 5. This Resolution shall be effective upon its passage by two-thirds (2/3) vote of the Fayette County, Tennessee, Board of County Commissioners, the public welfare requiring it.

BE IT FINALLY RESOLVED that a true copy of this Resolution be spread upon the Commission record this date.

Commissioner Harris then moved that the rate of deduction for the Tennessee Consolidated Retirement System be lowered from 9.06 per cent to 8.51 per cent, effective July 1, 2008. This adjustment is the result of the July 1, 2007 biennial valuation from the actuary. Motion was seconded by Commissioner Logan and passed unanimously by the Board.

The Budget Committee reviewed the shortage in sales tax for the current year and the probable need for a short term loan the beginning of the 2008-09 budget year for cash flow. Commissioner Oglesby moved that the School Board be authorized to obtain the short term loan for cash flow purposes, and upon second by Commissioner Harris, the motion passed unanimously.

Motion was made by Commissioner Harris, seconded by Commissioner Logan, to approve the sale of one acre of land in the Industrial Park to Mr. Allen Birmingham at the price of \$ 6000. Motion passed unanimously.

Motion was made by Commissioner Harris, duly seconded, and passed unanimously to approve the following Loan Resolution security agreements for the Airport and West Fayette Fire Department.

LOAN RESOLUTION SECURITY AGREEMENT

A RESOLUTION OF THE County Commission
OF THE County of Fayette
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS IN THE
PRINCIPAL AMOUNT OF \$600,000.00 FOR THE PURPOSE
PROVIDING A PORTION OF THE COST OF ACQUIRING AND CONSTRUCTING A
Airport facilities/ramps, fuel, PROVIDING FOR THE COLLECTION, HANDLING, AND
DISPOSITION OF REVENUES THEREFROM, AND AUTHORIZING MAKINGS OF PROMISSORY NOTES,
SECURITY INSTRUMENTS, AND PLEDGES OF REVENUES TO EVIDENCE AND SECURE THE PAYMENT
OF SAID INDEBTEDNESS AND FOR RELATED PURPOSES.

WHEREAS, the Fayette County Government, (hereinafter referred to as the "Organization"), was organized under Tennessee Law for the purpose of providing a Building Airplane T-hangars, airplane ramps, fuel farm, Terminal improvements, site development at the Fayette County Airport

(hereinafter referred to as the "Facility") to serve the members of the said Organization; and

WHEREAS, a meeting of the members of the said Organization was held on the 28th day of November 2006 pursuant to proper notice thereof to consider plans for the acquisition, construction, and methods of financing the Facility:

and, as shown by the minutes of said meeting, of the nineteen members of record of the Organization there were present and voting nineteen, and by a recorded vote, the Facility and its financing were authorized; and,

WHEREAS, the proposed Facility is to be constructed and in accordance with plans and specifications prepared by Askew Hargraves Harcourt & Associates, Inc.

and in order to finance the Facility, the Fayette County Mayor (hereinafter referred to as the "Board") is authorized and empowered, in their discretion, for and in the name of the Organization, to make application to the United States of America, through the United States Department of Agriculture, (hereinafter referred to as the "Government"), for financial assistance; to cause the execution and delivery of an installment promissory note or notes or other evidence of indebtedness (hereinafter referred to as the "Note"), and appropriate security instruments to secure any loan or loans made or insured by the Government; to comply with any requirements, terms or conditions prescribed by the Government or by Government regulations; and to execute contracts or enter into agreements and, without limitation, to take any and all other action as may be necessary, incidental or appropriate to finance, acquire, construct, complete, or equip the Facility for and on behalf of the Organization.

NOW THEREFORE, it is hereby resolved by the Board as follows:

Section 1. (Determination of Board). That it is necessary to defray a portion of the costs of financing the Facility by obtaining a loan made or insured by the Government in accordance with applicable provisions of the Consolidated Farm and Rural Development Act, it being determined that the Organization is unable to obtain sufficient credit elsewhere to finance the Facility, taking into consideration prevailing private and cooperative rates and terms currently available;

Section 2. (Terms of Loan). That the Organization borrow \$ 600,000.00 and issue as evidence thereof Note in the form prescribed by the Government for the full principal amount of the loan. The note shall be signed by the President, attested by the Secretary and if necessary, have the corporate seal of the Organization affixed thereto, and shall bear interest from its date, which shall be the date of delivery, at a rate not to exceed 4.3750 percent per annum; the principal and interest shall be paid over a period of 38 years in accordance with the payment schedule set forth in the Note, until the principal and interest are fully paid except the final payment of the entire indebtedness, if not sooner paid, shall be due and payable 40 years from the date of the Note. Each payment shall be applied first to the payment of the accrued interest and second to the payment of the principal. Prepayments of any installment may be made in any amount at any time at the option of the Organization.

Section 3. (Assignment and Pledge of Revenue). The indebtedness hereby authorized to be incurred, together with the interest thereon, shall be payable from the gross income and revenue to be derived from the operation of the Facility, a sufficient portion of which, to pay the principal and interest as and when the same shall become due, is hereby assigned, and pledged and shall be set aside for that purpose and this assignment and pledge shall extend to and include any assessments that may be levied pursuant to Section 5 (d) hereof.

Section 4. (Protection and Disposition of Funds). The Fayette County Mayor of the Organization shall be the custodian of all funds of the Organization. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.

The Fayette County Mayor is hereby directed to establish the following accounts into which the current funds of the Organization, Note proceeds, the revenues from the Facility and any other income shall be deposited, which accounts shall be continually maintained, except as otherwise provided, so long as the indebtedness hereby authorized remains unpaid:

(a) Construction Account.

The proceeds of the Note, hereby authorized not disbursed contemporaneously with loan closing for incurred Facility costs, and at least the amount of \$ 10,000.00 to be contributed by the Organization from the collection of initial connection fees, membership fees or contributions shall be deposited in an account designated as the Construction Account which shall be established as required by the Government. Withdrawals from the construction account shall be made only on checks signed by the Fayette County Mayor of the Organization as authorized by the Board from time to time, and with prior concurrence of the Government. At the option of the Government, the construction account may be established as a "supervised bank account". Amounts in the supervised bank account exceeding \$100,000 shall be secured by the depository bank in advance in accordance with 31 C.F.R. part 22. Withdrawals from a supervised bank account shall be made only on checks signed by the

N/A _____ of the Organization and countersigned by an authorized official of the Government. The Organization's share of any insurance or liquidated damages and other monies paid by defaulting contractors or their sureties will be deposited in the Construction Account to assure completion of the Facility. When all construction costs have been paid in full, any balance remaining in the Construction Account may be applied on the loan or used for other authorized purposes that have been approved by the Government and the Construction Account shall be closed.

(b) General Account.
As soon as the Facility becomes revenue producing, all funds received shall be set aside in an account to be designated as the General Account. Disbursements and transfers from this account shall be for: debt service, operations and maintenance, and transfers to an account designated as the Reserve Account. Monies deposited in the General Account shall be used only in the manner and order as follows:

(1) Organizations making monthly Government debt service payments shall use the General Account for making such payments plus operating and maintenance expenses. Any remaining funds will be transferred from this account to the Reserve Account in accordance with (d) below.

(2) Borrowers making other than monthly Government debt service payments shall first use the General Account to pay operating and maintenance expenses. Then other transfers from this account will be made in the following order: (i) To an account designated as the Debt Service Account will be made in accordance with (c) below, (ii) Transfers to the Reserve Account will be made in accordance with (d) below.

(c) Debt Service Account
Organizations making other than monthly debt service payments, shall transfer subject to income availability from the General Account to the Debt Service Account, a sum not to increase the next installment on the note.

(d) Reserve Account.
From the remaining funds in the General Account, after transfers and payments required in (b) (1) or (b) (2) and (c), there shall be set aside into the Reserve Account the sum of \$ 0.00 each month until there is accumulated in that account the sum of \$ 0.00 after which deposits may be suspended, except to replace withdrawals. When necessary, disbursements may be used for payments due on the Note if sufficient funds are not available in the General or Debt Service Account. With the prior written approval of the Government, funds may be withdrawn for:

- (1) paying the cost of repairing or replacing any damage to the Facility which may have been caused by catastrophe, or
- (2) making extensions or improvements to the Facility.

Whenever disbursements are made from the Reserve Account, monthly deposits shall then be resumed until there is again

accumulated the amount \$ 0.00, at which time deposits may be discontinued. Whenever there shall accumulate in the General Account, amounts in excess of those required in subsections (b) (1) and (2), (c), and (d), such excess will be used by the Organization to make prepayments on the loan or retained in the General Account. The accounts required in subsections (b) (1) and (2), (c) and (d) may be established and maintained as bookkeeping accounts or as separate bank accounts at the election of the Organization, unless otherwise directed by the Government.

Section 5. (Other Covenants and Agreements of the Organization). The Organization covenants and agrees that so long as the indebtedness hereby authorized remains unpaid:

- (a) It will indemnify the Government for any payments made or losses suffered by the Government.
- (b) It will comply with applicable state laws and regulations and continually operate and maintain the Facility in good condition.
- (c) It will impose and collect such rates and charges that gross revenues will be sufficient at all times to provide for the payment of the operation and maintenance thereof and the installment payments on the Note and the maintenance of the various accounts herein created. All service rendered by or use of the Facility shall be subject to the full rates prescribed in the rules and regulations of the Organization.
- (d) If, for any reason, gross revenues are insufficient, it will cause to be levied and collected such assessments as may be necessary to operate and maintain the Facility in good condition and meet installment payments on the Note as the same become due.
- (e) It will (i) establish and maintain such books and records relating to the operation of the Facility and its financial affairs, (ii) will provide for the annual audit thereof in such manner as may be required by the Government, (iii) will provide the Government without its request a copy of each such audit, and (iv) will make and forward to the Government such additional information and reports as it may from time to time require.
- (f) It will provide the Government, at all reasonable times, access to the Facility and all its books and records so that the Government may ascertain that the Organization is complying with the provisions hereof and with the provisions of other instruments incident to the making or insuring of the loan.
- (g) It will maintain at least such insurance and fidelity bond or employee dishonesty coverage as may be required by the Government.
- (h) It will not borrow any money from any source or enter into any contract or agreement or incur any other liabilities in connection with making extensions or improvements to the Facility, exclusive of normal maintenance, without obtaining the prior written consent of the Government.
- (i) It will not cause or permit any voluntary dissolution of the Organization or merge or consolidate with any other organization, without obtaining the prior written consent of the Government. It will not dispose of, or transfer title to the Facility or any part thereof, including lands and interest in lands by sale, security instrument, lease or other encumbrance, without obtaining the prior written consent of the Government. Revenue, in excess of the amount required to maintain the accounts described by Section 4 herein, will not be distributed or transferred to any other organization or legal entity.
- (j) It will not modify or amend its organizational documents, including any articles of incorporation or bylaws without the written consent of the Government.
- (k) It will provide adequate service to all persons within the service area who can feasibly and legally be served and will obtain Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Organization or public body.
- (l) All present and future contract rights, accounts receivable, and general intangibles arising in connection with the Facility are pledged as security for the loan.

(m) It will comply with the measures identified in the Government's environmental impact analysis for this Facility for the purpose of avoiding or reducing the adverse environmental impacts of the Facility's construction or operation.

Section 6. (Security Instruments). In order to secure the payment of the principal and interest of the Note, the President and Secretary of the Organization are hereby authorized and directed to execute and deliver good and sufficient lien instruments, where necessary, encumbering the properties and assets, both real and personal, constituting said Facility, as completed, or as the same may be thereafter extended, including an assignment and pledge of revenues and such other instruments as may be prescribed by the Government.

Section 7. (Refinancing). If at any time it shall appear to the Government that the Organization is able to refinance the amount of the indebtedness then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources, at reasonable rates and terms for loans for similar purposes and periods of time the Organization will, upon request of the Government, apply for, and accept, such loan in sufficient amount to repay the Government and will take all such actions as may be required in connection with such loan.

Section 8. ("Equal Employment Opportunity under Construction Contracts and Nondiscrimination"). The President and the Secretary be and they are authorized and directed to execute for and on behalf of the Organization, Form RD 400- 1, "Equal Opportunity Agreement", and Form RD 400-4, "Assurance Agreement".

Section 9. (Authorization of Officials). In the case of a grant in the sum not to exceed \$ 600,000.00, the Organization hereby accepts the grant under the terms as offered by the Government and that the County Mayor and County Clerk of the Organization are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant and the Organization hereby resolves to operate the Facility under the terms as offered in said grant agreements.

Section 10. (Cross Default). Default under the provisions of this agreement or any instrument incident to the making or issuing of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Organization, and default under any such instrument may be construed by the Government to constitute default hereunder.

Section 11. (Resolution of Contract). The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instruments, shall constitute a contract between the Organization and the Government or assignee so long as the note hereby authorized remains unpaid.

Section 12. (Effective Date). This resolution shall take effect and be in force from and after the 27th day of May 2008, being the date of its enactment.

The vote was: Yes _____ Nays _____ Absent _____

LOAN RESOLUTION SECURITY AGREEMENT

A RESOLUTION OF THE County Commission OF THE County of Fayette AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS IN THE PRINCIPAL AMOUNT OF \$100,000.00 FOR THE PURPOSE PROVIDING A PORTION OF THE COST OF ACQUIRING AND CONSTRUCTING A Fire Station Expansion, PROVIDING FOR THE COLLECTION, HANDLING, AND DISPOSITION OF REVENUES THEREFROM, AND AUTHORIZING MAKINGS OF PROMISSORY NOTES, SECURITY INSTRUMENTS, AND PLEDGES OF REVENUES TO EVIDENCE AND SECURE THE PAYMENT OF SAID INDEBTEDNESS AND FOR RELATED PURPOSES.

WHEREAS, the Fayette County Government, (hereinafter referred to as the "Organization"), was organized under Tennessee Law for the purpose of providing a Fire Station expansion consisting of an additional fire truck bay and associated site improvements

(hereinafter referred to as the "Facility") to serve the members of the said Organization; and

WHEREAS, a meeting of the members of the said Organization was held on the 28th day of November 2006 pursuant to proper notice thereof to consider plans for the acquisition, construction, and methods of financing the Facility:

and, as shown by the minutes of said meeting, of the nineteen members of record of the Organization there were present and voting nineteen, and by a recorded vote, the Facility and its financing were authorized; and,

WHEREAS, the proposed Facility is to be constructed and in accordance with plans and specifications prepared by Askew Hargraves Harcourt & Associates, Inc.

and in order to finance the Facility, the Fayette County Mayor (hereinafter referred to as the "Board") is authorized and empowered, in their discretion, for and in the name of the Organization, to make application to the United States of America, through the United States Department of Agriculture, (hereinafter referred to as the "Government"), for financial assistance; to cause the execution and delivery of an installment promissory note or notes or other evidence of indebtedness (hereinafter referred to as the "Note"), and appropriate security instruments to secure any loan or loans made or insured by the Government; to comply with any requirements, terms or conditions prescribed by the Government or by Government regulations; and to execute contracts or enter into agreements and, without limitation, to take any and all other action as may be necessary, incidental or appropriate to finance, acquire, construct, complete, or equip the Facility for and on behalf of the Organization.

NOW THEREFORE, it is hereby resolved by the Board as follows:

Section 1. (Determination of Board). That it is necessary to defray a portion of the costs of financing the Facility by obtaining a loan made or insured by the Government in accordance with applicable provisions of the Consolidated Farm and Rural Development Act, it being determined that the Organization is unable to obtain sufficient credit elsewhere to finance the Facility, taking into consideration prevailing private and cooperative rates and terms currently available;

Section 2. (Terms of Loan). That the Organization borrow \$ 100,000.00 and issue as evidence thereof Note in the form prescribed by the Government for the full principal amount of the loan. The note shall be signed by the President, attested by the Secretary and if necessary, have the corporate seal of the Organization affixed thereto, and shall bear interest from its date, which shall be the date of delivery, at a rate not to exceed 4.3750 percent per annum; the principal and interest shall be paid over a period of 38 years in accordance with the payment schedule set forth in the Note, until the principal and interest are fully paid except the final payment of the entire indebtedness, if not sooner paid, shall be due and payable 40 years from the date of the Note. Each payment shall be applied first to the payment of the accrued interest and second to the payment of the principal. Prepayments of any installment may be made in any amount at any time at the option of the Organization.

Section 3. (Assignment and Pledge of Revenue). The indebtedness hereby authorized to be incurred, together with the interest thereon, shall be payable from the gross income and revenue to be derived from the operation of the Facility, a sufficient portion of which, to pay the principal and interest as and when the same shall become due, is hereby assigned, and pledged and shall be set aside for that purpose and this assignment and pledge shall extend to and include any assessments that may be levied pursuant to Section 5 (d) hereof.

Section 4. (Protection and Disposition of Funds). The Fayette County Mayor of the Organization shall be the custodian of all funds of the Organization. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.

The Fayette County Mayor is hereby directed to establish the following accounts into which the current funds of the Organization, Note proceeds, the revenues from the Facility and any other income shall be deposited, which accounts shall be continually maintained, except as otherwise provided, so long as the indebtedness hereby authorized remains unpaid:

(a) Construction Account.

The proceeds of the Note, hereby authorized not disbursed contemporaneously with loan closing for incurred Facility costs, and at least the amount of \$ 1,000.00 to be contributed by the Organization from the collection of initial connection fees, membership fees or contributions shall be deposited in an account designated as the Construction Account which shall be established as required by the Government. Withdrawals from the construction account shall be made only on checks signed by the Fayette County Mayor of the Organization as authorized by the Board from time to time, and with prior concurrence of the Government. At the option of the Government, the construction account may be established as a "supervised bank account". Amounts in the supervised bank account exceeding \$100,000 shall be secured by the depository bank in advance in accordance with 31 C.F.R. part 22. Withdrawals from a supervised bank account shall be made only on checks signed by the

N/A of the Organization and countersigned by an authorized official of the Government. The Organization's share of any insurance or liquidated damages and other monies paid by defaulting contractors or their sureties will be deposited in the Construction Account to assure completion of the Facility. When all construction costs have been paid in full, any balance remaining in the Construction Account may be applied on the loan or used for other authorized purposes that have been approved by the Government and the Construction Account shall be closed.

(b) General Account.

As soon as the Facility becomes revenue producing, all funds received shall be set aside in an account to be designated as the General Account. Disbursements and transfers from this account shall be for: debt service, operations and maintenance, and transfers to an account designated as the Reserve Account. Monies deposited in the General Account shall be used only in the manner and order as follows:

(1) Organizations making monthly Government debt service payments shall use the General Account for making such payments plus operating and maintenance expenses. Any remaining funds will be transferred from this account to the Reserve Account in accordance with (d) below.

(2) Borrowers making other than monthly Government debt service payments shall first use the General Account to pay operating and maintenance expenses. Then other transfers from this account will be made in the following order: (i) To an account designated as the Debt Service Account will be made in accordance with (c) below, (ii) Transfers to the Reserve Account will be made in accordance with (d) below.

(c) Debt Service Account

Organizations making other than monthly debt service payments, shall transfer subject to income availability from the General Account to the Debt Service Account, a sum not to increase the next installment on the note.

(d) Reserve Account.

From the remaining funds in the General Account, after transfers and payments required in (b) (1) or (b) (2) and (c), there shall be set aside into the Reserve Account the sum of \$ 0.00 each month until there is accumulated in that account the sum of \$ 0.00 after which deposits may be suspended, except to replace withdrawals. When necessary, disbursements may be used for payments due on the Note if sufficient funds are not available in the General or Debt Service Account. With the prior written approval of the Government, funds may be withdrawn for:

- (1) paying the cost of repairing or replacing any damage to the Facility which may have been caused by catastrophe, or
- (2) making extensions or improvements to the Facility.

Whenever disbursements are made from the Reserve Account, monthly deposits shall then be resumed until there is again

accumulated the amount \$ 0.00, at which time deposits may be discontinued. Whenever there shall accumulate in the General Account, amounts in excess of those required in subsections (b) (1) and (2), (c), and (d), such excess will be used by the Organization to make prepayments on the loan or retained in the General Account. The accounts required in subsections (b) (1) and (2), (c) and (d) may be established and maintained as bookkeeping accounts or as separate bank accounts at the election of the Organization, unless otherwise directed by the Government.

Section 5. (Other Covenants and Agreements of the Organization). The Organization covenants and agrees that so long as the indebtedness hereby authorized remains unpaid:

- (a) It will indemnify the Government for any payments made or losses suffered by the Government.
- (b) It will comply with applicable state laws and regulations and continually operate and maintain the Facility in good condition.
- (c) It will impose and collect such rates and charges that gross revenues will be sufficient at all times to provide for the payment of the operation and maintenance thereof and the installment payments on the Note and the maintenance of the various accounts herein created. All service rendered by or use of the Facility shall be subject to the full rates prescribed in the rules and regulations of the Organization.
- (d) If, for any reason, gross revenues are insufficient, it will cause to be levied and collected such assessments as may be necessary to operate and maintain the Facility in good condition and meet installment payments on the Note as the same become due.
- (e) It will (i) establish and maintain such books and records relating to the operation of the Facility and its financial affairs, (ii) will provide for the annual audit thereof in such manner as may be required by the Government, (iii) will provide the Government without its request a copy of each such audit, and (iv) will make and forward to the Government such additional information and reports as it may from time to time require.
- (f) It will provide the Government, at all reasonable times, access to the Facility and all its books and records so that the Government may ascertain that the Organization is complying with the provisions hereof and with the provisions of other instruments incident to the making or insuring of the loan.
- (g) It will maintain at least such insurance and fidelity bond or employee dishonesty coverage as may be required by the Government.
- (h) It will not borrow any money from any source or enter into any contract or agreement or incur any other liabilities in connection with making extensions or improvements to the Facility, exclusive of normal maintenance, without obtaining the prior written consent of the Government.
- (i) It will not cause or permit any voluntary dissolution of the Organization or merge or consolidate with an other organization, without obtaining the prior written consent of the Government. It will not dispose of, or transfer title to the Facility or any part thereof, including lands and interest in lands by sale, security instrument, lease or other encumbrance, without obtaining the prior written consent of the Government. Revenue, in excess of the amount required to maintain the accounts described by Section 4 herein, will not be distributed or transferred to any other organization or legal entity.
- (j) It will not modify or amend its organizational documents, including any articles of incorporation or bylaws without the written consent of the Government.
- (k) It will provide adequate service to all persons within the service area who can feasibly and legally be served and will obtain Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Organization or public body.
- (l) All present and future contract rights, accounts receivable, and general intangibles arising in connection with the Facility are pledged as security for the loan.
- (m) It will comply with the measures identified in the Government's environmental impact analysis for this Facility for the purpose of avoiding or reducing the adverse environmental impacts of the Facility's construction or operation.

Section 6. (Security Instruments). In order to secure the payment of the principal and interest of the Note, the President and Secretary of the Organization are hereby authorized and directed to execute and deliver good and sufficient lien instruments, where necessary, encumbering the properties and assets, both real and personal, constituting said Facility, as completed, or as the same may be thereafter extended, including an assignment and pledge of revenues and such other instruments as may be prescribed by the Government.

Section 7. (Refinancing). If at any time it shall appear to the Government that the Organization is able to refinance the amount of the indebtedness then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources, at reasonable rates and terms for loans for similar purposes and periods of time the Organization will, upon request of the Government, apply for, and accept, such loan in sufficient amount to repay the Government and will take all such actions as may be required in connection with such loan.

Section 8. ("Equal Employment Opportunity under Construction Contracts and Nondiscrimination"). The President and the Secretary be and they are authorized and directed to execute for and on behalf of the Organization, Form RD 400- 1, "Equal Opportunity Agreement", and Form RD 400-4, "Assurance Agreement".

Section 9. (Authorization of Officials). In the case of a grant in the sum not to exceed \$ 100,000.00, the Organization hereby accepts the grant under the terms as offered by the Government and that the County Mayor and County Clerk of the Organization are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant and the Organization hereby resolves to operate the Facility under the terms as offered in said grant agreements.

Section 10. (Cross Default). Default under the provisions of this agreement or any instrument incident to the making or issuing of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Organization, and default under any such instrument may be construed by the Government to constitute default hereunder.

Section 11. (Resolution of Contract). The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instruments, shall constitute a contract between the Organization and the Government or assignee so long as the note hereby authorized remains unpaid.

Section 12. (Effective Date). This resolution shall take effect and be in force from and after the 27th day of May 2008, being the date of its enactment.

The vote was: Yeas _____ Nays _____ Absent _____

Motion was then made by Commissioner Wilson, seconded by Commissioner Dowdy to approve a lease agreement with the Bernard Community Association for the Bernard Community Center. This would entail a multi-year lease contingent upon modification of the Association's by-laws and an agreement worked out on responsibilities, with the County Attorney's approval. The lease will be a 5 to 10 year renewal, and the Bernard Community Association will operate and maintain the facility. Motion passed unanimously.

Commissioner Harris moved that the Mayor be allowed to move forward with the purchase of the school transportation software from Edulog. Bids have been received from Edulog, Versatrans, and Trapeze. The Mayor stated that the best package seemed to be the Edulog package. Commissioner Oglesby seconded the motion, and it was approved unanimously by the Board.

Commissioner Harris moved that the Mayor be given authorization to activate a two year contract with Wiarcom for the Ambulance GPS units. Motion was seconded by Commissioner Brewer and passed unanimously.

Commissioner McCloud moved that the following 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 be approved. Motion was seconded by Commissioner Kelley and approved unanimously by the Board.

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 27th day of May, 2008, in the Bill G. Kelley Criminal Justice Complex 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 Lillard presented a letter to be sent to the United States Department of Justice in reply to Fayette County's School System being out of compliance with the court-ordered desegregation plan. The letter stated that the Board had only recently become aware of the situation, and requested extra time until the new school transportation software was implemented to submit a new plan based on information that will be obtained by the software, and allow the County to hire a consultant to create a plan. Commissioner Wilson stated that the Board has submitted a plan, but he wasn't sure if the State would accept it. A motion was then made by Commissioner Lillard, seconded by Commissioner Oglesby to send the letter, and passed unanimously.

Commissioner Dowdle moved that the Board show financial support to the School Board by authorizing the hiring of counsel by the County Mayor to present the proposal to the Court. The motion was seconded by Commissioner Dowdy and passed unanimously.

With no further action before the Board, the meeting was adjourned.

Rhea Taylor, County Mayor

Sue W. Culver, County Clerk