

**STATE OF TENNESSEE
COUNTY OF HAMBLLEN
CORPORATION OF MORRISTOWN
NOVEMBER 1, 2016**

The City Council for the City of Morristown, Hamblen County, Tennessee, met in regular session at the regular meeting place of the Council in the Morristown City Center at 5:00 p.m., Tuesday, November 1, 2016, with the Honorable Mayor Gary Chesney, presiding and the following Councilmembers present; Bob Garrett, Chris Bivens, Dennis Alvis, Ken Smith and Tommy Pedigo, absent; Kay Senter.

Dr. Chris Dotson, Chaplain Coordinator, Morristown Police Department, led in the invocation and Councilmember Alvis led in the "Pledge of Allegiance".

Councilmember Alvis made a motion to approve the October 18, 2016, minutes as circulated. Councilmember Bivens seconded the motion and upon roll call; all present voted "aye".

Mayor Chesney read a proclamation declaring November 26, 2016, as Small Business Saturday in the City of Morristown.

Councilmember Smith made a motion to approve Ordinance No. 3567 on second and final reading. Councilmember Bivens seconded the motion and upon roll call; all present voted "aye".

Ordinance No. 3567

An Ordinance to close and vacate certain rights-of-way within the City of Morristown. {Portion of public right-of-way between King Park (400 Montvue Avenue) and the tax parcel located south addressed 433 Montvue Avenue.}

At this time Councilmember Senter arrived to the meeting; all Councilmembers present.

Councilmember Pedigo made a motion to approve Ordinance No. 3568 on second and final reading. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3568

An Ordinance of the City Council of Morristown, Tennessee, Amending Title 12 of the Morristown Municipal Code, (Building, Utility, Etc. Codes).

Councilmember Pedigo made a motion to approve the amendments to Ordinance No. 3569. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember Senter made a motion to approve Ordinance No. 3569 on second and final reading, as amended. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3569

An Ordinance of the City Council of Morristown, Tennessee, Amending Title 13 (Property Maintenance Regs.) Chapter 1 (General Property Maintenance) and Chapter 3 (Tree Ordinance) of the Morristown Municipal Code.

Councilmember Bivens made a motion to approve Resolution No. 21-16. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

**RESOLUTION NO. 21-16
BEING A RESOLUTION OF THE CITY OF MORRISTOWN,
TENNESSEE ACCEPTING THE PROPOSAL OF THE
TENNESSEE DEPARTMENT OF TRANSPORTATION TO
CONSTRUCT A PROJECT IN THE CITY OF MORRISTOWN,
TENNESSEE, DESIGNATED AS FEDERAL PROJECT NO.
HSIP-34(105), STATE PROJECT NO. 32004-3226-94, 32004-0224-
94, 32004-1224-94, 32004-2226-94, THAT IS DESCRIBED AS
"INTERSECTION AT COMMERCE BOULEVARD IN
MORRISTOWN ROUTE: SR-34".**

WHEREAS, the Tennessee Department of Transportation has presented a Proposal to the City of Morristown, Tennessee, concerning Federal Project No. HSIP-34(105), State Project No. 32004-3226-94, 32004-0224-94, 32004-1224-94, 32004-2226-94, which is described as "Intersection at Commerce Boulevard in Morristown Route: SR-34"; and

WHEREAS, the Morristown Tennessee City Council has determined that the above referenced project will benefit the City of Morristown, Tennessee and the citizens thereof; and

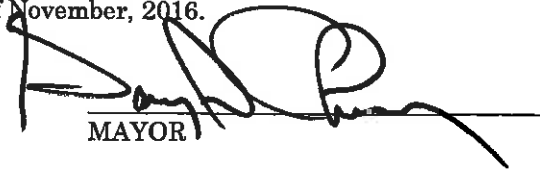
WHEREAS, the Morristown Tennessee City Council wishes to cooperate with the State of Tennessee, Department of transportation, in its road improvements in the City of Morristown, Tennessee; and

WHEREAS, said Proposal is incorporated herein by referenced, the same as if copied herein verbatim, with a copy of said Proposal attached hereto; and

WHEREAS, the terms and conditions of said Proposal to the City of Morristown as submitted by the State of Tennessee, Department of Transportation, are accepted and approved by the Morristown Tennessee City Council, and the City of Morristown shall fulfill all obligations concomitant thereto; now

THEREFORE, BE IT RESOLVED, by the Morristown Tennessee City Council that this resolution is duly passed and approved this the 1st day of November, 2016, and shall take affect from and after its passage.

Passed this the 1st day of November, 2016.


MAYOR

ATTEST:


CITY ADMINISTRATOR

Councilmember Alvis made a motion to approve Resolution No. 22-16. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

**RESOLUTION NO 22-16
RESOLUTION OF THE CITY OF MORRISTOWN,
TENNESSEE, AUTHORIZING THE ISSUANCE OF
INTEREST BEARING TELECOMMUNICATIONS SYSTEM
REVENUE AND TAX CAPITAL OUTLAY NOTES, SERIES
2016, IN AN AMOUNT NOT TO EXCEED \$2,000,000, AND
PROVIDING FOR THE PAYMENT OF SAID NOTES**

WHEREAS, the City Council (the "Council"), of the City of Morristown, Tennessee (the "Municipality"), has determined that it is necessary and desirable to authorize, issue, sell, and provide for the payment of its interest bearing revenue and tax capital outlay notes to finance certain public works projects, consisting of improvements to the telecommunications system of the Municipality (the "System"), the acquisition of all property real and personal appurtenant thereto and connected with such work, and to pay all legal, fiscal, administrative, and engineering costs incident thereto (collectively, the "Project");

WHEREAS, the System is operated by the Morristown Utilities Commission (the "Commission");

WHEREAS, the Commission has requested that the Council authorize and approval the issuance of a revenue and tax telecommunications system capital outlay note to finance the Project;

WHEREAS, the Municipality estimates that the economic life of the Project is greater than five years;

WHEREAS, the Municipality finds and determines that the Project will promote or provide a traditional governmental activity or otherwise fulfill a public purpose;

WHEREAS, in order to proceed as expeditiously as possible with such an essential Project, it is necessary that interest bearing revenue and tax capital outlay notes be issued for the purpose of providing funds to finance the Project; and,

WHEREAS, the Municipality is authorized by the provisions of Title 9, Chapter 21, Tennessee Code Annotated, as amended, to issue such notes for said purposes upon the approval of the Director of State and Local Finance (the "Director of State and Local Finance");

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morristown, Tennessee:

Section 1. Authority. The Notes herein authorized shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. Without limiting any other definitions of terms and words in other sections of this Resolution, the following words and terms shall have the meanings indicated unless otherwise plainly apparent from the context:

"Act" means Title 9, Chapter 21, Tennessee Code Annotated, as amended.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of the Treasury promulgated thereunder, as in effect on the date of issuance of the Notes and as hereafter amended, supplemented, or revised insofar as such amendments, supplements, or revisions shall pertain to or effect the Notes.

"Council" means the City Council of the City of Morristown, Tennessee.

"Current Expenses" means all expenses incurred by, or on behalf of the Municipality in connection with the operation, maintenance, repair, insuring, and administration of the System, including, but not necessarily limited to, salaries, wages, the cost of supplies, materials, utilities, and rental payments and the cost of audits, but shall specifically exclude depreciation, amortization, interest on bonds, and expenditures for any capital improvements of the System, the useful life of which is reasonably expected to exceed one year, determined in accordance with generally accepted accounting principles.

"Net Revenues" means for any period, the excess of Revenues of the System over its Current Expenses during such period determined in accordance with generally accepted accounting principles.

"Note" or "Notes" means the Telecommunications System Revenue and Tax Capital Outlay Notes, Series 2016, of the Municipality, authorized by this Resolution of the Council.

"Prior Outstanding Obligations" means those certain outstanding obligations, if any, of the Municipality with a prior lien on the Revenues of the System.

"Revenues" means all receipts, revenues, income, and other monies received by, or on behalf of, the Municipality from, or for, the operation of the System and all rights to receive such receipts, revenues, income, and other monies, whether in the form of accounts receivable, contract rights, or otherwise, and proceeds from insurance against loss of, or damage to, the System, or from any sale or conveyance, in accordance with the terms hereof, of all or part of the System.

"System" means the complete telecommunications system of the Municipality, together with, and including, the Project and all telecommunications system properties of every nature hereafter owned by the Municipality, including all improvements and extensions made by the Municipality while the Notes remain outstanding, and including all real and personal property of every nature comprising part of or used or useful in connection with the telecommunications system and including all appurtenances, contracts, leases, franchises, and other intangibles.

Section 3. Authorization. For the purpose of providing funds to finance the costs of the Project and costs incident to the financing thereof, there shall be issued pursuant to, and in accordance with, the provisions of the Act and other applicable provisions of law, the interest bearing capital outlay notes of the Municipality, in the aggregate principal amount of not to exceed \$2,000,000, or such lesser amount as may be determined by the Mayor of the Municipality (the "Mayor") at the time of sale (collectively, the "Notes", individually, the "Note").

Section 4. Terms of the Notes. The Notes shall be designated "Telecommunications System Revenue and Tax Capital Outlay Notes, Series 2016". The Notes shall be issued in registered form, without coupons, in minimum denominations of \$5,000. The Notes shall be numbered from 1 upwards, shall be dated the date of issuance and delivery, shall be sold at not less than the par amount thereof, shall bear interest at a rate or rates not to exceed 2% per annum, such interest being payable at such times as agreed upon with the purchaser of such Notes, but in no event less than semiannually each year commencing six months from the dated date or such date as shall be designated by the Mayor (the "Interest Payment Date"). The Notes shall mature not later than the end of the fifth fiscal year from the date of issuance. Each year the Notes are outstanding the Municipality shall retire principal on the Notes in an amount that is estimated to be at least equal to an amortization which reflects level debt service on the Notes. The

Notes shall contain such terms, conditions, and provisions other than as expressly provided or limited herein as may be agreed upon by the Mayor of the Municipality and the purchaser of the Notes.

Interest on the Notes shall be payable by wire transfer or other electronic means or by check or other form of draft of the "Note Registrar," as such term is hereinafter defined, deposited by the Note Registrar in the United States mail, first class postage prepaid, in a sealed envelope, addressed to the owner of such Notes, as of the applicable Interest Payment Date, at its address as shown on the Registration Books of the Municipality maintained by the Note Registrar as of the close of business fifteen (15) calendar days preceding the next Interest Payment Date. All payments of the principal of and interest on the Notes shall be made in any coin or currency of the United States of America which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

Section 5. Redemption. The Note shall not be subject to redemption, in whole or in part, prior to maturity; provided however, at the option of the Municipality, upon fifteen (15) calendar days written notice to the owner, and with the consent of the owner, the Municipality may prepay the Note in full at the price of par plus a 1% premium, and accrued interest to the date of redemption. Provided, further, the Municipality may pay, from time to time, additional principal payments, from funds on hand, after giving fifteen (15) calendar day's written notice to the owner of such intent to pay additional principal and with the consent of such owner.

Section 6. Execution. The Notes shall be executed in the name of the Municipality; shall bear the manual signature of the Mayor; shall be countersigned by the City Recorder of the Municipality (the "City Recorder"), with his or her manual signature; and, shall have printed or impressed thereon the official seal of the Municipality. In the event any officer whose signature appears on the Notes shall cease to be such officer, such signature shall nevertheless be valid and sufficient for all purposes. The Notes shall be issued in typed, printed, or photocopied form, or any combination thereof, substantially in the form attached hereto as Exhibit "A", with such minor changes therein or such variations thereof as the Mayor may deem necessary or desirable, the blanks to be appropriately completed by the Mayor prior to the issuance of the Notes.

Section 7. Registration, Negotiability, and Payment. (a) The City Recorder of the Municipality is hereby appointed the note registrar and paying agent (the "Note Registrar"), and as such shall establish and maintain suitable books (the "Registration Books"), for recording the registration, conversion, and payment of the Notes, and shall also perform such other duties as may be required in connection with any of the foregoing. The Note Registrar is hereby authorized to authenticate and deliver the Notes to the original purchaser thereof, or as it may designate, upon receipt by the Municipality of the proceeds of the sale thereof and to authenticate and deliver Notes in exchange for notes of the same principal amount delivered for transfer upon receipt of the Notes to be transferred in proper form with proper documentation as herein described. The Notes shall not be valid for any purpose unless authenticated by the Note Registrar by the manual signature of the Note Registrar on the certificate set forth in Exhibit "A" hereto. The Notes shall be fully registered as to both principal and interest and shall be fully negotiable upon proper endorsement by the registered owner thereof. No transfer of any Notes shall be valid unless such transfer is noted upon the Registration Books and until such Note is surrendered, cancelled, and exchanged for a new Note which shall be issued to the transferee, subject to all the conditions contained herein. Principal on the Notes shall be paid at maturity upon presentation or surrender of the Notes at the principal office of the Note Registrar, and payment in such manner shall forever discharge and release the obligation of the Municipality to the extent of the principal so paid.

(b) The Municipality may from time to time at its discretion remove the Note Registrar and appoint a successor Note Registrar to whom all records, documents, and instruments relating to its duties as Note Registrar shall be delivered. Any successor Note Registrar shall be appointed by resolution of the Municipality, and shall be a trust company or bank having the powers of a trust company, having, at the time of such appointment, a combined capital, surplus, and undivided profits aggregating at least Fifty Million Dollars (\$50,000,000), and be willing and able to accept the office of Note Registrar on reasonable and customary terms, and authorized by law to perform all duties imposed upon it by this Resolution.

(c) In the event that any amount payable on any Note as interest shall at any time exceed the rate of interest lawfully chargeable thereon under applicable law, then any such excess shall, to the extent of such excess, be applied against the principal of such Note as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

Section 8. Transfer of Notes. Each Note shall be transferable only on the Registration Books maintained by the Note Registrar at the principal office of the Note Registrar, upon the surrender for cancellation thereof at the principal office of the Note Registrar, together with an assignment of such Note duly executed by the owner thereof or its attorney or legal representative, and upon payment of the charges hereinafter provided, and subject to such other limitations and conditions as may be provided therein or herein. Upon the cancellation of any such Note, the Note Registrar shall, in exchange for the surrendered Note or Notes, deliver in the name of the transferee or transferees a new Note or Notes of authorized denominations, of the same aggregate principal amount, maturity, and rate of interest as such surrendered Note or Notes, and the transferee or transferees shall take such new Note or Notes subject to all of the conditions herein contained.

Section 9. Regulations with Respect to Transfers. In all cases in which the privilege of transferring Notes is exercised, the Municipality shall execute, and the Note Registrar shall deliver, Notes in accordance with the provisions of this Resolution. For every transfer of Notes, whether temporary or definitive, the Municipality and the Note Registrar may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such transfer, all of which taxes, fees, and other governmental charges shall be paid to the Municipality by the entity requesting such transfer as a condition precedent to the exercise of the privilege of making such transfer. Neither the Municipality nor the Note Registrar shall be obligated to transfer any Note during the fifteen (15) calendar days next preceding the maturity date of the Notes or any call for redemption.

Section 10. Mutilated, Lost, Stolen, or Destroyed Notes. In the event any Note issued hereunder shall become mutilated, or be lost, stolen, or destroyed, such note shall, at the written request of the registered owner, be cancelled on the Registration Books and a new Note shall be authenticated and delivered, corresponding in all aspects but number to the mutilated, lost, stolen, or destroyed Note. Thereafter, should such mutilated, lost, stolen, or destroyed Note or Notes come into possession of the registered owner, such Notes shall be returned to the Note Registrar for destruction by the Note Registrar. If the principal on said mutilated, lost, stolen, or destroyed Note shall be due within fifteen (15) calendar days of receipt of the written request of the registered owner for authentication and delivery of a new Note, payment therefor shall be made as scheduled in lieu of issuing a new Note. In every case the registered owner shall certify in writing as to

the destruction, theft, or loss of such Note, and shall provide indemnification satisfactory to the Municipality and to the Note Registrar, if required by the Municipality and the Note Registrar.

Any notice to the contrary notwithstanding, the Municipality and all of the officials, employees, and agents thereof, including the Note Registrar, may deem and treat the registered owner of the Notes as the absolute owner thereof for all purposes, including, but not limited to, payment of the principal thereof, and the interest thereon, regardless of whether such payment shall then be overdue.

Section 11. Authentication. Only such of the Notes as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit "A" hereto duly executed by the Note Registrar shall be entitled to the rights, benefits, and security of this Resolution. No Note shall be valid or obligatory for any purpose unless, and until, such certificate of authentication shall have been duly executed by the Note Registrar. Such executed certificate of authentication by the Note Registrar upon any such Note shall be conclusive evidence that such Note has been duly authenticated and delivered under the Resolution as of the date of authentication.

Section 12. Source of Payment and Security. The Notes, including the principal thereof and the interest thereon, are payable primarily from and secured by a pledge of the Net Revenues to be derived from the operation of the System, and are hereby declared to be equally and ratably secured, subject to a prior pledge of such Net Revenues to Prior Outstanding Obligations, by a pledge of such Net Revenues. In the event a deficiency in such Net Revenues, the Notes shall be payable from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. Said Notes shall be a direct general obligation of the Municipality, for which the punctual payment of the principal of and interest on the Notes the full faith and credit of the Municipality is hereby irrevocably pledged.

Section 13. Levy of Taxes. For the purpose of providing for the payment of the principal of and interest on the Notes, there is hereby pledged for such payment the Net Revenues derived from the operation of the System subject to the liens of the Prior Outstanding Obligations, in amounts not exceeding the amounts required to make such payments as they come due. In the event of a deficiency in the Net Revenues there shall be levied in each year in which such Notes shall be outstanding a direct tax on all taxable property in the Municipality, fully sufficient to pay all such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected, and paid at the time, and in the same manner, as the other taxes of said Municipality, shall be in addition to all other taxes, and shall be without limitation as to time, rate, or amount. The Council of the Municipality is required by law and shall and does hereby pledge to levy such tax. Principal and interest, or any of the foregoing, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from the general fund or other available funds of the Municipality, but reimbursement therefor may be made from the taxes herein provided when the same shall have been collected. All such taxes levied and collected shall be deposited in a debt service fund for the telecommunications system and used solely for the payment of principal and interest on the Notes as the same shall become due.

Section 14. Charges for Services Supplied by the System. While the Notes remain outstanding and unpaid, the Municipality covenants and agrees that the charges for all services supplied through the medium of the System to the Municipality and its residents and to all consumers shall be reasonable, just, and sufficient taking into account and consideration the cost and value of the System and the cost of maintaining, operating, and insuring the System, and the proper

and necessary allowances for the depreciation thereof, and the amounts necessary for the payment of principal of, premium, if any, and interest on, the Notes and other Prior Outstanding Obligations payable from such Revenues.

Section 15. Approval of Director of State and Local Finance. Anything herein contained to the contrary notwithstanding, no Notes authorized under this Resolution shall be issued, sold, or delivered, unless and until such Notes shall first have been duly approved by the Director of State and Local Finance as provided by Section 9-21-601 et. seq., Tennessee Code Annotated, as amended. The Mayor, City Recorder, and City Attorney, are hereby authorized to take or cause to be taken such steps as are necessary to obtain such approval. After the issuance and sale of the Notes, and for each year that any of the Notes are outstanding, the Municipality shall submit its annual budget to the Director of State and Local Finance for approval immediately upon the Municipality's adoption of the budget.

Section 16. Sale of Notes. The Notes herein authorized are authorized to be sold by the Mayor by the informal bid process at a price of not less than par, upon such terms and conditions as shall be agreed to by the Mayor and the purchaser of such Notes.

Section 17. Disposition of Note Proceeds. The proceeds from the sale of the Notes shall be paid to the official of the Commission designated as the custodian of the funds thereof to be deposited in a special fund known as the "Telecommunications System Revenue and Tax Capital Outlay Notes, Series 2016 Project Fund" (the "Project Fund"), which is hereby authorized to be created, to be kept separate and apart from all other funds of the Commission. The monies in the Project Fund shall be disbursed solely to finance the Project and to pay the costs of issuance of the Notes. Monies in the Project Fund may be invested and shall be secured in the manner prescribed by applicable statutes relative to the investment and securing of public or trust funds. Any monies remaining in the Project Fund after completion of the Project shall be transferred to the debt service fund and used to pay principal of and interest on the Notes.

Section 18. Non-Arbitrage Certification. The Municipality certifies and covenants with the owner of the Notes that so long as the principal of any Note remains unpaid, monies on deposit in any fund or account in connection with the Notes, whether or not such monies were derived from the proceeds of the sale of the Notes or from any other source, will not be used in a manner which will cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code, and any lawful regulations promulgated thereunder, as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Municipality reserves the right, however, to make any investment of such monies permitted by Tennessee law and this Resolution if, when and to the extent that said Section 148 or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of counsel of recognized competence in such matters, result in making the interest on the Notes subject to inclusion in gross income of the owner thereof for federal income tax purposes.

The Municipality covenants that it shall comply with Section 148(f) of the Code, unless legally exempted therefrom and it represents that in the event it shall be required by Section 148(f) of the Code to pay "Rebatable Arbitrage," as defined in the regulations promulgated under the Code, to the United States Government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Notes from becoming subject to inclusion in federal gross income of the owner of the Notes for purposes of federal income taxation.

Section 19. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Municipality and the owner of the Notes, and after the issuance of the Notes, no change, variation, or alteration of any kind in the provisions of this Resolution shall be made in any manner, until such time as all installments of the principal of and interest on the Notes shall have been paid in full or the consent of the registered owner of the Notes has been obtained; provided, however, that the Municipality is hereby authorized to make such amendments to this Resolution as will not impair the rights or security of the owner of the Notes.

Section 20. No Action to be Taken Affecting Validity of the Notes. The Municipality hereby covenants and agrees that it will not take any action, that would in any manner affect the validity of the Notes or limit the rights and remedies of the owner from time to time of such Notes. The Municipality further covenants that it will not take any action that will cause the interest on the Notes to be subject to inclusion in gross income of the owner thereof for purposes of federal income taxation.

Section 21. Miscellaneous Acts. The Mayor, the City Recorder, and all other appropriate officials of the Municipality together with the officials of the Commission are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved; or for the authorization, issuance, and delivery of the Notes.

Section 22. Failure to Present Notes. Subject to the provisions of Section 3 hereof, in the event any Note shall not be presented for payment when the principal becomes due at maturity and in the event monies sufficient to pay such Note shall be held by the Note Registrar for the benefit of the owner thereof, all liability of the Municipality to such owner for the payment of such Note shall forthwith cease, terminate, and be completely discharged. Thereupon, the Note Registrar shall hold such monies, without liability for interest thereon, for the benefit of the owner of such Note who shall thereafter be restricted exclusively to such monies for any claim under this Resolution or on, or with respect to, said Note, subject to escheat or other similar law, and any applicable statute of limitation.

Section 23. Payments Due on Saturdays, Sundays, and Holidays. Whenever the interest on or principal of any Note is due on a Saturday or Sunday or, at the place designated for payment, a legal holiday or a day on which banking institutions are authorized by law to close, then the payment of the interest on or the principal of such Note need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions are authorized by law to close, with the same force and effect as if made on the date of maturity; and no interest shall accrue for the period after such date.

Section 24. No Recourse Under Resolution or on Notes. All stipulations, promises, agreements, and obligations of the Municipality contained in this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the Municipality and not of any officer, director, or employee of the Municipality in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Notes or for any claim based thereon or under this Resolution against any officer, director, or employee of the Municipality or against any official or individual executing the Notes.

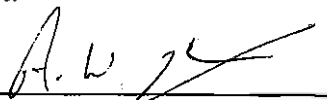
Section 25. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions hereof.

Section 26. Repeal of Conflicting Resolutions and Effective Date. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed, and this Resolution shall be in effect as of the date of its adoption the welfare of the Municipality requiring it.

Approved and adopted this 1st day of November, 2016.


Mayor

Attest:


City Recorder

Councilmember Pedigo made a motion to approve Resolution No. 23-16. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

**RESOLUTION NO 23-16
INITIAL RESOLUTION AUTHORIZING THE INCURRENCE OF
INDEBTEDNESS BY THE CITY OF MORRISTOWN,
TENNESSEE, IN THE AMOUNT OF NOT TO EXCEED
\$15,000,000, BY THE EXECUTION WITH THE PUBLIC
BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE,
TENNESSEE, OF A LOAN AGREEMENT TO PROVIDE
FUNDING FOR CERTAIN WASTEWATER SYSTEM
IMPROVEMENTS, AND TO FUND THE INCIDENTAL AND
NECESSARY EXPENSES RELATED THERETO**

WHEREAS, it is necessary and in the public interest of the City of Morristown, Tennessee (the "Municipality"), to incur indebtedness (the "Indebtedness"), through the execution with The Public Building Authority of the City of Clarksville, Tennessee (the "Authority"), of a loan agreement (a "Loan Agreement"), for the purpose of financing certain wastewater system projects, as hereinafter more fully described.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morristown, Tennessee, as follows:

SECTION 1. For the purpose of financing all or a portion of the costs of certain public works projects, consisting of the extension, construction, improvement, and equipping of the wastewater system of the Municipality, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, and engineering costs, reimbursement for expenditures related to the foregoing, and to pay costs incident to incurring the Indebtedness (collectively, the "Project"), the Municipality is hereby authorized to incur Indebtedness in the amount of not to exceed Fifteen Million Dollars (\$15,000,000), for the financing of the Project through the execution

of a Loan Agreement with the Authority. The rate of interest payable pursuant to the provisions of a Loan Agreement shall be a fixed rate which rate shall not exceed the maximum rate of interest permitted under the laws of the State of Tennessee.

SECTION 2. The indebtedness evidenced by the Loan Agreement shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, and amount and for the punctual payment of said principal of, premium, if any, and interest on, the Loan Agreement, the full faith and credit of the Municipality will be irrevocably pledged. The indebtedness evidenced by the Loan Agreement shall be additionally payable from, but not secured by, the revenues of the wastewater system, subject only to the payment of reasonable and necessary costs of operating, maintaining, repairing, and insuring such wastewater system and to a prior pledge of such revenues in favor of other obligations of the Municipality payable from revenues of the wastewater system.

SECTION 3. The Loan Agreement shall be executed pursuant to the provisions of Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"), and Title 12, Chapter 10, Tennessee Code Annotated, as amended.


SECTION 4. After the adoption of this Resolution, the City Recorder is directed to cause this Resolution, with the notice prescribed by the Act, to be published in full once in a newspaper published and having general circulation in the Municipality.

SECTION 5. This Resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

Adopted and approved this 1st day of November, 2016.


MAYOR

ATTEST:


CITY RECORDER

NOTICE

The foregoing Resolution has been adopted. Unless within twenty (20) days from the date of publication hereof a petition, signed by at least ten percent (10%) of the registered voters of the City of Morristown, Tennessee, shall have been filed with the City Recorder of the City of Morristown, Tennessee, protesting the incurrence of the Indebtedness by the execution of the Loan Agreement, such Loan Agreement will be executed, as proposed.

Councilmember Pedigo made a motion to approve Ordinance No. 3570 on first reading and schedule a public hearing relative to final passage of said ordinance for November 15, 2016. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3570

An Ordinance to Annex Certain Territory and to Incorporate Same within the Corporate Boundaries of the City of Morristown, Tennessee, {Annexation of property located at the intersection of W. Economy Road and Catron Lane to include Hamblen County Tax Parcel ID # 032033 01201 with the Zoning Designation to be assigned R-1 (Single Family Residential)}.

Councilmember Alvis made a motion to approve Ordinance No. 3555.02 on first reading and schedule a public hearing relative to final passage of said ordinance for November 15, 2016. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3555.02

An Ordinance to Amend Ordinance Number 3555, The City of Morristown, Tennessee, Annual Budget for the Fiscal Year 2016-2017 and Appropriate the sum of \$5,753 Specifically for Additional Small Tools for the Police Department.

Councilmember Garrett made a motion to table the purchase of property for the relocation of the Fire Department's Station #4 until the November 15, 2016, City Council meeting. Councilmember Bivens seconded the motion and upon roll call; Councilmembers Garrett, Bivens, Senter, Alvis, Smith and Pedigo voted "aye"; Mayor Chesney voted "no".

Councilmember Pedigo made a motion to approve the bid for demolition of property submitted by Elkin Rowe, Inc. who will be responsible for the demolition of five (5) properties totaling \$22,830 and AllStar Construction & Demolition who will be responsible for the demolition of five (5) properties totaling \$26,478.13; and allow the City Administrator to enter into a contract with each entity. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember Bivens made a motion to approve the purchase of an extended warranty from Nova Company, Inc. for the Large Format Copier/Scanner. The extended two (2) year warranty being offered will total \$3,445. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

Councilmember Alvis made a motion to approve change order #2 for Fire Truck #1. This final change order is for slight modifications which increases the cost of the truck by \$821.40. Council approved the first change order on August 16, 2016 that increased the amount by \$3,106.44, the combined change orders to the truck total \$3,927.84. Councilmember Smith seconded the motion and upon roll call; all voted "aye".

Councilmember Smith made a motion to approve the State of Tennessee, Department of Safety and Homeland Security Grant for the Morristown Police Department Traffic Safety and Impaired Driving Prevention Program in the amount of \$15,000. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

Councilmember Smith made a motion to approve the Stormwater Management/BMP Facilities Maintenance Agreement between T. Phillip Carlyle, (412 N. Bellwood Road Map 040 Parcel 039.01 – Villas West) and the City of Morristown. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember Bivens made a motion to declare Friday, December 23rd 2016, as a City Holiday in honor of Christmas Eve. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

November 1, 2016

Mayor Chesney adjourned the October 18, 2016, City Council meeting at 6:01 p.m.


MAYOR

ATTEST:


CITY ADMINISTRATOR