

COUNTY COMMISSION-REGULAR SESSION

OCTOBER 21, 2013

BE IT REMEMBERED THAT:

COUNTY COMMISSION MET PURSUANT TO ADJOURNMENT IN REGULAR SESSION OF THE SULLIVAN COUNTY BOARD OF COMMISSIONERS THIS MONDAY MORNING, OCTOBER 21, 2013, 9:00 A.M. IN BLOUNTVILLE, TENNESSEE. PRESENT AND PRESIDING WAS HONORABLE STEVE GODSEY, COUNTY MAYOR, JEANIE GAMMON, COUNTY CLERK OF SAID BOARD OF COMMISSIONERS,

TO WIT:

The Commission was called to order by Mayor Steve Godsey. Sheriff Wayne Anderson opened the commission and Joe Herron gave the invocation. The colors were presented by members of the South ROTC and the pledge to the flag was led by Sheriff Wayne Anderson

COMMISSIONERS PRESENT AND ANSWERING ROLL WERE AS FOLLOWS:

CATHY ARMSTRONG	TY BOOMERSHINE
	BRYAN K. BOYD
LINDA BRITTENHAM	MO BROTHERTON
DARLENE CALTON	JOHN CRAWFORD
O. W. FERGUSON	JOHN GARDNER
TERRY HARKLEROAD	BAXTER HOOD
DENNIS HOUSER	MATTHEW JOHNSON
BILL KILGORE	DWIGHT KING
ED MARSH	KIT MCGLOTHLIN
RANDY MORRELL	BOB NEAL
PATRICK W. SHULL	MIKE SURGENOR
R. BOB WHITE	EDDIE WILLIAMS

23 PRESENT 1 ABSENT (ABSENT-BOWERY)

The following pages indicates the action taken by the Commission on re-zoning requests, approval of notary applications and personal surety bonds, motions, resolutions and other matters subject to the approval of the Board of Commissioners.

Motion was made by Comm. Morrell and seconded by Comm. Harkleroad to approve the minutes of the September 16, 2013 Regular Session of County Commission. Said motion was approved by voice vote.



SULLIVAN COUNTY

OFFICE OF ACCOUNTS & BUDGETS

3411 Highway 126, Suite 202 ▪ Blountville, Tennessee 37617
E-Mail: acctsdir@sullivancountyttn.gov
(423) 323-6409 ▪ Fax: (423) 279-2899

FINANCE
BUDGETING
ACCOUNTS
PAYABLE

PERSONNEL
PAYROLL
EMPLOYEE
BENEFITS

MEMORANDUM

TO: Members of the Sullivan County Commission

FROM: William Anderson, Director of Accounts & Budgets

SUBJECT: Acknowledgement of Tax Revenue Anticipation Notes (TRANS) Issue

DATE: October 21, 2013

As required by the Office of State and Local Finance, a copy of the "Report on Debt Obligation" is attached. It is required that County Commissioners be made aware of the issue and that it is entered into the minutes of the monthly meeting on October 21, 2013.

Thank you.

RECEIVED

OCT 03 2013

STATE AND LOCAL FINANCE

REPORT ON DEBT OBLIGATION
(Pursuant to Tennessee Code Annotated Section 9-21-151)

1. Public Entity:

Name Sullivan County
Address 3411 Highway 126, Suite 202
Blountville, TN 37617

2. Debt Obligation:

- a. Bond
- b. CON
- c. BAN
- d. GAN
- e. TRAN
- f. CRAN
- g. Capital Lease
- h. Loan Agreement

Note: Enclose a copy of the executed NOTE FORM if applicable.

5. Face Amount of Debt Obligation: \$1,900,000.00

Premium/Discount: _____

6. Type of Sale:

- a. Competitive Public Sale
- b. Informal Bid
- c. Negotiated Sale
- d. Loan Program

3. Security For Debt Obligation:

- a. General Obligation
- b. General Obligation+Revenue+Tax
- c. Revenue
- d. TIF
- e. Annual Appropriations

7. Tax Status:

- a. Tax Exempt
- b. Tax Exempt - Bank Qualified
- c. Taxable

8. Dated Date: 09/16/2013

9. Issue Date (Closing Date): 09/16/2013

4. Purpose of Issue:

- | | | |
|-------------------------------------|-----------------------------|----------|
| <input type="checkbox"/> | a. General Government | _____ % |
| <input checked="" type="checkbox"/> | b. Education | 100.00 % |
| <input type="checkbox"/> | c. Highways and Streets | _____ % |
| <input type="checkbox"/> | d. Public Safety | _____ % |
| <input type="checkbox"/> | e. Solid Waste Disposal | _____ % |
| <input type="checkbox"/> | f. Industrial Park | _____ % |
| <input type="checkbox"/> | g. Manufacturing Facilities | _____ % |
| <input type="checkbox"/> | h. Health Facilities | _____ % |
| <input type="checkbox"/> | i. Airports | _____ % |
| <input type="checkbox"/> | j. Utilities | _____ % |
| <input type="checkbox"/> | i. Water | _____ % |
| <input type="checkbox"/> | ii. Sewer | _____ % |
| <input type="checkbox"/> | iii. Electric | _____ % |
| <input type="checkbox"/> | iv. Gas | _____ % |
| <input type="checkbox"/> | k. Refunding or Renewal | _____ % |
| <input type="checkbox"/> | l. Other _____ | _____ % |
- specify

10. Ratings:

- a. Moody's Aa3
- b. Standard & Poor's _____
- c. Fitch _____
- d. Unrated _____

11. Interest Cost:

0.990000 % a. TIC
 b. NIC
 c. Variable: Index _____ plus _____ bps
 d. Other _____

12. Recurring Costs:

- a. Remarketing Agent (bps) n/a
- b. Liquidity (bps) n/a
- c. Credit Enhancements (bps) n/a

13. Maturity Dates, Amounts and Interest Rates

Year	Amount	Interest Rate	Year	Amount	Interest Rate
2014	\$1,900,000	0.99 %			%
		%			%
		%			%
		%			%
		%			%
		%			%
		%			%
		%			%
		%			%
		%			%
		%			%
		%			%

If additional space is needed, attach additional sheet.

14. Repayment Schedule

This Issue			Total Debt Outstanding		
Year	Cum. Principal Redeemed	% Total	Year	Cum. Principal Redeemed	% Total
1	\$1,900,000	100.00	1		
5			5		
10			10		
15			15		
20			20		
25			25		
30			30		

15. Itemized Description of the Cost of Issuance
 (Round to Nearest Dollar)

		Name of Firm
a. Financial Advisor Fees*	_____	_____
b. Legal Fees:		
i. Bond Counsel	_____	_____
ii. Issuer's Counsel	_____	_____
iii. Trustee's Counsel	_____	_____
_____	_____	_____
_____	_____	_____
c. Paying Agent Fees and Registration Fees	_____	_____
d. Trustee Fees	_____	_____
e. Remarketing Agent Fees	_____	_____
f. Liquidity Fees	_____	_____
g. Rating Agency Fees	_____	_____
h. Credit Enhancement Fees	_____	_____
i. Underwriter's Discount _____ %	_____	_____
i. Take Down	_____	_____
ii. Management Fee	_____	_____
iii. Risk Premium	_____	_____
iv. Underwriter's Counsel	_____	_____
v. Other Expenses	_____	_____
j. Printing and Advertising Fees	_____	_____
k. Issuer Fees	_____	_____
l. Real Estate Fees	_____	_____
m. Bank Closing Costs	_____	_____
n. Other Costs	_____	_____
Total Costs	_____	_____
		\$0.00

*If other costs are included, please itemize

Note: Enclose a copy of the DISCLOSURE DOCUMENT/ OFFICIAL STATEMENT if applicable.

16. Description of Continuing Disclosure Obligations
 (Use additional pages if necessary)

Individual Responsible for Completion: William J. Anderson, Director

Date Annual Disclosure is due: _____

Current debt issue is a tax anticipation revenue note (TRANS) and is to be retired by June 30, 2014 and doesn't require continuing disclosure.

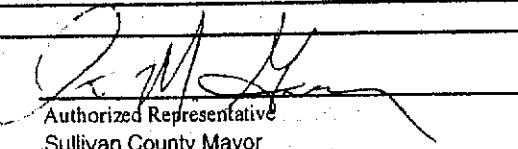
17. Description of Compliance with Written Debt Management Policy:
(Use additional pages if necessary)

The purpose of the tax anticipation revenue notes (TRANS) was for the operating expenses of the general purpose school fund. The legal requirements of the issuance have been met and the annual debt reports have been presented to the County Commission through the annual budget document. This issue did not require the professional services of counsel or a financial advisor. Those involved in the decision making process for the issue adhered to the county ethics policy and did not violate any rule or regulation of professional conduct. The issue was awarded based upon three (3) competitive bids. The repayment will be made from the general purpose school fund following the straight-line method of repayment and will be retired by June 30, 2014. Thus those requirements pertaining to the Debt Service Fund and its balances and payments do not pertain to this issue.

18. (If any) Description of Derivative and Compliance with Written Derivative Management Policy:
(Use additional pages if necessary)

At the present time, Sullivan County does not participate in derivative transactions.

19.

 Authorized Representative Sullivan County Mayor Title 09/30/2013 Date steve.godsey@sullivancountyttn.gov Email	William J. Anderson Preparer Director of Accounts and Budgets Title Sullivan County Firm 09/30/2013 Date william.anderson@sullivancountyttn.g Email
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20.
Submitted to Governing Body on 10/21/2013 and presented at its public meeting held on 10/21/2013

COPY TO: Director - Office of State and Local Finance, 505 Deaderick Street, Suite 1600,
James K. Polk State Office Building, Nashville TN 37243-1402



SULLIVAN COUNTY

OFFICE OF ACCOUNTS & BUDGETS

3411 Highway 126, Suite 202 • Blountville, Tennessee 37617
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(423) 323-6409 • Fax: (423) 279-2899

FINANCE
BUDGETING
ACCOUNTS
PAYABLE

PERSONNEL
PAYROLL
EMPLOYEE
BENEFITS

MEMORANDUM

TO: Members of the Sullivan County Commission

FROM: William Anderson, Director of Accounts and Budgets

SUBJECT: Acknowledgement of Report on Debt Obligation – Truck Capital Lease

DATE: October 21, 2013

As required by the Office of State and Local Finance, a copy of the “Report on Debt Obligation” is attached. It is required that the County Commissioners be made aware of the issue and that it is entered into the minutes of the monthly meeting on October 21, 2013.

Thank you.

REPORT ON DEBT OBLIGATION
(Pursuant to Tennessee Code Annotated Section 9-21-151)

RECEIVED
OCT 03 2013
STATE AND LOCAL FINANCE

1. Public Entity:

Name Sullivan County
Address 3411 Highway 126, Suite 202
Blountville, TN 37617

2. Debt Obligation:

- a. Bond
- b. CON
- c. BAN
- d. GAN
- e. TRAN
- f. CRAN
- g. Capital Lease
- h. Loan Agreement

Note: Enclose a copy of the executed NOTE FORM if applicable.

5. Face Amount of Debt Obligation: \$310,124.80

Premium/Discount: _____

6. Type of Sale:

- a. Competitive Public Sale
- b. Informal Bid
- c. Negotiated Sale
- d. Loan Program

3. Security For Debt Obligation:

- a. General Obligation
- b. General Obligation+Revenue+Tax
- c. Revenue
- d. TIF
- e. Annual Appropriations

7. Tax Status:

- a. Tax Exempt
- b. Tax Exempt - Bank Qualified
- c. Taxable

4. Purpose of Issue:

- a. General Government _____ %
- b. Education _____ %
- c. Highways and Streets 100.00 %
- d. Public Safety _____ %
- e. Solid Waste Disposal _____ %
- f. Industrial Park _____ %
- g. Manufacturing Facilities _____ %
- h. Health Facilities _____ %
- i. Airports _____ %
- j. Utilities _____ %
 - i. Water _____ %
 - ii. Sewer _____ %
 - iii. Electric _____ %
 - iv. Gas _____ %
- k. Refunding or Renewal _____ %
- l. Other _____ %

specify

8. Dated Date: 09/24/2013

9. Issue Date (Closing Date): 09/24/2013

10. Ratings:

- a. Moody's Aa3
- b. Standard & Poor's _____
- c. Fitch _____
- d. Unrated _____

11. Interest Cost:

- 2.550000 % a. TIC
- b. NIC
 - c. Variable: Index _____ plus _____ bps
 - d. Other _____

12. Recurring Costs:

- a. Remarketing Agent (bps) n/a
- b. Liquidity (bps) n/a
- c. Credit Enhancements (bps) n/a

13. Maturity Dates, Amounts and Interest Rates

Year	Amount	Interest Rate	Year	Amount	Interest Rate
2013	\$62,025	2.55 %			%
2014	\$62,025	2.55 %			%
2015	\$62,025	2.55 %			%
2016	\$62,025	2.55 %			%
2017	\$62,025	2.55 %			%
		%			%
		%			%
		%			%
		%			%
		%			%
		%			%
		%			%

If additional space is needed, attach additional sheet.

14. Repayment Schedule

This Issue			Total Debt Outstanding		
Year	Cum. Principal Redeemed	% Total	Year	Cum. Principal Redeemed	% Total
1	\$62,025	20.00	1	\$248,100	80.00
5			5		
10			10		
15			15		
20			20		
25			25		
30			30		

15. Itemized Description of the Cost of Issuance
 (Round to Nearest Dollar)

		Name of Firm
a. Financial Advisor Fees*	_____	_____
b. Legal Fees:		
i. Bond Counsel	_____	_____
ii. Issuer's Counsel	_____	_____
iii. Trustee's Counsel	_____	_____
_____	_____	_____
_____	_____	_____
c. Paying Agent Fees and Registration Fees	_____	_____
d. Trustee Fees	_____	_____
e. Remarketing Agent Fees	_____	_____
f. Liquidity Fees	_____	_____
g. Rating Agency Fees	_____	_____
h. Credit Enhancement Fees	_____	_____
i. Underwriter's Discount _____%	_____	_____
i. Take Down	_____	_____
ii. Management Fee	_____	_____
iii. Risk Premium	_____	_____
iv. Underwriter's Counsel	_____	_____
v. Other Expenses	_____	_____
j. Printing and Advertising Fees	_____	_____
k. Issuer Fees	_____	_____
l. Real Estate Fees	_____	_____
m. Bank Closing Costs	_____	_____
n. Other Costs	_____	_____
Total Costs	<u> </u>	<u> </u>
	\$0.00	

*If other costs are included, please itemize

Note: Enclose a copy of the DISCLOSURE DOCUMENT/ OFFICIAL STATEMENT if applicable.

16. Description of Continuing Disclosure Obligations
 (Use additional pages if necessary)

Individual Responsible for Completion: William J. Anderson, Director

Date Annual Disclosure is due: _____

Current debt issue is a capital lease and is to be retired by September 20, 2017 and doesn't require continuing disclosure.

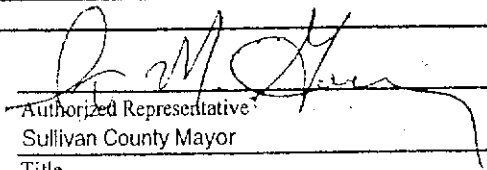
17. Description of Compliance with Written Debt Management Policy:
(Use additional pages if necessary)

The purpose of capital lease was for the replacement of dump trucks in the Highway Department. The legal requirements of the issuance have been met and the annual debt reports have been presented to the County Commission through an appropriating resolution. This issue did not require the professional services of counsel or a financial advisor. Those involved in the decision making process for the issue adhered to the county ethics policy and did not violate any rule or regulation of professional conduct. The issue was awarded based upon three (3) competitive bids. The repayment will be made from the Highway Fund following the stright-line method of repayment and will be retired by June 30, 2018. Thus those requirements pertaining to the Debt Service Fund and its balances and payments do not pertain to this issue.

18. (If any) Description of Derivative and Compliance with Written Derivative Management Policy:
(Use additional pages if necessary)

At the present time, Sullivan County does not participate in derivative transactions.

19.

	William J. Anderson
Authorized Representative	Preparer
Sullivan County Mayor	Director, Accounts and Budgets
Title	Title
09/30/2013	Sullivan County
Date	Firm
steve.godsey@sullivancountytn.gov	09/30/2013
Email	Date
	william.anderson@sullivancountytn.g
	Email

20.
Submitted to Governing Body on 10/21/2013 and presented at its public meeting held on 10/21/2013

COPY TO: Director - Office of State and Local Finance, 505 Deaderick Street, Suite 1600,
James K. Polk State Office Building, Nashville TN 37243-1402

000032

SULLIVAN COUNTY ENHANCED 9-1-1

EMERGENCY COMMUNICATIONS DISTRICT

P.O. Box 485, 1570 Hwy. 394
Blountville, TN 37617

(423) 279-7606 or (423) 279-7612

Fax: (423) 279-7611

Office Hours: 8:00 A.M. - 5:00 P.M.

EMERGENCY 9-1-1

Sheriff • Fire • Rescue Squads
Police • Ambulance • Lifesaving Crews

IKE D. LOWRY
DIRECTOR
(423) 279-7612

September 25, 2013

Honorable Steve Godsey
Sullivan County Mayor
3411 Highway 126
Blountville, TN 37617

Dear Mayor Godsey,

We regret to inform you that Mr. Don Adams, a Sullivan County Emergency Communications District Board member has recently passed away on September 3rd 2013. His service and friendship will be missed.

Mr. Adams was appointed to the Sullivan County Emergency Communications District Board in August 1995. His appointment does not expire until August 2016.

I request that you fill that position at your convenience.

Your consideration in this matter would be greatly appreciated. If you have any questions please give me a call at 423-646-9111.

Sincerely,


Ike D. Lowry
Director

Wanda,
just put
me on
this

010532

SULLIVAN COUNTY BOARD OF COMMISSIONERS

Confirmation of Appointment

Whereas in accordance with T.C.A. §7-86-105(b)(1), Sullivan County Mayor, Steve M. Godsey recommends in favor of making the following appointment to fill out an unexpired term on the Sullivan County 9-1-1 Emergency Communications District Board;

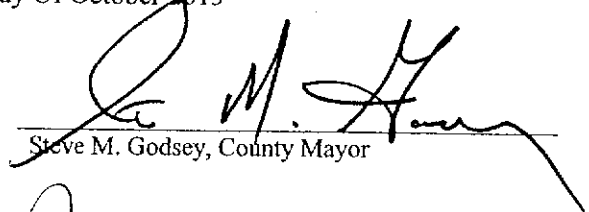
Now therefore, the Sullivan County Board of Commissioners hereby confirms the appointment as set below:

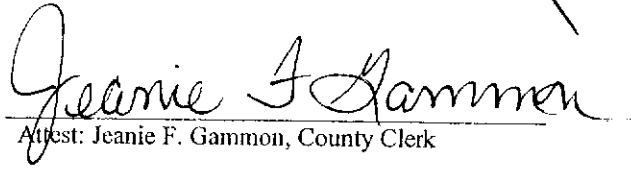
Sullivan County Emergency Communications District Board

Steve Godsey

Terms Expire September 2016

Confirmed this 21st Day Of October 2013


Steve M. Godsey, County Mayor


Attest: Jeanie F. Gammon, County Clerk

Commission Action:

- Approved by Roll Call Vote
- Approved by Voice Vote
- Rejected on Vote

AYE	NAY	PASS	ABSENT
			1

000034

SULLIVAN COUNTY ENHANCED 9-1-1

EMERGENCY COMMUNICATIONS DISTRICT

P.O. Box 485, 1570 Hwy. 394
Blountville, TN 37617

(423) 279-7606 or (423) 279-7612
Fax: (423) 279-7611

Office Hours: 8:00 A.M. - 5:00 P.M.

EMERGENCY 9-1-1

Sheriff • Fire • Rescue Squads
Police • Ambulance • Lifesaving Crews

IKE D. LOWRY
DIRECTOR
(423) 279-7612

September 25, 2013

Honorable Steve Godsey
Sullivan County Mayor
3411 Highway 126 Suite 206
Blountville, TN 37617

Dear Mayor Godsey,

Will you please consider reappointing Peggy Rutherford, Terry Jones and Sheriff Wayne Anderson to the Sullivan County 9-1-1 Board at the next Sullivan County Commission meeting? This appointment is a four-year term and this term expires September 2017.

- Mrs. Rutherford has been an active member since February 2007 and started serving as Treasurer in 2007. Mrs. Rutherford has spent her life helping her Community and is active with Avoca Volunteer Fire Department.
- Mr. Jones has been an active member since July 2012 but before that served on the Board from 2001 – 2010. (He is presently serving out Mrs. Ree Stomer's term.) Mr. Jones is an active member in the Community and the Piney Flats Volunteer Fire Department.
- Sheriff Anderson has been an active member since August 1998. Sheriff Anderson is very active in the Community and an active member on various Boards.

Your consideration in this matter is greatly appreciated. If you have any questions concerning this matter, please do not hesitate to call me at 423-279-7612 or 423-646-9111.

Sincerely,


Ike D. Lowry
Director

SULLIVAN COUNTY BOARD OF COMMISSIONERS

Confirmation of Appointment

Whereas in accordance with T.C.A. §7-86-105(b)(1), Sullivan County Mayor, Steve M. Godsey recommends in favor of making the following re-appointments to the Sullivan County 9-1-1 Emergency Communications District Board;

Now therefore, the Sullivan County Board of Commissioners hereby confirms the appointments as set below:

Sullivan County Emergency Communications District Board

Peggy Rutherford


Terry Jones

Wayne Anderson

Terms Expire September 2017

Confirmed this 21st Day Of October 2013


Steve M. Godsey, County Mayor


Attest: Jeanie F. Gammon, County Clerk

Commission Action:

- Approved by Roll Call Vote
- Approved by Voice Vote
- Rejected on Vote

AYE	NAY	PASS	ABSENT
			1

000380

OCTOBER 21, 2013

**PRESENTATION WAS MADE BY TOM PARHAM AND JOE HERRON ON
THE SBK ANIMAL SHELTER**

DR. YENNIE, SCHOOL SUPT. GAVE AN UPDATE ON THE SCHOOL SYSTEM

SULLIVAN COUNTY COMMISSION
Public Comment Session
Monday, October 21, 2013

PLEASE PRINT

	Name	Street Address	City & State	Please Check if Zoning Issue
1	Bill Kilgore	1205 Madavan Dr	Kipt TN	
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				

000538

SULLIVAN COUNTY CLERK
JEANIE F. GAMMON COUNTY CLERK
3258 HIGHWAY 126 SUITE 101
BLOUNTVILLE TN 37617
Telephone 423-323-6428
Fax 423-279-2725

Notaries to be elected October 21, 2013

ASHLEY M. ALLEY
JANICE A. AMOS
CONNIE B BALL
LONNIE D. BARRETT
STACEY C BAUMGARDNER
JUDY L. BOTTS
JOHN C BOWLES
KATHY LYNN BROOKS
BARBARA L. BROWN
SHARON M. BUMGARDNER
AMELIA CALDWELL
BRENT CARRIER
MAXINE SNYDER CARTER
VINITA J CHEN
BRYAN KEITH CLEMONS
JUDY MARIE COLE
E ELLEN CORVIN
NICKOLAS TANNER CRADIC
JO ANN CUMMINGS
KATHY A. DEEL
CHRISTINE L DERR
MELISSA KAY DIMECH
STEFFANY NICOLE ELKINS
AMY E. FORTNER
CANDY FOSTER-ROARK
S. RENEE GARBER
CAROL J. GARDNER
JAMES I. GENTRY
VIKKI RENAE GLOVIER
E GUY HARDIN
MELISSA A. HOWINGTON
SHARON HORMEL HURD
V. MARIE JONES
ELLA ANNETTE KANE

CHARLENE D. KNICELY
TIM J. LANE
CONNIE R. LAWSON
VAN GORDON LIGHT II
LINDA C LONG
MELISSA J. LOWE
MICHELLE WATKINS MARTINDALE
LACRESHA RENEE MCCONNELL
GEORGE W. MCREE
DOUGLAS ALLISON MULLINS
ANDRIA M MURPHY
SUZANNE M NEALE
JULIE RENEA NEELEY
REBECCA C. OLIVER
VICKI RENEE PAINTER
CHAD TIMOTHY PARKER
RITCHIE G PHILLIPS
KIMBERLEY DAWN RHOTON
JAMES W. ROGERS JR.
BRANDIE NICHOLE ROLLER
CHARLSIE SHAFFER
SHELIA B SHELTON
KIM G. SHIVELL
REGINA L SLAUGHTER
TRACY R. SMITH
AMY MICHELLE SPEARS
KEITH H STEERE
DAVID C. STRAIGHT
ANGELA RENEE STUART
JESSICA ANN TORRES
TAMARA TURNER
SONDRA J TURNER
DEAVON LEIGH WALKER
SANDRA O. WHITTAKER

UPON MOTION MADE BY COMM.
CRAWFORD AND SECONDED BY COMM.
HARKLEROAD TO APPROVE THE NOTARY
APPLICATIONS HEREON, SAID MOTION
WAS APPROVED BY ROLL CALL VOTE OF
THE COMMISSION. 23 AYE, 1 ABSENT

PERSONAL SURETY
WESTERN SURETY COMPANY 5157
JUDY MARIE COLE
KATHY A DEEL
AMY E. FORTNER
92-BV-T873-6

SULLIVAN COUNTY CLERK
JEANIE F. GAMMON COUNTY CLERK
3258 HIGHWAY 126 SUITE 101
BLOUNTVILLE TN 37617
Telephone 423-323-6428
Fax 423-279-2725

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Notaries to be elected October 21, 2013

CNA SURETY #16043653N
92BVV3283
41095758N
RLI INSURANCE COMPANY
KIMBERLEY D. RHOTON
MICHAEL K. FRIDAY
JESSICA A. TORRES
WESTERN SURETY COMPANY
STATE FARM INSURANCE

00003

STATE OF TENNESSEE
COUNTY OF SULLIVAN

APPROVAL OF NOTARY
SURETY BONDS

OCTOBER 21, 2013

NAME OF NOTARY

ANN ELIZABETH SIKES
GAIL B. ODELL
DINAH J. LAWSON

PERSONAL SURETY

G. TODD EAST
CHARLES L. MOFFETT
CHARLES W. HUNT

PERSONAL SURETY

K. JEFF LUETHKE
FRANK L. SLAUGHTER, JR.
C. EDWIN WILLIAMS

UPON MOTION MADE BY COMM. CRAWFORD AND SECONDED BY COMM. HARLKEROAD TO
APPROVE THE NOTARY BONDS OF THE ABOVE NAMED INDIVIDUALS, SAID MOTION WAS
APPROVED BY ROLL CALL VOTE OF THE COMMISSION. 23 AYE, 1 ABSENT

2

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AGENDA

Sullivan County Board of County Commission October 21, 2013

The Sullivan County Board of County Commissioners will hold a public hearing on Monday, October 21, 2013 at 9:00 A.M. in the Sullivan County Courthouse, Blountville, TN to consider the following requests:

- (1) File No 07/13/#1 John Hulse
Reclassify 9.8 acres of property located at 456 West Valley Drive from A-1 (General Agricultural/Estate Residential District) to R-3 (Manufactured Residential Dwelling Park District) for the purpose of getting an existing grandfathered mobile home park into compliance with the County Zoning Resolution. Tax Map 118, Parcel 06900 and being located in the 15th Civil District.
Sullivan County Planning

00000
07/13/13 5

PETITION TO SULLIVAN COUNTY FOR REZONING

A request for rezoning is made by the person named below; said request to go before the Sullivan Co. Regional Planning Commission for recommendation to the Sullivan County Board of Commissioners.

Property Owner: John Hulse
Address: 857 Poplar Grove Road
Kingsport, TN 37664
Phone 423-349-4275 Date of Request 08/05/2013
Property Located in 15 Civil District

John H. Hulse
Signature of Applicant

OFFICE USE ONLY

Meeting Date 09/17/2013 Time 6:00PM

Place Sullivan County Historic Courthouse, Blountville, TN

Planning Commission Approved 6:00P
September 17 Denied

County Commission Approved 9:01 am
October 21, 2013 Denied

Other Roll Call Vote 23 Aye, 1 Absent

Final Action Date 10-21-13

PROPERTY IDENTIFICATION

Tax Map No. 118 / Group / Parcel 069.00

Zoning Map 23 / Zoning District A-1 / Proposed District R-3

Property Location: 456 West Valley Drive, Kingsport, TN

Purpose of Rezoning: Get an existing grandfathered in mobile home park to the mobile home park zoning district

The undersigned, being duly sworn, hereby acknowledges that the information provided in this petition to Sullivan County for Rezoning is true and correct to the best of my information, knowledge and belief.

John H. Hulse

AND SUBSCRIBED before me this 5th day of August, 2013.

J. Lambert
Notary Public



00039.

MOTION ON FLOOR

MOTION AS FOLLOWS:

MOTION THAT WE NOT MAKE A PUBLIC RECORD OF ANY
DOCUMENTATION THAT IS NOT SIGNED

MOTION MADE BY: KILGORE
SECONDED BY: CRAWFORD

ACTION: APPROVED 10-21-13
VOICE VOTE

MEMBERS OF THE COMM.	No. Reasoning Request				No. Resolutions				No.					
	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay
Shull	✓						✓	✓			✓	✓		
Surgner	✓						P	✓			✓	✓		
White	✓						✓				✓	✓		
Williams	✓						✓				✓	✓		
Armstrong	✓						✓				✓	✓		
Comershiner	✓						✓				✓	✓		
Bowery	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Boyd	✓						✓				✓	✓		
Brittenham	✓						✓				✓	✓		
Brotherton	✓						✓				✓	✓		
Calton	✓						✓				✓	✓		
Crawford	✓						✓				✓	✓		
Ferguson	✓						✓				✓	✓		
Ladner	✓						✓				✓	✓		
Harkroad	✓						✓				✓	✓		
Hood	✓						✓	✓			✓	✓		
Houser	✓						✓				✓	✓		
Johnson	✓						✓				✓	✓		
Kilgore	✓						✓				✓	✓		
King	✓						✓				✓	✓		
Marsh	✓						✓	✓			✓	✓	P	
McClothlin	✓						✓				✓	✓		
Morrill	✓						✓				✓	✓		
Neal	✓						✓				✓	✓		
	23 Aye										18 Aye	7 Aye	23 Aye	27 Aye
	1 Abs										4 Abs	1 Abs	1 Abs	1 Abs
											1 Abs	1 Abs	1 Abs	1 Abs
											1 Abs			

00033

THE COMMUNIONERS	No.		No.		No.		No.		No.		Kilgore Motion		No.		No.	
	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay
Surgenor	✓		✓		✓		✓		✓		A					
White	✓		✓		✓		✓		✓		✓					
Williams	✓		✓		✓		✓		✓		✓					
Armstrong	✓		✓		✓		✓		✓		✓					
Tomshine	✓		✓		✓		✓		✓		✓					
Bowery	A		A		A		A		A		A		A		A	
Boyd	✓		✓		✓		✓		✓		✓					
Brittenham	✓		✓		✓		✓		✓		✓					
Stherton	✓		✓		✓		✓		✓		✓					
Calton	✓		✓		✓		✓		✓		✓					
Rawford	✓		✓		✓		✓		✓		✓					
Ferguson	✓		✓		✓		✓		✓		✓					
Gardner	✓		✓		✓		✓		✓		✓					
Blair	✓		✓		✓		✓		✓		✓					
Hood	✓		✓		✓		✓		✓		✓					
Houser	✓		✓		✓		✓		✓		✓					
Johnson	✓		✓		✓		✓		✓		✓					
Kilgore	✓		✓		✓		✓		✓		✓					
King	✓		✓		✓		✓		✓		✓					
Marsh	✓		✓		✓		✓		✓		✓					
Cothline	✓		✓		✓		✓		✓		✓					
Morrell	✓		✓		✓		✓		✓		✓					
Neal	✓		✓		✓		✓		✓		✓					
Shull	✓		✓		✓		✓		✓		✓					
	22 Aye		23 Aye		23 Aye		23 Aye		23 Aye		12 Aye					
	1 Pass		1 Abs		1 Abs		1 Abs		1 Abs		10 Nay					
	1 Absent										2 Absent					

RESOLUTIONS ON DOCKET FOR OCTOBER 21, 2013

RESOLUTIONS	ACTION
#1 AMENDMENTS TO THE SULLIVAN COUNTY ZONING RESOLUTION	APPROVED 10-21-13
#2 TO STATE THAT THE ARREST FOR OR CONVICTION OF A CRIMINAL CHARGE MAY BE GROUNDS TO DENY EMPLOYMENT WITH SULLIVAN COUNTY	APPROVED 10-21-13
#3 ELIMINATING AUTOMATIC ADJUSTMENT IN COMPENSATION FOR COUNTY COMMISSIONERS BASED ON PERCENTAGE OF COUNTY MAYOR'S SALARY	FAILED 10-21-13
#4 ACCEPT AND APPROPRIATE GRANT FUNDS FOR THE SULLIVAN COUNTY LIBRARY	APPROVED 10-21-13
#5 ADOPTING A SELF-FUNDED HEALTH IINSURANCE PLAN FOR SULLIVAN COUNTY EMPLOYEES	APPROVED 10-21-13
#6 AUTHORIZING THE REAPPORTIONMENT OF BOARD OF EDUCATION DISTRICTS	APPROVED 10-21-13
#7 AMEND THE 2013-2014 GENERAL PURPOSE SCHOOL BUDGET FOR THE SAFE SCHOOLS GRANT RECEIVED FROM THE STATE OF TN IN THE AMOUNT OF \$30,055.00	APPROVED 10-21-13
#8 ACCEPT AND APPROPRIATE FUDNS FROM THE OVERMOUNTAIN VICTORY NATIONAL HISTORIC TRAIL	APPROVED 10-21-13
#9 SUBMIT GRANT APPLICATION, ACCEPT FUNDS AND APPROPRIATE FUNDS	APPROVED 10-21-13
#10 ACCEPT \$100,000 GRANT FROM TN HOUSING DEVELOPMENT AGENCY FOR JULY 2013 FLOOD REPAIRS	APPROVED 10-21-13

Sullivan County, Tennessee
Board of County Commissioners

Item 1
No. 2013-10-00

To the Honorable Steve M. Godsey, Mayor of Sullivan County, and the Board of Sullivan County Commissioners meeting in Regular Session this 21st day of October 2013.

RESOLUTION To Consider Amendment(s) To The SULLIVAN COUNTY ZONING PLAN: Zoning Map Or The Zoning Resolution

WHEREAS, the rezoning petition(s) have been duly initiated; have been before the appropriate Regional Planning Commission (recommendations enclosed); and shall receive a public hearing as required prior to final action from the County Commission; and

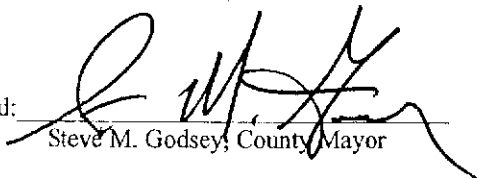
WHEREAS, such rezoning petition(s) and/or the proposed text amendment(s) will require an amendment to the SULLIVAN COUNTY ZONING PLAN – Zoning Map or Zoning Resolution.

NOW THEREFORE BE IT RESOLVED that the Board of County Commissioners of Sullivan County, Tennessee, assembled in Regular Session hereby consider rezoning petition(s) and/or the Zoning Resolution Text Amendment(s), conduct the appropriate public hearing as required by law, and vote upon the proposed amendment(s) individually, by roll call vote, and that the vote be valid and binding, and that any necessary amendments to the official zoning map or resolution code book be made by the Planning & Codes Department.

All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Duly passed and approved this 21st day of October 2013.

Attested: 
Jeanie Gammon, County Clerk

Approved: 
Steve M. Godsey, County Mayor

Sponsor: John Crawford
Prime Co-Sponsor(s): John Gardner

2013-10-00	County Commission
ACTION	Approved 10-21-13 Voice Vote

Notes:

Sullivan County, Tennessee
Board of County Commissioners

Item 2
Administrative/Executive
No. 2013-08-66
SUBSTITUTE RESOLUTION II

To the Honorable Steve M. Godsey, Mayor of Sullivan County, and the Board of Sullivan County Commissioners meeting in Regular Session this 19th day of August 2013

RESOLUTION To State That The Arrest For Or Conviction Of A Criminal Charge May Be Grounds To Deny Employment With Sullivan County

WHEREAS, it is the responsibility of the Sullivan County Government to see after the well-being of all County affairs relating to the ethics, safety, and efficient operation of all agencies that fall under its operations.

NOW THEREFORE BE IT RESOLVED that the Board of County Commissioners of Sullivan County, Tennessee, assembled in Regular Session, hereby states that individuals who have been arrested for or convicted of a criminal charge may be denied employment by Sullivan County. Should the applicant follow the proper prevailing judicial process and be granted an expungement of their conviction, the applicant can be considered.

This resolution shall take effect from and after its passage. All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Approved this 21st day of October 2013.

Attested: Jeanie Gammon
Jeanie Gammon, County Clerk

Approved: Steve M. Godsey
Steve M. Godsey, County Mayor

Sponsored By: Eddie Williams
Prime Co-Sponsor(s): Dwight King

2013-08-66	Administrative	Budget	Executive	County Commission
ACTION	No Action 8-7-13; Approved 10-2-13	Approved 8-8-13; Approved 10-3-13	No Action 8-6-13; No Action 10-1-13	Approved 10-21-13 18 Aye, 4 Nay, 1 Pass, 1 Absent

Notes: Replaces Original Resolution No. 2013-08-66 & Revision No. 1 Which Have Already Gone Through The Committees As Listed With Above August 2013 Dates

1st Reading Substitute Resolution No. II 09-16-13;

Sullivan County, Tennessee
Board of County Commissioners

Item 3
Budget
No. 2013-09-76

To the Honorable Steve M. Godsey, Mayor of Sullivan County, and the Board of Sullivan County Commissioners meeting in Regular Session this 16th day of September 2013

RESOLUTION Eliminating Automatic Adjustment In Compensation For County Commissioners Based On Percentage Of County Mayor's Salary

WHEREAS, the Sullivan County Board of Commissioners approved Resolution No. 2007-03-27, as amended, on April 16, 2007 establishing a revised compensation policy for County Commissioners such that effective July 1, 2008 the compensation for County Commissioners shall be set at seven percent (7%) of the County Mayor's salary; and

WHEREAS, the County Mayor's salary, including any increases, is set annually by Tennessee state statute and not by the Sullivan County Board of Commissioners; and

WHEREAS, pursuant to state statute, the increase to the County Mayor's salary for the 2013-2014 fiscal year was 4.6% likewise resulting in a 4.6% increase in the compensation of County Commissioners; and

WHEREAS, due to the current condition of the economy, it is not in the best interest of the taxpayers of Sullivan County for the County Commissioners' compensation to be increased automatically based on increases to the salary of the County Mayor.

NOW THEREFORE BE IT RESOLVED that the Board of County Commissioners of Sullivan County, Tennessee, assembled in Regular Session, hereby direct that effective July 1, 2013 the monthly salary paid to County Commissioners shall be set at \$618.16 and shall no longer be tied to a percentage of the County's Mayor's salary. Hereafter, any future adjustments in the monthly compensation paid to County Commissioners shall require approval by the full County Commission unless established by Tennessee state statute.

This resolution shall take effect from and after its passage. All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Approved this _____ day of _____ 2013.

Attested: _____
Jeanie Gammon, County Clerk

Approved: _____
Steve M. Godsey, County Mayor

Sponsored By: Pat Shull
Prime Co-Sponsor(s): Ed Marsh

2013-09-76	Administrative	Budget	Executive	County Commission
ACTION	Deferred 9-11-13; Failed 10-2-13	No Action 10-1-13; Failed 10-3-13	No Action 9-11-13; No Action 10-1-13	Failed 10-21-13 7 Aye, 16 Nay, 1 Absent

Notes: 1st Reading 09-16-13;

Sullivan County, Tennessee
Board of County Commissioners

Item 4
Administrative/Budget
No. 2013-10-78

To the Honorable Steve M. Godsey, Mayor of Sullivan County, and the Board of Sullivan County Commissioners meeting in Regular Session this 21st day of October 2013

RESOLUTION To Accept And Appropriate Grant Funds For The Sullivan County Library

WHEREAS, a grant has become available through the Tennessee State Library and Archives in an amount up to \$4,000 for staff computers for all library locations; and

WHEREAS, the Sullivan County Library has anticipated and planned for this project and has chosen to spend a portion of their budget on this projec.

NOW THEREFORE BE IT RESOLVED that the Board of County Commissioners of Sullivan County, Tennessee, assembled in Regular Session hereby approves accepting and appropriating funds in an amount up to \$4,000.00 from the Department of State, Tennessee State Library and Archives.

BE IT RESOLVED that the Sullivan County Library will provide matching funds per grant guidelines from their current budget (Lester Child's Estate). Account Codes assigned by the Office of Accounts & Budgets as follows:

Revenue 101.46990.Pgm 141
Appropriation 101.56500.700. Pgm 141

This resolution shall take effect from and after its passage. All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Approved this 21st day of October 2013.

Attested: Jeanie Gammon
Jeanie Gammon, County Clerk

Approved: Steve M. Godsey
Steve M. Godsey, County Mayor

Sponsored By: Bob White
Prime Co-Sponsor(s): Mark Bowery, Linda Brittenham

2013-10-78	Administrative	Budget	Executive	County Commission
ACTION	Approved 10-2-13	Approved 10-3-13	Approved 10-1-13	Approved 10-21-13 23 Aye, 1 Absent

Notes: **Waiver of rules requested.**

Sullivan County, Tennessee
Board of County Commissioners

Item 5
Budget
No. 2013-10-79

To the Honorable Steve M. Godsey, Mayor of Sullivan County, and the Board of Sullivan County Commissioners meeting in Regular Session this 21st day of October 2013

RESOLUTION Adopting A Self-Funded Health Insurance Plan For Sullivan County Employees And Retirees Under Age 65 Effective January 1, 2014 And Authorizing Contract With MCA To Act As Third-Party Administrator For Sullivan County's Self-Funded Health Insurance Plan

WHEREAS, the insurance premiums for health insurance coverage for Sullivan County's employees have continued to increase over the last several years and premiums are projected to increase substantially in 2014; and

WHEREAS, Sullivan County's insurance broker has evaluated and presented various types of health insurance plans to the Sullivan County Insurance Committee for its consideration; and

WHEREAS, the Insurance Committee has considered several available options to continue the health insurance coverage for Sullivan County employees while trying to maintain a similar level of benefits to those currently provided to employees; and

WHEREAS, after considering all available options presented, the Insurance Committee has recommended that Sullivan County change to a self-funded health insurance plan for all Sullivan County employees and retirees under age 65 effective January 1, 2014. This plan will include reinsurance coverage for all claims exceeding \$100,000 per covered member and with a total maximum plan liability for the 2014 calendar year (1/1/2014 - 12/31/2014) of \$6,554,303.00; and

WHEREAS, the Insurance Company has also recommended that Sullivan County contract with MCA to administer Sullivan County's self-funded health insurance plan pursuant to the proposal accompanied with this resolution.

NOW THEREFORE BE IT RESOLVED that the Board of County Commissioners of Sullivan County, Tennessee, assembled in Regular Session, hereby adopt the self-funded health insurance plan recommended by the Insurance Committee for all Sullivan County employees and retirees under age 65 with said plan to become effective January 1, 2014. The employee and employer share of cost for the plan shall remain the same as the 2013 calendar year. The High Deductible Plan will no longer be offered.

BE IT FURTHER RESOLVED that Sullivan County contract with MCA to administer the self-funded health insurance plan for Sullivan County's employees and retirees under age 65.

Waiver Of Rules Requested

This resolution shall take effect from and after its passage. All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Approved this 21st day of October 2013.

Attested: Jeanie Gammon
Jeanie Gammon, County Clerk

Approved: Steve M. Godsey
Steve M. Godsey, County Mayor

Sponsored By: Linda Brittenham

**Prime Co-Sponsor(s): Dwight King, Randy Morrell, W. G. Kilgore, Bob White,
Ty Boomershine, Mark Bowery, Eddie Williams**

2013-10-79	Administrative	Budget	Executive	County Commission
ACTION	Approved 10-2-13	Approved 10-3-13	Approved 10-1-13	Approved 10-21-13 22 Aye, 1 Pass, 1 Absent

Notes:

SULLIVAN COUNTY GOVERNMENT

January 1, 2014

12/12 Specific and 12/12 Aggregate TLO

IN-NETWORK

\$2500 Deductible Individual/\$1000 Out of Pocket (OOP excludes Deductible)

		OPTION 1
MEDICAL CLAIMS PROCESSING FEE		\$21.00
INPATIENT UR (Care Network)		\$3.00
PPO COORDINATION FEE		\$1.50
PPO FEES (HWHN)		\$3.15
PPO ACCESS FEES (USA MCO)		\$2.60
COBRA/HIPAA ADMINISTRATION		\$1.15
AHDI (WELLNESS/DISEASE MANAGEMENT)		\$4.90
TOTAL MONTHLY TPA ADMIN		\$24,767.20
SPECIFIC LEVEL		\$100,000
SPECIFIC PREMIUM		
	SINGLE 239	\$46.06
	FAMILY 425	\$104.15
	TOTAL EE's 664	
CONTRACT		12/12
BENEFITS		MEDICAL/RX
CARRIER		COMPANION LIFE
AGGREGATE PREMIUM / EE		\$3.30
TOTAL MONTHLY PREMIUM		\$97,483
TOTAL MONTHLY FIXED COSTS		\$37,230
AGGREGATE FACTORS		
	SINGLE 239	\$340.43
	FAMILY 425	\$769.84
	TOTAL EE's 664	
CONTRACT		12/12 W/TLO
BENEFITS		MEDICAL/RX
MONTHLY AGGREGATE LIABILITY		\$409,845
TOTAL ANNUAL FIXED COSTS		\$986,766
TOTAL ANNUAL AGGREGATE LIABILITY		\$4,902,537
MAXIMUM PLAN LIABILITY		\$5,889,303

Specific and Aggregate Contracts cover Medical and RX.

START UP FEE (ONE TIME): \$3,000

ANNUAL ADMIN. FEE: \$1,500

ANNUAL PLAN DOCUMENT/SBC FEE: \$1,000

ID CARD PER SET (RED CARD) - \$1.50

BASED ON LARGE CLAIM REPORT CLAIMS PAID 1/1/2013 THROUGH 7/31/2013 (SEE ATTACHED).

AGGREGATING SPECIFIC DEDUCTIBLE OF \$965,000 FOR THE FOLLOWING:

MEMBER 0001 (OTHER MALIGNANT LYMPHOMAS);

MEMBER 0006 (CONGESTIVE HEART FAILURE);

MEMBER 0007 (ENCOUNTER FOR ANTINEOPLASTIC CHEMOTHERAPY).

CARRIER IS WILLING TO REUNDERWRITE THESE INDIVIDUALS THROUGH JANUARY, 2014.

Option Selected: _____ Selected By: _____

000001

Sullivan County, Tennessee
Board of County Commissioners

Item 6
Executive
No. 2013-10-80
Attachment

To the Honorable Steve M. Godsey, Mayor of Sullivan County, and the Board of Sullivan County Commissioners meeting in Regular Session this 21st day of October 2013

RESOLUTION Authorizing The Reapportionment Of Board Of Education Districts

WHEREAS, TCA § 49-2-201(a)(1) provides that the districts shall be of substantially equal population established by resolution of the local legislative body; and

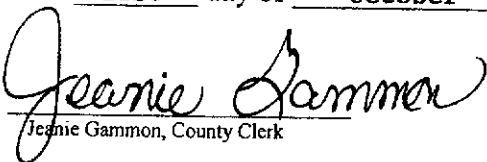
WHEREAS, at the direction of the Sullivan County Commission the Redistricting Committee has considered the 2010 decennial census data and unanimously recommended that the districts be adjusted in the manner shown on the attached *Exhibit A* so as to better equalize the county population among the districts; and

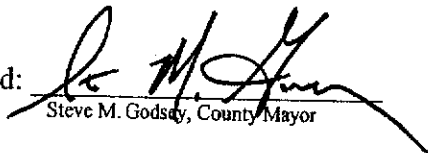
WHEREAS, the Sullivan County Commission does hereby concur with the recommendation of the Redistricting Committee.

NOW THEREFORE BE IT RESOLVED that the Board of County Commissioners of Sullivan County, Tennessee, assembled in Regular Session hereby establish that members of the Sullivan County Board of Education shall be elected from the Districts as defined in *Exhibit A*. That the new boundaries for districts as defined in *Exhibit A* shall be effective for the next Board of Education election, and nothing in this Resolution shall be construed as abridging the status of any office holder prior to the end of such person's current term of office. That the Mayor shall notify the Sullivan County Election Commission of this action and shall provide any additional information that may be requested. That Sullivan County shall print *Exhibit A* and a legal description in a newspaper of general circulation in order to properly advise the citizens of Sullivan County of this change in the boundaries for Sullivan County Board of Education Districts.

This resolution shall take effect from and after its passage. All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Approved this 21st day of October 2013.

Attested: 
Jeanie Gammon, County Clerk

Approved: 
Steve M. Godsey, County Mayor

Sponsored By: Bill Kilgore
Prime Co-Sponsor(s): Mark Bowery, Bryan Boyd, James "Moe" Brotherton, Terry Harkleroad, Dwight King, Ed Marsh

2013-10-80	Administrative	Budget	Executive	County Commission
ACTION	Approved 10-2-13	Approved 10-3-13	Approved 10-1-13	Approved 10-21-13 22 Aye, 1 Pass, 1 Absent

Notes: Waiver of rules requested.

000008

Sullivan County, Tennessee
Board of County Commissioners

Item 7
Budget
No. 2013-10-81
Attachment

To the Honorable Steve M. Godsey, Mayor of Sullivan County, and the Board of Sullivan County Commissioners meeting in Regular Session this 21st day of October 2013

RESOLUTION To Amend The 2013 - 2014 General Purpose School Budget For The Safe Schools Grant Received From The State Of Tennessee In The Amount Of \$30,055.00.

WHEREAS, the State of Tennessee has made available additional funds for this program which were left over from the 2012-2013 fiscal year; and

WHEREAS, these monies will be used to provide funds to the Department of Education to improve school security; and

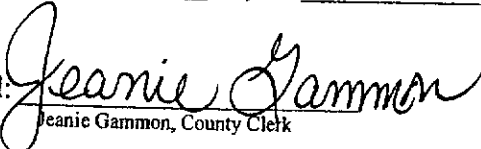
WHEREAS, the Sullivan County Department of Education Board approved this grant with no additional local funds required.

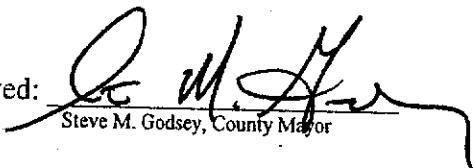
NOW THEREFORE BE IT RESOLVED that the Board of County Commissioners of Sullivan County, Tennessee, assembled in Regular Session, hereby authorizes amending the General Purpose School Budget as follows:

Account Number	Account Description	Amount
46590.000.00.175.0000.000	Other State Grants	+30,055.00
72620.790.00.175.0000.000	Maintenance of Plant - Other Supplies and Materials	+30,055.00

This resolution shall take effect from and after its passage. All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Approved this 21st day of October 2013.

Attested: 
Jeanie Gammon, County Clerk

Approved: 
Steve M. Godsey, County Mayor

Sponsored By: John Gardner
Prime Co-Sponsor(s): Dennis Houser, Matthew Johnson, Bryan Boyd, O. W. Ferguson, Kit McGlothlin, Pat Shull, Baxter Hood, Terry Harkleroad

2013-10-81	Administrative	Budget	Executive	County Commission
ACTION	Approved 10-2-13	Approved 10-3-13	Approved 10-1-13	Approved 10-21-13 23 Aye, 1 Absent

Notes: Waiver of rules requested.

**Safe Schools Act of 1998
Proposed Budget**

School System: Sullivan County Department of Education

Grant Year: 2012-2013

Item	State Funds	Local Match	Amount Budgeted
Blackbox Bantam Radios	\$ 6,270.00	\$ -	\$ 6,270.00
Security Cameras	\$ 9,688.00	\$ -	\$ 9,688.00
Intercom/Safety Entry System (Digital Format)	\$ 14,097.00	\$ -	\$ 14,097.00
Totals	\$ 30,055.00	\$ -	\$ 30,055.00

Sullivan County, Tennessee
Board of County Commissioners

Item 8
Administrative/Budget/Executive
No. 2013-10-82

To the Honorable Steve M. Godsey, Mayor of Sullivan County, and the Board of Sullivan County Commissioners meeting in Regular Session this 21st day of October 2013

RESOLUTION To Accept And Appropriate Funds From The Overmountain Victory National Historic Trail – Funding From The National Park Service And To Approve The Sullivan County Highway Department To Perform The Safety Improvements Per The Trail Plan.

WHEREAS, the County Planning & Codes Director has been advised from the Superintendent of the National Park Service, Overmountain Victory National Historic Trail that Sullivan County was awarded additional funding for purposes of making trailhead safety, access and landscaping improvements to the Patriots Trail along Silver Grove Road at the Swinging Footbridge; and

WHEREAS, the National Park Service awarded the county \$7,724.57 of Federal Funds with a no local match through the approved Cooperative Agreement ensuring maintenance of the trailhead; and

WHEREAS, the funds awarded shall be used to pave the parking area at the footbridge, create a landscaping berm for access control and extend the trail segment along the Holston River bank per the Phase II segment known as the Patriots' Trail, which is part of the overall adopted Sullivan County Master Plan of the Overmountain Victory National Historic Trail; and

WHEREAS, the budget for such improvements was estimated by the Sullivan County Highway Department and approved by the National Park Service; and

WHEREAS, once approved, the county highway department crew shall perform the work as specified in the plan with 100% reimbursement per the Cooperative Agreement between the county and the National Park Service; and

WHEREAS such Cooperative Agreement has been reviewed by the County Attorney prior to Federal approval; and

WHEREAS, the Director of Accounts and Budgets shall designate appropriate county codes as has been assigned with previous grants for the Overmountain Victory National Historic Trail project.

NOW THEREFORE BE IT RESOLVED that the Board of County Commissioners of Sullivan County, Tennessee, assembled in Regular Session, hereby authorize the acceptance of funds from the National Park Service, to authorize the Planning & Codes Director to serve as the local coordinator of the trail improvements per grant agreement and to authorize the county highway department to perform the work as planned. This resolution shall take effect from and after its passage. All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Waiver Of Rules Requested

00001

This resolution shall take effect from and after its passage. All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Approved this 21st day of October 2013.

Attested: Jeanie Gammon
Jeanie Gammon, County Clerk

Approved: Steve M. Godsey
Steve M. Godsey, County Mayor

Sponsored By: Dwight King

**Prime Co-Sponsor(s): Dennis Houser, James "Moe" Brotherton, Linda Brittenham,
Ty Boomershine**

2013-10-82	Administrative	Budget	Executive	County Commission
ACTION	Approved 10-2-13	Approved 10-3-13	Approved 10-1-13	Approved 10-21-13 23 Aye, 1 Absent

Notes:

000010

Sullivan County, Tennessee
Board of County Commissioners

Item 9
Administrative/Budget
No. 2013-10-83

To the Honorable Steve M. Godsey, Mayor of Sullivan County, and the Board of Sullivan County Commissioners meeting in Regular Session this 21st day of October 2013

RESOLUTION To Submit Grant Application, Accept Funds And Appropriate Funds

WHEREAS, Sullivan County Sheriff's Office has been awarded a Tennessee Governor's Highway Safety Office Multiple Violations Grant for the 2013-2014 Fiscal Year in the amount of \$74,966.00. The grant funds are to be used to purchase equipment and supplies that will be used in enforcing traffic violations and cover some overtime pay for officers to conduct Highway Safety activities.

WHEREAS, the Sheriff's office has received this grant for many years in the past and has taken numerous impaired and reckless drivers off the roadways.

NOW THEREFORE BE IT RESOLVED that the Board of County Commissioners of Sullivan County, Tennessee, assembled in Regular Session hereby approves the grant funding from the Tennessee Governor's Highway Safety Office in the amount of \$74,966.00 for use by the Sullivan County Sheriff's Office.

BE IT RESOLVED that the County Mayor is authorized to enter into any and all agreements, assurances, and/or contracts to accept grant funds to implement this project.

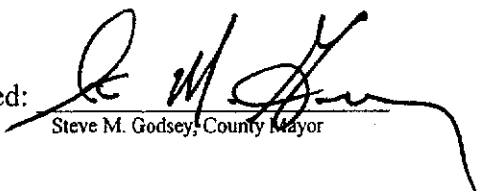
BE IT FURTHER RESOLVED that upon approval of said grant application, Sullivan County is hereby authorized to receive, appropriate, and expend said grant funds; not to exceed the above amount (\$74,966.00), as required by the grant contract. Account codes have already been established.

Waiver Of Rules Requested

This resolution shall take effect from and after its passage. All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Approved this 21st day of October 2013.

Attested: 
Jeanie Gammon, County Clerk

Approved: 
Steve M. Godsey, County Mayor

Sponsored By: John Crawford
Prime Co-Sponsor(s): Matthew Johnson

2013-10-83	Administrative	Budget	Executive	County Commission Approved 10-21-13 23 Aye, 1 Absent
ACTION				

Notes:

Sullivan County, Tennessee
Board of County Commissioners

Item 10
Administrative/Budget
No. 2013-10-84

To the Honorable Steve M. Godsey, Mayor of Sullivan County, and the Board of Sullivan County Commissioners meeting in Regular Session this 21st day of October 2013

RESOLUTION To Accept \$100,000 Grant From Tennessee Housing Development Agency For July 2013 Flood Repairs

WHEREAS, Sullivan County has received \$100,000 in funding from the Rebuild and Recover Program, administered by the Tennessee Housing Development Agency (THDA), to provide housing rehabilitation owner-occupied units of housing damaged by flooding and heavy rain in July 2013 for repairs not covered by insurance or other disaster relief programs; and

WHEREAS, the County desires to provide housing rehabilitation services to these residents in and equitable and consistent manner; and

WHEREAS, the County Commissioners understands that it needs to accept the grant funds and must approve program policies and procedures for this grant to ensure equitable and consistent housing rehabilitation services.


NOW, THEREFORE, BE IT RESOLVED, that the Sullivan County Commission does hereby authorize the acceptance of the Tennessee Housing Development Agency Rebuild and Recover Program and approves the document, "Policies and Procedures for the Sullivan County 2013 Rebuild and Recover Program".

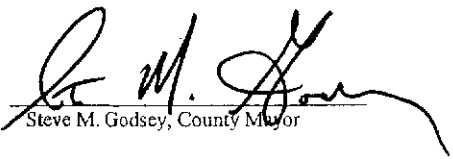
BE IT FURTHER RESOLVED that the County Commission does hereby authorize the First Tennessee Development District to provide administrative services in the manner accorded in these policies.

Waiver Of Rules Requested

This resolution shall take effect from and after its passage. All resolutions in conflict herewith be and the same rescinded insofar as such conflict exists.

Approved this 21st day of October 2013.

Attested: 
Jeanie Gammon, County Clerk

Approved: 
Steve M. Godsey, County Mayor

Sponsored By: Terry Harkleroad
Prime Co-Sponsor(s): John Crawford, Bill Kilgore, Michael Surgenor
Matthew Johnson

2013-10-84	Administrative	Budget	Executive	County Commission
ACTION				Approved 10-21-13 23 Aye, 1 Absent

Notes:

SULLIVAN COUNTY 2013 REBUILD AND RECOVER PROGRAM POLICIES AND PROCEDURES

1. PURPOSE

This program will make available grants to rehabilitate owner-occupied units of housing in Sullivan County damaged by flooding and heavy rain in July 2013 for repairs not covered by insurance or other disaster relief programs.

2. AUTHORITY

The legal authority of this program comes from the working agreement with Tennessee Housing Development Agency, Public Law 101-625 (National Affordable Housing Act of 1990), as well as State and local laws.

3. PROGRAM RESOURCES

The source of funds for the undertaking of these activities is a grant in the amount of \$100,000.00 which Sullivan County has been awarded by Tennessee Housing Development Agency (THDA).

4. APPLICABLE LAWS

- A. The local governing bodies, contractors, subcontractors, vendors and applicants for rehabilitation assistance are required to abide by a number of State and Federal laws, and may be required to sign documents certifying their compliance.
1. Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128 and 24 CFR 92.358).
 2. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)(42 U.S.C. 4201-4655), 49 CFR Part 24, and 24 CFR 92.353)
 3. Debarment and Suspension provisions as required by 24 CFR Part 24 and 24 CFR 92.357.
 4. National Environment Policy Act of 1969 (NEPA), 24 CFR Parts 50 and 58, and 24 CFR 92.352.
 5. Equal Opportunity Provisions and Fair Housing, 24 CFR 92.350.
 6. Affirmative Marketing, 24 CFR 92.351.
 7. Lead-based Paint Poisoning Prevention Act, 24 CFR 92.355.
 8. Conflict of Interest Provisions, 24 CFR 85.36 or 24 CFR 84.42, as applicable, and 24 CFR 92.356.
 9. Davis-Bacon Act and Contract Work Hours and Safety Standards Act, and 24 CFR 92.354.
 10. Intergovernmental Review of Federal Programs, Executive Order 12372 and 24 CFR

92.359.

11. Drug-Free Workplace, 24 CFR part 24, subpart F.
12. Standard Equal Opportunity Construction Contract Specifications.
13. Certification of Non-segregated Facilities for Contracts Over \$10,000.
14. Title VI of Civil Rights Act of 1964 Provisions.
15. Section 109 of Housing and Community Development Act of 1974 Provisions.
16. Section 3 Compliance Provisions.
17. Age Discrimination Act of 1975 Provisions.
18. Section 504 Affirmative Action for Handicapped Provisions.

5. DRUG-FREE WORKPLACE

- A. Sullivan County will continue to provide a drug-free workplace by
 1. Notifying employees in writing that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Grantee's workplace and specifying the action that will be taken against employees for violation of such prohibition.
 2. Establishing an ongoing drug-free awareness program to inform employees about:
 - a. The dangers of drug abuse in the workplace;
 - b. The Grantee's policy of maintaining a drug-free workplace;
 - c. Any drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- B. Providing each employee engaged in the performance of the Discovery Recovery Program contract a copy of the notification required in paragraph A(1) above;
- C. The written notification required in paragraph A (1) above will advise the employee that, as a condition of employment under the Disaster Recovery for Housing grant, the employee will:
 1. Abide by the terms of the notification; and
 2. Notify the employers in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction.
- D. Notifying the State in writing, within ten (10) calendar days after receiving notice under D(2) above from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal Agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant.

- E. Taking one of the following actions, within thirty (30) calendar days of receiving notice under D(2) above, with respect to any employee who is so convicted:
1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirement of the Rehabilitation Act of 1973, as amended; or
 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 3. Making a good faith effort to continue to maintain a drug-free workplace through implementation of Paragraphs A, B, C, D, E and F above.

6. CONFLICT OF INTEREST

- A. No person listed in paragraph B may obtain a financial interest or benefit from a Disaster Recovery Program-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.
- B. **PERSONS COVERED** – Immediate family members of any local elected official or of any employee or board member of a non-profit agency are ineligible to receive benefits through the DRH program. “Immediate family member” means the spouse, parent (including a stepparent), child (including a stepchild), grandparent, grandchild, sister or brother (including a stepsister or stepbrother) of any covered individual.

In addition, the conflict of interest provisions as apply to any person who is an employee, agent, consultant, officer, elected official or appointed official of THDA, the local community or the non-profit agency receiving Disaster Recovery Program funds, and who exercises or has exercised any functions or responsibilities with respect to activities assisted with Disaster Recovery Program funds or who is in a position to participate in a decision-making process or gain inside information with regard to these activities.

- C. **APPEARANCE OF A CONFLICT OF INTEREST** - Grantees must also make every effort to avoid the appearance of favoritism in the eligibility determination process. In those cases where the applicant is otherwise eligible, but there exists the appearance of a conflict of interest or the appearance of favoritism, the Grantee must complete HO-4A (Determination of a Conflict of Interest) and submit written documentation to THDA that the following procedures have been observed:
1. The Grantee must publish an announcement in the local newspaper concerning the potential for a conflict of interest and request citizen comments.
 2. The Grantee’s attorney must render an opinion as to whether or not a conflict of interest exists and that no state or local laws will be violated should the applicant receive Disaster Recovery Program assistance.
 3. The Grantee’s elected body must pass a resolution approving the applicant.

7. APPLICANT ELIGIBILITY

- A. **APPLICANT ELIGIBILITY CRITERIA:** The following criteria must be satisfied by all applicants in order to become eligible for a rehabilitation grant:
1. The applicant must be low or very low income as defined by Section 8 income requirements, i.e., below 80% of area median income.
 2. The applicant must have been the resident of the property to be rehabilitated for a period of not less than one year and must occupy the property as his or her principle residence.
 3. The applicant's ownership must be in the form of fee simple title or a 99-year leasehold. The title must not have any restrictions or encumbrances that would unduly restrict the good and marketable nature of the ownership interest.
 4. In the case of manufactured housing units, the applicant must own both the dwelling and the land on which the manufactured unit sits.
 5. The applicant must voluntarily apply for assistance.
- B. **APPLICATIONS** - All program beneficiaries must complete written applications for assistance and submit proof of income to determine eligibility before assistance can be provided.
1. At a minimum, applications must be signed and dated, and contain all household information including the names of all family members, sources and amounts of income, and sources and amounts of any assets.

8. INCOME ELIGIBILITY

- A. **INCOME LIMITS** - THDA Disaster Recovery funds can only be used to benefit low and very low income households. The income limits applicable are the current "Income Limits for Low-Income and Very Low-Income Families" (adjusted for family size) produced by the Department of Housing and Urban Development. Tennessee figures are included as **ATTACHMENT I: 2013 Income Limits**.
- B. **ANNUAL INCOME (GROSS INCOME)** - THDA's Disaster Recovery Program uses the income definitions of the Section 8 program to determine the annual income (gross income) used to classify a household for purposes of eligibility. Annual income means all amounts, monetary or not, which:
1. Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member;
 2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date. In other words, it is

the household's *future or expected* ability to pay rather than its past earnings that is used to determine program eligibility. If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for a shorter period may be annualized, subject to a redetermination at the end of the shorter period; and

3. Which are not specifically excluded in paragraph H (Income Exclusions) below.
4. Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.
5. **MONTHLY GROSS INCOME** - Monthly gross income is Annual Gross Income divided by 12 months.

C. ASSETS - In general terms, an asset is a cash or noncash item that can be converted to cash. There is no asset limitation for participation in the Disaster Recovery Program. Income from assets is, however, recognized as part of Annual Gross Income. Assets have both a market value and a cash value.

1. **MARKET VALUE** - The market value of an asset is simply its dollar value on the open market. For example, a stock's market value is the price quoted on a stock exchange on a particular day, and a property's market value is the amount it would sell for on the open market. This may be determined by comparing the property with similar, recently sold properties.
2. **CASH VALUE** - The cash value of an asset is the market value less reasonable expenses required to convert the asset to cash, including:
 - a. Penalties or fees for converting financial holdings. Any penalties, fees, or transaction charges levied when an asset is converted to cash are deducted from the market value to determine its cash value (e.g., penalties charged for premature withdrawal of a certificate of deposit, the transaction fee for converting mutual funds, or broker fees for converting stocks to cash); and/or
 - b. Costs for selling real property. Settlement costs, real estate transaction fees, payment of mortgages/liens against the property, and any legal fees associated with the sale of real property are deducted from the market value to determine equity in the real estate.
 - c. Under Section 8 rules, only the cash value (rather than market value) of an item is counted as an asset.

D. INCOME FROM ASSETS - The income counted is the actual income generated by the asset (e.g., interest on a savings or checking account.) The income is counted even if the household elects not to receive it. For example, although a household may elect to reinvest the interest or dividends from an asset, the interest or dividends is still counted as income.

1. The income from assets included in Annual Gross Income is the income that is anticipated to be received during the coming 12 months.
 - a. To obtain the anticipated interest on a savings account, the current account balance can be multiplied by the current interest rate applicable to the account; or
 - b. If the value of the account is not anticipated to change in the near future and interest rates have been stable, a copy of the IRS 1099 form showing past interest earned can be used.
 - c. Checking account balances (as well as savings account balances) are considered an asset. This is recognition that some households keep assets in their checking accounts, and is not intended to count monthly income as an asset. Grantees should use the average monthly balance over a 6-month period as the cash value of the checking account.
2. Assets above and below \$5,000 are treated differently.
 - a. If the family's assets are \$5,000 or less, actual income from assets (e.g., interest on a checking account) is counted as annual income.
 - b. If the family's assets are greater than \$5,000, income from assets is computed as the greater of:
 - i. actual income from assets, or
 - ii. imputed income from assets based on a passbook rate applied to the cash value of all assets. For example, if a family has \$3,000 in a non-interest bearing checking account and \$5,500 in an interest-bearing savings account, the two amounts are added together. Use the standard passbook rate to the annual income from assets for this family.
3. Applicants who dispose of assets for less than fair market value (i.e., value on the open market in an "arm's length" transaction) have, in essence, voluntarily reduced their ability to afford housing. Section 8 rules require, therefore, that any asset disposed of for less than fair market value during the 2 years preceding the income determination be counted as if the household still owned the asset.
 - a. The value to be included as an asset is the difference between the cash value of the asset and the amount that was actually received (if any) in the disposition of the asset (less any fees associated with disposal of property, such as a brokerage fee).
 - b. Each applicant must certify whether an asset has been disposed of for less than fair market value. Assets disposed of for less than fair market value as a result of foreclosure, bankruptcy, divorce or separation are not included in this calculation.

- c. These procedures are followed to eliminate the need for an assets limitation and to penalize people who give away assets for the purpose of receiving assistance or paying a lower rent.

E. ASSETS INCLUDE:

1. Amounts in savings accounts and six month average balance for checking accounts.
2. Stocks, bonds, savings certificates, money market funds and other investment accounts.
3. Equity in real property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset. *DO NOT INCLUDE EQUITY OF PRINCIPAL RESIDENCE AS AN ASSET FOR HOMEOWNER REHABILITATION PROGRAMS.*
4. The cash value of trusts that are available to the household.
5. IRA, Keogh and similar retirement savings accounts, even though withdrawal would result in penalty.
6. Contributions to company retirement/pension funds that can be withdrawn without retiring or terminating employment.
7. Assets which, although owned by more than one person, allow unrestricted access by the applicant.
8. Lump sum receipts such as inheritances, capital gains, lottery winnings, insurance settlements, and other claims.
9. Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc.
10. Cash value of life insurance policies.
11. Assets disposed of for less than fair market value during two years preceding certification or re-certification.

F. ASSETS DO NOT INCLUDE:

1. Necessary personal property, except as noted under paragraph 1.6(9) (Assets Include) above
2. Interest in Indian Trust lands
3. Assets that are part of an active business or farming operation.

NOTE: Rental properties are considered personal assets held as an investment rather than business assets unless real estate is the applicant/tenant's main occupation.

4. Assets not accessible to the family and which provide no income to the family.
5. Vehicles especially equipped for the handicapped.
6. Equity in owner-occupied cooperatives and manufactured homes in which the family lives.

G. INCOME INCLUSIONS - The following are used to determine the annual income (gross income) of an applicant's household for purposes of eligibility:

1. The full amount, before any payroll deductions, of wages and salaries, over-time pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2. The net income for the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness cannot be used as deductions in determining net income; however, an allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness cannot be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (2) above. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from net family assets or a percentage of the value of such assets based on the current passbook saving rate, as determined by HUD.
4. The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except Supplemental Security Income (SSI) or Social Security).
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (but see paragraph (3) under Income Exclusions).
6. Welfare Assistance. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance

agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income consists of:

- a. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
 - b. The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph is the amount resulting from one application of the percentage.
7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling.
 8. All regular pay, special pay and allowances of a member of the Armed Forces.

H. INCOME EXCLUSIONS - The following are excluded from a household's income for purposes of determining eligibility:

1. Income from employment of children (including foster children) under the age of 18 years.
2. Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the tenant family, who are unable to live alone).
3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except for payments in lieu of earnings - see paragraph (5) of Income Inclusions).
4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
5. Income of a live-in aide.
6. Certain increases in income of a disabled member of the family residing in Disaster Recovery-assisted housing or receiving HOME tenant-based rental assistance (see 1.13(7) under Determining Whose Income to Count).
7. The full amount of student financial assistance paid directly to the student or to the educational institution;
8. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
9.
 - a. Amounts received under training programs funded by HUD.

- b. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
 - c. Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care etc.) which are made solely to allow participation in a specific program.
 - d. Amounts received under a resident's service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing service for the owner or manager on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination and serving as a member of the governing board. No resident may receive more than one such stipend during the same period of time.
 - e. Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded must be received under employment training programs with clearly defined goals and objectives, are excluded only for the period during which the family member participates in the employment training program.
10. Temporary, nonrecurring or sporadic income (including gifts).
 11. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
 12. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse).
 13. Adoption assistance payments in excess of \$480 per adopted child.
 14. For public housing only, the earnings and benefits to any family member resulting from participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, Section 22 of the 1937 Act, or any comparable federal, state or local law during the exclusion period.
 15. Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.
 16. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.

17. Amounts paid by a state agency to a family with member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
18. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which exclusions set forth in 24 CFR 5.609(c) apply. The following is a list of types of income that qualify for that exclusion (9/27/89 regulations):
 - a. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977;
 - b. Payments to volunteers under the Domestic Volunteer Service Act of 1973 (employment through VISTA; Retired Senior Volunteer Program, Foster Grandparents Program, youthful offenders incarceration alternatives, senior companions);
 - c. Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(a));
 - d. Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 259e);
 - e. Payments or allowances made under the department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));
 - f. Payments received under programs funded in whole or in part under the Job Training Partnership Act;
 - g. Income derived from the disposition of funds of the Grand River Band of Ottawa Indians;
 - h. The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 U.S.C. 1407-1408) or from funds held in trust for an Indian tribe by the Secretary of Interior (25 U.S.C. 117);
 - i. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu);
 - j. Payments received from programs funded under Title V of the Older Americans Act of 1965 (42 U.S.C. 3056(f));

- k. Any earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments.;
- l. Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other funds established pursuant to the settlement in the In Re Agent Orange product liability litigation MDL No. 381 (E.D.N.Y.);
- m. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);
- n. Payments received under the Maine Indian Claims Settlement Act of 1980;
- o. Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, state job training programs and career intern programs, Americorps);
- p. Payments made by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;
- q. Allowances, earnings, and payments to Americorps participants under the National and Community Service Act of 1990;
- r. Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spinal bifida who is the child of a Vietnam veteran;
- s. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance); and
- t. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998.

I. TIMING OF INCOME CERTIFICATIONS - All households that receive THDA grant assistance must be income eligible. At a minimum, income certification must be completed before assistance begins. A preliminary determination of eligibility may be made much earlier in the process.

- 1. Application processing is labor intensive. Early screening for income eligibility can eliminate excessive work in processing an ineligible applicant.
- 2. Establishing a deadline for formal eligibility determinations is a challenging part of the planning process. Generally, the THDA Grant Program permits verification dated no earlier than 6 months prior to eligibility.

3. The Grantee must calculate the annual income of the household by projecting the prevailing rate of income of the family at the time the Grantee determines that the family is income eligible. The eligibility of a household must be re-determined if more than six months elapses between the date the Grantee determines that a household is income-eligible and the date THDA grant assistance is provided.
 - a. For homeowner rehabilitation projects, the date assistance is provided is the date of the rehabilitation contract.
 - b. For single family development programs, the income eligibility of the families is timed as follows:
 - i. For Habitats, or other similar organizations, it is the date a commitment is made to build a house for a particular family.
 - ii. In the case of a contract to purchase existing housing, it is the date of the purchase;
 - iii. In the case of a lease-purchase agreement for existing housing or for housing to be constructed, it is the date the lease-purchase agreement is signed; and
 - iv. In the case of a contract to purchase housing to be constructed, it is the date the contract is signed.

J. INCOME VERIFICATION - Grantees must verify and retain documentation of all information collected to determine a household's income. There are three forms of verification which are acceptable: third-party, review of documents, and applicant certification.

1. **THIRD-PARTY VERIFICATION** - Under this form of verification, a third party (e.g., employer, Social Security Administration, or public assistance agency) is contacted to provide information. Although written requests and responses are generally preferred, conversations with a third party are acceptable if documented through a memorandum to the file that notes the contact person and date of the call.
 - a. To conduct third party verifications, a Grantee must obtain a written release from the household that authorizes the third party to release required information.
 - b. Third-party verifications are helpful because they provide independent verification of information and permit Grantees to determine if any changes to current circumstances are anticipated. Some third-party providers may, however, be unwilling or unable to provide the needed information in a timely manner.
2. **REVIEW OF DOCUMENTS** - Documents provided by the applicant (such as pay stubs, etc.) may be most appropriate for certain types of income and can be used as an alternative to third-party verifications. Copies of documents should be retained in project files.

Grantees should be aware that although easier to obtain than third-party verifications, a review of documents often does not provide needed information. For instance, a pay stub may not provide sufficient information about average number of hours worked, over-time, tips and bonuses.

3. **APPLICANT CERTIFICATION** - When no other form of verification is possible, a certification by the applicant may be used. For example, it may be necessary to use an applicant certification for an applicant whose income comes from "odd jobs" paid for in cash.

Applicant certification is the least reliable form of verification and may be subject to abuse. In some cases, the applicant certification can be supplemented by looking at the applicant's past history. The Grantee can review the previous year's income tax return to determine if the current year's income is consistent with activity for the previous year.

K. CALCULATION METHODOLOGIES - Grantees must establish methodologies which treat all households consistently.

1. It is important to understand the basis on which applicants are paid (hourly, weekly or monthly, and with or without over-time). An applicant who is paid "twice a month" may actually be paid either twice a month (24 times a year) or every two weeks (26 times a year).
2. It is important to clarify whether over-time is sporadic or a predictable component of an applicant's income.
3. Annual salaries are counted as Annual Income regardless of the payment method. For instance a teacher receives an annual salary whether paid on a 9- or 12-month period.

L. DETERMINING WHOSE INCOME TO COUNT - Knowing whose income to count is as important as knowing which income to count. The following income *is not counted*:

1. **INCOME OF LIVE-IN AIDES** - If a household includes a paid live-in aide (whether paid by the family or a social service program), the income of the live-in aide, regardless of its source, is not counted. (Except under unusual circumstances, a related person can never be considered a live-in aide);
2. **INCOME ATTRIBUTABLE TO THE CARE OF FOSTER CHILDREN** - Foster children are not counted as family members when determining family size to compare with the Income Limits. Thus, the income a household receives for the care of foster children is not included; and
3. **EARNED INCOME OF MINORS** - Earned income of minors (age 17 and under) is not counted. However, unearned income attributable to a minor (e.g., child support, AFDC payments, and other benefits paid on behalf of a minor) is counted.

- 4. **TEMPORARILY ABSENT FAMILY MEMBERS** - The income of temporarily absent family members is counted in Annual Income - regardless of the amount the absent family member contributes to the household. For example, a construction worker earns \$600/week at a temporary job on the other side of the State. He keeps \$200/week for expenses and sends \$400/week home to his family. The entire \$600/week is counted in the family's income;
- 5. **ADULT STUDENTS LIVING AWAY FROM HOME** - If the adult student is counted as a member of the household in determining the Income Limit used for eligibility of the family, the student's income must be counted in the family's income.
- 6. **PERMANENTLY ABSENT FAMILY MEMBER** - If a family member is permanently absent from the household (e.g., a spouse who is in a nursing home), the head of household has the choice of either counting that person as a member of the household, and including income attributable to that person as household income, or specifying that the person is no longer a member of the household.
- 7. **PERSONS WITH DISABILITIES** - During the annual recertification of a family's income, increases in the income of a disabled member of qualified families residing in HOME assisted housing or receiving HOME tenant- based rental assistance is excluded. 24 CFR 5.61(a) outlines the eligible increases in income. These exclusions from annual income are of limited duration. The full amount of increase to an eligible family's annual income is excluded for the cumulative 12-month period beginning on the date the disabled family member is first employed or the family first experiences an increase in annual income attributable to the employment. During the second cumulative 12-month period, 50 percent of the increase in income is excluded. The disallowance of increased income of an individual family member who is a person with disabilities is limited to a lifetime 48-month period.

9. ELIGIBILITY REQUIREMENTS OF PROPERTY TO BE REHABILITATED

- A. **DEFINITIONS** - The following are definitions of the various terms used with respect to eligibility requirements of the property to be rehabilitated.
 - 1. **DWELLING UNIT** - A housing structure which is used entirely for residential purposes.
 - 2. **SINGLE FAMILY** - A housing unit designed for single-family use, although more than one family may be residing therein, if every resident has access to all parts of the structure.
 - 3. **SUBSTANDARD** - A housing unit failing to meet all applicable codes, rehabilitation standards ordinances, and zoning ordinances as set forth by the Community, HQS as defined by HUD, or as defined by the Disaster Recovery Program application.
- B. **ELIGIBILITY CRITERIA**
 - 1. The minimum Disaster Recovery Fund expenditure per unit must exceed \$1,000.

2. The dwelling must be located within the designated area as outlined in the application.
3. The dwelling unit must have received damages from the flooding of July 2013 based on a written, detailed inspection report by inspector.

10. RATING SYSTEM FOR RANKING OF APPLICANTS

The awarding of rehabilitation grants to eligible applicants will be based on a first come, first served basis. Applications will be dated as they are received. Applications will be taken until all funding had been committed. All households must be at or below 80% of the HUD median income as listed below.

A. INCOME/FAMILY SIZE

FAMILY SIZE 80% INCOME LIMIT

1	\$27,300
2	\$31,200
3	\$35,100
4	\$38,950
5	\$42,100
6	\$45,200

11. TERMS, CONDITIONS AND CONSIDERATIONS FOR GRANTS

- A. DETERMINATION OF THE AMOUNT OF THE GRANT** - The amount of a rehabilitation grant that an applicant may receive will not exceed:
1. The actual and approved cost of the repairs and improvements necessary to make the dwelling conform to the housing standards adopted by the Grantee and THDA.
 2. The amount and structure of the grant must be consistent with the application submitted to THDA.
 3. When the applicant is furnishing supplementary funds from other sources, evidence that actual funds are available will consist of verification and documentation by the Grantee that the applicant has deposited the required amount in the appropriate escrow account. Such deposit must be made before the grant application and any construction work can begin.
- B. STRUCTURE OF FINANCIAL ASSISTANCE** – Disaster Recovery funds are used to make forgivable grants to property owners to cover the full cost of the needed rehabilitation work.

1. To prevent homeowners from simply selling the property and profiting from the Disaster Recovery funded improvements, the owners must repay the program if they sell the property within the compliance period. Part of the owner's obligation is forgiven each year they live in the rehabilitated unit.
2. Repayment of the rehabilitation or reconstruction grant shall be based on a twenty percent (20%) reduction of the amount to be repaid per year, according to the following schedule:

0 - 12 months	100% Repayment
After one year	80% Repayment
After two years	60% Repayment
After three years	40% Repayment
After four years	20% Repayment
After five years	0% Repayment

3. The property owner must sign a Grant Note and a Deed of Trust. The Deed of Trust secures the Grant Note by placing a lien against the property and is activated if the owner attempts to sell within the compliance period.
4. In cases of death, THDA does not require repayment as long as the ownership of the property passes to the heirs. The heirs may occupy the unit, rent it or let it sit empty, without triggering the repayment clause. However, if the heirs sell the property, or if the property is sold with monetary gain by any actions of a court to settle outstanding claims or settle the estate, the grant must be repaid to THDA, less any forgivable portion.

C. OTHER GRANT CONDITIONS - Specific terms and conditions are incorporated in the grant application and the contract documents. The applicant agrees to:

1. Allow inspection by the Grantee and/or THDA of the property whenever the Grantee and/or THDA determines that such inspection is necessary.
2. Furnish complete, truthful and proper information as needed to determine eligibility for receipt of grant money.
3. Permit the contractor to use, at no cost, reasonable existing utilities such as gas, water and electricity which are necessary to the performance and completion of the work.
4. Cooperate fully with the Grantee and the contractor to insure that the rehabilitation work will be carried out promptly.

12. ELIGIBLE REHABILITATION ACTIVITIES

A. **INTRODUCTION** - A rehabilitation grant may be made only to cover the cost of rehabilitation necessary to make a dwelling unit conform to the local housing code adopted by the jurisdiction in which the property is located and consistent with the application submitted to THDA.

1. The THDA Disaster funding maximum subsidy per unit is \$40,000.

C. **ELIGIBLE COSTS**

1. **EXISTING CODE VIOLATIONS** - Costs which can be included in rehabilitation grants are the costs of correcting existing housing code violations which have been determined by a qualified housing inspector and formalized in an individualized housing report.
2. **INCIPIENT CODE VIOLATIONS** - An incipient violation exists if at the time of inspection an element in the structure which, due to age, deterioration, wear, or normal usage will deteriorate within the life of the grant period and thus become a code violation. Costs to correct these potential violations are eligible costs.
3. **PERMITS AND FEES** - Rehabilitation funds may be used to cover the cost of building permits and related fees required to carry out the proposed rehabilitation work. However, since the rehabilitation contract documents will require the contractor to pay them, these costs ordinarily would be included in the contract amount. Recording and filing fees are eligible costs.
4. **EQUIPMENT** - Rehabilitation funds may provide for the repair or purchase and installation of certain basic equipment necessary for the maintenance of the household in a safe, sanitary and healthy environment. These include such items as a furnace, water heater, electrical and sanitary fixtures, kitchen stove, refrigerator, cabinets and sinks. Purchase and installation is acceptable if there is no such equipment in the dwelling or if the existing equipment is unsafe, unsanitary or non-functional. There is a \$1,000 maximum expenditure (including taxes and delivery) for a kitchen stove, and a \$1,000 maximum expenditure (including taxes and delivery) for a refrigerator. These appliances should be Energy-Star rated where available.
5. **HANDICAPPED** - Special alterations or costs related to making the dwelling more convenient or accessible for handicapped persons are eligible costs. All work performed in these units must comply with all applicable costs as well as all Federal and State regulations.
6. **LEAD-BASED PAINT** - All costs associated with the reduction of lead-based paint hazards must comply with 24 CFR 92.355.
7. **DEMOLITION OF EXISTING STRUCTURES AND UTILITY CONNECTIONS**
All costs related to the demolition of existing structures and to provide utility connections are to comply with 24 CFR 92.206(a)(3).
8. **DEMOLITION OR REMOVAL OF MANUFACTURED HOUSING UNITS (MOBILE HOMES)** - When replacing a manufactured housing unit with a new manufactured housing unit, the work write-up must explain how the substandard unit will be disposed of. If the substandard unit is to be taken to a dump site, then the contractor

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must supply the Grantee with a receipt or certification verifying that the unit was disposed of properly.

- 9. **EXTERIOR PAINTING** - Exterior painting is an eligible cost when it is necessary to maintain a watertight exterior on the dwelling.
- 10. **GUTTERS** - Gutters are an eligible cost when rehabilitating the exterior of a unit or when reconstructing a unit.
- 11. **OTHER COSTS** - Rehabilitation costs not specifically required by the housing rehabilitation standards found necessary for the safety, health, and general welfare of the occupants of the structure may be considered for eligibility, with prior consent of the Grantee's governing body and THDA, as well as any other cost as outlined in 24 CFR 92.206.

C. INELIGIBLE COSTS

- 1. Renovation of dilapidated out buildings.
- 2. Appliances not required by code standards.
- 3. Materials, fixtures, equipment, or landscaping of type or quality that exceeds that customarily used in the locality for properties of the same general type as the property to be rehabilitated.
- 4. All items outlined in 24 CFR 92.214.

D. RECONSTRUCTION HOUSING - Prior to authorizing new dwellings under the "Reconstruction" provisions of the Disaster Repair program, the Grantee must determine if reconstruction is the more cost effective use of Disaster Repair funds. The offer by the Grantee to reconstruct a home is a voluntary offer.

- 1. **REPLACEMENT HOME GUIDELINES** - The intent of a reconstruction activity is to provide assistance to homeowners who might not otherwise be helped due to the prohibitive cost of rehabilitating their existing home. A replacement home, if deemed the most cost-effective solution to the housing deficiencies, shall be prescribed by the grantee.
 - 1. Rehabilitation spending beyond reasonable limits on an existing home is not authorized if a replacement home is refused by the homeowner.
 - 2. A replacement home does not necessarily have to meet the same requirements as the existing home in terms of square footage, number of bedrooms/bathrooms or other design/amenity considerations.
 - 3. The replacement home must provide all permanent residents of the home with safe, decent, and sanitary housing within the terms of the 2009 International Residential Code for One- and Two-Family Dwellings, and/or local codes, as applicable.

13. HOUSING REHABILITATION SPECIFICATIONS
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- A. **INTRODUCTION** - This section sets forth the responsibilities of the Grantee for determining the rehabilitation work necessary to bring a dwelling back to pre-disaster standards. The Grantee will:
1. Inspect the property and prepare an assessment of damages.
 2. Conduct lead-based paint testing/risk assessment to identify lead-based paint hazards (if applicable).
 3. Consult with and advise the owner of the work to be done and the availability of a rehabilitation grant.
 4. Prepare a work write-up and cost estimate as a basis for disaster repairs and for the bid process in contracting for rehabilitation work and lead-paint hazard reduction activities, if applicable.
- B. **PROPERTY INSPECTION AND SPECIFICATIONS CHECKLIST** - The Grantee will have the property inspected and have a report prepared that identifies disaster damages. This report provide a proper basis for the preparation of the work write-up, cost estimate and contract specifications.
- C. **WORK WRITE-UP AND COST ESTIMATE** - The work write-up and cost estimate is a statement based on the damage assessment inspection on the dwelling and includes an estimate of the cost of each item. The cost estimate will be reasonable, reflect prevailing labor and material costs, and reflect a reasonable profit for the contractor.
1. **DUAL-USE OF WORK WRITE-UP** - The write-up will be detailed and specific in style. Each item will be identified as an eligible cost under the grant. This same write-up without the cost estimate will serve as part of the specifications for the construction contract documents.
 2. **ITEMIZING COSTS** - Each item of work and its estimated cost will be identified in the work write-up. This will be done on the work write-up by entering the cost estimates in a columnar arrangement.
 3. **OWNER PREFERENCE** - A work write-up need not contain details that have no significant effect on cost. The term "to be selected by owner" may be used appropriately.
- D. **CONSULTATION WITH HOMEOWNER/APPLICANT** - The Grantee will consult with the prospective applicant on the work write-up and cost estimate. The final work write-up (without costs) will be used by contractors for determining their bids and incorporated into the rehabilitation contract documents which the homeowner and contractor will sign. The homeowner should initial each page and sign the last page of the write-up.
- E. **CLEARLY WRITTEN SPECIFICATIONS** - The work write-up will be written so that it provides a clear detailed understanding of the nature and scope of the work to be done and a basis

for carefully determined bids and proposals from contractors. The homeowner shall have a clear understanding of the nature and scope of the work to be done and any limitations that may exist.

1. Each specification will show the nature and location of the work and the quantity and type of material required.
2. The specifications will refer to manufacturer's brand names or association standards to identify quality of material and equipment, and may make provision for acceptable substitutes or quality and brand name requirements may be included in the "General Conditions and Specifications" and indicated by reference in the work write-up.

14. CONTRACTING FOR REHABILITATION WORK

A. INTRODUCTION - This section sets forth requirements and procedures with respect to the construction contracts for housing rehabilitation financed through a rehabilitation grant. Rehabilitation work will be undertaken only through a written contract between the contractor and the property owner receiving the grant.

1. **FORM OF CONTRACT** - The construction contract will consist of a single document signed by the contractor and the property owner, following approval of the grant application. It will contain a bid, the Grantee's General Conditions and Specifications by reference, the work write-up which specifies the work to be done, and the existing code violations.
2. **USE OF ALTERNATES** - The document prepared by the Grantee may contain alternates by which each bidder may increase or decrease the lump sum contract price, if the alternates are later accepted as part of the work to be performed.
3. **PROCUREMENT OF BIDS** - The Grantee will advertise openly and publicly for bids and encourage minority and female owned firms to bid on its projects.
 - a. Procurement policies vary from community to community. If there are no local procurement policies, grantees must establish their own procedures provided they conform to the standards stated below.
 - b. For purchase or contract amount over four hundred dollars (\$400), select qualified vendors or contractors on the basis of three price quotations or competitive bids.
 - c. Purchases of materials, supplies, or non-professional services.
 - i. Price or rate quotations must be obtained from at least three qualified sources. Informal methods that are sound, appropriate, and documented are allowed for the procurement of supplies, labor and other necessary services.

- ii. Quotations may be obtained over the telephone as long as the grantee keeps a written record in the grant files showing whom they contacted, the date they were contacted, and the price quoted.
 - iii. The purchase should be made from the lowest bidder.
 - iv. In the instance of a sole supplier or when three bids cannot be obtained or when the lowest bidder is not chosen, appropriate file documentation is required.
- d. Professional Service or Purchase Contracts:
- i. Grantees contracting for services (e.g. general contracting) should develop qualifying criteria and periodically advertise for contractors that meet those criteria. (Advertising can be through newspapers or by mailing to at least three firms offering the desired services. Clippings and letters must be on file.)
 - ii. A list of the eligible contractors should be maintained and used to obtain the required services.
 - iii. Price or rate quotations must be obtained from at least three qualified sources.
 - iv. The purchase should be made from the lowest bidder.
 - v. If three bids cannot be obtained, appropriate file documentation is acceptable.
- e. Minority/Female Solicitation
- i. Documentation to show efforts to solicit minority/female participation.
 - ii. A list of minority/female contractors and businesses must be maintained. A statewide directory is available at THDA if local minority and female owned businesses can not be identified.
- f. Under certain circumstances supplies equipment, services, or other items may be purchased without bids or quotations. Quotations may not be necessary if a qualified vendor is the sole source of the items to be purchased, or in cases of emergency, when immediate delivery is necessary for the entity's continued provision of adequate services.
- i. All sole-source purchases should be reviewed by the chief executive or designee. In any event, the chief executive should be apprised of any sole-source purchases as soon as possible.

- ii. A written memorandum explaining all emergency purchases and all other sole-source purchases exceeding an amount determined by management should be attached to the file copy of the purchase order.

B. GENERAL CONDITIONS - The bid package will contain the following:

1. The address, time and date by which the bid should be submitted by the contractor.
2. A provision that the bid be accepted by the homeowner within a specified length of time.
3. A provision that the contractor start work within a specified length of time.
4. A statement concerning the acceptability of progress payments.
5. A provision that final payment on the contract amount will be made only after final inspection, acceptance of all work by the Grantee and the homeowner, and after the Grantee receives the contractor's final invoice release of liens and warranty, and claims for liens by subcontractors, laborers and material suppliers for completed work or supplied materials.
6. Provisions that the contractor will be required to:
 - a. Obtain and pay for all permits and licenses necessary for the completion and execution of the work and labor to be performed.
 - b. Perform all work in conformance with applicable local codes, as well as lead based paint regulations and requirements, whether or not covered by specification and drawings for the work.
 - c. Keep the premises clean and orderly during the course of the work and remove all debris at the completion of the work. Materials and equipment that have been removed and replaced as part of the work shall belong to the contractor, unless specifically stated otherwise within the work write-up.
 - d. Not assign the contract without written consent of the Grantee and homeowner.
 - e. Guarantee the work performed for a period of one year from the date of final acceptance of all work required by the contract. Furthermore, furnish the homeowner, in care of the Grantee, with all manufacturers and suppliers written guarantees and warranties covering materials and equipment furnished under the contract.
 - f. Include a statement as to whether the premises are to be either occupied or vacant during the course of construction work.
 - g. A provision that the contractor may reasonably use existing utilities without payment during the course of the work.

C. INSURANCE

1. The contractor shall carry or require that there be carried Workman's Compensation Insurance for all his employees and those of his subcontractors engaged in work at the site in accordance with Tennessee State Workman's Compensation Laws.
2. The contractor shall carry or require that there be carried Manufacturer's and Contractor's Public Liability Insurance. This insurance will be in an amount not less than \$100,000 for injuries including accidental death to any one person for one accident, and to protect the contractor and subcontractors against claims for injury or death of one or more persons because of accidents which may occur or result from operations under the contract. Such insurance shall cover the use of all equipment, including but not limited to, excavating machinery, trenching machines, cranes, hoists, rollers, concrete mixers, and motor vehicles in the construction of the rehabilitation embraced in their contract.
3. The contractor shall carry during the life of the contract Property Damage Insurance in an amount of not less than \$50,000 to protect him and his subcontractors from claims for property damage which might arise from operations under their contract.
4. Before commencing work, the contractor shall submit evidence of coverage required to the Grantee. A certificate of insurance shall be presented as the evidence. **NOTE** - The Grantee is advised to consult with its attorney to insure that the extent, limit, and amount of contractor's insurance is consistent with the scope of the project and current State law.

D. WORK WRITE-UPS, SPECIFICATIONS AND DRAWINGS - The specifications, based on the code inspection, and work write-up and illustrative sketches, if any, covering the specific rehabilitation work for each property to be rehabilitated will be prepared by the Grantee. The specifications will:

1. Clearly identify the repairs caused by the disaster;
2. Specify work to correct those violations or hazards;
3. Note any unusual features or limitations;
4. Include the Grantee's estimated cost for rehabilitation; and
5. Will be initialed on each page by the homeowner and signed on the signature page by the homeowner.

E. INELIGIBLE CONTRACTORS - The Grantee may determine a contractor ineligible to bid on projects when:

1. The contractor is listed on the Federal Debarred list;
2. There is documented proof that the contractor has not paid material suppliers;
3. There is documented proof that the contractor has not completed projects within the allotted time frame;

4. There exist substantial complaints by homeowners about quality of work and performance.
5. There is documented proof that the contractor has not performed warranty work on previous contracts.

F. INVITATION TO CONTRACTORS FOR BID AND PROPOSAL

1. The Grantee will accept applications from contractors throughout the life of the program.
2. The Grantee will develop and maintain a list of contractors, including minority and female headed firms within the region.
3. The Grantee will notify in writing and in a timely fashion all contractors on the Contractors List when bid packages are available.
4. The Grantee will document when and to whom invitations to bid are sent out and packages picked up.

G. SELECTION OF A SUCCESSFUL BIDDER - The opening of the sealed bids must meet these conditions.

1. The opening must be public.
2. The lowest bid will prevail unless it falls 15% under or 15% over the Grantee's cost estimate at which time it may be rejected.
3. There must be at least three (3) competitive bids by eligible contractors.
4. Minutes of the award and bid tabulations should be appropriately filed.
5. Questions concerning contractor eligibility shall be decided prior to opening the bids.
6. The Grantee will verify with THDA that contractors are not debarred.
7. The Grantee may limit the number of bids awarded to any one contractor at any one bid letting to three (3).
8. If all bids exceed the amount of the construction budget, the Grantee may not negotiate solely with the low bidder. The project can be re-bid or changed in scope. If the project is changed, then each bidder must be given the opportunity to bid again. Bidders must be informed that they have the right to change their original unit prices as long as they conform to the revised bid specifications. Grantees must maintain documentation to demonstrate that this process was followed.
9. If there are not at least three (3) competitive bids from eligible contractors, the project must be re-bid. If there are still not three bids after the project has been re-bid, the Grantee will contact THDA before awarding the contract.

H. AWARD OF THE CONSTRUCTION CONTRACT - The contract will become effective upon the signatures of the homeowner and contractor and with the Grantee's endorsement. The

Grantee will distribute the executed contract documents as follows: original to Grantee, copy to homeowner, copy to contractor.

15. INSPECTION, CLOSE-OUT AND PAYMENT FOR REHABILITATION WORK

- A. RESPONSIBILITY FOR MAKING INSPECTIONS** - Inspection of construction will be performed by the Grantee or its designate as follows:
 - 1. Compliance inspections will be made as often as necessary to assure that the work is being completed in accordance with the community's building, electrical, mechanical and plumbing codes, zoning regulations, and any other related State or local laws and ordinances.
 - 2. Inspections will be made as often as necessary to assure that the work being performed is in accordance with the terms of the construction contract.
 - 3. Written notices of inspections shall be filed appropriately.

- B. PROGRESS PAYMENTS** - If progress payments are allowed by the Grantee, no more than one progress payment can be made and the payment will be 50% of the funds at the completion of 60% of the work.

- C. FINAL PAYMENTS**
 - 1. **FINAL INSPECTION** - Upon completion of the rehabilitation work, a final inspection is held by the Grantee. Any uncompleted work or work that is unsatisfactory is noted on a final "punch list" and sent to the contractor in writing. When these items are completed, clearance testing for lead-based paint hazards is conducted on the unit, if applicable. When the unit passes clearance testing, if applicable, the contract is complete.
 - 2. **CERTIFICATION** - After the Grantee determines that the rehabilitation work has been fully and satisfactorily completed and the unit has passed clearance testing, the Certification of Completion and Final Inspection is prepared. The homeowner signs the Certification indicating that he accepts the rehabilitation work as meeting the terms and conditions of the contract. The contractor signs the Certification indicating that the work has been completed in accordance with the contract and that there are no unpaid claims for labor, materials supplies or equipment. The inspector signs the Certification indicating that work has been completed in accordance with the contract and authorizing final payment.
 - 3. **NOTICE OF COMPLETION** - The contractor shall file a Notice of Completion with the Register of Deeds in the county where the work is performed and return a certified copy to the Grantee.
 - 4. **MAKING FINAL PAYMENT** - When the final inspection determines that the work is completed in accordance with the contract and the homeowner has accepted the work, the Grantee will obtain from the contractor a release of liens, including all subcontractors and suppliers, and a copy of each warranty due the owner for the work. The Grantee will request final payment from THDA at that time.

5. If the homeowner refuses to sign the final acceptance, the Grantee may authorize full payment for those items which are undisputed and acceptable to all parties.

16. GRIEVANCE PROCEDURE

- A. The Grievance Procedure shall be made a part of the contract between the homeowner and the contractor. Disputes between the homeowner, Grantee and contractor may arise from time to time during the life of the rehabilitation project. In those instances where a mutually satisfactory agreement cannot be reached between the parties, the grievance procedure will be followed.
 1. The grievance by the homeowner or contractor is to be filed with the program administrator in writing.
 2. The program administrator will meet with the homeowner/contractor and attempt to negotiate a solution.
 3. Contact the THDA Community Programs Division at (615) 815-2030 should the program administrator fail to negotiate a solution.
- B. **GRIEVANCE PROCEDURE** - If this fails, the program administrator will follow the grievance procedure as outlined below:
 1. All claims or disputes between the owner and contractor arising out of or related to the work shall be decided by arbitration in accordance with the current construction industry arbitration rules of the American Arbitration Association unless the parties mutually agree otherwise.
 2. The owner and contractor shall submit all disputes or claims, regardless of the extent of the works progress, to an agreed upon arbitrator unless the parties mutually agree otherwise.
 3. Notice of the demand for arbitration shall be filed in writing with the other party to this rehabilitation agreement and shall be made within a reasonable time after the dispute has arisen.
 4. The award rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.
 5. If the arbitrator's award is in a sum which is less than that which was offered in settlement by the contractor, the arbitrator may award costs and attorney fees in favor of the contractor. If the arbitrator's award is in a sum which is less than that which was offered in settlement by the owners, the arbitrator may award costs and attorney fees in favor of the owner.
- C. **THE WRITTEN CONTRACT** - The contract and the rehabilitation specifications, along with the housing code report provide the basic documentation by which the relative merits of any dispute will be judged.

- D. CONFLICT OF INTEREST OF PUBLIC OFFICIALS** - No elected or appointed Federal, State or local official, member of the local governing body, or any other public official or employee who exercises any functions or responsibilities in conjunction with the administration of the housing rehabilitation shall have any interest, direct or indirect, in the proceeds or benefits of the rehabilitation grant program. In those cases where the interest may not be direct or indirect, and the conflict of interest is only "apparent", the Grantee must contact THDA for clarification before proceeding. THDA will not routinely consider requesting an exception to the conflict of interest provisions from HUD.
- E. KICKBACKS AND DISCOUNTS** - No member of the governing body of the Grantee or any Grantee employee shall receive kickbacks or discounts from either contractors or property owners in return for special favors in regard to housing rehabilitation.

MOTION ON FLOOR

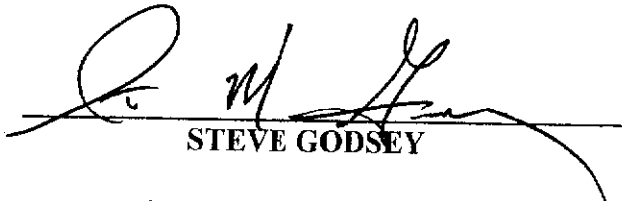
MOTION AS FOLLOWS:

MOTION TO STOP ALL ACTIONS BY THE BUILDING COMMITTEE UNTIL
JANUARY 30, 2014 CONCERNING CEDAR GROVE SCHOOL UNTIL THE
BLOOMINGDALE COMMUNITY GROUP HAS PRESENTED THEIR PROPOSAL
TO THE BUILDING COMMITTEE

MOTION MADE BY: KILGORE
SECONDED BY: CRAWFORD

ACTION: FAILED 10-21-13
12 AYE, 10 NAY, 2 ABSENT

AND THEREUPON COUNTY COMMISSION ADJOURNED UPON
MORRELL
MOTION MADE BY COMM. ~~WHITE~~ TO MEET AGAIN IN REGULAR
SESSION NOVEMBER 18, 2013.



STEVE GODSEY
COMMISSION CHAIRMAN