

MARTIN BOARD OF MAYOR AND ALDERMEN
NOVEMBER 08, 2010 5:15 PM CITY HALL CHAMBERS

BE IT REMEMBERED the regular meeting of the Board of Mayor and Aldermen for the City of Martin, Tennessee, was held Monday, November 08, 2010, at 5:15 pm in the City Hall Chambers, when the following was held to wit:

MEMBERS PRESENT: HONORABLE RANDY BRUNDIGE, MAYOR
HONORABLE DANNY NANNEY, ALDERMAN WARD I
HONORABLE BILL HARRISON, ALDERMAN WARD I
HONORABLE DAVID BELOTE, ALDERMAN WARD II
HONORABLE JOHNNY TUCK, ALDERMAN WARD II
HONORABLE RANDY EDWARDS, ALDERMAN WARD III
HONORABLE TERRY HANKINS, ALDERMAN WARD III

MEMBERS ABSENT: NONE

Also present: City Recorder Chris Mathis, Police Chief David Moore, Director of Parks and Recreation Brian Moore, Building Inspector Billy Stout, Fire Chief Russell Schwahn, Public Works Director Billy Wagster, Director of Human Resources Celeste Taylor, Community Development Director Kimberly Craddock, Library Director Roberta Peacock, members and coaches of the 10-Year Old Cal Ripken All-Stars and members of the press.

CALL TO ORDER AND INVOCATION

Mayor Brundige called the November 8th regular meeting of the City of Martin Board of Mayor and Aldermen to order. Alderman Edwards gave the invocation.

PLEDGE OF ALLEGIANCE

Mayor Brundige led the group in the Pledge of Allegiance to our flag.

PROCLAMATION: 10-YEAR OLD CAL RIPKEN ALL-STARS

Mayor Brundige presented a Proclamation of Achievement to the members and coaches of the 10-Year Old Cal Ripken All-Stars. A copy of the proclamation follows:

WHEREAS, The City of Martin is proud of its youth and adults who participate in our local summer recreation programs; and

WHEREAS, the local Cal Ripken Baseball organization has produced teams that are of the highest caliber and worthy of post-season tournament play; and

WHEREAS, the Martin 10 year old Cal Ripken All-Stars are a team that displayed the exceptional qualities of play, teamwork and hard work by being crowned the **2010 10 YEAR OLD WEST TENNESSEE CAL RIPKEN CHAMPIONS**.

NOW, THEREFORE, the Board of Mayor and Aldermen, on behalf of the citizens of the City of Martin, do hereby present this **PROCLAMATION OF ACHIEVEMENT** to the members of the

MARTIN 10 YEAR OLD CAL RIPKEN ALL-STARS

Kyle Baker, McKinney Baker, Tyler Earls, Kyle Hart, Cameron Jones, Michael Long,
Layth Nassar, Logan Skelton, Matt McMillan, Aubrey Bynum and Ryan Matheny
and coaches Keith Baker, Ed Baker, Frances Bynum, and David Long

for their championship and accomplishments throughout the 2010 season

Mayor Brundige with the help of Alderman Hankins presented each team member and coaches a proclamation. Pictures were taken.

APPROVAL OF MINUTES

OCTOBER 11, 2010

Mayor Brundige introduced and presented for consideration the minutes of the October 11, 2010 regular meeting as written and asked if there were any additions or deletions. There were none.

Alderman Hankins made the motion to approve the minutes of the October 11, 2010 regular meeting of the City of Martin Board of Mayor and Aldermen as written, seconded by Alderman Edwards.

VOTE: UNANIMOUS VOICE VOTE OF APPROVAL

DEPARTMENT HEAD REPORTS:

LIBRARY

DIRECTOR ROBERTA PEACOCK

Director Peacock presented the library's monthly report and asked if there were any questions. There were none.

COMMUNITY DEVELOPMENT DIRECTOR KIMBERLY CRADDOCK

Director Craddock asked if there were any questions. There were none. Director Craddock further announced the Martin Business Association will meet in the morning at 7:30 in the courtroom. Everyone is invited to attend.

HUMAN RESOURCES

DIRECTOR CELESTE TAYLOR

Director Taylor asked if there were any questions. There were none.

POLICE DEPARTMENT

CHIEF DAVID MOORE

Chief Moore presented the department's monthly reports and asked if there were any questions. There were none. A copy is attached to the minutes

BUILDING DEPARTMENT

INSPECTOR BILLY STOUT

Inspector Stout asked if there were any questions. There were none.

PUBLIC WORK

DIRECTOR BILLY WAGSTER

Director Wagster presented the department's monthly reports and asked if there were any questions. There were none. A copy is attached to the minutes.

Director Wagster reported the K Street sewer project is underway.

FIRE DEPARTMENT

FIRE CHIEF RUSSELL SCHWAHN

Chief Schwahn presented the Fire Department's monthly report and asked if there were any questions. There were none. A copy of the report is attached to the minutes.

PARKS AND RECREATION

DIRECTOR BRIAN MOORE

Director Moore presented his monthly reports and asked if anyone had any questions. There were none. Copies of these reports are attached to the minutes.

ADMINISTRATION

CITY RECORDER CHRIS MATHIS

Recorder Mathis did not have anything to report at this time.

OLD BUSINESS:

There was no old business.

NEW BUSINESS

ACCEPT BID FOR THE LACKEY ROAD WATER LINE PROJECT FROM MARBURY CONSTRUCTION COMPANY, LLC FOR \$28,573.00 PER RECOMMENDATION FROM THE PUBLIC WORKS COMMITTEE

Mayor Brundige introduced and presented for consideration the bids for construction of the water line project on Lackey Road. Marbury Construction Company, LLC came in with the low bid of \$28,573.00. There was one other bid from Barsto Construction, \$51,200.00. The Public Works Committee is recommending we approve the Marbury Construction bid.

Alderman Nanney made the motion to accept the bid for the Lackey Road water line project from Marbury Construction Company, LLC from \$28,573.00, seconded by Alderman Tuck.

VOTE: FOR: HONORABLE NANNEY
 HONORABLE HARRISON
 HONORABLE BELOTE
 HONORABLE TUCK
 HONORABLE HANKINS
 HONORABLE EDWARDS
 AGAINST: NONE
 ABSENT: NONE

Mayor Brundige declared the motion approved.

INTRODUCTION AND PRESENTATION OF RESOLUTION R2010-16: A RESOLUTION AUTHORIZING AND APPROVING EXECUTION OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH BANCORPSOUTH EQUIPMENT FINANCE, A DIVISION OF BANCORPSOUTH BANK FOR THE PURPOSE OF LEASE-PURCHASING CERTAIN EQUIPMENT

Mayor Brundige introduced and presented for consideration Resolution R2010-16: A resolution authorizing and approving execution of an equipment lease-purchase agreement with BancorpSouth Equipment Finance, a Division of BancorpSouth Bank for the purpose of lease-purchasing certain equipment. This agreement will lease the Brush trucks.

Recorder Mathis read Resolution R2010-16. A copy was provided for all interested persons and members of the media. A copy follows:

RESOLUTION R2010-16
A RESOLUTION AUTHORIZING AND APPROVING EXECUTION
OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH
BANCORPSOUTH EQUIPMENT FINANCE, A DIVISION OF BANCORPSOUTH
BANK FOR THE PURPOSE OF LEASE-PURCHASING CERTAIN EQUIPMENT

WHEREAS, the Mayor and Board of Aldermen (the "Governing Body") of the City of Martin (the "Lessee"), acting for and on behalf of the Lessee hereby finds, determines and adjudicates as follows:

1. The Lessee desires to enter into an Equipment Lease-Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with BancorpSouth Equipment Finance, a division of BancorpSouth Bank (the "Lessor") for the purpose of presently purchasing the equipment as described therein for the total cost specified therein (collectively the "Equipment") and to purchase such other equipment from time to time in the future upon appropriate approval;
2. The Lessee is authorized pursuant to Section 7-51-902 of the Tennessee Code Annotated, as amended, to acquire capitol improvement property by Lease-purchase Agreement and pay interest thereon by contract for a term not to exceed 40 years, or the useful life of the capitol improvement property, whichever is less.
3. It is in the best interest of the residents served by Lessee that the Lessee acquire the Equipment pursuant to and in accordance with the terms of the Agreement; and
4. It is necessary for the Lessee to approve and authorize the Agreement.
5. The Lessee desires to designate the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

NOW, THEREFORE, BE IT RESOLVED by this Governing Body for and on behalf of the Lessee as follows:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" by and between the Lessor and the Lessee is hereby approved and the Mayor (the "Authorized Officer") is hereby authorized and directed to execute said Agreement on behalf of the Lessee.

Section 2. The Agreement is being executed in calendar year 2010.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in

respect of such property; or (b) is to be derived from payments (whether or not to Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. Lessee hereby designates the Agreement as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

Section 7. In calendar year 2010, Lessee has designated \$861,000 of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, Lessee will not designate more than \$30,000,000 of obligations issued during calendar year 2010 as qualified tax-exempt obligations.

Section 8. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 2010 will not exceed \$30,000,000.

Section 9. For purposes of this resolution, the amount of Tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from Lessee or by an entity subject to substantial control by Lessee, as provided in Section 265(b)(3)(E) of the Code.

Section 10. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof.

BE IT FURTHER RESOLVED, that this resolution shall become effective immediately upon its passage, **THE PUBLIC WELFARE REQUIRING IT**.

Following the reading of the foregoing resolution, Alderman _____ moved that the foregoing resolution be adopted; Alderman _____ seconded the motion for its adoption. Mayor Randy Brundige put the question to a roll call vote and the result was as follows:

The motion having received the affirmative vote of all members present, the Mayor declared the motion carried and the resolution adopted this the 8th day of November 2010.

ATTEST:

SIGNED:

Chris Mathis, CPA City Recorder

Randy Brundige, Mayor

(S E A L)

Mayor Brundige stated you have heard the reading of Resolution R2010-16. Do I have a motion?

Alderman Harrison made the motion to approve Resolution R2010-16: A resolution authorizing and approving execution of an equipment lease-purchase agreement with BancorpSouth Equipment Finance, a Division of BancorpSouth Bank for the purpose of lease-purchasing certain equipment, seconded by Alderman Hankins

Mayor Brundige asked if anyone had any questions. There were none. A roll call vote was requested and follows:

VOTE: FOR: HONORABLE NANNEY
 HONORABLE HARRISON
 HONORABLE BELOTE
 HONORABLE TUCK
 HONORABLE HANKINS
 HONORABLE EDWARDS
 AGAINST: NONE
 ABSENT: NONE

Mayor Brundige declared Resolution R2010-16 approved.

RESOLUTION 2010-17: RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$1,500,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010, OF THE CITY OF MARTIN, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

Mayor Brundige introduced and presented for consideration Resolution R2010-17: Resolution authorizing the execution, terms, issuance, sale, and payment of not to exceed \$1,500,000 General Obligation Refunding Bonds, Series 2010, of the City Of Martin, Tennessee, and providing the details thereof. This resolution finalizes the purchase of the 109 University Street building.

Recorder Mathis read Resolution R2010-17. A copy was provided for any interested persons and for members of the media. A copy follows:

RESOLUTION 2010-17

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$1,500,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010, OF THE CITY OF MARTIN, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

WHEREAS, the City of Martin, Tennessee (the "Municipality"), pursuant to a resolution adopted by the Board of Mayor and Aldermen (the "Board") of the Municipality, has heretofore issued that certain Taxable General Obligation Capital Outlay Note, Series 2008, dated May 23, 2008, in the principal amount of \$1,500,000 (the "Note"), for the purpose of financing the acquisition of a building for future use as municipal offices for the Municipality, the acquisition of

all property real and personal appurtenant thereto and connected with such work, and to pay all legal, fiscal, administrative, and engineering costs incident thereto (collectively, the "Project");

WHEREAS, the Note is outstanding in the principal amount of \$1,500,000 and matures May 1, 2011;

WHEREAS, at the time of the issuance of the Note, it was the intention of the Board that such Note would provide interim financing for the Project until such time as the Municipality could move into the building purchased with the proceeds of the Note, and that prior to the maturity of such Note, the Municipality would convert such Note to long term financing by the issuance of refunding bonds;

WHEREAS, the Board of the Municipality has determined that it is in the best interests of the Municipality to now pay and redeem such Note by the issuance of refunding bonds in order to provide long-term financing for the Project;

WHEREAS, the Municipality is authorized by Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"), to issue and sell refunding bonds for the purpose of paying and redeeming the Note, upon the approval of the Director of State and Local Finance for such conversion;

WHEREAS, a request for approval of the conversion of the Note to general obligation refunding bonds, a plan of refunding, and a request to sell the refunding bonds at a private negotiated sale have been submitted to the State Director of Local Finance for review as required by Sections 9-21-903, and 9-21-910, respectively, Tennessee Code Annotated, as amended, and the Director of State and Local Finance has issued a report thereon;

WHEREAS, the Board finds that it is now, therefore, necessary and desirable to provide for the execution, terms, issuance, sale, and payment of not to exceed \$1,500,000 General Obligation Refunding Bonds, Series 2010 (the "Bonds"); and,

WHEREAS, it is necessary to authorize the form of, terms, and execution of, an agreement for the purchase of the refunding bonds (the "Bond Purchase Agreement"), to be entered into by and between the Municipality and First Tennessee Bank National Association, Nashville, Tennessee (the "Purchaser"), in connection with the purchase of the Bonds:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF MARTIN, TENNESSEE, AS FOLLOWS:

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

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

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

"Authorized Representative of the Municipality" means the then Mayor or the then City Recorder of the Municipality, authorized by resolution or by law to act on behalf of and bind the Municipality.

"Bond" means individually, or "Bonds" means collectively, the General Obligation Refunding Bonds, Series 2010, of the Municipality authorized by this Resolution of the Board.

"Bond Counsel" means an attorney or firm of attorneys recognized as having experience in matters relating to the issuance of municipal obligations.

"Bond Purchase Agreement" means that certain Bond Purchase Agreement, dated the date of the sale of the Bonds, between the Municipality and the Purchaser.

"Bond Registrar" means the City Recorder of the Municipality, or his or her successor, or successors hereafter appointed in the manner provided in this Resolution.

"City Recorder" means the duly appointed, qualified, and acting City Recorder of the Municipality, or his or her successors.

"Closing Date" means the date of delivery and payment of the Bonds.

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

"Board" means the Board of Mayor and Aldermen of the Municipality.

"Interest Payment Date" means each date on which interest shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

"Mayor" means the duly elected, qualified, and acting Mayor of the Municipality, or his or her successors.

"Owner", "Bondholder", or any similar term, when used with reference to the Bonds, means any Person who shall be the registered owner of any then outstanding Bond or Bonds.

"Principal Payment Date" means such date on which principal shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be outstanding.

"Resolution" means this Resolution, as supplemented and amended.

"State" means the State of Tennessee.

Section 3. Authorization. For the purpose of providing funds to pay and redeem the Note, there is hereby authorized to be issued general obligation refunding bonds of the Municipality in the aggregate principal amount of not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000). No Bonds may be issued under the provisions of this Resolution except in

accordance herewith. The Board hereby finds that it is advantageous to the Municipality to issue the Bonds to prepay the Note.

Section 4. Form of Bonds; Execution. (a) The Bonds are issuable only as fully registered bonds, without coupons, in minimum denominations of \$5,000. All Bonds issued under this Resolution shall be substantially in the form set forth in Exhibit "A" attached hereto, and by this reference incorporated herein as fully as though copied, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution, the blanks therein to be appropriately completed when the Bonds are prepared, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto or as otherwise desired by the Municipality. The Bonds shall be numbered consecutively from one upwards.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name, and on behalf, of the Municipality with the manual signature of the Mayor and attested with the manual signature of the City Recorder, and with the official seal of the Municipality impressed or imprinted thereon. The Bonds shall not be valid for any purpose unless authenticated by the manual signature of the Bond Registrar on the certificate set forth on the Bonds.

(c) In the event any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the signature of such individuals who, at the actual time of the execution of such Bond, were the proper officers of the Municipality to sign such Bond, although on the date of the adoption by the Municipality of this Resolution, such individuals may not have been such officers.

Section 5. Terms, Payment, and Certain Other Provisions of the Bonds. (a) The Bonds shall be designated "General Obligation Refunding Bonds, Series 2010". Each Bond shall be dated the date of issuance and delivery, or such other date as the Authorized Representatives of the Municipality executing the Bonds shall determine; shall be sold at the price of par; shall bear interest from the date thereof at a rate or rates to be hereafter determined by the officials of the Municipality executing the Bonds when said Bonds are sold, but not exceeding 6% per annum, such interest being payable semiannually on the first day of May and November of each year, commencing November 1, 2011; and, shall be payable on the first day of November in the principal amounts set forth below; provided, however, that the Mayor and the City Recorder are hereby authorized to make such adjustments in the principal amounts as are necessary to provide the most effective overall debt service for the Municipality:

<u>Year</u>	<u>Principal Amount</u>
2011	\$ 41,000
2012	42,000
2013	43,000
2014	45,000
2015	46,000
2016	47,000
2017	49,000
2018	50,000
2019	52,000

2020	54,000
2021	55,000
2022	57,000
2023	59,000
2024	60,000
2025	62,000
2026	64,000
2027	66,000
2028	68,000
2029	70,000
2030	73,000
2031	75,000
2032	77,000
2033	79,000
2034	82,000
2035	<u>84,000</u>
Total	\$1,500,000

In the event that any amount payable on any Bond as interest shall at any time exceed the rate of interest lawfully chargeable thereon under applicable law, then any such excess shall, to the extent of such excess, be applied against the principal of such Bond as a prepayment thereof without penalty, and such excess shall not be considered to be interest.

The principal of, and all installments of interest on, any Bond shall bear interest from and after their respective due dates at a rate of interest equal to the rate of interest payable on the principal of such Bond. All rates of interest specified herein shall be computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days.

(b) Interest on the Bonds shall be payable by wire transfer, electronic means, or by check or other form of draft of the Bond Registrar, deposited by the Bond Registrar in the United States mail, first class postage prepaid, in sealed envelopes, addressed to the owners of such Bonds, as of the applicable Interest Payment Date, at their respective addresses as shown on the registration books of the Municipality maintained by the Bond Registrar as of the close of business fifteen (15) calendar days preceding the next Interest Payment Date. All payments of the principal of and interest on the Bonds shall be made in any coin or currency of the United States of America which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

Section 6. Redemption. The Bonds shall not be subject to redemption prior to maturity; provided however, at the option of the Municipality, upon fifteen (15) calendar days written notice to the registered owner, and with the consent of the registered owner, the Municipality may prepay the Bonds in full at the price of par plus a 1% premium, and accrued interest to the date of redemption.

Section 7. Registration, Negotiability, and Payment. (a) The City Recorder of the Municipality is hereby appointed the Bond Registrar and paying agent (the "Bond Registrar"), and as such shall establish and maintain suitable books (the "Registration Books") for recording the registration, conversion, and payment of the Bonds, and shall also perform such other duties as may be required in connection with any of the foregoing. The Bond Registrar is hereby authorized to

authenticate and deliver the Bonds to the original purchaser thereof, or as he or she may designate, upon receipt by the Municipality of the proceeds of the sale thereof and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bonds to be transferred in proper form with proper documentation as herein described. The Bonds shall not be valid for any purpose unless authenticated by the Bond Registrar by the manual signature of the Bond Registrar on the certificate set forth in Exhibit "A" hereto. The Bonds shall be fully registered as to both principal and interest and shall be fully negotiable upon proper endorsement by the registered owner thereof. No transfer of any Bonds shall be valid unless such transfer is noted upon the Registration Books and until such Bond is surrendered, cancelled, and exchanged for a new Bond which shall be issued to the transferee, subject to all the conditions contained herein.

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

Section 8. Exchange of Bonds. Bonds upon surrender thereof at the office of the Bond Registrar, together with an assignment of such Bonds duly executed by the Owner thereof, or his, her, or its attorney or legal representative, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this Resolution, and bearing interest at the same rate as the Bonds surrendered for exchange.

Section 9. Transfer of Bonds. (a) Each Bond shall be transferable only on the registration books maintained by the Bond Registrar at the office of the Bond Registrar, upon the surrender for cancellation thereof at the office of the Bond Registrar, together with an assignment of such Bond duly executed by the Owner thereof or his, her, or its attorney or legal representative, and upon payment of the charges hereinafter provided, and subject to such other limitations and conditions as may be provided therein or herein. Upon the cancellation of any such Bond, the Bond Registrar shall, in exchange for the surrendered Bond or Bonds, deliver in the name of the transferee or transferees a new Bond or Bonds of authorized denominations, of the same aggregate principal amount and maturity and rate of interest as such surrendered Bond or Bonds, and the transferee or transferees shall take such new Bond or Bonds subject to all of the conditions herein contained.

(b) The Municipality and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered upon the registration books maintained by the Bond Registrar as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of, and the interest on, such Bond and for all other purposes. All such payments so made to the registered Owner thereof shall be valid and effectual to satisfy and discharge the liability of the Municipality or the Bond Registrar upon such Bond to the extent of the sum or sums so paid. Neither the Municipality nor the Bond Registrar shall be affected by any notice to the contrary.

Section 10. Regulations with Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Municipality shall execute, and the Bond Registrar shall deliver, Bonds in accordance with the provisions of this Resolution. For every exchange or transfer of Bonds, whether temporary or definitive, the Municipality and the Bond Registrar may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, and other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Neither the Municipality nor the Bond Registrar shall be obligated to exchange or transfer any Bond after the fifteenth (15th) calendar day of the month next preceding an Interest Payment Date.

Section 11. Mutilated, Lost, Stolen, or Destroyed Bonds. In the event any Bond issued hereunder shall become mutilated, or be lost, stolen, or destroyed, such Bond shall, at the written request of the registered owner, be cancelled on the Registration Books and a new Bond shall be authenticated and delivered, corresponding in all aspects but number to the mutilated, lost, stolen, or destroyed Bond. Thereafter, should such mutilated, lost, stolen, or destroyed Bond or Bonds come into possession of the registered owner, such Bonds shall be returned to the Bond Registrar for destruction by the Bond Registrar. If the principal on said mutilated, lost, stolen, or destroyed Bond shall be due within fifteen (15) calendar days of receipt of the written request of the registered owner for authentication and delivery of a new Bond, payment therefor shall be made as scheduled in lieu of issuing a new Bond. In every case the registered owner shall certify in writing as to the destruction, theft, or loss of such Bond, and shall provide indemnification satisfactory to the Municipality and to the Bond Registrar, if required by the Municipality and the Bond Registrar; provided that is the owner of such destroyed, stolen, or lost bond has a minimum net worth of at least \$25,000,000, such person's own unsecured agreement of indemnity shall be deemed to be satisfactory to the Municipality and to the Bond Registrar.

Section 12. Authentication. Only such of the Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit "A" hereto duly executed by the Bond Registrar shall be entitled to the rights, benefits, and security of this Resolution. No Bond shall be valid or obligatory for any purpose unless, and until, such certificate of authentication shall have been duly executed by the Bond Registrar. Such executed certificate of authentication by the Bond Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under the Resolution as of the date of authentication.

Section 13. Source of Payment and Security. The Bonds, including the principal thereof and the interest thereon, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. The Bonds shall be a direct general obligation of the Municipality, for which the punctual payment of the principal of and interest on the Bonds the full faith and credit of the Municipality is hereby irrevocably pledged.

Section 14. Levy of Taxes. For the purpose of providing for the payment of the principal of, and interest on, the Bonds, there shall be levied in each year in which such Bonds shall be outstanding, to the extent necessary, a direct tax on all taxable property in the Municipality, fully sufficient, to pay all such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected, and paid at the time, and in the same

manner, as the other taxes of said Municipality, shall be in addition to all other taxes, and shall be without limitation as to time, rate, or amount. The Board of the Municipality is required by law and shall and does hereby pledge to levy such tax. Principal and interest, or either of the foregoing, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from the general fund or other available funds of the Municipality, but reimbursement therefor may be made from the taxes herein provided when the same shall have been collected.

Section 15. Sale of Bonds. (a) The Bonds herein authorized are authorized to be sold by the Mayor at a private negotiated sale at a price of not less than par in accordance with the provisions of the Bond Purchase Agreement. The Bonds shall contain such terms, conditions, and provisions other than as expressly provided or limited herein as may be agreed upon by the Mayor of the Municipality and the purchaser of the Bonds, as set forth in such Bond Purchase Agreement.

The Mayor, in consultation with the Purchaser of the Bonds, is authorized, prior to the sale of the Bonds and the execution of the Bond Purchase Agreement, to make such changes in the structuring of the terms of the Bonds as the Mayor shall deem necessary to provide for the most efficient refunding of the Note, as may be in the best interests of the Municipality. In this regard, the Mayor, in consultation with the Purchaser of the Bonds, is authorized to cause to be sold an aggregate principal amount of the Bonds less than that authorized herein and to make adjustments to the maturity schedule set forth in Section 5 hereof, and to change the redemption provisions set forth in Section 6 hereof; provided, however, that no redemption premium shall be greater than two percent (2%).

(b) The form, content, and provisions of the Bond Purchase Agreement as presented to this meeting of the Board and attached hereto as Exhibit "B," are in all particulars approved, and the Mayor and the City Recorder are hereby authorized, empowered, and directed to execute, acknowledge, and deliver said Bond Purchase Agreement in the name, and on behalf of the Municipality.

The Bond Purchase Agreement is to be in substantially the form now before this meeting of the Board, or with such changes therein as shall be approved by the Mayor and City Recorder executing the same, their execution thereof to constitute conclusive evidence of the approval of any and all such changes or revisions.

The Authorized Representatives of the Municipality are hereby authorized, empowered, and directed, from and after the execution and delivery of the Bond Purchase Agreement to do all acts and things, and execute all documents, as may be necessary or convenient to carry out, and comply with, the provisions of said Bond Purchase Agreement, as executed and delivered.

Section 16. Disposition of Bond Proceeds. The proceeds from the sale of the Bonds shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof. Said proceeds shall be used, together with other available funds of the Municipality to prepay the Note, such prepayment to occur on the first available date, but in no event later than eighty-nine (89) days from the date of issuance of the Bonds.

Section 17. Prepayment of the Note. Upon the issuance and delivery of the Bonds, the principal and interest on the Note maturing May 1, 2011, is hereby authorized to be prepaid and

notice of such intent to prepay the Note shall be given by the Municipality to the registered owner of the Note in accordance with the provisions of such Note.

Section 18. Non-Arbitrage Certification. The Municipality certifies and covenants with the Owner of the Bonds that so long as the principal of any Bond remains unpaid, monies on deposit in any fund or account in connection with the Bonds, whether or not from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Municipality reserves the right, however, to make any investment of such monies permitted by Tennessee law and this Resolution if, when, and to the extent that said Section 148 or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

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

Section 19. Designation of Bonds Qualified Tax-Exempt Obligations. The Municipality hereby designates the Bonds as "qualified tax-exempt obligations" within the meaning and for the purpose of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Section 20. Resolution a Contract; Amendments. The provisions of this Resolution shall constitute a contract between the Municipality and the Owners of the Bonds and after the issuance of the Bonds, no change, variation, or alteration of any kind in the provisions of this Resolution which would impair the rights of the Owners shall be made in any manner, until such time as all installments of the principal of and interest on the Bonds shall have been paid in full unless the consent of all of the Owners of all then outstanding Bonds has been obtained; provided, however, that the Municipality is hereby authorized to make such amendments to this Resolution as will not impair the rights of Bondholders. The laws of the State of Tennessee shall govern this Resolution.

Section 21. Remedies. Any Owner of the Bonds shall have such remedies as provided by Title 9, Chapter 21, Section 216, Tennessee Code Annotated, as amended.

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

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

Section 24. No Action to be Taken Affecting Validity of the Bonds. The Board hereby covenants and agrees that it will not take any action, that would in any manner affect the validity of the Bonds or limit the rights and remedies of the Owners from time to time of such Bonds or affect the exclusion of interest thereon from the gross income of the owners thereof for federal income tax purposes.

Section 25. Miscellaneous Acts. The Mayor and the City Recorder, and all other appropriate officials of the Municipality, are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, specifically including but not limited to arbitrage certifications and financial advisory agreements, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery of the Bonds and for the prepayment of the Outstanding Indebtedness.

Section 26. No Recourse Under Resolution or on Bonds. All stipulations, promises, agreements, and obligations of the Municipality contained in this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the Municipality and not of any officer, director, or employee of the Municipality in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution against any officer, director, or employee of the Municipality or against any official or individual executing the Bonds.

Section 27. Partial Invalidity. If any one or more of the sections, paragraph, or provisions of this Resolution, or of any exhibit or attachment hereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment hereto, but this Resolution, and the exhibits and attachments hereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein or therein, as the case may be.

Section 28. Repeal of Conflicting Resolutions and Effective Date. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption, the welfare of the Municipality requiring it.

Approved and adopted this 8th day of November, 2010.

Mayor

ATTEST:

City Recorder

STATE OF TENNESSEE)
COUNTY OF WEAKLEY)

I, Chris Mathis, hereby certify that I am the duly qualified and acting City Recorder of the City of Martin, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the Board of Mayor and Aldermen (the "Board") of said Municipality held on November 8, 2010; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates to, among other matters, the authorization of the issuance of not to exceed \$1,500,000 General Obligation Refunding Bonds, Series 2010, by said Municipality; (4) that the actions by said Board, including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purpose; and, (5) that a quorum of the members of said Board was present and acting throughout said meeting.

WITNESS my official signature and the seal of said Municipality this 8th day of November, 2010.

City Recorder

(SEAL)

EXHIBIT A - FORM OF BOND

Registered
No. _____

Registered
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF WEAKLEY
CITY OF MARTIN
GENERAL OBLIGATION REFUNDING BOND,
SERIES 2010

Dated Date:

Registered Owner:

Principal Amount:

THE CITY OF MARTIN, TENNESSEE (the "Municipality"), a lawfully organized and existing municipal corporation, for value received, hereby acknowledges itself indebted and promises to pay, as hereinafter set forth, in the manner hereinafter provided, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Principal Payment Dates and in the Principal Amounts set forth on Exhibit A attached hereto and incorporated herein as fully as though copied, and to pay interest on said Principal Amounts from the date hereof, or such later date as to which interest has been paid, to the Principal Payment Dates set forth on Exhibit A, semiannually on May 1 and November 1 of each year, commencing November 1, 2011, at the Interest Rate per annum set forth on Exhibit A, with principal and interest being payable by wire transfer, check, draft, or warrant to the Registered Owner hereof at the address shown on the registration books of the City Recorder maintained at the principal office of the City Recorder, Martin, Tennessee, or his or her successor as registrar and paying agent (the "Bond Registrar"), on the fifteenth (15th) calendar day next preceding an interest payment date, in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts.

In the event that any amount payable hereunder as interest shall at any time exceed the rate of interest lawfully chargeable on this bond under applicable law, any such excess shall, to the extent of such excess, be applied against the principal hereof as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days.

The principal hereof and all installments of interest hereon, shall bear interest from and after their respective due dates at the same rate of interest payable on the principal hereof.

This bond is authorized and issued pursuant to and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended. Section 9-21-117, Tennessee Code Annotated, as amended, provides that this bond and the income therefrom shall be exempt from all state, county, and municipal taxation in the State of Tennessee, except inheritance, transfer, and estate taxes, and except as otherwise provided in said Code.

This Bond is known as "General Obligation Refunding Bond, Series 2010" (the "Bond"), issued by the Municipality in the principal amount of \$1,500,000. The Bond, which is issued for the purpose of providing funds to prepay the outstanding principal of that certain Taxable General Obligation Capital Outlay Note, Series 2008, dated May 23, 2008, issued in the principal amount of \$1,500,000, the proceeds of such Note having been used to finance the acquisition of a building for future use as municipal offices for the Municipality, the acquisition of all property real and personal appurtenant thereto and connected with such work, and to pay all legal, fiscal, administrative, and engineering costs incident thereto, are authorized by appropriate resolutions of the Board of Mayor and Aldermen and particularly that certain Resolution of the Board of Mayor and Aldermen, adopted on November 8, 2010, as such resolution may be from time to time amended or supplemented in accordance with its terms (such resolution as so amended or supplemented, being herein called the "Resolution"), and are issued pursuant to, and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"). Copies of said Resolution are on file at the office of the City Recorder of the Municipality, and reference is hereby made to said Resolution and the Act, for a more complete statement of the terms and conditions upon which the Bonds are issued thereunder, the rights, duties, immunities, and obligations of the Municipality, and the rights of the Registered Owner hereof.

This Bond is further issued pursuant to the provisions of that certain Bond Purchase Agreement, dated of even date herewith, by and between the Municipality and _____, as the purchaser of the Bond (the "Bank"). This Bond shall be subject to the provisions set forth in the Bond Purchase Agreement, including any adjustment of the rate of interest payable on this Bond and subject to the provisions relating to the Scheduled Termination Date.

The Bank, as the purchaser of this Bond, at its sole option, may (i) extend the Scheduled Termination Date, as hereinafter defined, for purposes of this Bond for an additional term of seven (7) years upon such terms as may be mutually agreed upon by the Municipality, the Borrower, and the Tennessee Municipal Bond Fund (the "Administrator"), or (ii) put this Bond to the Municipality for purchase on such Scheduled Termination Date; provided, however, unless on or before one hundred eighty (180) days prior to the Scheduled Termination Date, the Bank shall have notified the Issuer, the Municipality, and the Administrator, in writing, that it intends to put the Bond to the Municipality for purchase on the next Scheduled Termination Date, then the Bank shall be obligated to extend the Scheduled Termination Date for an additional seven (7) year term from the then stated Scheduled Termination Date.

If the Bank elects (or is deemed to have elected) to extend the Scheduled Termination Date, its obligation to do so shall nevertheless be conditioned on the following:

- (a) That no default under the Bond exists on the Scheduled Termination Date; and,

(b) The Municipality having delivered an opinion of bond counsel acceptable to the Bank on the Scheduled Termination Date.

Further, if the Bank elects to extend the Scheduled Termination Date, it may at its sole option, elect to modify the interest rate on the Bond by notice delivered to the Municipality and the Administrator not less than one hundred eighty (180) days prior to the Scheduled Termination Date.

"Scheduled Termination Date" means initially the seventh anniversary of the date of the dated date of the Bond, and, if extended by the Bank, the seventh anniversary of the prior Scheduled Termination Date.

This Bond is payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. For the prompt payment of this Bond, both principal and interest, as the same shall become due, the full faith, and credit of the Municipality is hereby irrevocably pledged.

The Municipality has designated the Bond as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Subject to the provisions for registration and transfer contained herein and in the Resolution, this Bond is transferable by the Registered Owner hereof in person or by his, her, or its attorney or legal representative at the office of the Bond Registrar, but only in the manner and subject to the limitations and conditions provided in the Resolution and upon surrender and cancellation of this Bond. Upon any such transfer, the Municipality shall execute and the Bond Registrar shall authenticate and deliver in exchange for this Bond a new fully registered bond or bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same maturity and bearing interest at the same rate. For every exchange or transfer of bonds, whether temporary or definitive, the Municipality and the Bond Registrar may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, or other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The Municipality and the Bond Registrar may deem and treat the person or entity in whose name this Bond is registered as the absolute owner hereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of, and interest on, this Bond and for all other purposes. All such payments so made shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and neither the Municipality nor the Bond Registrar shall be affected by any notice to the contrary.

The Bond is issuable only as a fully registered Bond, without coupons, in the denomination of \$1,500,000. At the principal office of the Bond Registrar, in the manner and subject to the limitations, conditions, and charges provided in the Resolution, the Bond may be exchanged for an equal principal amount of Bonds of the same maturity, of authorized denominations, and bearing interest at the same rate.

The Bond, upon forty-five (45) days calendar days' written notice, may be prepaid in whole or in part on any Scheduled Termination Date, so long as the Municipality is not in default under any provision hereof.

The Bond may not be prepaid in whole or in part during the term of the Bond except as set forth in above; provided, however, that with the written approval of the Registered Owner after notification by the Municipality to the Registered Owner and the Administrator, of its intent to prepay, the Municipality may prepay the Bond in whole at the price of 102% of the principal amount to be prepaid, plus accrued interest to the date of prepayment.

This Bond shall have all the qualities and incidents of, and shall be a negotiable instrument under, the Uniform Commercial Code of the State of Tennessee, subject only to provisions respecting registration of such Bond. This Bond is issued with the intent that the laws of the State of Tennessee shall govern its construction.

It is hereby certified, recited, and declared that all acts and conditions required to be done and to exist precedent to, and in the issuance of, this bond in order to make this bond a legal, valid, and binding obligation of the Municipality, have been done, and did exist in due time and form as required by the Constitution and statutes of the State of Tennessee, and that this Bond and the issue of which it is a part, together with all other indebtedness of such Municipality, does not exceed any limitation prescribed by the Constitution or statutes of the State of Tennessee.

IN WITNESS WHEREOF, THE CITY OF MARTIN, TENNESSEE, by its Board of Mayor and Aldermen has caused this bond to be executed by the manual signature of the Mayor and attested by the manual signature of the City Recorder, to have its official seal to be impressed or imprinted hereon, all as of _____, 2010.

EXHIBIT B – FORM OF BOND PURCHASE AGREEMENT

CITY OF MARTIN, TENNESSEE

AND

FIRST TENNESSEE BANK NATIONAL ASSOCIATION

BOND PURCHASE AGREEMENT

Dated: November____, 2010

BOND PURCHASE AGREEMENT

City of Martin, Tennessee
\$1,500,000
General Obligation Refunding Bond, Series 2010

THIS BOND PURCHASE AGREEMENT (the "Bond Purchase Agreement"), dated November ____, 2010, is by and between the CITY OF MARTIN, TENNESSEE (the "Municipality"), and FIRST TENNESSEE BANK NATIONAL ASSOCIATION, a national banking association (the "Purchaser" or the "Bank"):

Section 1. Background.

1.1 (a) The Municipality will issue its \$1,500,000 General Obligation Refunding Bond, Series 2010, dated the date of issuance and delivery (the "Refunding Bond"), for the purpose of refunding the outstanding principal balance of that certain Taxable General Obligation Capital Outlay Note, Series 2008, dated May 23, 2008, in the principal amount of \$1,500,000 (the "Note"), which is currently outstanding in the amount of \$1,500,000, the proceeds of such Note having been used for the purpose of financing the acquisition of a building for future use as municipal offices for the Municipality, the acquisition of all property real and personal appurtenant thereto and connected with such work, and to pay all legal, fiscal, administrative, and engineering costs incident thereto;

(b) The Refunding Bond is issued pursuant to that certain resolution adopted by the Board of Mayor and Aldermen of the Municipality on November 8, 2010 (the "Resolution").

(c) In accordance with the Resolution, the proceeds of the Refunding Bond will be used on or before January ____, 2011, to refund the Note.

1.2 The Refunding Bond shall be in substantially the form set forth in the Resolution; shall be issuable as a fully registered bond, in the denomination of \$1,500,000; shall be dated the date of issuance and delivery; shall bear interest from such date payable semiannually on May 1 and November 1 of each year, with the first interest payment to be made on November 1, 2011; shall bear interest at the rate of ___%, subject to adjustment as set forth below, and shall mature on the first day of November in the years and in the principal amounts set forth below, subject to the extension of the Scheduled Termination Date, as set forth below:

<u>Year</u>	<u>Principal Amount</u>
2011	\$ 41,000
2012	42,000
2013	43,000
2014	45,000
2015	46,000
2016	47,000
2017	49,000
2018	50,000
2019	52,000
2020	54,000
2021	55,000
2022	57,000
2023	59,000
2024	60,000
2025	62,000
2026	64,000
2027	66,000
2028	68,000
2029	70,000
2030	73,000
2031	75,000
2032	77,000
2033	79,000
2034	82,000
2035	<u>84,000</u>
Total	\$1,500,000

The Bank, as the purchaser of the Refunding Bond, at its sole option, may (i) extend the Scheduled Termination Date, as hereinafter defined, for purposes of the Refunding Bond for an additional term of seven (7) years upon such terms as may be mutually agreed upon by the Bank, the Municipality, and the Tennessee Municipal Bond Fund (the "Administrator"), or (ii) put the Refunding Bond to the Municipality for purchase on such Scheduled Termination Date; provided, however, unless on or before one hundred eighty (180) days prior to the Scheduled Termination Date, the Bank shall have notified the Municipality and the Administrator, in writing, that it intends to put the Refunding Bond to the Municipality for purchase on the next Scheduled Termination Date, then the Bank shall be obligated to extend the Scheduled Termination Date for an additional seven (7) year term from the then stated Scheduled Termination Date.

If the Bank elects (or is deemed to have elected) to extend the Scheduled Termination Date, its obligation to do so shall nevertheless be conditioned on the following:

- (a) That no default under the Refunding Bond exists on the Scheduled Termination Date; and,

(b) The Municipality having delivered an opinion of bond counsel, in form acceptable to the Bank on the Scheduled Termination Date.

Further, if the Bank elects (or is deemed to have elected) to extend the Scheduled Termination Date, it may at its sole option, elect to modify the interest rate on the Refunding Bond by notice delivered to the Municipality and the Administrator not less than one hundred eighty (180) days prior to the Scheduled Termination Date.

"Scheduled Termination Date" means initially the seventh anniversary of the date of the dated date of the Refunding Bond, and, if extended by the Bank, the seventh anniversary of the prior Scheduled Termination Date.

1.3 (a) The Refunding Bond, upon forty-five (45) days calendar days' written notice, may be prepaid, in whole or in part, on any Scheduled Termination Date, so long as the Municipality is not in default under the provisions of the Refunding Bond.

(b) The Refunding Bond may not be prepaid in whole or in part during the term of the Refunding Bond except as set forth in (a) above; provided, however, that with the written approval of the Bank after notification by the Municipality to the Bank and the Administrator of its intent to prepay, the Municipality may prepay the Refunding Bond in whole at the price of 102% of the principal amount to be prepaid, plus accrued interest to the date of prepayment.

1.4 The Refunding Bond is payable as to both principal and interest from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, or amount and for which the punctual payment of the principal of and interest on the Refunding Bond, the full faith and credit of the Municipality is irrevocably pledged.

Section 2. Representations and Warranties of the Municipality.

The Municipality represents and warrants to the Bank (which representations and warranties will survive the purchase and delivery of the Refunding Bond) that:

2.1 The Municipality is a municipal corporation duly organized and validly existing under the laws of the State of Tennessee, and is authorized and empowered by the provisions of Title 9, Chapter 21, Tennessee Code Annotated, as the same may be from time to time supplemented and amended (the "Act"), and its Charter to enter into the transactions contemplated by this Bond Purchase Agreement and to carry out its obligations hereunder.

2.2 The Municipality has complied with the provisions of the Act and its Charter and has full power and authority to issue and sell the Refunding Bond as provided herein and in the Resolution and has full power and authority to enter into and has duly authorized the execution and delivery of the Resolution and this Bond Purchase Agreement.

2.3 The Resolution duly adopted by the Municipality and still in force and effect authorizes (1) the execution, delivery, and due performance of this Bond Purchase Agreement

and the Refunding Bond, and (ii) the taking of any and all action as may be required on the part of the Municipality to carry out, give effect to and consummate the transactions contemplated by this Bond Purchase Agreement.

2.4 This Bond Purchase Agreement upon its effective date, will, assuming due execution by the other parties hereto, constitute a legal, valid, and binding obligation of the Municipality in accordance with its terms.

2.5 The Refunding Bond, when issued, delivered, and paid for as provided in this Bond Purchase Agreement is the valid and binding obligation of the Municipality enforceable in accordance with and entitled to the benefits and security of the Resolution and the other security therefor.

2.6 There is no action, suit, proceeding, or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Municipality, threatened against or affecting the Municipality (or, to the knowledge of the Municipality, any basis therefor) wherein an unfavorable decision, ruling, or finding would adversely affect (i) the transactions contemplated by this Bond Purchase Agreement or the validity of the Refunding Bond, the Resolution, this Bond Purchase Agreement, or any agreement or instrument to which the Municipality is a party and which is used or contemplated for use in the completion of the transactions contemplated hereby or (ii) the exclusion of interest on the Refunding Bond from gross income of the holders thereof for federal income tax purposes.

2.7 The execution and delivery of this Bond Purchase Agreement, the Refunding Bond, the Resolution, and the other agreements contemplated hereby and in compliance with the provisions thereof will not conflict with or constitute on the part of the Municipality a breach of or a default under any existing agreement, indenture, mortgage, lease, or other instrument to which the Municipality is subject or by which it is or may be bound or, to the best knowledge of the Municipality, any law, regulation, order, or decree applicable to the Municipality, of any court, regulatory body or administrative body having jurisdiction over the Municipality or its Refunding Bond.

2.8 Any certificate signed by an authorized officer of the Municipality delivered to any other party hereto shall be deemed a representation and warranty by the Municipality to any such party as to the statements made by the Municipality herein.

2.9 No further approval, consent, authorization or order of, or filing, registration or declaration with, or withholding of objection on the part of, any court or regulatory body, federal, state or local, is required in connection with (i) the issuance and delivery of the Refunding Bond by the Municipality, or (ii) the execution or delivery of or compliance by the Municipality with the terms and conditions of this Bond Purchase Agreement, the Resolution, or the Refunding Bond.

2.10 The Municipality will apply the proceeds from the sale of the Refunding Bond as provided in and subject to all the terms of the Resolution and will observe all covenants of Municipality in such Resolution.

2.11 The Municipality will not take any action or permit any action to be taken on its behalf, or cause or permit any circumstances within its control to arise or continue, if such action or circumstances will adversely affect the exclusion from gross income of the interest on the Refunding Bonds for federal tax purposes.

Section 3. Representations and Warranties of the Bank.

3.1 The Bank has received all necessary information with respect to the Municipality necessary in order to purchase the Refunding Bond.

3.2. The Resolution, the Refunding Bond, and this Bond Purchase Agreement have been approved by the Bank and contain the terms agreed to by the Bank.

3.3 The Bank has made its own independent investigation and evaluation of the financial position of the Municipality, or has caused such investigation and evaluation of the Municipality to be made by persons it deems competent to do so.

Section 4. Purchase, Sale, and Closing.

4.1 Subject to the terms and conditions herein set forth, the Municipality agrees to sell to the Bank and the Bank agrees to purchase from the Municipality the Refunding Bond in the principal amount of \$1,500,000 at the price of par.

The closing for the Refunding Bond (the "Closing") will be held on November ____, 2010 (the "Closing Date"). Payment for the Refunding Bond shall be made in a manner satisfactory to the Municipality and the Bank in immediately available funds (unless agreed upon otherwise by the Bank) against delivery to the Bank of the Refunding Bond purchased thereby. The Refunding Bond will be delivered at the Closing to the Bank.

4.2 The Bank's obligations to pay for the Refunding Bond and the obligations of the Municipality to issue the Refunding Bond are subject to the fulfillment of the following conditions at or before the Closing:

(a) The Municipality's representations hereunder are true as of the date hereof.

(b) The Resolution shall be in full force and effect and shall not have been amended or modified in any way which would adversely affect the Refunding Bond or the rights of any of the Bank and there shall have been no material adverse change in the properties, business (financial or otherwise), or results of the operation of the Municipality since the date of the adoption of the Resolution.

(c) The Municipality shall not have defaulted in any of its respective covenants hereunder.

(d) The Refunding Bond and the Resolution, shall have been duly authorized, executed, and delivered in the form heretofore approved by the Bank with only such changes therein as the Bank and the other parties thereto shall mutually agree upon.

(e) The Bank shall have received or approved:

(i) an opinion of Bond Counsel, dated as of the Closing, in form and substance satisfactory to the Bank;

(ii) an opinion of counsel to the Municipality, dated as of the Closing, in form and substance satisfactory to the Bank;

(iii) copy of the executed Resolution; and,

(iv) closing certificates in forms satisfactory to the Bank.

(f) As of the date hereof there shall not be any litigation or proceeding pending or threatened challenging the validity of this Bond Purchase Agreement, the Resolution, the Refunding Bond, or any other attendant documents, impairing the ability of the Municipality to pay the Refunding Bond, or seeking to enjoin any of the transactions referred to therein, and the Bank shall have received a certificate or certificates to this effect.

Section 5. Miscellaneous.

5.1 No omission or delay by the Bank or the Municipality in exercising any right or power under this Bond Purchase Agreement will impair such right or power or be construed to be a waiver of any default or an acquiescence therein, any single or partial exercise of any such right or power will not preclude any other or further exercise thereof or the exercise of any other right, and no waiver will be valid unless in writing and signed by the Bank or, if a waiver of default is properly waivable by the Municipality, then signed by the Municipality and the Bank and then only to the extent specified. All remedies herein and by law afforded will be cumulative and will be available to the Underwriter and the Municipality until the Refunding Bond is paid in full.

5.2 This Bond Purchase Agreement and the rights and obligations of the parties hereunder shall not be assigned nor shall this Bond Purchase Agreement be amended without the written consent of the Bank and the Municipality.

5.3 A written notice required or permitted by this Bond Purchase Agreement may be delivered by depositing it in the United States mail, postage prepaid, as follows:

If to the Municipality:

City of Martin, Tennessee
101 University Street
P. O. Box 290
Martin, Tennessee 38237
Attention: Mayor

If to the Bank:

First Tennessee Bank National Association
511 Union Street, 4th Floor
Nashville, Tennessee 37219
Attention: W.A. Stringer
Attention: Brian Wille

5.4 This Bond Purchase Agreement has been executed and delivered in the State of Tennessee and it is the intention of the parties hereto that such document shall be governed by and construed in accordance with the laws of such State.

5.5 All representations, warranties, and agreements of the Municipality shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Bank, and shall survive delivery of the Refunding Bond to the Bank.

5.6 This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

5.7 The officers of the Municipality shall not be personally liable for any amounts, costs, losses, damages, or liabilities caused or incurred by the Municipality, the Bank, this Bond Purchase Agreement, the Resolution, or any other document or certification whatsoever, or for the payment of any other sum or the performance of any obligation or covenant under any of the above.

IN WITNESS WHEREOF, the parties hereto have caused this Bond Purchase Agreement to be executed in their names and on their behalf as follows:

CITY OF MARTIN, TENNESSEE

By: _____
Mayor

ATTEST:
By: _____
City Recorder

FIRST TENNESSEE BANK
NATIONAL ASSOCIATION
By: _____

Mayor Brundige explained we have two interest rate/payment options and before we vote on the resolution I would like your opinion. Option one is a five-year locked in interest rate of 2.76%. Option two is a seven-year locked in interest rate of 3.09%.

The Board agreed on Option two the seven-year locked in interest rate of 3.09%.

Mayor Brundige stated you have heard the reading of Resolution R2010-17. Is there a motion?

Alderman Nanney made the motion to approve Resolution R2010-17: A resolution authorizing the execution, terms, issuance, sale, and payment of nit to exceed \$1,500,000 General Obligation Refunding Bonds, Series 2010, of the City of Martin, Tennessee, and providing thereof, seconded by Alderman Harrison.

Mayor Brundige asked if anyone had any questions. There were none. A roll call vote was requested and follows:

VOTE: FOR: HONORABLE NANNEY
 HONORABLE HARRISON
 HONORABLE BELOTE
 HONORABLE TUCK
 HONORABLE HANKINS
 HONORABLE EDWARDS
 AGAINST: NONE
 ABSENT: NONE

Mayor Brundige declared Resolution R2010-17 approved.

INTRODUCTION AND PRESENTATION OF RESOLUTION 2010-18: A RESOLUTION AUTHORIZING THE MAYOR OF MARTIN TO EXECUTE A QUITCLAIM DEED REGARDING THE NORTHWEST TENNESSEE DEVELOPMENT DISTRICT, INC. PROPERTY

Mayor Brundige introduced and presented for consideration Resolution R2010-18: A resolution authorizing the Mayor of Martin to execute a quitclaim deed regarding the Northwest Tennessee Development District, Inc property.

Recorder Mathis read Resolution R2010-18. A copy was provided for all interested persons and members of the media. A copy follows:

RESOLUTION 2010-18

A RESOLUTION AUTHORIZING THE MAYOR OF MARTIN TO EXECUTE A QUITCLAIM DEED REGARDING THE NORTHWEST TENNESSEE DEVELOPMENT DISTRICT, INC. PROPERTY

WHEREAS, The City of Martin, Tennessee, by Deed dated April 15, 2008, and recorded at Book D409, pages 1297-1299 in the Register's Office for Weakley County, Tennessee, conveyed unto Northwest Tennessee Development District, Inc., a public body non-profit corporation existing by virtue of the laws of the State of Tennessee and T.C.A. § 13-14-101, et seq., the hereinafter described property which contained the following language:

For so long as the property is used by the Grantee as an office for district developmental purposes and utilized and operated by the Grantee as an office for such purposes during normal business hours during the work week and with employees of the Grantee present thereon at all such times; and if the property shall cease to be used by the Grantee as an office for district developmental purposes and utilized and operated by the Grantee as an office for such purposes during normal business hours during the work week and with employees of the Grantee present thereon at all such times, title to the property shall revert back to the Grantor in as full and ample a manner as if the conveyance by the Grantor had never been given, with no re-entry by the Grantor being necessary, with the Grantor having conveyed to Grantee a fee simple determinable with a possibility of reverter;

AND, WHEREAS, the property conveyed by the above Deed, being on Tax Map 58I, Group A, Parcel 20.01, for the county of Weakley County, Tennessee, and also being in the 2nd Civil District of said county, is more particularly described as follows:

Beginning at an iron stake 25 feet south of the center line of Weldon Drive at the northwest corner of Parcel 19 as shown on Map No. 58 I Group A of City of Martin Tax Map, thence south with east lot line of Parcel 19 for a distance of 220 feet to a common boundary between George R. Dodd and C. E. Weldon; thence east with the north boundary of Dodd 344 feet to a stake; thence north making a new line through the lands of C. E. Weldon which is shown on Tax Map 58 I Group A as parcel No. 20, 220 feet to a stake 25 feet south of center line of Weldon Drive; thence west parallel and 25 feet south of center line of Weldon Drive 344 feet to the point of beginning.

BEING the same property acquired by The City of Martin, Tennessee, a municipal corporation, by Warranty Deed from C. E. Weldon and wife, Virginia Weldon, dated December 13, 1973, and

recorded in Deed Book 160, page 177, in the Register's Office of Weakley County, Tennessee;

AND, WHEREAS, The City of Martin now desires to remove any and all restrictions and/or possibility of reverter retained in or placed upon the above-described property in its favor such that Northwest Tennessee Development District, Inc. may own and hold title to the property outright in fee simple absolute;

AND, WHEREAS, in order for The City of Martin to accomplish the removal of any and all restrictions and/or possibility of reverter retained in or placed upon the above-described property in its favor, it desires to and shall, by signature of the Mayor and any other necessary parties, execute a Quit Claim Deed as to any and all interest, title, and ownership rights it has in and to the above-described property in favor of Northwest Tennessee Development District, Inc.

NOW, THEREFORE, BE IT HEREBY RESOLVED that The City of Martin, by signature of the Mayor and any other necessary parties, shall execute a Quit Claim Deed and thereby transfer any and all interest, title, and ownership rights in and to the above-described property to Northwest Tennessee Development District, Inc.

BE IT FURTHER RESOLVED, that this resolution take effect from and after its passage, **THE PUBLIC WELFARE REQUIRING IT.**

ATTESTED:

SIGNED:

Chris Mathis, City Recorder, CPA

Randy Brundige, Mayor

Mayor Brundige stated you have heard the reading of Resolution R2010-18. Do I have motion to adopt?

Alderman Tuck made the motion to approve Resolution R2010-18: A resolution authorizing the Mayor of Martin to execute a quitclaim deed regarding the Northwest Tennessee Development District, Inc property, seconded by Alderman Harrison.

Are there any questions? There were none. A roll call vote was requested and follows:

VOTE: FOR: HONORABLE NANNEY
 HONORABLE HARRISON
 HONORABLE BELOTE
 HONORABLE TUCK
 HONORABLE HANKINS
 HONORABLE EDWARDS
 AGAINST: NONE
 ABSENT: NONE

Mayor Brundige declared Resolution R2010-18 approved.

INTRODUCTION AND PRESENTATION FOR THE FIRST READING OF ORDINANCE O2010-12: AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF MARTIN REGARDING TITLE 17, CHAPTER 1, SECTION 17-111 LANDFILL REGULATIONS

Mayor Brundige introduced and presented for consideration the first reading of Ordinance O2010-12: An ordinance to amend the Municipal Code of the City Of Martin regarding Title 17, Chapter 1, Section 17-111 Landfill Regulations.

Recorder Mathis read Ordinance O2010-12. A copy was provided for all interested persons and members of the media. A copy follows:

ORDINANCE O2010-12

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF MARTIN REGARDING TITLE 17, CHAPTER 1, SECTION 17-111 LANDFILL REGULATIONS

WHEREAS, it is the opinion of the Board of Mayor and Aldermen of the City of Martin that certain provisions of the Municipal Code need revision and that Title 17, Chapter 1, Section 17-111 Landfill Regulations be amended; and

WHEREAS, the City of Martin Mayor and Board of Aldermen has deemed this amendment to be necessary for the welfare of the residents and property owners thereof this City as a whole; and

WHEREAS, the Martin Board of Mayor and Aldermen has held a public hearing for the purpose of receiving public comment.

NOW, THEREFORE, BE IT ORDAINED BY THE MARTIN MAYOR AND BOARD OF ALDERMEN:

SECTION 1. That Title 17, Chapter 1, Section 17-111 Landfill Regulations be amended by adding after the second paragraph the following:

Construction debris (other than a minute quantity (defined as what would be no more than a wheelbarrow load), roofing materials, and demolition debris will no longer be picked up by the City of Martin and are prohibited from being deposited in the City's landfill by any party. Construction debris, roofing materials, and demolition debris must be deposited in an appropriate on-site container obtainable from commercial entities for that express purpose or placed in suitable trucks for hauling said debris and hauled off-site for proper disposal.

SECTION 2. BE IT FURTHER ORDAINED that this Ordinance shall become effective immediately upon its passage, after second and final reading, **THE PUBLIC WELFARE REQUIRING IT.**

Minutes: City of Martin Board of Mayor and Aldermen, November 08, 2010

Date Passed First Reading: _____

Date Passed Second Reading: _____

Date of Public Hearing: _____

ATTESTED:

APPROVED:

Chris Mathis, City Recorder

Randy Brundige, Mayor

Mayor Brundige explained you all have heard the reading of Ordinance O2010-12. Do I have a motion to approve?

Alderman Nanney made the motion to approve Ordinance O2010-12: An ordinance to amend the Municipal Code of the City Of Martin regarding Title 17, Chapter 1, Section 17-111 Landfill Regulations, seconded by Alderman Tuck.

Mayor Brundige asked are there any questions?

Alderman Belote asked - did MTAS provide the language (defined as what would be no more than a wheelbarrow load)?

Mayor Brundige answered no, we provided it.

A roll call vote was requested and follows:

VOTE:	FOR:	HONORABLE NANNEY
		HONORABLE HARRISON
		HONORABLE BELOTE
		HONORABLE TUCK
		HONORABLE HANKINS
	AGAINST:	HONORABLE EDWARDS
	ABSENT:	NONE

Mayor Brundige declared Resolution O2010-12 approved and set the second and final and public hearing for December 13, 2010 at 5:15 pm at 101 University Street.

SPECIAL CALLED CITY BOARD MEETING

Mayor Brundige set the date for a Special Called City Board Meeting to discuss the budget: November 24, 2010, at Noon in the Municipal Building Conference Room, 109 University Street.

ADJOURN

Mayor Brundige asked for a motion to adjourn.

Alderman Nanney made the motion to adjourn, seconded by Alderman Edwards.

VOTE: UNANIMOUS VOICE VOTE OF APPROVAL

ATTEST:

SIGNED:

Chris Mathis, CPA
City Recorder

Randy Brundige,
Mayor

RB: CM/bh