

JUSTIN HANSON
Mayor



TINA DUNN
Recorder-Treasurer

City of Covington

POST OFFICE BOX 768
200 West Washington Avenue, Covington, Tennessee 38019
Telephone (901) 476-9613 Fax (901) 476-6699

THE MEETING OF THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF COVINGTON, TENNESSEE ON JULY 27, 2021, at 5:30 p.m.

1. Meeting to be called to order by Mayor Justin Hanson.
2. Invocation to be given by Alderman C H Sullivan.
3. Pledge of Allegiance to the Flag to be led by Alderman Chris Richardson.
4. Minutes of the Preceding Meeting to be approved.
5. Report from Committees:
 - Minutes of the Special Called Board Meeting
 - Minutes of the Beer Board Meeting
 - Minutes of the General Welfare - Public Relations Committee Meeting
 - Minutes of the Finance & Administration Committee Meeting
6. Additions to the Agenda.
7. Welcome to visitors and grievances from citizens.
8. Report from Mayor Justin Hanson:
 - Updates
9. Report from Recorder-Treasurer Tina Dunn:
 - Sales Tax Report
10. Report from City Attorney Rachel Witherington.
11. Old Business:

12. New Business:

- Resolution – Resolution USDA Paving Project
- Ordinance 1742 – Amend Building Code ready for approval on first reading
- Ordinance 1743 - Rezone Property on Burgess Lane ready for approval on first reading
- Lease Agreement – Save the Children Head Start
- Bills Over/Under \$1,000.00 ready for Board Approval

The Board of Mayor and Aldermen met at City of Covington on July 13, 2021 at 5:32 p.m. with the following members present: Mayor Justin Hanson, Aldermen: Danny Wallace, Johnetta Yarbrough, Jeff Morris, John Edwards, C H Sullivan, and Chris Richardson. Also, present were Fire Chief Richard Griggs, Police Chief Larry Lindsey, Public Works Director David Gray, Building Official Lessie Fisher, City Attorney Rachel Witherington, and Recorder-Treasurer Tina Dunn.

Meeting was called to order by Mayor Justin Hanson.

Invocation was given by Alderman John Edwards.

Pledge of Allegiance to the Flag was led by Alderwoman Johnetta Yarbrough.

Motion was made by Alderman C H Sullivan and seconded by Alderwoman Johnetta Yarbrough that the Minutes of the Preceding Meeting be approved as distributed to the Board (See Attached).

Motion passed.

Motion was made by Alderman C H Sullivan and seconded by Alderman Chris Richardson to receive the Minutes from the Covington Municipal – Regional Planning Commission Meeting (See Attached). Motion passed.

Motion was made by Alderman C H Sullivan and seconded by Alderman John Edwards that the Minutes of the Beer Board be approved (See Attached). Motion passed.

Motion was made by Alderwoman Johnetta Yarbrough and seconded by Alderman Chris Richardson that the Minutes of the General Welfare – Public Safety be approved (See Attached). Motion passed.

Motion was made by Alderman Danny Wallace and seconded by Alderman Jeff Morris that the Minutes of the Public Works Committee Meeting be approved (See Attached). Motion passed.

Mayor Hanson reported there will be a Special Called Board Meeting on Friday, July 16, 2021 at 12:00 p.m. to consider the bids for the paving, milling, and striping of city municipal streets. The bid opening for this project will be at 10:00 a.m. on Friday, July 16, 2021.

Mayor Hanson presented the Resolution for Amendment Number One to the City of Covington Pension Plan. This amendment allows for retirement without reduction after attaining 30 years of service. (See Attached).

Motion was made by Alderman Morris and seconded by Alderman Edwards to approve the Resolution for Amendment Number One to the City of Covington Pension Plan. Motion passed.

The following bills over/under \$1,000.00 were presented for approval:

A-1 DOOR CO LLC	FIRE	SPRINGS REPLACEMENT	1,002.50
A2H	GENERAL	TRANS ALTERNATIVE PROJECT - PHASE 1	2,010.00
BANCORPSOUTH	VARIOUS	MISCELLANEOUS	2,613.07
BEST WADE PETROLEUM	WWTP	OIL	5,277.14
BFI NORTH SHELBY LANDFILL	WWTP	SLUDGE REMOVAL	3,822.28
BNY MELLON	BIOMASS	INTEREST PYMT ON BOND	1,699.25
BOB AUSTILL CONCRETE	STREET	SIDEWALK REPAIR	6,670.00
BRENNTAG MID-SOUTH INC	WWTP	CHEMICALS	1,909.60
C & C EQUIPMENT RENTAL	GROUND	TRIMMERS (2)	1,007.98
CHEMICAL FEED SYSTEMS	WWTP	REGULATOR SERVICING	1,258.39
CHEMICAL FEED SYSTEMS	WWTP	SERVICE ON 2 REGULATORS	1,320.59
COMMUNITY DEV PARTNERS	WATER	SDG 2020-1154	1,000.00
COTTRELL ELECTRIC	WTP	REPAIRS	1,452.42
COVINGTON ELEC SYSTEM	VARIOUS	ELECTRIC SERVICE	\$ 50,950.82
DILLARD DOOR / ENTRANCE	CITY HALL	AUTO SWING DOORS / OPERATORS	10,160.00
EMERGENCY REPORTING	FIRE	FIRE PACKAGE / PCR UPGRADE	5,478.60
FIRSTNET	VARIOUS	TELEPHONE SERVICE	1,885.21
FIRSTNET	POLICE	TELEPHONE SERVICE	2,334.02
G & C SUPPLY CO INC	SEWER	MATERIALS	3,154.50
HEARN TRAFFIC LIGHT SRVC	STREETS	TRAFFIC LIGHT REPAIRS	1,800.00
INNOVATIVE SPORT SURFACE	PARKS/REC	REPAIR SURFACING	32,310.00
JAMIESON & FISHER INC	AIRPORT	AVIATION COVERAGE	3,537.00
JASON JENKINS	FIRE	MILEAGE - TN SAFETY / HEALTH CONF	208.32
JAY'S PAINT & BODY	POLICY	PL 14 REPAIR / ACCIDENT	4,121.30
JENKINS DEDMON, ETAL	GENERAL	PROFESSIONAL SERVICES	4,462.50
KRISTIE MAXWELL	GENERAL	JUNE 2021 MIXED DRINK TAX	2,213.74
LANE FLOORING	REC/TREAS	OFFICE CARPET/RUBBER TILES ON STAIRS	5,350.00
MAINLINE SAFETY / SUPPLY	SEWER	PUMP/CONCRETE SEWER TANKS	2,202.00
MEMPHIS POOL SUPPLY	PARKS/REC	REPAIR PARTS	1,287.66
MEMPHIS SOUND LAB	CODES	AV SYSTEM IN LLC-ROOM	2,127.49
NAIFEH CASH SAVER	VARIOUS	MISCELLANEOUS	3,029.39
PROGRESSIVE BIKE RAMPS	PARKS/REC	PLAYGROUND EQUIPMENT	15,378.72
PURVIS INDUSTRIES	WWTP	MATERIALS	3,103.97
RADFORD PLANNING SERV	CODES	TECH ASSISTANCE JULY-SEP 2021	2,382.00
REPUBLIC SERVICES	SOLID WASTE	CONTRACTED SERVICES	90,285.19
ROSE CONSTRUCTION	WATER	RIALTO IND PARK WATER LINE REPLACE	56,393.31
RUSS JONES	PARKS/REC	BALL FIELD MAINTENANCE	1,428.00
SIMONTON'S	PARKS/REC	ROOF REPAIR - FINAL BILLING	1,800.00
STARNES SERVICES	PARKS/REC	SPECIAL EVENTS POTTY / HANDICAP POT	1,210.00

STITCH-N-TIME	PARKS/REC	SPORTS APPAREL	2,000.00
SYMMETRY	GAS	PURCHASED NATURAL GAS	62,611.14
SYNCB/AMAZON	VARIOUS	MISCELLANEOUS	5,650.36
TITAN AVIATION FUEL	AIRPORT	AVGAS	17,797.26
TITAN AVIATION FUEL	AIRPORT	JET FUEL	18,348.22
TRI STATE METER	GAS	TESTING - WRITTEN / FIELD / WELDING	4,300.00
VECTOR SOLUTIONS	FIRE	TS PREMIER / MAINTENANCE FEE	3,504.57
VERSACOURT	PARKS/REC	OUTDOOR GAME TILE	38,103.55
VISTAPRINT	PARKS/REC	BANNERS	1,354.12
WALKER COMM CUT & TRIM	MTNCE	TREE / STUMP REMOVAL	4,200.00
WALMART	VARIOUS	MISCELLANEOUS	3,803.49
WATERSERV COMPANY	WTP	REPAIRS	15,070.00
WOOTEN OIL CO	VARIOUS	FUEL	1,122.19
WOOTEN OIL CO	VARIOUS	GAS	1,061.71
		TOTAL	518,563.57

Motion was made by Alderman Wallace and seconded by Alderman Edwards that the preceding bills over/under \$1000.00 be paid when properly approved.

Motion passed.

There being no further business, the meeting adjourned at 5:44 p.m.

Attest: _____
Recorder-Treasurer Mayor

The Board of Mayor and Aldermen had a Special Called Meeting at City of Covington on July 16, 2021 at 12:00 p.m. with the following members present: Mayor Justin Hanson, Aldermen: C H Sullivan, Jeff Morris, John Edwards, and Johnetta Yarbrough. Also, present were Director of Public Works David Gray, Building Official Lessie Fisher, Pat Harcourt, Jason Dietrich, and Recorder-Treasurer Tina Dunn.

Meeting was called to order by Mayor Justin Hanson.

Invocation was given by Alderman Jeff Morris.

Pledge of Allegiance to the Flag was led by Mayor Justin Hanson.

Mayor Justin Hanson presented the Bid Tabulation and Recommendation Letter for the bids for the paving, milling, and striping of municipal streets. It was recommended by A2H to award the bid to Union City Paving, LLC in the amount of \$985,753.30 (See Attached).

Motion was made by Alderman John Edwards and seconded by Alderman Jeff Morris to approve the bid for the paving, milling, and striping of municipal streets to Union City Paving, LLC in the amount of \$985,753.30.
Motion passed.

There being no further business, the meeting adjourned at 12:08 P. M.

ATTEST:

Recorder-Treasurer

Mayor

The Beer Board of the City of Covington, Tennessee met at City Hall on July 13, 2021 at 5:30 p.m. with the following members present: Mayor Justin Hanson Aldermen: Danny Wallace, Johnetta Yarbrough, John Edwards, C H Sullivan, Chris Richardson, and Jeff Morris. Also, present were Public Works Director David Gray, Building Official Lessie Fisher, Fire Chief Richard Griggs, Police Chief Larry Lindsey, David Gwinn, City Attorney Rachel Witherington, and Recorder-Treasurer Tina Dunn.

Meeting was called to order by Mayor Justin Hanson.

Public Hearing to consider a Beer Permit Application for Abdel Amrokbeer, owner and operator of Midway Grocery, Inc, dba Midway II located at 5000 Mueller Brass Road for off premise consumption was called to order.

Motion was made by Alderman John Edwards and seconded by Alderman C H Sullivan to recommend approval of Beer Permit Application for Abdel Amrokbeer, owner and operator of Midway Grocery, Inc, dba Midway II located at 5000 Mueller Brass Road for off premise consumption.

Motion passed.

There being no further business, the meeting adjourned at 5:32 p.m.

The General Welfare – Public Relations Committee met at City of Covington on July 13, 2021 at 4:00 p.m. with the following members present: Chairman Alderman Jeff Morris, Mayor Justin Hanson, and Alderman C H Sullivan. Also, present were Alderman Chris Richardson, Alderman Danny Wallace, Alderwoman Johnetta Yarbrough, Museum Director Kathryn Markley, Airport Manager Robin Anderson, Public Works Director David Gray, and Assistant to the Mayor Rebecca Ray.

Chairman Alderman Morris called meeting to order.

Airport Director Robin Anderson reported June fuel sales of 10,364 gallons. Randy Hudgens and Ben Malone, Barge Design Solutions, Inc., begin discussion on the upcoming projects. Two projects are ongoing now. The security improvements project is about to go into construction. The Airport Layout Plan Update will begin this year. The funding application submitted to TDOT. There will be work on the ACIP plan before September 1, 2021. Director Anderson reported the current hangar rent we charge is in line with surrounding airports. Currently, there are 34 hangars rented. There is a waiting list with approximate 25 names. Randy Hudgens started discussion on the construction of hangars by individuals or private groups. They would enter a land lease (25 years) with the city. After the term of the lease, the hangar will revert to the city. The minimum standards for the airport will need to be reviewed to confirm what is acceptable for the construction of a hangar.

Motion was made by Mayor Justin Hanson and seconded by Alderman C H Sullivan to accept the report from Airport Director Robin Anderson.

Motion passed.

Museum Director Kathryn Markley gave an update on the park maintenance projects that were approved in previous meetings. New weight machine equipment has been installed. A'shyia Powell has been named the Parks & Recreation Teammate for July, 2021. Mayor Hanson reported there are six applicants for the Director of Parks & Recreation. These applicants will start the process next week beginning with the assessment center. Director Markley reported the veteran of the month is Rebecca Dickinson. She will be recognized on July 13, 2021 at 6:30 p.m. The museum had 423 visitors for the month. The alarm system has been upgraded. Upcoming events include Storytime Scavenger Hunt, Intro to Genealogy, Understanding your DNA, National Dog Day, Living History, and December Festival of Trees.

Motion was made by Mayor Hanson and seconded by Alderman Sullivan to accept the report from Museum Director Markley.

Motion passed.

There being no further business, the meeting adjourned at 4:50 p.m.

The Finance and Administration Committee met at City of Covington on July 20, 2021 at 4:00 p.m. with the following members present: Chairman Alderman C H Sullivan, Mayor Justin Hanson, Aldermen: Johnetta Yarbrough, Danny Wallace, Chris Richardson, John Edwards, and Jeff Morris. Also, present were: Public Works Director David Gray, Building Official Lessie Fisher, Police Chief Larry Lindsey, Chamber Director Lauren Fletcher, Pension Attorney Frank Carney, Electric Manager Tim Sallee, Assistant to the Mayor Rebecca Ray, and Recorder-Treasurer Tina Dunn.

Chairman Alderman C H Sullivan called meeting to order.

Recorder-Treasurer began discussion on the upgrade to the TCRS Plan 1 from the current Hybrid Plan. After discussion with the TCRS representatives, it was determined that 100% participation is required from all current hybrid plan members. All employees would have to upgrade to Plan One which requires 5% employee contribution. Pension Attorney Frank Carney confirmed TCRS was correct. If Covington wants to adopt the TCRS Plan One with mandatory employees' contributions in lieu of the current Hybrid Plan, the city will have to adopt plan one for all Hybrid Plan employees. Plan One offers retirement after 30 years of employment and a higher pension multiplier along with other improved benefits.

Motion was made by Alderman Sullivan and seconded by Alderman Wallace to continue with the TCRS Plan One requiring 100% participation from the current employees on the TCRS Hybrid Plan.

Motion passed.

Mayor Hanson presented the committee with a summary of outstanding debt for their review.

Public Works Director Gray began discussion on the LED Street Lighting. This discussion was continued from a previous meeting. Path Company Representative William Franklin presented worksheets showing the advantages for the installation of LED Lighting. It is estimated there will be an increase in revenue of \$690,000.00 over 20 years. Tim Sallee discussed this savings and the many factors that need to be considered. The life expectancy of LED lighting was discussed. Mr. Sallee will forward his recommendation to the committee. Mr. Franklin reported the next step will be an investment grade audit. The cost of this audit is \$21,000.00. If the city proceeds with the led lighting project, this cost will be covered in the project.

Motion was made by Alderman Wallace and seconded by Alderman Sullivan to move forward with the investment grade audit at a cost of \$21,000.00. Alderman Edwards reported he will be abstaining from the vote due to the cost of the study.

Motion passed with Alderman Edwards abstaining.

Chamber Director Lauren Fletcher discussed the local economic and community development studies performed by the Chamber. At a previous meeting, Alderman Edwards requested a possible study or presentation be completed by Buxton Group. After communication with Buxton Group, she reported they do not perform studies. They offer an annual subscription that Cities can subscribe for information. There are other research companies that could be contracted for a presentation or inquire about a study.

Mayor Hanson gave an update on the vacant city property for sale at 133 East Pleasant. This property has been listed since January. Covington Realty recommended the listing price be decreased from \$310,000.00 to \$275,000.00.

Motion was made by Alderman Sullivan and seconded by Alderman Morris to approve a reduction in the listing price to \$275,000.00 per the realtor's request.
Motion passed.

Building Official Lessie Fisher presented Code Chapters 8 & 9 for review. If the committee has any proposed changes, they will need to contact Attorney Witherington or Director Fisher. Alderman Morris reported he has been contacted by citizens about limiting the number of liquor stores allowed in city limits.

Mayor Hanson presented the Lease Agreement between the City and Save the Children Head Start Programs, Inc. This agency has requested to continue leasing the facility in place of Northwest Head Start.

Motion was made by Alderman John Edwards and seconded by Alderman Morris to go forward with the lease agreement with Save the Children after consulting with the City Attorney.
Motion passed.

Building Official Fisher presented the Ordinance to amend Title 12, Building, Utility, etc. Codes, Chapter 1 of the City of Covington Municipal Code.

Motion was made by Alderman Sullivan and seconded by Mayor Hanson to move the Ordinance for approval to the Board of Mayor and Aldermen Meeting on July 27, 2021.
Motion passed.

There being no further business, the meeting adjourned at 5:22 p.m.

MONTH TO DATE (2.75%)

REC/SALE	ACTUAL 2019-20	ACTUAL 2020-21	MONTH INC/(DEC)	MONTH INC/DEC %
SEPT/JUL	\$ 312,834	\$ 363,501	\$ 50,667	16.2
OCT/AUG	\$ 317,982	\$ 343,254	\$ 25,272	7.9
NOV/SEP	\$ 287,969	\$ 334,410	\$ 46,441	16.1
DEC/OCT	\$ 318,516	\$ 357,781	\$ 39,265	12.3
JAN/NOV	\$ 310,079	\$ 347,045	\$ 36,966	11.9
FEB/DEC	\$ 398,735	\$ 426,869	\$ 28,134	7.1
MAR/JAN	\$ 281,452	\$ 351,934	\$ 70,482	25.0
APRIL/FEB	\$ 290,545	\$ 293,353	\$ 2,808	1.0
MAY/MAR	\$ 342,172	\$ 448,032	\$ 105,860	30.9
JUNE/APR	\$ 355,103	\$ 412,918	\$ 57,815	16.3
JULY/MAY	\$ 375,029	\$ 387,279	\$ 12,250	3.3
AUG/JUNE	\$ 364,603			0.0

TOTAL

YEAR TO DATE (2.75%)

REC/SALE	ACTUAL 2019-20	ACTUAL 2020-21	MONTH INC/(DEC)	MONTH INC/DEC %
SEPT/JUL	\$ 312,834	\$ 363,501	\$ 50,667	16.2
OCT/AUG	\$ 630,816	\$ 706,755	\$ 75,939	12.0
NOV/SEP	\$ 918,785	\$ 1,041,165	\$ 122,380	13.3
DEC/OCT	\$ 1,237,301	\$ 1,398,946	\$ 161,645	13.1
JAN/NOV	\$ 1,547,380	\$ 1,745,991	\$ 198,611	12.8
FEB/DEC	\$ 1,946,115	\$ 2,172,860	\$ 226,745	11.7
MAR/JAN	\$ 2,227,567	\$ 2,524,794	\$ 297,227	13.3
APRIL/FEB	\$ 2,518,112	\$ 2,818,147	\$ 300,035	11.9
MAY/MAR	\$ 2,860,284	\$ 3,266,179	\$ 405,895	14.2
JUNE/APR	\$ 3,215,387	\$ 3,679,097	\$ 463,710	14.4
JULY/MAY	\$ 3,590,416	\$ 4,066,376	\$ 475,960	13.3
AUG/JUNE	\$ 3,955,019			0.0

Other favorites

Amount

-796,375.19

74°F: Partly sunny

267,285.41

+ 119,995.40

380 27889

Monday, Jul 19, 2021 09:53 AM

The Board of Mayor and Aldermen of the City of Covington, Tennessee met in regular session at City Hall, 200 West Washington Street, Covington, Tennessee at 5:30 o'clock p.m. on the 27th day of July, 2021.

Presiding at the meeting were Justin Hanson, Mayor, and the following Aldermen:

Absent:

Tina Dunn, City Recorder- Treasurer, was also present.

The following resolution was introduced by Alderman _____, seconded by Alderman _____ and after due deliberation, was adopted by the following vote:

AYE:

NAY:

ABSTAIN:

**AMENDED AND RESTATED
RESOLUTION AUTHORIZING THE ISSUANCE OF A
NOT-TO-EXCEED ONE MILLION TWO HUNDRED
FIFTY-FIVE THOUSAND DOLLARS (\$1,255,000)
GENERAL OBLIGATION BOND, SERIES 2021 OF THE
CITY OF COVINGTON, TENNESSEE; PROVIDING FOR
THE ISSUANCE AND SALE OF SAID BOND; PROVIDING
FOR THE LEVY OF TAX; AND PROVIDING DETAILS
RELATING TO THE ISSUANCE OF SAID BOND AND
BOND ANTICIPATION NOTES AND INTERIM
CERTIFICATES**

WHEREAS, the Board of Mayor and Aldermen (the “Governing Body”) of the City of Covington, Tennessee (the “Municipality”) adopted a resolution on June 22, 2021 entitled:

A RESOLUTION AUTHORIZING THE ISSUANCE OF A NOT-
TO-EXCEED ONE MILLION TWO HUNDRED FIFTY-FIVE
THOUSAND DOLLARS (\$1,255,000) GENERAL
OBLIGATION BOND, SERIES 2021 OF THE CITY OF
COVINGTON, TENNESSEE; PROVIDING FOR THE
ISSUANCE AND SALE OF SAID BOND; PROVIDING FOR
THE LEVY OF TAX; AND PROVIDING DETAILS RELATING
TO THE ISSUANCE OF SAID BOND AND BOND
ANTICIPATION NOTES AND INTERIM CERTIFICATES

and;

WHEREAS, the Government (as defined below) has asked that the resolution be revised to correct certain matters set forth therein; and

WHEREAS, the Governing Body is willing to adopt this Amended and Restated Resolution for such purposes; and

WHEREAS, the Municipality deems it necessary and advisable to authorize the issuance of a general obligation bond of the Municipality for the purpose of obtaining funds to make capital expenditures as described in Section 9-21-105 of the Tennessee Code Annotated, as amended, including but not limited to, capital expenditures for the construction, improvements,

paving, renovations, repairs of roads for the purpose of paving and/or repaving the roads (collectively the "Project"); and

WHEREAS, the Board of Mayor and Aldermen of the Municipality did on May 11, 2021, adopt an Initial Resolution determining to issue the bond; and

WHEREAS, in the event that no protest against the issuance of the bond is filed within twenty (20) days after publication of the Initial Resolution in accordance with TCA §9-21-206, the Municipality may issue the bond as proposed; and

WHEREAS, the Board of Mayor and Aldermen of the Municipality desire to authorize the issuance of the bond in the event that no protest against the issuance of the bond is filed within the time required; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen of the City of Covington, Tennessee, as follows:

Section 1. Authority. The bond authorized by this resolution is issued pursuant to Sections 9-21-101, et seq., Tennessee Code Annotated, and other applicable provisions of law.

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

- (a) "the Bond" shall mean the \$1,255,000 General Obligation Bond, Series 2021, of the Municipality, authorized to be issued by this resolution;
- (b) "Debt Management Policy" shall mean the debt management policy adopted by the Governing Body on December 27, 2011, as amended;
- (b) "Fiscal Year" shall mean the twelve-month period beginning on July 1 of each year and ending on June 30 of the following year;
- (c) "the Governing Body" shall mean the Board of Mayor and Aldermen of the

Municipality;

(d) "the Government" shall mean the United States of America, acting through Rural Housing Service, United States Department of Agriculture;

(e) "the Municipality" shall mean the City of Covington, Tennessee and sometimes referred to as the "City of Covington" herein;

(f) "the Original Purchaser" shall mean the purchaser of the Bond as specified in Section 9 hereof; and

(g) "the Project" shall mean capital expenditures as described in Section 9-21-105 of the Tennessee Code Annotated, as amended, including but not limited to, capital expenditures for the construction, improvements, paving, renovations, repairs of roads for the purpose of paving and/or repaving the roads (collectively the "Project").

Section 3. Authorization and Terms of the Bond. For the purpose of procuring funds to pay part of the cost of the Project, including the payment of legal, fiscal and other costs incident thereto, there is hereby authorized to be issued a general obligation bond of the Municipality in the principal amount of not to exceed \$1,255,000. The Bond shall be in the form of a fully registered installment bond, without coupons, shall be known as "General Obligation Bond, Series 2021," and shall be dated as of the date of delivery thereof. The Bond shall bear interest at a rate not to exceed Two and 125/1000 percent (2.125%) per annum and shall be payable in two hundred forty (240) equal consecutive monthly installments of principal and interest in an amount sufficient to fully amortize the Bond in equal consecutive annual installments over the period of such installments. The annual principal and interest payments of the Bond at the maximum interest rate of Two and 125/1000 percent (2.125%) per annum is \$77,112.00. The

first installment of principal and interest shall be due and payable one (1) calendar month following the date of the Bond, unless the Bond is dated on a day after the twenty-eighth (28th) day of the month, in which event the first installment shall be due and payable on the twenty-eighth (28th) day of the same month in the next calendar month following the date of the Bond, and all subsequent installments shall be due and payable on the same day of each month thereafter. In all events, the final, two hundred fortieth (240th) installment shall be in the amount of the entire unpaid balance of principal and interest on the Bond. All payments in respect of the Bond, principal and interest, shall be made directly to the registered owner at its address shown on the Bond registration records of the Municipality, without, except for final payment, the presentation or surrender of such registered Bond, and all such payments shall discharge the obligation of the Municipality in respect of such Bond to the extent of the payments so made. The records of the owner of the Bond shall be conclusively presumed to be correct with respect of amount of payments made and outstanding principal balance. Upon final payment, the Bond shall be submitted to the City Recorder-Treasurer of the Municipality, as bond registrar, for cancellation.

The Municipality shall have the right, at its option, to prepay the Bond or any installment thereof, in whole or in part, at any time, without penalty. Any partial prepayment after payment of interest, shall be applied to the installments last to become due under the Bond and shall not affect the obligation of the Municipality to pay the remaining installments as they come due. Notice of prepayment shall be given to the registered owner of the Bond not less than thirty (30) days prior to the date of prepayment, unless waived by the registered owner.

The Municipality hereby appoints the City Recorder-Treasurer of the Municipality to act on behalf of the Municipality as registrar and paying agent for the Bond. The Bond is

transferable by the registered owner thereof, or by its attorney duly authorized in writing, on the registration records of the Municipality, upon presentation of the Bond to the registrar for transfer with the form of assignment attached thereto completed in full and signed with the name of the registered owner. All transferees shall take the Bond subject to such condition. The Municipality may treat the registered owner as the absolute owner hereof for all purposes and shall not be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue.

The Bond shall be signed by the Mayor of the Municipality, shall be countersigned by the Recorder-Treasurer and shall have impressed thereon the corporate seal of the Municipality.

Section 4. Source of Payment. The Bond shall be payable from ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Bond, the full faith, credit and resources of the Municipality are hereby irrevocably pledged. As a source of interim payment of the costs of the Project pending the issuance of the Bond, the Municipality is authorized to borrow money from its Gas Fund for such purposes and may issue bond anticipation notes for such purposes as set forth in Section 9 hereof.

Section 5. Form of Bond. The Bond, the registration provisions and form of assignment shall be in substantially the following form, the omissions to be appropriately completed when the Bond is prepared and delivered:

(Form of Fully Registered Bond)

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF TIPTON

CITY OF COVINGTON

GENERAL OBLIGATION BOND, SERIES 2021

R-1

KNOW ALL MEN BY THESE PRESENTS: That the City of Covington, a municipal corporation lawfully organized and existing in Tipton County, Tennessee (the "Municipality"), for value received hereby promises to pay to the registered owner hereof, or its registered assigns, in the manner and from the revenues hereinafter provided, the sum of One Million Two Hundred Fifty-Five Thousand Dollars (\$1,255,000), with interest on the unpaid balance hereof at the rate of _____ percent (____%) per annum from the date hereof until the principal amount hereof shall have been fully paid. This Bond is payable in two hundred forty (240) consecutive monthly installments of principal and interest in the amount of \$_____ each. The first installment shall be due and payable on _____, and all subsequent installments shall be due and payable on the same day of each month thereafter. In all events, the final, two hundred fortieth (240th) installment shall be in the amount of the entire unpaid balance of principal and interest on the Bond. Both principal hereof and interest hereon are payable in lawful money of the United States of America by electronic preauthorized debit to the registered owner at the address shown on the bond registration records of the Municipality, and such payments shall discharge the obligation of the issuer hereof to the extent of the payments so made. Upon final payment this Bond shall be submitted to the Recorder-Treasurer of the Municipality, as Bond Registrar, for cancellation.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Municipality. Any partial prepayment shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation

of the Municipality to pay the remaining installments as they come due. Notice of prepayment shall be given to the registered owner hereof not less than thirty (30) days prior to the date of prepayment, unless waived by the registered owner.

This Bond shall be transferable by the registered owner hereof, or by its attorney duly authorized in writing, on the registration books of the Recorder-Treasurer of the Municipality at the office of the Municipality, upon presentation of the Bond to the registrar for transfer with the form of assignment attached hereto completed in full and signed with the name of the registered owner. All transferees shall take this Bond subject to such condition. The Municipality may treat the registered owner as the absolute owner hereof for all purposes and shall not be affected by any notice to the contrary whether or not any payments due on this Bond shall be overdue.

This Bond is issued by the Municipality for the purpose of obtaining funds to make certain capital expenditures in connection with public works projects as described in Section 9-21-105 of the Tennessee Code Annotated, as amended, including but not limited to, capital expenditures for the construction, improvements, paving, renovations, repairs of roads for the purpose of paving and/or repaving the roads (collectively the "Project") under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101, et seq., Tennessee Code Annotated, and pursuant to a resolution duly adopted by the Board of Mayor and Aldermen of the Municipality on the 27th day of July, 2021 (the "Resolution").

This Bond is payable primarily from unlimited ad valorem taxes to be levied on all taxable property within the Municipality. For the prompt payment of such principal and interest in the event of a deficiency of such revenues, the full faith, credit, and resources of the Municipality are irrevocably pledged. For a more complete statement of the general covenants and provisions pursuant to which this Bond is issued and the terms upon which the above

described resolution may be modified, reference is hereby made to the Resolution.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except inheritance, transfer and estate taxes and except Tennessee excise and corporate privilege taxes applicable to certain holders.

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

It is hereby certified, recited and declared that all acts, conditions, and things required to exist, happen, and be performed precedent to and in the issuance of this Bond exist, have happened, and have been performed in due time, form, and manner as required by law, and that the amount of this Bond does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the City of Covington, Tennessee, has caused this Bond to be signed by its Mayor and countersigned by its City Recorder-Treasurer under the corporate seal of the Municipality, all as of this _____ day of _____, 202_.

CITY OF COVINGTON, TENNESSEE

By: _____
Mayor

(SEAL)

COUNTERSIGN:

City Recorder-Treasurer

(Form of Assignment)

FOR VALUE RECEIVED; the undersigned sells, assigns, and transfers unto _____ the within bond of the City of Covington, Tennessee, and does hereby irrevocably appoint _____ attorney to transfer the said Bond

on the books of the Recorder-Treasurer of the City of Covington, Tennessee, as Bond Registrar,
with full power of substitution in the premises.

Dated: _____

WITNESS: _____

(Form of Registration Provisions)
(No writing in this blank except by the Registrar)

Date of	In Whose Name	Signature
Registration	Registered	of Registrar
	United States of America, Rural Development 4300 Goodfellow Blvd., Bldg. 104 St. Louis, MO 63120-2403	

Section 6. Levy of Tax. When the Bond hereby authorized is issued, the same shall be the absolute and general obligation of the Municipality, to the payment of which the full faith, credit and resources of the Municipality are hereby irrevocably pledged, and in order to provide for the payment of the Bonds and the interest thereon, there shall be and there is hereby directed to be levied and collected, at the same time and in the same manner as other taxes of the Municipality are levied and collected, a direct, continuing annual tax upon all taxable property within the boundaries of the Municipality, in such amount as may be found necessary each year to provide for the payment of the principal of the Bond and the interest thereon, as the same mature and become due.

It shall be the duty of the tax-levying and collecting authorities of the Municipality, in each year while any portion of the Bond issued hereunder shall remain outstanding and unpaid, without any further direction or authority to levy and collect the taxes herein provided for, and the rate of taxation to be levied in each year shall be sufficient, after making allowance for delinquencies in the payment of taxes and the cost of collection, to provide the sums required in each year for the payment of the principal and the interest on the Bond. Should there be a failure in any year to comply with the requirements of this Section, such failure shall not impair the right of the holder of the Bond in any subsequent year to have adequate taxes levied and collected to meet the obligations of the Bond herein authorized to be issued, both as to principal and interest. Principal and interest falling due at any time when there are insufficient funds on hand shall be paid from the current funds of the Municipality and reimbursement therefor shall

be made out of the taxes hereby provided to be levied when the same shall have been collected. The tax herein provided may be reduced to the extent of direct appropriations from the general funds of the Municipality to the payment of debt service on the Bond.

Section 7. Covenants Regarding the Project. The Municipality hereby covenants and agrees with the Original Purchaser of the Bond so long as the Original Purchaser is the owner of the Bond:

(a) That the Municipality will operate and maintain the Project in an efficient manner and at reasonable cost:

(b) That the Municipality will maintain property insurance on all structures in an amount equal to its depreciated replacement value and such other public liability and property insurance as shall be required by the Original Purchaser. The proceeds of any such insurance, except public liability insurance, received by the Municipality shall be used to replace all or a portion of the structures damaged or destroyed, or if not so used shall be placed in the Public Works Fund;

(c) That the Municipality will cause to be kept proper books and accounts and will cause its books and accounts to be audited at the end of each Fiscal Year by an independent certified public accountant. Each such audit, in addition to whatever matters may be thought proper by the accountant to be included therein, shall include the following:

1. A statement in detail of the revenues and expenditures of the Municipality and the excess of revenues over expenditures for the Fiscal Year;
2. A statement showing beginning and ending balances of each Fund described herein;
3. A balance sheet as of the end of the Fiscal Year;

4. A list of insurance policies in force at the end of the Fiscal Year, setting out as to each policy the amount of the policy, the risks covered, the name of the insurer and the expiration date of the policy;

5. The disposition of any Bond proceeds during the Fiscal Year;

6. A statement as to all breaches or defaults hereunder by the Municipality of which the accountants have knowledge or, in the alternative, a statement that they have no knowledge of any such breach or default.

All expenses incurred in the making of the audits required by this subsection shall be paid by the Municipality. The Municipality further agrees to furnish copies of such audits to the owner of the Bond within one hundred fifty (150) days after the close of each Fiscal Year. The owner of the Bond shall have at all reasonable times the right to inspect the Project and the records, accounts and data of the Municipality. If the Municipality fails to provide the audits and reports required by this subsection, the owner of the Bond may cause such audits and reports to be prepared at the expense of the Municipality;

7. That each officer of the Municipality or person other than banks or other financial institutions having custody of funds of the Municipality shall be under fidelity bond coverage at all times in such amount as may be required by state law and by the Original Purchaser;

8. Beginning in the year 2022, a debt service coverage ratio (DSCR) of at least 1.25 will be maintained with debt service to include the loan repayment plus all required reserves (if any). If the DSCR drops below 1.25 for any audited year, or quarterly financial report, then an independent management consultant shall be engaged

at the expense of the Municipality to prepare a fiscal strategy report that documents how the debt service reserve requirement will be met. This must be provided to the Original Purchaser no later than 90 days after any quarter in which the DSCR drops below 1.25. Debt service coverage is defined as net income plus depreciation and amortization expenses plus interest expense on structured debt divided by the sum of all structured debt payments including required reserve payments (if any) still due.

Section 8. Remedies of Bondowners. Any owner of the Bond may either at law or in equity, by suit, action, mandamus or other proceedings, in any court of competent jurisdiction enforce and compel performance of all duties imposed upon the Municipality by the provisions of this resolution, including the levy and collection of ad valorem taxes to meet the obligations of the Municipality under this resolution.

Section 9. Sale of Bond and Issuance of Bond Anticipation Notes and Interim Certificates. The Bond shall be sold to the Government at a price of par and accrued interest. The Mayor and City Recorder-Treasurer of the Municipality are authorized to execute and deliver the Bond and any Bond Anticipation Notes (including Bond Anticipation Notes for Interfund Loans from the Municipality's Gas Fund in an amount not-to-exceed the authorized amount of the Notes) and Interim Certificates of Indebtedness hereafter authorized and to execute such certificates and documents as they shall deem necessary in connection with the sale and delivery of the Bond.

Under the provisions of Sections 9-21-101, et seq., Tennessee Code Annotated, municipalities in Tennessee are authorized through their respective governing bodies, to issue interest bearing bond anticipation notes for all municipal purposes for which bonds can be legally authorized and issued. For the purpose of providing funds to finance the Project as herein

described and in anticipation of the proceeds of the Bond, the Municipality may issue Bond Anticipation Notes (also referred to hereinafter as "Notes") in accordance with the following procedures and restrictions.

- (a) The total principal amount of the Notes may not exceed \$1,255,000;
- (b) The notes shall be designated "Bond Anticipation Notes" and shall be numbered serially beginning with the number 1. The Notes shall be issued in fully registered form, without coupons, and shall be dated as of the date of the issuance thereof, shall mature not later than two (2) years thereafter and shall be of such denominations as may be agreed upon by the Mayor and the purchaser of the Notes;

(c) The Notes shall bear interest at a rate not to exceed the maximum rate permitted by applicable law, payable semi-annually each six (6) months after date of issue or monthly or annually; provided, however, interest shall be payable at maturity if the owner of the Notes shall so agree. All payments in respect of each such Note, principal and interest, shall be made directly to the registered owner at its address shown on the registration book of the Municipality, without, except for final payment, the presentation or surrender of such registered Note, and all such payments shall discharge the obligation of the Municipality in respect of such Note to the extent of the payments so made;

(d) The Notes shall be subject to prepayment prior to maturity at the option of the Municipality, in whole or in part, at any time at the principal amount thereof and accrued interest to the date of prepayment;

(e) The Notes shall be executed and signed in the name of the Municipality by the Mayor and countersigned by the City Recorder-Treasurer with the seal of the Municipality affixed thereto;

(f) The Notes shall be in substantially the following form with such changes as the Mayor may approve, the execution and delivery thereof to be conclusive as to the approval by this Governing Body of any such changes:

(Form of Fully Registered Note)

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF TIPTON

CITY OF COVINGTON

BOND ANTICIPATION NOTE

\$ _____ No. _____

KNOW ALL MEN BY THESE PRESENTS: That the City of Covington, a municipal corporation lawfully organized and existing in Tipton County, Tennessee (the "Municipality"), hereby acknowledges itself to owe and for value received hereby promises to pay to the registered owner hereof, or its registered assigns, the sum of \$ _____ on or before _____ 1, _____, together with interest at the rate of _____ percent (_____%) per annum until paid, such interest being payable on _____, 202____, and semi-annually thereafter on the _____ day of _____ and _____ of each year. Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft mailed to the registered owner at the address shown on the registration book, and such payments shall discharge the obligation of the issuer hereof to the extent of the payments so made. Upon final payment this Note shall be submitted to the Registrar for cancellation. For the prompt payment of this obligation, both principal and interest at maturity, the full faith, credit and other resources of said Municipality

are hereby irrevocably pledged.

This Note, together with such Interim Certificates as may be issued, is one of a series in an authorized aggregate principal amount of up to \$1,240,000, issued by said Municipality for the purpose of obtaining funds to make certain capital expenditures in connection with public works projects as described in Section 9-21-105 of the Tennessee Code Annotated, as amended, including but not limited to, capital expenditures for the construction, improvements, paving, renovations, repairs of roads for the purpose of paving and/or repaving the roads (collectively the "Project"), and is in all respects in compliance with and under the authority of Sections 9-21-101, et seq., Tennessee Code Annotated, and under authority of proceedings duly adopted by the Governing Body of the Municipality, on the 27th day of July, 2021, in anticipation of the proceeds of a \$1,255,000 General Obligation Bond, Series 2021 to be issued by the Municipality under authority of Sections 9-21-101, et seq., Tennessee Code Annotated, and other applicable provisions of Tennessee law, which proceeds shall be applied to the repayment hereof.

This Note is transferable by the registered owner hereof, or by its attorney duly authorized in writing, on the registration books of the Municipality at the office of the Recorder-Treasurer of the Municipality, as Registrar, and the notation of such transfer and registration by the Registrar on the registration books. All assignees shall take this Note subject to such condition. The Municipality may treat the registered owner as the absolute owner hereof for all purposes, and shall not be affected by any notice to the contrary whether or not any payments due on this Note shall be overdue.

It is hereby certified and recited that all acts, conditions and things required by the constitution and by the laws of the State of Tennessee to exist, or to be done precedent to and in the issuance of this obligation, do exist, and have been properly done, happened, and been

performed in regular and due form and time as required by law; and that provision has been made to pay the principal and interest thereon as same falls due.

This Note and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except inheritance, transfer and estate taxes and except Tennessee excise and corporate privilege taxes applicable to certain holders.

This Note is subject to prepayment prior to maturity at the option of the Municipality, in whole or in part, at any time at the principal amount thereof and accrued interest to the date of prepayment.

This Note is a "qualified tax-exempt obligation" designated by the Municipality for purposes of Section 265(b)(3)(B) of the Internal Revenue code of 1986, as amended.

IN WITNESS WHEREOF, the City of Covington, through its Governing Body, has caused this Note to be signed by its Mayor and countersigned by its City Recorder-Treasurer under the seal of the Municipality on this _____ day of _____, 202__.

Mayor

(SEAL)

COUNTERSIGNED:

City Recorder-Treasurer

(Form of Assignment)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the within Note of the City of Covington, Tennessee, and does hereby irrevocably appoint _____ attorney to transfer the said Note on the books of the Recorder-Treasurer of the City of Covington, Tennessee, as Registrar, with full

power of substitution in the premises.

Dated: _____

Witness:

(No writing in this blank except by the Registrar)

Date of Registration	In Whose Name Registered	Signature of Registrar

(Form of Alternative Fully Registered Note)

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF TIPTON

CITY OF COVINGTON

BOND ANTICIPATION NOTE

\$1,255,000

No. R-1

KNOW ALL MEN BY THESE PRESENTS: That the City of Covington, a municipal corporation lawfully organized and existing in Tipton County, Tennessee (the "Municipality"), hereby acknowledges itself to owe and for value received hereby promises to pay to the registered owner hereof, or its registered assigns, the sum of \$1,240,000 or so much as may be outstanding on or before _____ 1, _____, together with interest at the rate of _____ percent (_____ %) per annum until paid, such interest being payable [at maturity] [on _____, 202____, and semi-annually [monthly] [annually] thereafter on the _____ day of _____ and _____] _____ of each year]. Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft mailed to the registered owner at the address shown on the registration book, and such payments shall discharge the obligation of the issuer hereof to the extent of the payments so made. Upon final payment this Note shall be submitted to the Registrar for cancellation. For the prompt payment of this obligation, both principal and interest at maturity, the full faith, credit and other resources of said Municipality are hereby irrevocably pledged.

This Note evidences a straight line of credit in an authorized principal amount of up to \$1,255,000. Once the total amount of principal has been advanced, the Municipality is not entitled to further loan advances. Advances under this Note shall be requested in writing by

either the Mayor or the City Recorder-Treasurer. The unpaid balance owing on this Note at any time may be evidenced by endorsements on this Note or by Lender's internal records, including daily computer printouts. This Note is issued by said Municipality for the purpose of obtaining funds to make certain capital expenditures in connection with public works projects as described in Section 9-21-105 of the Tennessee Code Annotated, as amended, including but not limited to, capital expenditures for the construction, improvements, paving, renovations, repairs of roads for the purpose of paving and/or repaving the roads (collectively the "Project"), and is in all respects in compliance with and under the authority of Sections 9-21-101, et seq., Tennessee Code Annotated, and under authority of proceedings duly adopted by the Governing Body of the Municipality, on the 27th day of July, 2021, in anticipation of the proceeds of a \$1,255,000 General Obligation Bond, Series 2021 to be issued by the Municipality under authority of Sections 9-21-101, et seq., Tennessee Code Annotated, and other applicable provisions of Tennessee law, which proceeds shall be applied to the repayment hereof.

This Note is transferable by the registered owner hereof, or by its attorney duly authorized in writing, on the registration books of the Municipality at the office of the Recorder-Treasurer of the Municipality, as Registrar, and the notation of such transfer and registration by the Registrar on the registration books. All assignees shall take this Note subject to such condition. The Municipality may treat the registered owner as the absolute owner hereof for all purposes and shall not be affected by any notice to the contrary whether or not any payments due on this Note shall be overdue.

It is hereby certified and recited that all acts, conditions and things required by the constitution and by the laws of the State of Tennessee to exist, or to be done precedent to and in the issuance of this obligation, do exist, and have been properly done, happened, and been

performed in regular and due form and time as required by law; and that provision has been made to pay the principal and interest thereon as same falls due.

This Note and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except inheritance, transfer and estate taxes and except Tennessee excise and corporate privilege taxes applicable to certain holders.

This Note is subject to prepayment prior to maturity at the option of the Municipality, in whole or in part, at any time at the principal amount thereof and accrued interest to the date of prepayment.

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

IN WITNESS WHEREOF, the City of Covington, through its Governing Body, has caused this Note to be signed by its Mayor and countersigned by its City Recorder-Treasurer under the seal of the Municipality on this _____ day of _____, 202__.

Mayor

(SEAL)

COUNTERSIGNED:

City Recorder-Treasurer

(Form of Assignment)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the within Note of the City of Covington, Tennessee, and does hereby irrevocably appoint _____ attorney to transfer the said Note on the books of the Recorder-Treasurer of the City of Covington, Tennessee, as Registrar, with full

power of substitution in the premises.

Dated: _____

Witness:

(No writing in this blank except by the Registrar)

Date of Registration	In Whose Name Registered	Signature of Registrar

(g) Notes issued pursuant to this Section shall be payable from a direct annual tax for each of the years while said Notes, or any of them, are outstanding, in amounts sufficient to pay interest on and the principal of the Notes. Principal of and interest coming due any time when there shall be insufficient funds on hand to pay the same shall be promptly paid when due from the general funds and reimbursement shall be made to such fund or funds in the amount of the sums thus advanced when taxes provided for that purpose shall have been collected; provided, however, that when the Bond authorized by this resolution shall have been issued, the principal proceeds of such Bond in an amount not exceeding the principal amount of Notes issued hereunder and then outstanding (together with any accrued interest provided for from the Bond proceeds) shall be applied to the retirement of such Notes and such proceeds are hereby pledged for the benefit of the noteholder(s);

(h) The Notes shall be sold by the Mayor in whole or in part from time to time at not less than par and accrued interest and said Notes shall thereupon be delivered to the purchaser(s) by the Recorder-Treasurer upon payment therefor. The action of the Mayor in selling the Notes and fixing the interest rate or rates on the Notes, but not exceeding the maximum rate permitted by applicable law, and fixing the denomination and maturity dates of such Notes, shall be binding on the Municipality, and no further action by the Governing Body shall be necessary in reference thereto;

(i) The Notes shall not be issued until after the passage of twenty (20) days from the date of publication of the Initial Resolution authorizing the Bond in a newspaper of general circulation in the Municipality, and in no event shall such Notes be issued if a petition signed by at least ten percent (10%) of the registered voters in the Municipality is filed protesting the

issuance of the Bond within the prescribed twenty-day period;

(j) Included within the term "Bond Anticipation Notes" are Interim Certificates of Indebtedness ("Interim Certificates") which may be issued to the Original Purchaser of the Bond upon the terms and conditions herein provided, and in the form hereinabove approved. The combined principal amount of Bond Anticipation Notes and Interim Certificates outstanding at any one time shall not exceed the total principal amount of the bond authorized by this resolution less the capitalized interest (as hereafter defined), if any, provided for as part of the principal amount of the Bond. The Bond purchase price paid by the Government shall be reduced by the principal amount of Interim Certificates held by it, including accrued interest thereon, and such Interim Certificates shall be delivered by the Government to the Municipality at the time of delivery of the Bond;

(k) The proceeds of the sale of Bond Anticipation Notes shall be deposited in the City's Public Works Fund hereafter created;

(l) The Bond Anticipation Notes and the Bond are hereby designated "qualified tax exempt obligations" as such term is defined and used in Section 265 of the Internal Revenue Code of 1986, as amended, and any lawful regulation promulgated thereunder to the extent it may legally do so.

Section 12. Disposition of Bond Proceeds. The proceeds of the sale of the Bond and any grant funds received by the Municipality shall be deposited with a financial institution regulated by and the deposits of which are insured by the Federal Deposit Insurance Corporation or similar federal agency, in a special fund known as the Public Works Fund, and shall be disbursed solely for the payment of certain capital expenditures in connection with public works projects as described in Section 9-21-105 of the Tennessee Code Annotated, as amended, including but not

limited to, capital expenditures for the construction, improvements, paving, renovations, repairs of roads for the purpose of paving and/or repaving the roads (collectively the "Project"), legal, administrative and clerical costs, and other necessary miscellaneous expenses. Money in the Public Works Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any, or, in the absence of such statutes, by a pledge of readily marketable securities having at all times a market value of not less than the amount in each such Acquisition Fund. Money in the Public Works Fund shall be expended only for the purposes authorized by this resolution. Any proceeds from the sale of the Bond remaining in either Public Works Fund after the Project shall have been completed shall be used at the earliest practicable date for the prepayment of the Bond as herein provided. Any funds, including both loan and grant funds, provided by the Government for Project costs, but not needed to pay Project costs, will be considered to be Government grant funds and returned to the Government Finance Office. If the amount of unused Government funds exceeds the Government grant amount, the excess will be considered to be Government loan funds and used to prepay the Bond as provided above.

Section 13. Resolution a Contract. The provisions of this resolution shall constitute a contract between the Municipality and the owner of the Bond, and after the issuance of the Bond, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner, except as provided in the following Section, until such time as the Bond and interest due thereon shall have been paid in full.

Section 14. Modification of Resolution. The terms, covenants and agreements set forth in this resolution may be modified or amended by resolution of the Governing Body, consented to in writing by the owner of the Bond.

Section 15. Defeasance. So long as the Government is the owner of the Bond herein authorized, the Municipality shall not issue any bonds or other obligations for the purpose of defeasing or otherwise terminating the lien of the Bond herein authorized without immediately prepaying the Bond. Further, so long as the Government is the owner of the Bond, there shall be and hereby is affirmed a duty of the Municipality to meet all of the Government's regulatory requirements codified at 7 C.F.R. § 1942 *et. al*, including the prohibition against the issuance of any subsequent bond or other debt instrument in parity to the Bond absent the Government's prior review and written consent, and all covenants and agreements of the loan documents that underlie this Bond.

Section 16. Reasonably Expected Economic Life. The "reasonably expected economic life" of the Project within the meaning of Sections 9-21-101, et seq., Tennessee Code Annotated, is not less than twenty (20) years.

Section 17. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 18. Repeal of Conflicting Resolutions and Effective Date. All other 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.

Section 19. Compliance with Debt Management Policy. The Governing Body hereby finds that the issuance of the Bond is consistent with the Municipality's debt management policy.

Adopted and approved this 27th day of July, 2021.

CITY OF COVINGTON, TENNESSEE

BY: _____
Mayor

ATTEST:

City Recorder-Treasurer

Pursuant to motion duly made and carried, the meeting adjourned.

Mayor

ATTEST:

City Recorder-Treasurer

STATE OF TENNESSEE)

COUNTY OF TIPTON)

I, Tina Dunn, hereby certify that I am the duly qualified and acting City Recorder-Treasurer of the City of Covington, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a regular meeting of the Governing Body of that Municipality held on July 27, 2021; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to a \$1,255,000 General Obligation Bond, Series 2021 of the Municipality.

WITNESS my official signature and the seal of the Municipality, this _____ day of July, 2021.

City Recorder-Treasurer

(SEAL)

ORDINANCE NO 1742

AN ORDINANCE TO AMEND TITLE 12, BUILDING, UTILITY, ETC. CODES, CHAPTER 1 OF THE CITY OF COVINGTON MUNICIPAL CODE.

BE IT ENACTED BY THE BOARD OF MAYOR AND ALDERMAN OF THE CITY OF COVINGTON, THAT TITLE 12, BUILDING, UTILITY, ETC. CODES BE DELETED IN ITS ENTIRETY AND REPLACED WITH THE FOLLOWING:

Section 1: That the following Codes are hereby adopted by reference as though they were copied herein fully and as may be amended from time to time.

1. International Building Code, 2018 edition

- A. All residential structures in the jurisdiction of the City of Covington shall be built on sixteen (16") centers or less, including floor-framing members, roof members, and wall-framing members (however, wall-framing members may be constructed on twenty-four (24") centers only if using 2" X 6" studs or larger).
- B. Any structure converted to a residential structure in the jurisdiction of the City of Covington shall meet the requirements of sixteen (16") inch centers as listed in (A) above, including any metal buildings (in whole or part) used as a dwelling.
- C. All structures located in an identified flood hazard area shall have at least one (1') foot of freeboard in addition to the requirements of Chapter 9 in the Covington Municipal Zoning Ordinance and Article VII of the Covington Regional Zoning Ordinance.
- D. City of Covington shall be inserted in the blanks referring to the name of the jurisdiction.
- E. Chapter 11 Accessibility is deleted in its entirety.
- F. Chapter 27 Electrical is deleted in its entirety.
- G. In Section 1612.3 Establishment of flood hazard areas insert "4-2-91 & 12-19-06" for date of issuance.
- H. Include: Appendices C-Group U/Agricultural Buildings; F- Rodentproofing; and I-Patio Covers.

2. International Residential Code, 2018 edition

- A. All residential structures in the jurisdiction of the City of Covington shall be built on sixteen (16") centers or less, including floor-framing members, roof members, and wall-framing members (however, wall-framing members may be constructed on twenty-four (24") centers only if using 2" X 6" studs or larger).
- B. Any structure converted to a residential structure in the jurisdiction of the City of Covington shall meet the requirements of sixteen (16") inch centers as listed in (A) above, including any metal buildings (in whole or part) used as a dwelling.
- C. All structures located in an identified flood hazard area shall have at least one (1') foot of freeboard in addition to the requirements of Chapter 9 in the Covington Municipal Zoning Ordinance and Article VII of the Covington Regional Zoning Ordinance.
- D. City of Covington shall be inserted in the blanks referring to the name of the jurisdiction.

- E. Insert in Table R301.2 (1) Climate and Geographic Design Criteria
 - a. Ground Snow Load – 15
 - b. Wind Speed – 90
 - c. Topographic Wind Effects – no
 - d. Special Wind Region – no
 - e. Windborne Debris Zone – no
 - f. Seismic Design Category – D1 & D2
 - g. Weathering Index for Concrete – Moderate
 - h. Frost Line Depth – 12"
 - i. Termite Infestation probability – Moderate to Heavy
 - j. Winter Design Temp – 18
 - k. Ice Barrier Underlayment Required – no
 - l. Flood Hazard - Per most recent FEMA map
 - m. Air Freeze Index – 393
 - n. Mean Annual Temp – 59.5
- F. Section R313 Automatic Fire Sprinkler Systems is not mandatory, pursuant to T.C.A. 68-120-101 (a) (8).
- G. Chapters 34-43 relating to Electrical Installations are deleted.
- H. Figure R301.2 (2) Seismic Design Categories is deleted and replaced with Figure R301.2(2) Seismic Design Categories Site Class D from 2015 IRC.
- I. Section R314.6 Power Source relating to Smoke Alarms is amended to create Exception 3 that shall read:

Exception 3. Interconnection and hardwiring of smoke alarms in existing areas shall not be required where the alterations or repairs do not result in the removal of interior walls or ceiling finishes exposing the structure.
- J. Section N1102.4.1.2 (R402.4.1.2) Testing is replaced with Section N1102.4.2.1 Testing Option and Section N1102.4.2.2 Visual Inspection from 2009 IRC.
- K. Section N1103.3.3 (R403.3.3) Duct Testing (Mandatory) and Section N1103.3.4 (R403.3.4) Duct Leakage (Prescriptive) are optional.
- L. Table N1102.1.2 (R402.1.2) Insulation and Fenestration Requirement by Component and Table N1102.1.4 (R402.1.1) Equivalent U-Factors from 2018 IRC are replaced with Table N1102.1 Insulation and Fenestration Requirements by Component and Table N1102.1.2 Equivalent U-Factor from 2009 IRC.
- M. Section N1102.4.4 (R402.4.4) Rooms Containing Fuel-Burning Appliances is deleted in its entirety.
- N. Table N1102.1 Insulation and Fenestration Requirements by Component in the 2009 edition is adopted and amended by adding the following as footnote "I": "Log walls complying with ICC400 and with a minimum average wall thickness of 5" or greater shall be permitted in Zone 3 when a Fenestration U-Factor of .50 or lower is used, a Skylight U-Factor of .65 or lower is used, a Glazed Fenestration SHGC of .30 or lower is used, a 90 AFUE Furnace is used, an 85 AFUE Boiler is used, and a 9.0 HSPF Heat Pump (heating) and 15 SEER (cooling) are used."

- O. Table N1102.1 Insulation and Fenestration Requirements by Component in the 2009 edition is adopted and amended by adding the following as footnote "m": "Log walls complying with ICC 400 and with a minimum average wall thickness of 5" or greater shall be permitted in Zone 4 when a Fenestration U-Factor of .35 or lower is used, a Skylight U-Factor of .60 or lower is used, a 90 AFUE Furnace is used, an 85 AFUE Boiler is used, and a 9.0 HSPF Heat Pump (heating) and 15 SEER (cooling) are used."
- P. In Section P2603.5.1 Sewer Depth insert 18 inches in both number locations.
- Q. Include: Appendices A-Sizing and Capacities of Gas Piping; B-Sizing of Venting Systems; C-Exit Terminals; H-Patio Covers; J-Existing Buildings and Structures; N-Venting Methods; P-Sizing of Water Piping System; and Q-Tiny Houses.

3. International Fuel Gas Code, 2018 edition

- A. City of Covington shall be inserted in the blanks referring to the name of jurisdiction.
- B. Section 106.6.2 Fee schedule – All fees are set forth in an "Administrative Ordinance" as authorized and approved from time to time by Ordinance of The Board of Mayor and Alderman.
- C. Section 106.6.3 Fee Refunds - Delete in its entirety.
- D. In Section 108.4 Violations penalties - In Section 108.4 insert misdemeanor; a maximum fine of fifty dollars (\$50.00) shall be specified; all references to imprisonment are deleted.
- E. Section 108.5 – Insert fifty dollars (\$50.00) in both locations.
- F. Include: Appendix A-Sizing and Capacities of Gas Piping; B-Sizing of Venting Systems; C-Exit Terminals.

4. International Mechanical Code, 2018 edition

- A. City of Covington shall be inserted in the blanks referring to the name of jurisdiction.
- B. Section 106.5.2 Fee schedule – All fees are set forth in an "Administrative Ordinance" as authorized and approved from time to time by Ordinance of The Board of Mayor and Alderman.
- C. Section 106.5.3 Fee Refunds - Delete in its entirety.
- D. In Section 108.4 Violations penalties - In Section 108.4 insert misdemeanor; a maximum fine of fifty dollars (\$50.00) shall be specified; all references to imprisonment are deleted.
- E. Section 108.5 – Insert fifty dollars (\$50.00) in both locations.
- F. Include: Appendix A-Chimney Connector Pass-Throughs.

5. International Plumbing Code, 2018 edition

- A. City of Covington shall be inserted in the blanks referring to the name of jurisdiction.
- B. Section 106.6.2 Fee schedule – All fees are set forth in an "Administrative Ordinance" as authorized and approved from time to time by Ordinance of The Board of Mayor and Alderman.
- C. Section 106.6.3 Fee Refunds - Delete in its entirety.
- D. In Section 108.4 Violations penalties - In Section 108.4 insert misdemeanor; a maximum fine of fifty dollars (\$50.00) shall be specified; all references to imprisonment are deleted.
- E. Section 108.5 – Insert fifty dollars (\$50.00) in both locations.
- F. Section 305.4.1 – Insert 18 inches (18") in both number locations.

- G. Section 903.1 – Insert 12 inches (12") in the number location
- H. Include: Appendices B-Rates of Rainfall for Various Cities; D-Degree Day and Design Temperatures; E-Sizing of Water Piping System

6. International Property Maintenance Code, 2018 edition

- A. City of Covington shall be inserted in the blanks referring to the name of jurisdiction.
- B. Section 112.4 insert "may be liable for a maximum fine of fifty dollars (\$50.00)"; delete "shall be liable for a fine of not less than (amount) dollars or more than (amount) dollars".
- C. Section 302.4 Delete first sentence and insert "Premises and exterior property shall be maintained free from weeds or plant growth".
- D. Include: Appendix A-Boarding Standards

7. International Fire Code, 2018 edition

- A. City of Covington shall be inserted in the blanks referring to the name of jurisdiction.
- B. In Section 110.4 Violations penalties - In Section 108.4 insert misdemeanor; a maximum fine of fifty dollars (\$50.00) shall be specified; all references to imprisonment are deleted.
- C. Section 112.4 – Insert fifty dollars (\$50.00) in both locations.
- D. Section 903.2.8 – Insert "Exceptions: One and two family dwellings not more than three (3) stories in height".
- E. Sections 5704.2.9.6.1, 5706.2.4.4, 5806.2, 6104.2 insert Authority Having Jurisdiction (AHJ) shall review and approve placement.
- F. Include: Appendices B-Fire-Flow Requirements for Buildings; C-Fire Hydrant Locations and Distribution; D-Fire Apparatus Access Roads; E-Hazard Categories; F-Hazard Ranking; G-Cryogenic Fluids; H-Hazardous Materials Management Plan (HMMP) and Hazardous Materials Inventory Statement (HMIS) /instructions; I-Fire Protection Systems/Noncompliant Conditions; J-Building Information Sign; K-Construction Requirements for Existing Ambulatory Care Facilities; N-Indoor Trade Shows and Exhibitions.

8. International Energy Conservation Code, 2018 edition – For one and two family dwellings and townhomes –

- A. City of Covington shall be inserted in the blanks referring to the name of jurisdiction.
- B. Section R402.4.1.2 Testing is deleted and replaced with Section 402.4.2.1 Testing Option and Section 402.4.2.2 Visual Inspection Option from 2009 IECC.
- C. Section R403.3.3 Duct Testing (Mandatory) and Section R403.3.4 Duct Leakage (Prescriptive) are optional.
- D. Table 402.1.2 Insulation and Fenestration Requirements by Component and Table R402.1.4 Equivalent U-Factors are deleted and replaced with Table 402.1.1 Insulation and Fenestration Requirements by Component and Table 402.1.3 Equivalent U-Factors 2009 IECC.

9. International Existing Building Code, 2018 edition

- A. City of Covington shall be inserted in the blanks referring to the name of jurisdiction.

10. NFPA 101 Life Safety Code, 2018 edition

Section 2: Pursuant to the requirements of T.C.A. 6-54-502 one (1) copy of the above listed International Council Code 2018 edition and the NFPA have been placed on file in the office of the City of Covington Recorder-Treasurer's office for the use and inspection of the public during regular business hours.

Section 3: That if any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 4: That this ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect and be in full force and effect ninety (90) days from the date of final passage and adoption.

_____ **1st Reading**

_____ **2nd Reading**

_____ **Public Hearing**

_____ **3rd Reading**

Mayor

Attest

ORDINANCE 1743

AN ORDINANCE TO AMEND THE COVINGTON MUNICIPAL ZONING MAP TO REZONE PROPERTY ON BURGESS LANE (JEFF MONTGOMERY PROPERTY) FROM R-1 (LOW DENSITY RESIDENTIAL) PROPERTY TO B-2 (HIGHWAY ORIENTED BUSINESS) DISTRICT.

WHEREAS, pursuant to Tennessee Code Annotated Sections 13-7-201 and 13-7-202 a zoning ordinance and map have been adopted for the City of Covington; and,

WHEREAS, the Covington Municipal-Regional Planning Commission has recommended that the following property be reclassified from its current zoning designation to the proposed zoning designation and,

WHEREAS a public hearing was held before Covington Board of Mayor and Aldermen pursuant to section 13-7-203, Tennessee Code Annotated, the time and place of which was published with fifteen days advance notice: and,

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

SECTION 1. That the following described property be rezoned from R-1 (Low Density Residential) District to B-2 (Highway Commercial) District:

A portion of Parcel 64.00 on Tipton County Tax Map 041.

PROPERTY DESCRIPTION - - AREA REQUESTED TO BE REZONED FROM R-1 TO B-2

Description of a 4.25-Acre parcel of the Thomas K. Burgess per Deed Book 190/Page 624 and the remaining David Riley Verble & Helen H. Burgess, Trustees of the Helen H. Burgess Revocable Living Trust dated December 28, 1999, per Record Book 900/Page 477 - Tract 2. Said parcel being located along the North side of Burgess Lane in the city of Covington being situated in the First Civil District of Tipton County, Tennessee.

BEGINNING at a found crosstie fence corner post being the Northeast corner of the Thomas K. Burgess property as being referenced in Deed Book 190/Page 624 and this herein described parcel, said post being located in the South line of Lot 10 of the H.H. Tatlock Subdivision (256/279 and being an exterior corner of the Joe D. Trentham et ux property (251/488);

THENCE in a Southwestward direction along the East line of Burgess and this parcel, also being a West line of Trentham, S 08°-40'-21" W 502.82 feet to a found capped 5/8-inch iron rod & witness post being the Southeast corner of the Burgess property and this herein described parcel, also being the Southwest corner of the Trentham property and being located in the North line of Lot 3 of the Verble Subdivision (Plat Cabinet "H"/Slide 214);

THENCE in a Northwestward direction along a South line of Burgess and the remaining David Riley Verble & Helen H. Burgess, Trustees of the Helen H. Burgess Revocable Living Trust dated December 28, 1999 property as being referenced in Record Book 900/Page 477 - Tract 2 and this parcel, also being the North line of Lot 3, N 84°-56'-06" W 106.08 feet to a found capped 5/8-inch iron rod & witness post being located in the North right-of-way of Burgess Lane (right-of-way dedicated at Plat Cabinet "H"/Slide 214) and being an exterior corner of this herein described parcel;

THENCE in a Northwestward direction along a South line of this parcel, also being the North right-of-way of Burgess Lane (50-foot total width) along a curve to the left having a radius of 82.48 feet, an arc length of 20.56 feet and being subtended by a chord of N 78°-18'-17" W 20.51 feet to the point-of-tangency of said curve and being an angle point in the South line of this herein described parcel;

THENCE in a Northwestward direction along a South line of this parcel, also being the North right-of-way of Burgess Lane, the following two (2) courses:

N 85°-26'-50" W 178.30 feet to an angle point.

thence N 84°-08'-50" W 53.20 feet to the Southwest corner of this herein described parcel.

THENCE in a Northeastward direction along the West line of this parcel, N 05°-59'-49" E 500.43 feet to the Northwest corner of this herein described parcel being located in the North line of the Burgess (190/624) property, also being located in the South line of Tatlock Subdivision (Plat Book 1/Page 51).

THENCE in a Southeastward direction along the North line of Burgess and this parcel, also being the South line of Tatlock Subdivision and Lot 10 of the H.H. Tatlock Subdivision, S 84°-55'-39" E 381.45 feet to the Point of Beginning and containing 4.25-Acres by computation.

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

Passed First Reading

Mayor

Passed Second Reading

City Recorder-Treasurer

Passed Third Reading & Public Hearing



THIS PLAN IS SUBJECT TO THE CITY OF CONROCK ZONING ORDINANCE, WHICH MAY BE AMENDED FROM TIME TO TIME. THE CITY ENGINEER'S OFFICE SHALL BE KEPT ADVISED OF ANY SUCH AMENDMENTS.

The proposed boundary of the subject property is shown in red. The boundary of the subject property is shown in red. The boundary of the subject property is shown in red.

This area only being considered for rezoning

13.236 Acres

THOMAS K. BURGESS
Deed Book 180 / Page 624

DAVID RILEY VERBLE & HELEN H. BURGESS
Trustees of the Helen H. Burgess Revocable Living Trust dated December 28, 1999
Record Book 500 / Page 477 -- Tract 2

Burgess Lane

Lannie Bridges Drive

Curve Legend

CURVE	ROADS	TANGENT	LENGTH	DELTA	CHORD	CHORD ANGLE
C-1	82.46'	10.34'	20.56'	147.700°	49.7254'	20.51° N 78°18'17"W

The purpose of this plat is to provide the City of Conrock Board of Zoning & Appeals with a graphic representation of an area requested to be rezoned from R-1 to B-2 Zoning. The West boundary line of this proposed area is to be coincident with the West line of an existing 10-foot Water Utility Easement which benefits the City of Conrock and is recorded in Record Book 1431 / Page 795.

This plat is based off of survey fieldwork per March 2008.

No "new" survey fieldwork has been done to verify the actual location of the vertices at this time.



BOUNDARY SURVEY
for
Mr. David Verble

ERIN SURVEYS
P.O. BOX 572
CONROCK, GA 31501
DAVID A. ERWIN, JR. RLS
901-475-4758

As per Requested Pardon = 03/22/2001

Copyright © 2008 Erin Surveys

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

LEASE AGREEMENT

THIS AGREEMENT entered into this the ____ day of July, 2021 by and between The City of Covington, a Tennessee Municipal Corporation, hereinafter referred to as “Lessor;” and SCUS Head Start Programs, Inc. d/b/a Save the Children Head Start, hereinafter referred to as “Lessee.”

WHEREAS Lessor is the owner of certain real property including certain buildings, parking areas, and facilities commonly known as “The Frazier VO-AG Building,” the “Frazier High School Gymnasium”, the “Frazier Building” and the “Trades Building” more specifically described in Deed Book 453, page 122 in the Tipton County Register of Deeds Office.

WHEREAS Lessee is an operator of Head Start programs throughout the United States.

WHEREAS Lessee has been awarded a grant by the U.S. Department of Health and Human Services (the “Grant”) to operate a Head Start Program in Covington, TN (the “Program”); and

WHEREAS, the previous Lessee of the premises, Northwest Tennessee Head Start, presently occupies the building located at 410 Alston Circle, Covington, TN 38019 and provides services to the community.

WHEREAS, the Lessee will occupy the building located at 410 Alston Circle, Covington, TN 38019 hereinafter referred to as the “leased Premises.”

WHEREAS, in consideration of ten (\$10.00) dollars and other good and valuable consideration, including the covenants contained in this agreement do hereby agree as follows:

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

WITNESSETH

Lessor does hereby lease to Lessee pursuant to the terms, conditions and covenants set forth in this Lease Agreement, commencing on the 30th day of July, 2021 and ending on the 30st day of July, 2026 with a renewal provision hereinafter described, the following described property, to wit:

Lying and being in Covington, Tennessee a portion of the property described in Deed Book 453, page 122 recorded in the Tipton County Register of Deeds Office. Said portion being the building located at 410 Alston Circle, Covington, TN 38019, as well as all servitudes and rights of way which benefit the Premises.

SECTION ONE RENT

Lessee agree to pay, without demand, to Lessor as rent for the leased Premises the sum of one (\$1.00) dollar per year.

SECTION TWO QUIET ENJOYMENT

Lessor covenants that on paying the rent and performing the covenants contained in the lease agreement, Lessee shall peacefully and quietly have, hold, and enjoy the leased Premises for the agreed term.

SECTION THREE USE OF PREMISES

The leased Premises shall be used and occupied by SCUS Head Start Programs d/b/a Save the Children Head Start for the purposes set forth in the charter of the organization and/or the conditions set forth in the "Grant" awarded to the Lessee by the U.S. Department of Health and Human Services and no other purpose. In the event said building ceases to be used for the

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

purposes set forth in the charter and or the conditions of the "Grant" of SCUS Head Start Programs d/b/a Save the Children Head Start for a period of more than one hundred eighty (180) days, this lease shall become null and void except as otherwise provided hereinafter. Further, in the event that it is determined that the leased property fails to meet any federal, state or local standard applicable to program operations in the leased property, or the property cannot be licensed as a child care facility under applicable state law, the Lessee may terminate this Lease and Landlord shall be deemed to have released Lessee from any such further obligations or responsibilities without the need for further action on the part of Landlord.

SECTION FOUR CONDITION OF PREMISES AND WALK THROUGH

Lessee stipulates that its agents, officers and representatives have examined the leased Premises, including the grounds and all buildings and improvements, and that they are, at the time of this lease, in good order, good repair, safe, clean, and in tenantable condition. Prior to taking possession of the Premises, Lessee shall provide a completed copy of the checklist attached as Exhibit B to Lessor. Prior to vacating the Premises, Lessor shall provide an updated copy of the checklist to Lessor.

SECTION FIVE ASSIGNMENT AND SUBLETTING

Without the prior, express, and written consent of Lessor, this Lease Agreement shall not be assigned, sublet, nor shall any concession or license to use the Premises or any part of the Premises be granted.

A consent by Lessor to one assignment, subletting, concession, or license shall not be deemed to be a consent to any subsequent assignment, subletting, concession, or license.

An assignment, subletting, concession, or license without the prior written consent of Lessor, or an assignment or subletting by operation of law, shall be void and shall, at Lessor's option, terminate this lease.

SECTION SIX ALTERATIONS AND IMPROVEMENTS

Subject to Lessor's approval of all plans and specifications for material renovations and subject to the condition that the Lessee shall allow no lien to be placed against the leased Premises, Lessee shall have the right, at their sole cost and expense, to renovate, alter and use the premises in connection with its stated purpose and to make related improvements.

Upon receipt of final plans for construction and before construction commences Lessee shall furnish to Lessor a complete list of plans and specifications for Lessor's approval. In the event the plans and designs are disapproved by Lessor, the improvements or alterations shall be with such changes as may be required by Lessor. Lessee shall not alter or improve the leased Premises in any manner without prior and express approval of Lessor.

All alterations, additions, repairs, replacements and improvements made to or upon the Premises shall, unless otherwise provided by written agreement between Lessor and Lessee, be deemed to be part of the Premises and shall become the property of the Lessor upon the expiration or termination of this Lease Agreement; provided, however, that trade fixtures, machinery and equipment that are installed by Lessee and removable without materially injuring the Premises shall remain the property of the Lessee.

All such alterations, additions, repairs, replacements and improvements made to or upon the Premises shall comply with all present and future and then existing governmental laws and regulations. No approval by Lessor of any plans or specifications for material renovations or alterations by Lessee shall be construed to warrant that such plans or specifications comply with any governmental laws or regulations.

SECTION SEVEN DAMAGE TO PREMISES

If the leased Premises, or any part of the leased Premises, shall be partially damaged by fire or other casualty not due to Lessee's negligence or willful act or that of Lessee's employees, agents, visitors, or invitees the premises shall be promptly repaired by Lessor. However, if the leased premises should be damaged other than by Lessee's negligence or willful act or that of Lessee's employees, agents, or visitors to the extent that Lessor shall decide not to rebuild or repair, the term of this lease shall end, and the rent shall be prorated up to the time of the damage.

SECTION EIGHT DANGEROUS MATERIALS

Lessee shall not keep or have on the leased premises any article or thing of a dangerous, inflammable, or explosive character that might unreasonably increase the danger of fire on the leased premises or that might be considered hazardous or extra hazardous by any reasonable insurance company.

SECTION NINE UTILITIES

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

Lessee shall be responsible for arranging and paying for all utility services required to operate the premises which include, but are not limited to, pest control, water, sewer, garbage services, gas, electric, phone, and internet.

SECTION TEN MAINTENANCE AND REPAIR

Lessee will, at their sole expense, keep and maintain the leased premises and appurtenances in good and sanitary condition and repair during the term of this lease and any renewal of this lease. Lessee shall, at Lessee sole expense, make all required repairs to the plumbing, HVAC system, electrical, wiring and sprinkler systems whenever damage to such items shall have resulted from Lessee's misuse, waste, or neglect or that of Lessee's employees, agents, visitors, or invitees. During the term of this lease, Lessee will also, at their sole expense, maintain, repair and replace, if necessary, the HVAC system, electrical wiring, plumbing and sprinkler system.

Major maintenance and structural repairs of the leased premises including the roof, exterior walls, walkways and parking lot not due to Lessee misuse, waste, or neglect or that of Lessee employees, agents, visitors, or invitees, shall be the responsibility of Lessor or Lessor's assigns.

Lessee agrees that no signs shall be placed or painting done on or about the leased premises by Lessee or at Lessee's direction without the prior, express, and written consent of Lessor.

SECTION ELEVEN RIGHT OF INSPECTION

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

Lessor and Lessor's agents shall have the right at all reasonable times during the term of this lease and any renewal of this lease to enter the leased Premises for the purpose of inspecting the premises and all building and improvements on the premises.

SECTION TWELVE SUBORDINATION OF LEASE

This lease and Lessee's leasehold interest under this lease are and shall be subject, subordinate, and inferior to any liens or encumbrances now or hereafter placed on the leased Premises by Lessor, all advances made under any such liens or encumbrances, the interest payable on any such liens or encumbrances, and any and all renewals or extensions of such liens or encumbrances.

SECTION THIRTEEN TERM, RENEWAL, AND HOLDOVER BY LESSEE

The initial term of this lease is for five (5) years. Upon expiration of this Lease Agreement on July 31, 2026, this agreement may be renewed for an additional five (5) years, upon all terms, conditions and obligations set forth herein. Lessee shall provide Lessor with written notice at least sixty (60) days before the expiration of the original term of this lease of their desire to exercise this option. Thereafter and upon termination of the renewal, the parties shall execute a new lease agreement.

Should Lessee remain in possession of the leased Premises with the consent of Lessor after the natural expiration of this lease, a new tenancy from month to month shall be created between Lessor and Lessee which shall be subject to all the terms and conditions of this lease agreement but shall be terminable on sixty (60) days written notice served by any party hereto.

SECTION FOURTEEN CANCELLATION AND SURRENDER OF PREMISES

Notwithstanding anything to the contrary contained herein, should Lessee cease to be funded for Head Start programs or otherwise not be able to continue to operate the Head Start program, Lessee shall have the right to terminate this Lease by giving Lessor 30 days' written notice. Upon such termination of this Lease, Lessee shall have no further obligations or responsibilities under this Lease or relating to the Premises, and Landlord shall be deemed to have released Lessee from any such further obligations or responsibilities without the need for further action on the part of Landlord. At expiration of the lease term or any cancellation thereof, Lessee shall quit and surrender the leased Premises.

SECTION FIFTEEN DEFAULT

By Lessee: In the event that Lessee defaults in the performance of any obligation under this Agreement including abandonment of the property, Lessor shall provide Lessee with written notice of the default. If the default in performance by Lessee is not cured within thirty (30) days after receipt of notice of default from Lessor, Lessee shall vacate the property and return it to Lessor within the same thirty (30) day period. Lessor shall retain the right to compensation for all amounts due and owed by Lessee to Lessor under this Agreement if Lessor re-takes possession of the leased property due to non-performance of this Agreement by Lessee, except that such compensation will be offset by any rent received by Lessor from a subsequent tenant for any period of the term of this lease. Recovery of rent due for the term of this lease shall be the only remedy due to Lessor with respect to rent as a result of Lessee's default.

By Lessor: In the event that Lessor defaults in the performance of any obligation under this Agreement, Lessee shall provide Lessor with written notice of the default. In the event that the default is not cured within thirty (30) days, this Agreement shall terminate, and Lessee may vacate the leased property and shall have no further obligation for the payment of rent. If Lessee determines that continued use of the leased property creates a danger to the health and safety of children or Lessee staff or if the facility cannot be licensed as a child care facility under applicable state law, Lessee may immediately terminate their lease and Lessor shall be deemed to have released Lessee from any such further obligations or responsibilities without the need for further action on the part of Lessor.

SECTION SIXTEEN ABANDONMENT

If at any time during the term of this lease, Lessee abandons the leased Premises or any part of the leased Premises for more than one hundred eighty days (180) , Lessor may, at Lessor's option, enter the leased Premises by any means without being liable for any prosecution for such entering, and without becoming liable to Lessee for damages or for any payment of any kind whatsoever, and may, at Lessor's discretion, as agent for Lessee, relet the leased Premises , or any part of the leased Premises , for the whole or any part of the then unexpired term.

If Lessor's right of re-entry is exercised following abandonment of the premises by Lessee, then Lessor may consider any personal property belonging to Lessee and left on the premises to also have been abandoned, in which case Lessor may dispose of all such personal

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

property in any manner Lessor shall deem proper and is hereby relieved of all liability for doing so.

SECTION SEVENTEEN LESSEE'S USE OF COMMON AREAS

Lessor gives Lessee and Lessee's employees, agents and invitees a non-exclusive right to use the roadways and parking areas that are available and designated by Lessor for such use. Lessor further gives Lessee and Lessee's employees, agents, and invitees a non-exclusive right to use all outdoor play areas associated with the building. Lessor shall have the right to make changes to any common areas.

SECTION EIGHTEEN INDEMNITY AND INSURANCE

Lessee hereby agree to indemnify Lessor against, and to hold Lessor, its agents and employees harmless for, any and all claims or demands for loss of or damage to the Premises or property or assets thereon or for injury or death to any person from any cause whatsoever while in, upon, or about said leased Premises during the term of this Lease Agreement or any extension thereof or any holdover. Lessee shall maintain insurance coverage on all equipment, machinery, and other personal property of any kind against loss or damage by fire, lightening, tornado, hail, and other acts of God which include such other risks as are customarily covered and said costs shall be paid by the Lessor.

Lessee agree to take out and maintain with a reputable insurance company, at Lessee's sole cost and expense, liability and hazard insurance against property damage or personal injury

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

Notices sent by overnight courier service shall be deemed received on the date indicated by the records of the courier service. Notices sent by U. S. Mail shall be deemed received on the fifth (5th) business day after mailing.

SECTION TWENTY ASSIGNMENT/SUBLEASE

Lessee or any third party contemplated by this Lease Agreement shall not have the right to assign this agreement or sublease the Premises to any other parties without the express written consent of the Lessor, except as otherwise provided in this agreement.

SECTION TWENTY-ONE ENTIRE AGREEMENT

This lease agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this lease agreement shall not be binding upon either party except to the extent incorporated in this lease agreement.

SECTION TWENTY-TWO MODIFICATION OF AGREEMENT

Any modification of this lease agreement or additional obligation assumed by either party in connection with this Lease Agreement shall be binding only in evidenced in a writing signed by each party or an authorized representative of each party.

SECTION TWENTY-THREE BINDING EFFECT

The covenants and conditions contained in this lease agreement shall apply to and bind the heirs, legal representatives, and assigns of the parties, and all covenants are to be construed as conditions of this lease.

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

SECTION TWENTY-FOUR GOVERNING LAW

It is agreed that this lease agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Tennessee.

SECTION TWENTY-FIVE TIME OF THE ESSENCE

It is specifically declared and agreed that time is of the essence of this agreement.

SECTION TWENTY-SIX PARAGRAPH HEADINGS

The titles to the paragraphs of this lease agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this lease agreement.

SECTION TWENTY-SEVEN SEVERABILITY

The provisions of this lease agreement are severable in that should any provision be held to be illegal, invalid or unenforceable by a court of competent jurisdiction, the legality, validity and enforceability of the other provisions herein shall not be affected, but they shall remain in full force and effect.

In witness whereof, each party to this lease agreement has caused it to be executed at Covington City Hall of the date indicated below.

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

Dated this _____ day of July, 2021.

City of Covington, Tennessee

BY: _____
Justin Hanson, Mayor Date

BY: _____
Tina Dunn, Recorder/Treasurer Date

**SUCS Head Start Programs, Inc. d/b/a
Save the Children Head Start**

BY: _____
Signature Date

Title: _____

STATE OF TENNESSEE
COUNTY OF TIPTON

Personally appeared before me, _____, a Notary Public, Justin Hanson, with whom I am personally acquainted, and who acknowledged that he executed the foregoing instrument for the purposes therein contained and who further acknowledged that he is the Mayor of the City of Covington, Tennessee and is authorized by the Charter of the City of Covington, Tennessee to execute this instrument on behalf of the City of Covington.

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

WITNESS by hand, at office, this the _____ day of July, 2021.

NOTARY PUBLIC

My Commission Expires:

STATE OF TENNESSEE
COUNTY OF TIPTON

Personally appeared before me, _____, a Notary Public, Tina Dunn, with whom I am personally acquainted, and who acknowledged that she executed the foregoing instrument for the purposes therein contained and who further acknowledged that she is the Recorder/Treasurer for the City of Covington, Tennessee and is authorized by the Charter of the City of Covington, Tennessee to execute this instrument on behalf of the City of Covington.

WITNESS by hand, at office, this the _____ day of July, 2021.

NOTARY PUBLIC

My Commission Expires:

STATE OF _____
COUNTY OF _____

Personally appeared before me, _____, a Notary Public, _____, with whom I am personally acquainted, and who acknowledged that he/she executed the foregoing instrument for the purposes therein contained and who further acknowledged that he/she is the _____ for SUCS Head Start Programs, Inc. d/b/a Save the Children Head Start, and is authorized by the _____ to execute this instrument on behalf of SUCS Head Start Programs, Inc. d/b/a Save the Children Head Start.

WITNESS by hand, at office, this the _____ day of July, 2021.

Prepared by:
 OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
 Rachel K. Witherington, Attorney
 125 E. Pleasant Ave.
 P.O. Box 1016
 Covington, TN 38019
 (901) 476-5003

 NOTARY PUBLIC

My Commission Expires:

Move In/Move Out Checklist

<u>Lessee: SCUS Head Start Programs</u>		<u>Lessor: City of Covington, Tennessee</u>		
<u>Move-In Date:</u>	<u>Inspection Date:</u>	<u>Time:</u>	<u>By:</u>	
<u>Move-Out Date:</u>	<u>Inspection Date:</u>	<u>Time:</u>	<u>By:</u>	
<u>ENTRYWAY</u>	<u>Move-In Notes:</u>	<u>Move-Out Notes:</u>		
<u>FLOOR</u>	-	-		
<u>WALLS</u>	-	-		
<u>CEILINGS</u>	-	-		
<u>DOORS</u>	-	-		
<u>WINDOWS</u>	-	-		
<u>SCREENS</u>	-	-		
<u>SHADES</u>	-	-		
<u>LIGHT BULBS/FIXTURES</u>	-	-		
<u>CLOSET</u>	-	-		
<u>KITCHEN</u>	<u>Move-In Notes:</u>	<u>Move-Out Notes:</u>		
<u>FLOOR</u>	-	-		
<u>WALLS</u>	-	-		
<u>CEILINGS</u>	-	-		
<u>DOORS</u>	-	-		
<u>WINDOWS</u>	-	-		

<u>SCREENS</u>	-	-
<u>CABINETS</u>	-	-
<u>SINK FAUCET</u>	-	-
<u>SINK AREA</u>	-	-
<u>COUNTERS</u>	-	-
<u>FANLIGHT</u>	-	-
<u>FIRE SUPPRESSION</u>	-	-
<u>ELECTRIC FIXTURES</u>	-	-
<u>LIGHT BULBS/FIXTURES</u>	-	-
<u>FRIDGE</u>	-	-
<u>OVEN</u>	-	-
<u>DISHWASHER</u>	-	-
<u>RESTROOMS</u>	<u>Move-In Notes:</u>	<u>Move-Out Notes:</u>
<u>FLOOR</u>	-	-
<u>WALLS</u>	-	-
<u>CEILINGS</u>	-	-
<u>DOORS</u>	-	-
<u>WINDOWS</u>	-	-
<u>SCREENS</u>	-	-
<u>CABINETS</u>	-	-
<u>SINK FAUCET</u>	-	-

<u>COUNTER TOPS</u>	-	-
<u>MIRRORS</u>	-	-
<u>FAN</u>	-	-
<u>TOLIETS</u>	-	-
<u>TOWEL RACKS</u>	-	-
<u>LIGHT BULBS/FIXTURES</u>	-	-
<u>OFFICES</u>	<u>Move-In Notes:</u>	<u>Move-Out Notes:</u>
<u>FLOOR</u>	-	-
<u>WALLS</u>	-	-
<u>CEILINGS</u>	-	-
<u>DOORS</u>	-	-
<u>WINDOWS</u>	-	-
<u>SCREENS</u>	-	-
<u>LIGHT BULBS/FIXTURES</u>	-	-
<u>CLOSETS</u>	-	-
<u>CLASSROOMS</u>	<u>Move-In Notes:</u>	<u>Move-Out Notes:</u>
<u>FLOOR</u>	-	-
<u>WALLS</u>	-	-
<u>CEILINGS</u>	-	-
<u>DOORS</u>	-	-
<u>WINDOWS</u>	-	-

Prepared by:
OWEN | JENKINS | DEDMON | WITHERINGTON Law Group, LLP
Rachel K. Witherington, Attorney
125 E. Pleasant Ave.
P.O. Box 1016
Covington, TN 38019
(901) 476-5003

<u>SCREENS</u>	-	-
<u>LIGHT BULBS/FIXTURES</u>	-	-
<u>CLOSETS</u>	-	-
	-	
<u>OUTSIDE</u>	-	-
<u>LANDSCAPING</u>	-	-
<u>PLAYGROUND</u>	-	-
<u>SIDEWALKS</u>	-	-
<u>SIGNS</u>	-	-
<u>FENCE</u>	-	-
<u>SECURITY LIGHTS</u>	-	-
<u>UTILITY METERS</u>	-	-
	-	
<u>OTHER</u>	-	-
<u>SECURITY SYSTEM</u>	-	-
<u>INTERCOM SYSTEM</u>	-	-
<u>HALLWAYS</u>	-	-

27-Jul-2021

[illegible]