

REGULAR MEETING
BOARD OF MAYOR AND ALDERMEN
NOVEMBER 9, 2010

REFERENCE VIDEO DATED NOVEMBER 9, 2010

The Board of Mayor and Aldermen of the City of Fayetteville, Lincoln County, Tennessee, met in open, public session at the regular meeting place of said Board in the Municipal Building of said City at 5:00 p.m. on November 9, 2010. Mayor Gwen Shelton was present and presiding. The following named Aldermen were present:

Joe Askins; Danny Bryant; Dorothy Small; Pat Fraley; Michael Stewart; and Marty Pepper

Also present was James S. Hereford, Jr., City Attorney, and James H. Lee, City Administrator.

The pledge and pray was lead by Veteran George Hensley.

Approval of Minutes:

1. Motion was made by Joe Askins, seconded by Pat Fraley, to approve the minutes of the October 2010, Meeting. Upon roll call, the following voted:

Aye

Joe Askins; Danny Bryant; Dorothy Small; Pat Fraley; Michael Stewart; and Marty Pepper

Nay

None

Mayor Shelton declared the minutes approved.

2. Motion was made by Pat Fraley, seconded by Michael Stewart, to approve the minutes of the Special Called Meeting on October 29, 2010.

Aye

Danny Bryant; Dorothy Small; Pat Fraley; Michael Stewart; Marty Pepper; and Joe Askins

Nay

None

Mayor Shelton declared the minutes approved.

Approval of Bills and Additional Bills:

Motion was made by Danny Bryant, seconded by Pat Fraley, to approve the bills and additional bills for payment. Upon roll call, the following voted:

Aye

Dorothy Small; Pat Fraley; Michael Stewart; Marty Pepper; Joe Askins; and Danny Bryant

Nay

None

Mayor Shelton declared the bills and additional bills approved.

Reports:

Recognition of Alderman Askins for Twenty (20) years of service:

Mayor Shelton recognized Alderman Askins with a City watch for his twenty (20) years of public service for the City.

Host of Christmas Past Committee:

Carolyn Denton, representing the Host of Christmas Past Committee, discussed the upcoming Host event which is set for November 12th, 13th, and 14th, and encouraged everyone to pick-up a brochure. Ms. Denton thanked the various organizations, sponsors, merchants, and the committee members for their help to put on this event.

Lincoln Leadership Class 2010-2011:

Perry Hall, representing the Lincoln Leadership Class, discussed their class project to help support the Public Library. The money raised would be used for services, resources, or technologies, but the money would not go towards the Library's budget or debt.

FPU Report:

Joe Askins reported that the 2010 pole inspection program is still in progress with one hundred twelve (112) poles, of the four hundred and one (401) poles, have been replaced. FPU is working with the Fayetteville Housing Authority to design the service requirements needed for the addition of new apartments planned on Locust Street.

School Board Report:

Dorothy Small stated that all of the PTAC air conditioning units have been installed at Ralph Askins School and is currently updating the doors. There are currently one hundred three (103) students registered in the F.A.S. (Fayetteville After School) program.

Police Report:

Danny Bryant reported the Police Department has 265 total cases: with 8 open and 8 closed.

Fire Report:

Marty Pepper reported the Fire Department had 73 calls for service with 53 medical calls, 5 motor accidents (with injuries), and no property losses.

Recreation Report:

Michael Stewart reported the recreation crew is currently making repairs to the dugouts, reseeding the softball fields and making repairs to the facilities.

Planning and Zoning Report:

Pat Fraley stated the Planning Commission discussed the site plan for Bojangles. The commission approved the Bojangles site plan subject to recommended corrections being made. Ms. Fraley stated that the 911 gate system was approved.

Administrator's Report:

Jim Lee stated the new Sanitation Building has been completed. Mr. Lee stated that the air conditioning units at the police department and fire department have been changed out. The interior lights at

City Hall are in the process of being replaced. The City Hall's old roof has been taken-off and the new roof should be put on within the next three (3) weeks.

Mayor's Report:

Mayor Shelton stated on November 16th the newly elected Mayor and Alderman will be sworn in, as well as the newly elected School Board Members. Mayor Shelton stated that November 11th is Veterans Day with Riverside Christian Academy, Lincoln County High School, and the Lincoln Courthouse each having a program for the veterans.

Ordinance 2010-14 – Equipment and Authorizing the Execution of a Lease Agreement:

Ordinance 2010-14, an ordinance accepting a bid for copier equipment and authorizing the execution of a lease agreement; was considered, which is as follows:

CITY OF FAYETTEVILLE

ORDINANCE NO. 2010-14

**AN ORDINANCE OF THE CITY OF FAYETTEVILLE, TENNESSEE ACCEPTING A
BID FOR COPIER EQUIPMENT AND AUTHORIZING THE EXECUTION OF A
LEASE AGREEMENT.**

WHEREAS, the governing body of the City of Fayetteville, Tennessee desires to obtain a copier agreement ("equipment"); and

WHEREAS, the equipment is essential for the City to perform its governmental functions; and

WHEREAS, in accordance with *Tennessee Code Annotated 7-51-904*, the City desires to lease such equipment, and funds made available under such lease will be applied to the acquisition of such equipment; and

WHEREAS, the City has taken the necessary steps, including those relating to legal bidding requirements, to arrange for the acquisition of the equipment and related lease; and

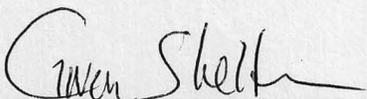
NOW THEREFORE BE IT ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF FAYETTEVILLE, TENNESSEE AS FOLLOWS:

Section 1. The City of Fayetteville accepts the bid of RJ Young Company – Tullahoma in the amount of \$143.21 covering a period of four years for the above described equipment.

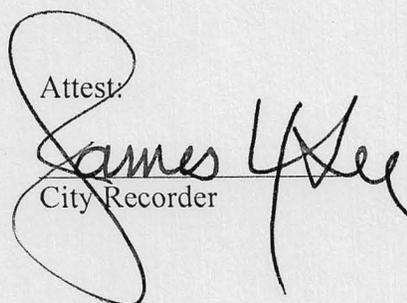
Section 2. It is hereby found and determined that the terms of the Lease in the form presented to this meeting and incorporated in this ordinance are in the best interests of the City of Fayetteville for the acquisition of the equipment.

Section 3. The Lease and the acquisition and financing of the equipment under the terms and conditions as described in the Lease are hereby approved. The Mayor of Fayetteville is authorized to execute, acknowledge and deliver the Lease.

BE IT ENACTED that this ordinance shall take effect this 9th day of November, 2010, the public welfare requiring it.



Mayor

Attest:

City Recorder

Motion was made by Danny Bryant, seconded by Pat Fraley, to approve Ordinance 2010-14. Upon roll call, the following voted:

Aye

Pat Fraley; Michael Stewart; Marty Pepper; Joe Askins; Danny Bryant; and Dorothy Small

Nay

None

Mayor Shelton declared the motion adopted.

Resolution R-10-07 – A Resolution Approving an Economic Impact Plan for the Avenue at Lincoln Center Economic Development Area:

Resolution R-10-07, a resolution of the Board of Mayor and Aldermen of the City of Fayetteville, Tennessee approving an Economic Impact Plan for the Avenue at Lincoln Center Economic Development Area; was considered, which is as follows:

CITY OF FAYETTEVILLE
Resolution R-10-07

**A RESOLUTION OF THE BOARD OF MAYOR AND ALDERMEN OF
THE CITY OF FAYETTEVILLE, TENNESSEE APPROVING AN
ECONOMIC IMPACT PLAN FOR THE AVENUE AT LINCOLN
CENTER ECONOMIC DEVELOPMENT AREA**

WHEREAS, The Industrial Development Board of the City of Fayetteville and Lincoln County, Tennessee (the "IDB") has prepared an economic impact plan (the "Economic Impact Plan") regarding the development of an area located on Redstone Drive (the "Plan Area");

WHEREAS, the development of the Plan Area would include one hotel, two restaurants and related improvements (the "Project");

WHEREAS, the Economic Impact Plan would permit certain tax increment financing ("Tax Increment Financing") to be provided through the issuance of the IDB's bonds, notes and other obligations in the total amount not to exceed \$1,200,000 pursuant to Chapter 53, Title 7 of the Tennessee Code Annotated; and

WHEREAS, the IDB has approved the Economic Impact Plan at a meeting on November 3, 2010; and

WHEREAS, the proceeds of the Tax Increment Financing would be used to pay the costs of eligible site improvements (the "TIF Eligible Costs") relating to the development of the Project; and

WHEREAS, the incremental property tax revenues (the "TIF Revenues") that result from the development of the Plan Area under the Economic Impact Plan will be allocated to the IDB to be used to pay debt service of the Tax Increment Financing; and

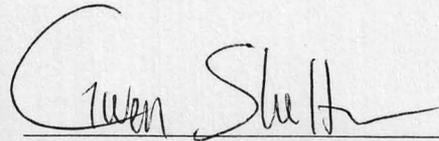
WHEREAS, in accordance with the Economic Impact Plan, the IDB would issue the Tax Increment Financing to a lender or lenders to finance the TIF Eligible Costs and would pledge the TIF Revenues to such lender or lenders to apply to the debt service on the Tax Increment Financing; and

WHEREAS, the Tax Increment Financing shall not represent or constitute a debt or pledge of the faith and credit or the taxing power of the IDB, the City of Fayetteville, or Lincoln County, Tennessee; and

WHEREAS, the Board of Directors of the IDB has approved and submitted the Economic Impact Plan to the Board of Mayor and Aldermen of the City of Fayetteville, Tennessee for approval in accordance with Tenn. Code Ann. § 7-53-312.

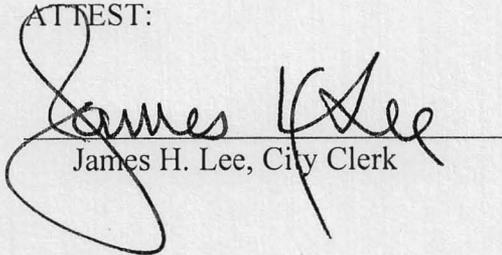
NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen of the City of Fayetteville, Tennessee (the "Board of Mayor and Aldermen"), that the Economic Impact Plan, in the form attached hereto as Exhibit A, being in the interests of the citizens of the City of Fayetteville, Tennessee, is hereby approved by the Board of Mayor and Aldermen and the officers of the City are authorized to take all appropriate action to carry out the terms of the Economic Impact Plan.

APPROVED AND ADOPTED this 9th day of November, 2010.



Gwen Shelton, Mayor

ATTEST:



James H. Lee, City Clerk

**THE INDUSTRIAL DEVELOPMENT BOARD OF
THE CITY OF FAYETTEVILLE AND LINCOLN COUNTY, TENNESSEE**

ECONOMIC IMPACT PLAN

FOR

**THE AVENUE AT LINCOLN CENTER
ECONOMIC DEVELOPMENT AREA**

I. Authority for Economic Impact Plan

Industrial development corporations ("IDBs") are authorized under Tenn. Code Ann. § 7-53-312 to prepare and submit to cities and counties an economic impact plan with respect to an area that includes an industrial park within the meaning of Tenn. Code Ann. § 7-53-312 or a project within the meaning of Tenn. Code Ann. § 7-53-101 and such other properties that the IDB determines will be directly improved or benefited due to the undertaking of such industrial park or project. Tennessee Code Annotated § 7-53-312 also authorizes cities and counties to apply and pledge new incremental tax revenues, which arise from the area subject to the economic impact plan, to the IDB to promote economic development, to pay the cost of projects or to pay debt service on bonds or other obligations issued by the IDB to pay the costs of projects.

II. The Project

Hunt Services, Inc. (the "Developer") has purchased certain real property located on Redstone Drive in Fayetteville, Lincoln County, Tennessee. The Developer expects to subdivide such property and construct thereon or cause to be constructed thereon one hotel and two restaurants and related improvements. The development of the hotels and the restaurants and related improvements is collectively referred to herein as the "Project." In order to make the construction of the Project in the manner requested by the City of Fayetteville (the "City") and Lincoln County, Tennessee (the "County") financially feasible, the Developer has requested that the City and County approve, as part of this Economic Impact Plan, a plan for tax increment financing through The Industrial Development Board of the City of Fayetteville and Lincoln County, Tennessee (the "Board") pursuant to Title 7, Chapter 53 of Tennessee Code Annotated to provide funds to pay a portion of the costs of such public improvements. The proceeds of the tax increment financing would be used exclusively to pay for site improvements that will permit the development of the Project area. The Project is an eligible project within the meaning of Tenn. Code Ann. § 7-53-101(11).

III. Boundaries of Plan Area

The Project is generally located on Redstone Drive within the City. The Project is located within a growing commercial and residential area. The area that would be subject to this Economic Impact Plan, and to the tax increment financing provisions described below, includes only the property on which the Project will be located. The area that will be subject to this plan (the "Plan Area") is shown on Exhibit A attached hereto. The Plan Area is hereby declared to be subject to this Economic Impact Plan, and the Project is hereby identified as the project that will be located within the Plan Area.

IV. Financial Assistance to Project

The Board will provide financial assistance to the Project by applying the proceeds of the tax increment financing described herein to pay a portion of certain costs that will be incurred in connection with the development of the Project. These costs relate to certain site development costs relating to the Project that will facilitate the development of the Project and are eligible for financing under the Board's policies and procedures relating to tax increment financing. Those site improvements include utility improvements (including sewer and water utilities), storm drainage improvements, curbing and guttering, parking and road improvements and grading and design work related to the foregoing.

The Board will pay and/or reimburse the Developer for all or a portion of the cost of such improvements upon receipt of adequate documentation of such costs. Once design work for the Project is substantially finalized, the Board and the Developer will enter into a development agreement specifying the scope and the cost of the improvements to be reimbursed, not exceeding \$1,200,000. The maximum amount that will be made available by the Board for such financial assistance shall be the lesser of \$1,200,000 or the costs actually incurred. The expected cost of the improvements described above is not less than \$1,200,000.

V. Expected Benefits to City and County

There are numerous expected benefits to the City and County from the development of the Project. First, the construction of an additional hotel in the area will enhance tourism and create additional tax revenues resulting from the visitors staying at such hotel. The development is expected to capture 70% of its revenue from money now being spent outside of the City and County.

The Project is also expected to create jobs within the City and County, thereby also increasing tax revenues. Approximately 200 jobs are expected to be created during the construction of the Project, and approximately 120 permanent jobs are expected to be created at the Project.

In addition to the benefits realized from promoting tourism in the community and expanding the job base, the City and County are also expected to receive substantial direct additional taxes as a result of the development of the Plan Area. The ad valorem real property taxes for the Plan Area for the year 2009 were only \$1,649.03 for the County and \$1,214.36 for the City. Development of the Plan Area will increase the value of the real property within the Plan Area, leading to an increase in ad valorem real property taxes. Following the development of the Project, the annual property taxes payable to the County are expected to be approximately \$77,151 and annual property taxes payable to the City are expected to be approximately \$56,886. The tax increment revenues resulting from the development of the Project (the "TIF Revenues") will be applied during the period described below to the debt service on debt incurred by the Board to pay the costs described herein. However, following the payment of such indebtedness, the City and County will benefit from the increase in the real property taxes. Also, during the period that the tax increment financing is outstanding, the City and County will receive additional property taxes to pay debt service on their indebtedness as provided by State law. The Project is also expected to generate city and county sales tax revenues as a result of the development of the Project in the approximate amount of \$665,596 over the first three years. The project will also approximately generate in the first three years \$368,550 in occupancy tax. Because a portion of the sales at the Project are expected to be purchases that would otherwise occur outside the City and County, 70% of these sales tax revenues are projected to be a new source of revenues to the City and County.

VI. Distribution of Property Taxes and Tax Increment Financing

a. Distribution of Taxes. Property taxes imposed on real property (and not personal property) located within the Plan Area shall be allocated and distributed as provided in this subsection. The taxes assessed by the City and County on the real property within the Plan Area will be divided and distributed as follows in accordance with Tenn. Code Ann. § 7-53-312(c):

i. The portion of the real property taxes payable with respect to the Plan Area equal to the year prior to the date of approval of this Economic Impact Plan (the "Base Tax Amount") shall be allocated to and, as collected, paid to the City and the County as all other taxes levied by the City and County on all other properties; provided, however, that in any year in which the taxes on the property within the Plan Area are less than the Base Tax Amount, there shall be allocated and paid to the City and County only the taxes actually imposed.

ii. 90% of the excess of real property taxes over the Base Tax Amount (the "TIF Revenues") shall be allocated and, as collected, paid into a separate fund of the Board, created to hold such payments until the tax proceeds in the fund are to be applied to pay debt service on the obligations expected to be issued by the Board that are described to pay the costs of the public improvements described above.

This allocation is subject to the provisions of Tenn. Code Ann. §7-53-312(j), which requires that taxes levied upon property within the Plan Area for the payment of debt service of the City and County shall not be allocated to the Board.

b. TIF Obligations. In order to pay for the costs of the public improvements needed for the Project, the Board intends to use the incremental tax revenues that it would receive as a result of the adoption of the Economic Impact Plan to pay debt service on obligations incurred to finance such costs. This tax increment financing will be structured as follows:

i. The Board will borrow not to exceed \$1,200,000 through the issuance and sale of notes, bonds or other obligations of the Board. The amount of such borrowing shall be used to finance eligible costs (in the amount of approximately \$1,100,000) plus costs relating to the tax increment financing. The Board shall pledge any and all TIF Revenues allocated to the Board pursuant to this Economic Impact Plan to the payment of such notes, bonds or other obligations. In no event will the obligations issued by the Board be considered a debt or obligation of the City and County in any manner whatsoever, and the source of the funds to satisfy the Board's payment obligations thereunder shall be limited solely to the TIF Revenues.

ii. The proceeds of the notes, bonds or obligations shall be used to pay the costs of the public improvements described above together with expenses of the Board in connection with the Project and the tax increment financing and capitalized interest on the notes, bonds or other obligations for a maximum period of fifteen (15) years beginning on the April 1st following the completion of the Project determined pursuant to the Development Agreement.

c. Time Period. Taxes on the real property within the Project Area will be divided and distributed as provided in this Section of the Economic Impact Plan for a period equal to the lesser of (a) the period that the tax increment financing described below is outstanding or (b) fifteen (15) years from the April 1st immediately following the completion of the Project.

d. Qualified Use. The Board, the City and the County, by the adoption of this Plan, find that the use of the TIF Revenues as described herein, is in furtherance of promoting economic development in the City and County and that costs to be financed as described herein are costs of the Project.

VII. Approval Process

Pursuant to Tenn. Code Ann. § 7-53-312, the process for the approval of this Economic Impact Plan is as follows:

a. The Board holds a public hearing relating to the proposed Economic Impact Plan after publishing notice of such hearing in a newspaper of general circulation in the City and County at least two (2) weeks prior to the date of the public hearing. The notice must include the time, place and purpose of the hearing as well as notice of how a map of the subject area may be viewed by the public. Following such public hearing, the Board may submit the Economic Impact Plan to the City and County for their approval.

b. The governing bodies of the City and County must approve the Economic Impact Plan. The Economic Impact Plan may be approved by resolutions of the Board of Mayor and

Aldermen of the City and County Commission, whether or not the local charter provisions of the governing bodies provide otherwise.

c. Once the Economic Impact Plan has been approved by the governing bodies of the City and County, the respective clerks or other recording officials of the City and County shall transmit the following to the appropriate tax assessor and taxing agency affected: (a) a copy of the description of the property within the Plan Area, and (b) a copy of the resolution approving the Economic Impact Plan.

| | Year 1 - Sales | Year 2 - Sales | Year 3 - Sales | Sales Tax Generated Year 1 | Sales Tax Generated Year 2 | Sales Tax Generated Year 3 | Total Sales Tax Generated | |
|---------------------|----------------|----------------|----------------|-------------------------------|-------------------------------|-------------------------------|------------------------------|-------------------------|
| | Perkins | 2,500,000 | 2,575,000 | 2,652,250 | 62,500 | 64,375 | 66,306 | |
| Chili's | 3,500,000 | 3,640,000 | 3,785,600 | 87,500 | 91,000 | 94,640 | 273,140 | |
| Hampton Inn - Hotel | 2,457,000 | 2,457,000 | 2,457,000 | 61,425 | 61,425 | 61,425 | 184,275 | |
| Conference Room | 200,000 | 200,000 | 200,000 | 5,000 | 5,000 | 5,000 | 15,000 | |
| | | | | 216,425 | 221,800 | 227,371 | 665,596 | 665,596 Total Sales Tax |

| | Year 1 | Year 2 | Year 3 | Occupancy Tax Generated Year 1 | Occupancy Tax Generated Year 2 | Occupancy Tax Generated Year 3 | Total Occupancy Tax Generated | |
|--|---------------------|-----------|-----------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|-----------------------------|
| | Hampton Inn - Hotel | 2,457,000 | 2,457,000 | 2,457,000 | 122,850 | 122,850 | 122,850 | |
| | | | | | | | | Total Occupancy Tax 368,550 |
| | | | | | | | | Total Tax Revenue 1,034,146 |

| Average Daily Attendance (ADA) | |
|--------------------------------|-----------------|
| County Schools | 80% approximate |
| City Schools | 20% approximate |

| | County Schools | | City Schools | | Total |
|---------------------|----------------|-----------|--------------|-----------|------------|
| | Year 1 | Year 2 | Year 1 | Year 2 | |
| Perkins | \$ 25,000 | \$ 6,250 | \$ 15,625 | \$ 15,625 | \$ 62,500 |
| Chili's | 35,000 | 8,750 | 21,875 | 21,875 | 87,500 |
| Hampton Inn - Hotel | 24,570 | 6,143 | 15,356 | 15,356 | 61,425 |
| Conference Room | 2,000 | 500 | 1,250 | 1,250 | 5,000 |
| | \$ 86,570 | \$ 21,643 | \$ 54,106 | \$ 54,106 | \$ 216,425 |

| | County Schools | | City Schools | | Total |
|---------------------|----------------|-----------|--------------|-----------|------------|
| | Year 1 | Year 2 | Year 1 | Year 2 | |
| Perkins | \$ 25,750 | \$ 6,438 | \$ 16,094 | \$ 16,094 | \$ 64,375 |
| Chili's | 36,400 | 9,100 | 22,750 | 22,750 | 91,000 |
| Hampton Inn - Hotel | 24,570 | 6,143 | 15,356 | 15,356 | 61,425 |
| Conference Room | 2,000 | 500 | 1,250 | 1,250 | 5,000 |
| | \$ 88,720 | \$ 22,180 | \$ 55,450 | \$ 55,450 | \$ 221,800 |

| | County Schools | | City Schools | | Total |
|---------------------|----------------|-----------|--------------|-----------|------------|
| | Year 1 | Year 2 | Year 1 | Year 2 | |
| Perkins | \$ 26,523 | \$ 6,631 | \$ 16,577 | \$ 16,577 | \$ 66,306 |
| Chili's | 37,856 | 9,464 | 23,660 | 23,660 | 94,640 |
| Hampton Inn - Hotel | 24,570 | 6,143 | 15,356 | 15,356 | 61,425 |
| Conference Room | 2,000 | 500 | 1,250 | 1,250 | 5,000 |
| | \$ 90,949 | \$ 22,737 | \$ 56,843 | \$ 56,843 | \$ 227,371 |

\$ 665,596 \$ -

Property Tax Revenue

| | County | | | City | | |
|---|-------------|--------------|--------------|-------------|--------------|--------------|
| | Current | Projected | Difference | Current | Projected | Difference |
| Property Tax | \$ 1,649.03 | \$ 77,151.00 | \$ 75,501.97 | \$ 1,214.26 | \$ 56,886.00 | \$ 55,671.74 |
| 90% is used for TIF | | | \$ 67,951.77 | | | \$ 50,104.57 |
| 10% of increase goes to city and county | | | \$ 7,550.20 | | | \$ 5,567.17 |

County Debt Service Revenue

Approximately 10% of Property Tax is earmarked for debt service

| | County | | | This is additional revenue the county will receive to service debt. |
|--------------------------|-------------|--------------|-------------|---|
| | Current | Projected | Difference | |
| Property Tax | \$ 1,649.03 | \$ 77,151.00 | | |
| Portion for debt service | \$ 164.90 | \$ 7,715.10 | \$ 7,550.20 | |

Motion was made by Joe Askins, seconded Dorothy Small, to approve Resolution R-10-07. Upon roll call, the following voted:

Aye

Michael Stewart; Marty Pepper; Joe Askins; Danny Bryant; Dorothy Small; and Pat Fraley

Nay

None

Mayor Shelton declared the motion adopted.

Approval of amendment of Contract for in Lieu of Performance Bond for City of Fayetteville. Lincoln County Sanitary Landfill-Permit #SNL 52-102-0169:

Motion was made by Danny Bryant, seconded Michael Stewart, to approve the executing of amendment of contract in Lieu of Performance Bond for the City of Fayetteville, Lincoln County Sanitary Landfill. Upon roll call, the following voted:

Aye

Marty Pepper; Joe Askins; Danny Bryant; Dorothy Small; Pat Fraley; and Michael Stewart

Nay

None

Mayor Shelton declared the motion adopted.

Ordinance 2010-15 – Fifty Percent (50%) Savings:

Ordinance 2010-15, To Amend the Annual Budget and Capital Program of the City of Fayetteville, Tennessee, for Fiscal Year 2011; was considered, which is as follows:

ORDINANCE NO. 2010 – 15

AN ORDINANCE AMENDING THE ANNUAL BUDGET AND CAPITAL PROGRAM OF THE CITY OF FAYETTEVILLE, TENNESSEE, FOR FISCAL YEAR 2011,

WHEREAS, the Board of Mayor and Alderman has established a program to encourage efficient budget management by returning 50% of budgeted savings to departments; and

WHEREAS, Tennessee Code Annotated requires these items to be budgeted expenditures;

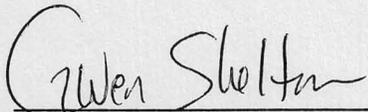
NOW, THEREFORE BE IT ORDAINED by the Board of Mayor and Alderman of the City of Fayetteville, Tennessee, that the following amounts be added to the budgeted amounts set forth for fiscal year 2011 in Ordinance No. 2010 – 08.

| | |
|--------------------------|-----------|
| City Court | \$ 781 |
| Emergency Communications | \$ 14,813 |
| Administration | \$ 10,383 |
| Information Technology | \$ 581 |
| Purchasing | \$ 526 |
| Police | \$ 2,176 |
| Fire | \$ 4,156 |
| Planning & Codes | \$ 7,728 |
| Garage | \$ 2,031 |
| Sanitation | \$ 9,210 |
| Street Department | \$ 8,341 |
| Pool | \$ 1,269 |

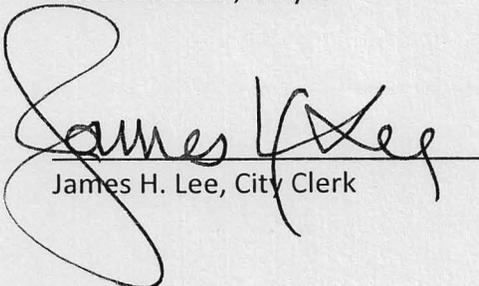
This ordinance shall take effect upon its passages, the public welfare requiring it. All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

November 9, 2010

Date



Gwen Shelton, Mayor



James H. Lee, City Clerk

Motion was made by Danny Bryant, seconded by Joe Askins, to approve Ordinance 2010-15. Upon roll call, the following voted:

Aye

Joe Askins; Danny Bryant; Pat Fraley; Michael Stewart; and Marty Pepper

Nay

None

Abstain

Dorothy Small

Mayor Shelton declared the motion approved.

Ordinance 2010-16 – Abandoning a Portion of the Old Stone Bridge Road:

Ordinance 2010-06, To Abandon a Portion of a City Street in Fayetteville, Tennessee; was considered, which is as follows:

**ORDINANCE NO. 2010-16
CITY OF FAYETTEVILLE, TENNESSEE**

**AN ORDINANCE ABANDONING A PORTION OF A CITY STREET IN
FAYETTEVILLE, TENNESSEE**

WHEREAS, the Board of Mayor and Alderman has received a request from the American Legion to close the portion of the Old Stone Bridge Road depicted on the attached drawing so as to allow for the future construction of a parking lot across a portion of the area occupied by said street; and,

WHEREAS, on August 24, 2010, and pursuant to T.C.A § 13-4-104, the Fayetteville Municipal/Regional Planning Commission did recommend that the street be abandoned; and,

WHEREAS, a public hearing was conducted by the Board of Mayor and Alderman on September 14, 2010; and,

WHEREAS, the contiguous property owners have agreed to, for historical purposes, quitclaim the area occupied by the Old Stone Bridge and grant the necessary access easement(s) to the remnants of the Old Stone Bridge; and,

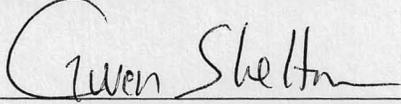
NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMAN OF THE CITY OF FAYETTEVILLE, TENNESSEE, THAT:

SECTION 1. The City of Fayetteville hereby abandons the portion of the street shown on "Exhibit A" which is attached hereto and incorporated herein.

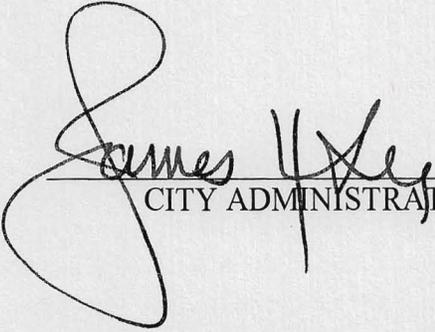
SECTION 2. The City of Fayetteville will not make further claims to ownership or use of the said area as a city street.

BE IT FURTHER ORDAINED that this ordinance shall take effect immediately upon its passage, the public welfare requiring it.

ADOPTED THIS 9th DAY OF November, 2010.



MAYOR



CITY ADMINISTRATOR

EXHIBIT A

MAIN AVENUE SOUTH

SPRINGEE AVENUE

DAVIDSON STREET EAST

AMER. LEGION

30 ROW

R-O-W AREA TO BE CLOSED
OUTLINED IN YELLOW
(approx. 30' x 200')

DR. HAMILTON

HUNTSVILLE HIGHWAY

OLD STONE
BRIDGE

ELK RIVER



Motion was made by Danny Bryant, seconded by Joe Askins, to approve Ordinance 2010-16. Upon roll call, the following voted:

Aye

Danny Bryant; Dorothy Small; Pat Fraley; Michael Stewart; Marty Pepper; and Joe Askins

Nay

None

Mayor Shelton declared the motion approved.

Agreement on Robert E. Lee Mutual Rescission of Irrevocable Letters of Credit:

1. Motion was made by Danny Bryant, seconded by Marty Pepper, to approve the agreement the Mutual Rescission of Irrevocable Letters of Credit and as to allow Mayor Shelton and City Administrator James Lee to sign the agreement on behalf of the City. Upon roll call, the following voted:

Aye

Dorothy Small; Pat Fraley; Michael Stewart; Marty Pepper; Joe Askins; and Danny Bryant

Nay

None

Mayor Shelton declared the motion approved.

2. Motion was made by Joe Askins, seconded by Danny Bryant, to approve the preliminary plat and construction plan. Upon roll call, the following voted:

Aye

Pat Fraley; Michael Stewart; Marty Pepper; Joe Askins; Danny Bryant; and Dorothy Small

Nay

None

Mayor Shelton declared the motion approved.

Community Comments:

1. Farris Ralston – discussed the “Trails for Kids” and the Biosolid fields.
2. Sam Gates - Cherokee Avenue – discussed funding and support for the Public Library.
3. Lewis Curtis – River Rd. – stated his appreciation of the Board.
4. Roger Cowell – Asked if the Board had voted on the “TIF”?

Motion was made, seconded, and unanimously adopted to adjourn.

Mayor

Clerk