



FARRAGUT BOARD OF MAYOR AND ALDERMEN
Farragut Town Hall
11408 Municipal Center Drive

AGENDA
October 27, 2022

BMA MEETING
6:00 PM

- I. Roll Call**
- II. Approval of Agenda**
- III. Approval of Minutes**
 - A. October 13, 2022**
- IV. Mayor's Report**
- V. Business Items**
 - A.** Approval of Supplement Request from Vaughn & Melton Consulting Engineers for Additional Acquisition Services for Union Road Improvements
 - B.** Approval of Resolution R-2002-17, establishing a Post-Retirement Benefits Plan and investment trust for the purpose of pre-funding other post-employment benefits as provided in Tennessee Code Annotated, Title 8, Chapter 50, Part 12.
 - C.** Approval of the Veteran Salute 5K/10K road races, November 12, 2022
 - D.** Approval of the Hot to Trot 5K/10K & Fun Run, November 24, 2022
 - E.** Approval of the Farragut Tourism/Visitor Advisory Committee (TVAC) Committee Appointment
 - F.** Approval of the Interlocal Agreement between the Town of Farragut, Knox Count, the City of Knoxville and the Joint Economic and Community Development Board of Knox County
 - G.** Approval of Bids for Contract 2023-07 – Fall Tree Planting
- VI. Town Administrator's Report**
- VII. Town Attorney's Report**
- VIII. Citizens Forum**

11408 MUNICIPAL CENTER DRIVE | FARRAGUT, TN 37934 | 865.966.7057 |
WWW.TOWNOFFARRAGUT.ORG

It is the policy of the Town of Farragut not to discriminate on the basis of race, color, natural origin, gender, gender identity, sexual orientation, age, religion, disability or veteran status pursuant to Title VI of the Civil Rights Act of 1964, Public Law 93-112 and 101-336 in its hiring, employment practices and programs. To request accommodations due to disabilities, please call 865-966-7057 in advance of the meeting

This meeting can be viewed live on the Farragut YouTube Channel and the Town of Farragut website www.townoffarragut.org/livestream.

The meeting will be held at the Farragut Town Hall, 11408 Municipal Center Drive

The Board of Mayor and Aldermen welcomes and invites Farragut residents to participate in public meetings.

At the end of each business meeting, there will be time reserved for public comment under the Citizen Forum agenda item. If you are interested in speaking, please fill out a blue comment card and turn it in to the Town Recorder or staff member. This time is set aside specifically for comments on items that are not on the Board of Mayor and Aldermen regular agenda for the meeting. Each speaker will be given five (5) minutes to speak on his/her topic.

During the regular agenda portion of the meeting there may be an allowance for public comment for each agenda item. The Mayor may recognize individuals for public comment based on the following guidelines.

1. The Mayor shall maintain and control the meeting to provide a professional and objective environment;
2. Any Farragut resident interested in speaking should fill out a blue comment card stating which agenda item they would like to comment on and turn in to the Town Recorder or a staff member;
3. Speakers shall come to the podium and identify themselves by name and street address;
4. Public comment shall be limited to five (5) minutes per individual. Time for public comment may be amended at the discretion of the Mayor. Time is not transferable to other speakers;
5. Speakers should strive to avoid redundancy; each speaker should have their own original viewpoint;
6. Comments shall address issues, not individuals or personalities;
7. Comments may support or oppose issues or measures, but the motives of those with differing views shall not be questioned or attacked;
8. Personal attacks and malicious comments shall not be tolerated;
9. An applicant, and/or their representative(s), for an item on the regular agenda shall be afforded the time necessary to present their request and respond to questions. The five (5) minute limitation shall not apply. However, the Mayor may ask an applicant to stay on point in order to facilitate the efficiency of the meeting.

Each speaker will be asked if they can agree to abide by the Comment Protocol. If so, please be prepared to speak when your name is called.

BMA MEETING MINUTES

October 13, 2022

Roll Call

Mayor Williams called the meeting to order at 6:00 PM. Roll Call for attendance: Alderman Burnette, present; Alderman Meyer, present; Alderman Povlin, present; Alderman White, present; Mayor Williams, present; in addition to staff and members of the press.

Approval of Agenda

Motion was made to approve the agenda as presented. Moved by Alderman Povlin, seconded by Alderman Meyer; voting yes; Mayor Williams, Alderman Burnette, Meyer, Povlin and White; no nays; motion passed.

Approval of Minutes

Motion was made to approve the minutes of September 22, 2022, as presented. Moved by Alderman Povlin, seconded by Alderman Meyer; voting yes; Mayor Williams, Alderman Burnette, Meyer, Povlin and White; no nays; motion passed.

Business Items

Approval of Resolution R-2022-16, Surplus Property

Motion was made to approve Resolution R-2022-16. Moved by Alderman Meyer, seconded by Alderman Povlin; voting yes; Mayor Williams, Alderman Burnette, Meyer, Povlin and White; no nays; motion passed.

Approval of Dates for the November & December Board of Mayor and Aldermen Meetings

Motion was made to cancel the meetings of November 24 and December 22, 2022. Moved by Alderman Meyer, seconded by Alderman Povlin; voting yes; Mayor Williams, Alderman Burnette, Meyer, Povlin and White; no nays; motion passed.

Approval of the Farragut Tourism/Visitor Advisory Committee (TVAC) Charter Amendment

Motion was made to approve the proposed amendments to the Farragut Tourism/Visitor Advisory Committee charter. Moved by Alderman Meyer, seconded by Alderman Povlin; voting yes; Mayor Williams, Alderman Burnette, Meyer, Povlin and White; no nays; motion passed.

Town Administrator's Report

David Smoak announced that the Intro to Farragut Graduation is October 19.

Meeting adjourned at 6:06 PM.

Ron Williams, Mayor

Allison Myers, Town Recorder

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Darryl W. Smith, PE

SUBJECT: Approval of Supplement Request from Vaughn & Melton Consulting Engineers for Additional Acquisition Services for Union Road Improvements

INTRODUCTION: The purpose of this item is approval of a request for supplement from Vaughn & Melton for additional services to acquire Right of Way and easements for reconstruction of Union Road from Hobbs Road to Everett Road.

BACKGROUND: The Board of Mayor and Aldermen approved a professional services agreement with Vaughn & Melton Consulting Engineers, Inc. on May 12, 2022. The agreement outlines their anticipated efforts necessary to acquire Right of Way (ROW) and easements for construction of improvements to Union Road, from Hobbs Road to Everett Road. Since that time, title searches have been completed and appraisal work is underway.

DISCUSSION: Vaughn & Melton has requested that we provide staking of ROW and easements to accurately depict impacts to each property within the limits of the project. This staking is normally required so that appraisers, negotiators and property owners can better visualize the impacts anticipated due to construction. These services are normally provided by the designers of the project (in this case, our designers are Kimley Horn), but the scope of services in our agreement with Kimley Horn did not include staking. Vaughn & Melton is a well-qualified engineering firm and can easily provide the services as part of their agreement for ROW acquisitions. Vaughn & Melton will bill their work on an hourly basis, with a *not to exceed* fee of \$23,400. This amount will be charged to the ROW phase of the project, which is funded thru Local and Surface Transportation Block Grants (L-STBG) funding with a 20/80 split of local and federal dollars.

FINANCIAL SECTION:

Project: Union Road ROW			
<u>Total Budget</u>	<u>Requested Amount</u>	<u>Contracted Amount</u>	<u>Remaining Amount</u>
\$870,000	\$23,400	\$214,335	\$632,265
Approved By: <u> A. Myers </u>			

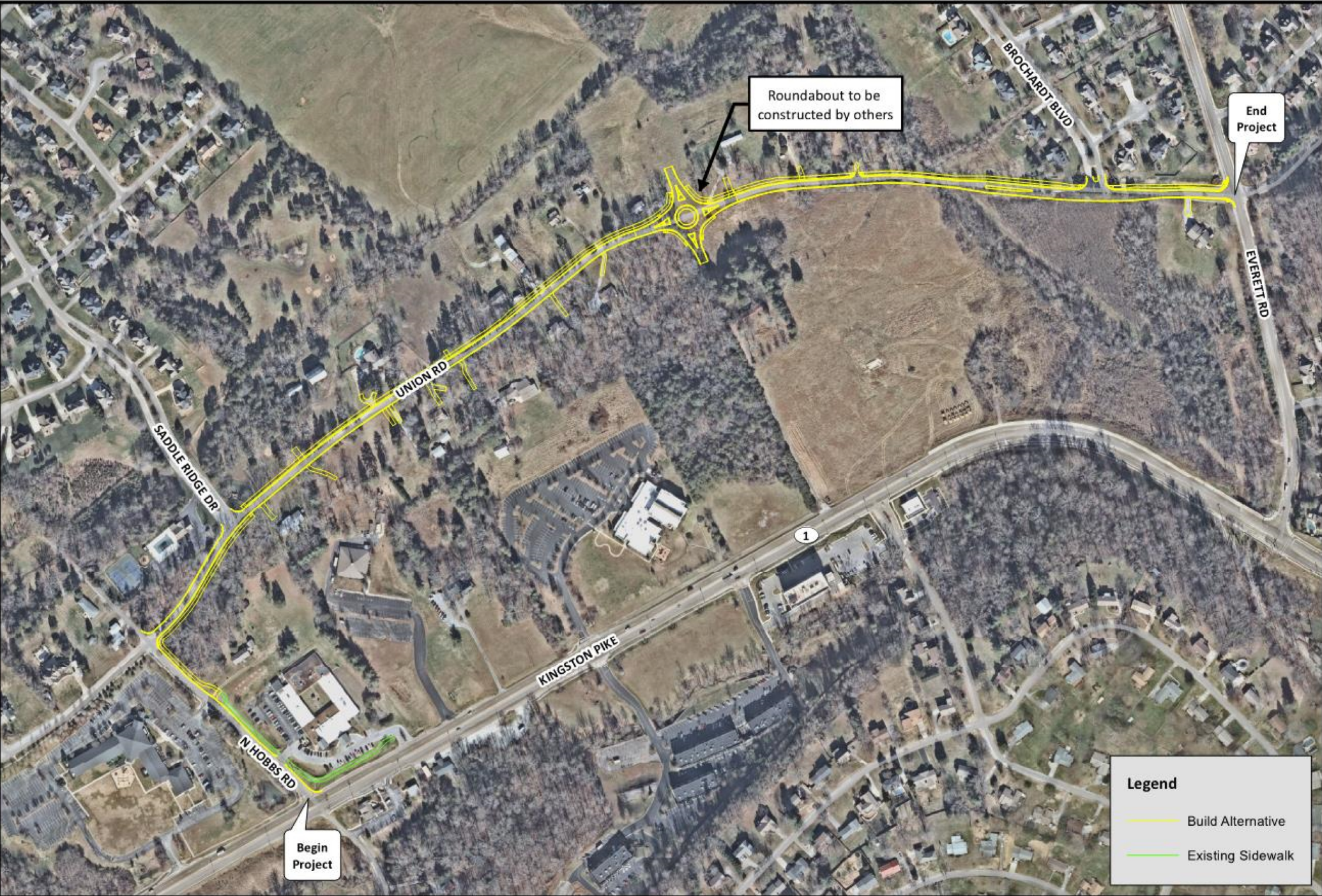
RECOMMENDATION BY: Darryl Smith, Town Engineer, for approval.

PROPOSED MOTION: Approval of supplement request from Vaughn & Melton Consulting Engineers for additional services to acquire ROW and easements for improvements to Union Road.

BOARD ACTION:

MOTION BY: _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>WILLIAMS</u>	<u>MEYER</u>	<u>POVLIN</u>	<u>BURNETTE</u>	<u>WHITE</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____



PROJECT LOCATION MAP

0 0.05 0.1 Miles

Project	Union Road / N. Hobbs Road Improvements N. Hobbs Road from Kingston Pike (State Route 1) to Union Road and Union Road from N. Hobbs Road to Everett Road, Town of Farragut, Knox County, Tennessee, PIN 125045.00	Prepared by:
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October 18th, 2022

Darryl Smith
Town Engineer
Town of Farragut
11408 Municipal Center Drive
Farragut, TN 37934

RE: Union Road Improvements Project – ROW Services – Staking Supplement

Dear Mr. Smith,

Vaughn and Melton (V&M), a JMT Company, is pleased to offer the following supplement for professional services for the Union Road Improvements Project. We propose to perform one-time ROW staking for the 20 tracts requiring acquisitions. In paved areas spray marking will be used to note the locations of proposed acquisitions. Below you will find a detailed task description for our scope of services and table with corresponding fee for these tasks.

Scope of Services:

- Task 1 – Licensed Surveyor, oversight **Total Hours Allotted: 8 hours**
 - Quality Control
 - Project Management
- Task 2 – CADD Technician, stakeout data generation **Total Hours Allotted: 40 hours**
 - Generate points for right-of-way features
 - Produce data file for survey crew
- Task 3 – Survey Stakeout, 2-man crew with GPS **Total Hours Allotted: 80 hours**
 - Stake/mark existing right-of-way at property corners and all breaks
 - Stake/mark proposed right-of-way at property lines and all breaks
 - Stake/mark proposed easements (slope, construction, & permanent drainage) at property lines and all breaks

<u>Job Classification</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Quantity</u>	<u>Cost</u>	<u>Project Role</u>
Licensed Surveyor	Hour	\$125.00	8	\$1,000.00	QC, project management
CADD Tech	Hour	\$110.00	40	\$4,400.00	Cad/tech drawing
Survey Party (2-Man w GPS)	Hour	\$225.00	80	\$18,000.00	Field survey crew with equipment
				\$23,400.00	

We propose to bill the tasks on an hourly basis at our current hourly rates for each classification, with a total cost of \$23,400.00 not to be exceeded except by mutual consent. We further propose that the hours may be redistributed between tasks as needed.

If you have any questions or need further information, please do not hesitate to contact me at 865-546-5800 or megresham@vaughnmelton.com.

Very Truly Yours,

Vaughn & Melton Consulting Engineers, A JMT Company



Michael E. Gresham
Associate

MEG/meg

Enclosures
V&M 2022 Rate Sheet

Cc: Ryan Henley, Knoxville Office Leader
Doug Hawk, Survey Manger

Vaughn & Melton, (V&M) will provide professional engineering services at an hourly rate for each classification as follows:

<u>Job Classification</u>	<u>Hourly Rate</u>
Principal	\$250.00
Senior Project Manager II	220.00
Senior Project Manager I	205.00
Project Manager II	185.00
Project Manager I	160.00
Senior Licensed Design Professional	175.00
Licensed Professional II	150.00
Licensed Professional I	125.00
Construction Engineer II	140.00
Construction Engineer I	115.00
Graduate Engineer (EIT)	110.00
Senior Designer II	165.00
Senior Designer I	135.00
CADD Technician IV	110.00
CADD Technician III	95.00
CADD Technician II	80.00
CADD Technician I	65.00
CEI Technician IV	120.00
CEI Technician III	100.00
CEI Technician II	85.00
CEI Technician I	65.00
Clerical Administration II	80.00
Clerical Administration I	65.00
ROW Agent III	145.00
ROW Agent II	105.00
ROW Agent I	90.00
Survey Party (3-Man or 2-man w/Robotic or GPS)	225.00
Survey Party (2-man)	165.00
Survey Party (1-man w/Robotic or GPS)	110.00
Conductive Locator (1-Man)	115.00
Ground Penetrating Radar (1-Man)	135.00
Vacuum Excavation (2-Man)	290.00

The above rates would be full compensation, including fringe benefits and overhead items for each hour worked by an employee; except the following expenses properly chargeable to the project, which would be reimbursed at cost:

- (1) Printing, reproduction, photography or special material for said project.
- (2) Travel by 4X4 at \$0.80 per mile. Travel by 4X2 at \$0.585 per mile.
- (3) Travel and living expenses for all personnel when required to be away from Knoxville in connection with work
- (4) Other consultant fees as approved by the Owner (or his Agent).

V&M will furnish, at the request of the Owner, monthly time sheets and an hourly breakdown for each employee working on said project with V&M's monthly invoice. The invoice and time sheets would be certified that the employee's worked the hours shown, at the classification designated.

Effective May 1, 2022

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Michelle Pence, Human Resource Director

SUBJECT: Approval of Resolution R-2002-17, establishing a Post-Retirement Benefits Plan and investment trust for the purpose of pre-funding other post-employment benefits as provided in Tennessee Code Annotated, Title 8, Chapter 50, Part 12.

INTRODUCTION: The Town of Farragut provides post-retirement health benefits (OPEB) to the employees that meet specified qualifications. The funding for the benefits will be invested in a trust fund.

BACKGROUND: Included in the budget for fiscal year 2022-2023 was approval for funding and implementation of a trust to fund the post-retirement health benefits to employees that are between the ages of 60-65 and have over 20 years of service with the Town. The employee is responsible for the same percentage of the rate as active current employees, currently 8%. The Town covers this benefit until the retiree is eligible for Medicare.

DISCUSSION:

Exhibit A: The Town of Farragut Post-Employment Benefits Plan outlines the parameters and restrictions of the OPEB plan.

Highlights:

Eligibility

Each Employee (as well as his or her Spouse who was covered on the employee's Benefit Plan while an active employee) who retires at age 60 or later with 20 or more years of service will be eligible to continue to participate in the Town's medical plan, and the Town will pay, until the employee attains age 65, the same percentage of the cost of the Insured's Medical premiums as is currently being paid for active employees. The premium will be based on the coverage immediately preceding retirement.

Employees who waive coverage in the Plan at retirement will not be able to opt into the Plan at a later date.

Termination of Participation

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- (1) Participant and/or Spouse are certified as being eligible for Medicare benefits;
- (2) Participant's death, subject to the provisions of Section 2.4;
- (3) Participant becomes ineligible to participate under the terms of the Benefit Programs;
- (4) The termination of this Plan, subject to the provisions of Section 7.2; or
- (5) Reemployment with the Employer.

Exhibit B: The Declaration of Trust for OPEB with USI Advisors, INC establishes and maintains a Trust for the funding of the post-retirement health benefits.

Highlights:

The trust establishes Trustees for the plan that will include the Human Resource Director, the Finance Director, and the Town Administrator. The Trustees shall receive and accept for the purposes hereof all contributions described herein and shall hold, invest, reinvest, manage, administer, and distribute

property and the increments, proceeds, earnings, and income solely to meet OPEB Liabilities and provide other post-employment benefits as described herein, an in accordance with Code Sections 105 and 106. The Trustees have the authority to invest and manage the assets of the Trust Fund.

Exhibit C: The Town of Farragut Post-Employment Benefits Trust Investment Policy Statement covers legal obligations for all OPEB funds held in trust and invested for the purpose of meeting the obligations under its OPEB defined benefit programs.

Highlights:

The policy establishes an investment committee for the plan that will include the Human Resource Director, the Finance Director, and the Town Administrator. The Town Administrator will serve as the Chairman.

The purpose of the plan's total return is to be at least equal to or greater than the Plan's investment return assumption during the life of the Trust.

The Funding Policy section describes the principal elements and parameters of an actuarial funding. USI will provide the required actuary work that is required and investment advisory meetings on a semi-annual basis. The USI advisors will provide advice to the Town on how to invest the plan assets, but the Town is responsible to make all final decisions on how investments would be made.

The annual fixed fee is as follows for the three-year contract:

Year One: \$5,000

Year Two: \$5,000

Year Three: \$5,150

Total contract: \$15,150

Note: This agreement has been reviewed and approved by the Town Attorney, Mr. Tom Hale.

STRATEGIC PLAN: Adoption of this update to OPEB benefits assists in achieving the Town's goal of Supporting and Caring for a Committed Workforce.

FINANCIAL SECTION: The cost for the agreement is already included in the approved FY 2022-2023 budget.

RECOMMENDATION BY: Town Administrator David Smoak and Human Resource Director Michelle Pence recommend approval of Resolution R-2022-17.

PROPOSED MOTION: Approval of Resolution R-2002-17, establishing a Post-Retirement Benefits Plan and investment trust for the purpose of pre-funding other post-employment benefits as provided in Tennessee Code Annotated, Title 8, Chapter 50, Part 12.

BOARD ACTION:

MOTION BY: _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>BURNETTE</u>	<u>MEYER</u>	<u>WHITE</u>	<u>POVLIN</u>	<u>WILLIAMS</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____



TOWN OF FARRAGUT

RESOLUTION R-2022-17

A Resolution Establishing a Post-Retirement Benefits Plan and investment trust for the purpose of pre-funding other post-employment benefits as provided in Tennessee Code Annotated, Title 8, Chapter 50, Part 12.

WHEREAS, the Town of Farragut currently offers eligible retirees to continue retiree health insurance until they become entitled to Medicare (pre-65 retirees) as long as they meet the criteria for retiree coverage; and

WHEREAS, the Governmental Accounting Standards Board issued Statements 74 and 75, which set forth standards on accounting and reporting for post-employment benefits (other than pensions) by governmental entities; and

WHEREAS, these standards require political subdivisions of the State of Tennessee to report such other post-employment benefits on an actuarial basis during an employee's career rather than on a pay-as-you-go basis during retirement; and

WHEREAS, a governmental plan or employer may reduce or eliminate its net OPEB Liability (as defined in GASB 74 or GASB 75) by making contributions to an irrevocable trust in relation to such anticipated benefits; and

WHEREAS, the Tennessee General Assembly enacted Chapter 771 of the Tennessee Public Acts of 2006 that authorized Tennessee political subdivisions that offer other post-employment benefits to create an investment trust whereby the political subdivisions may begin financing those benefits in advance; and

WHEREAS, the Town of Farragut is a political subdivision of the State of Tennessee that is exempt from federal income tax under the Internal Revenue Code of 1986, as amended from time to time, and whose chief governing body has passed a resolution authorizing the establishment of this investment trust for the exclusive purpose of funding other post-employment benefits accrued by employees of the Employer, to be paid as they come due in accordance with the arrangements between the Employer, the Participants and their Beneficiaries.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF FARRAGUT, TENNESSEE, does hereby establish this Post Retirement Benefits Plan and this Trust to be known as The Town of Farragut Post-Employment Benefits Trust.

This Resolution is duly adopted by the Board of Mayor and Aldermen of the Town of Farragut on this 27th day of October 2022.

Ron Williams, Mayor

Allison Myers, Town Recorder

**THE TOWN OF FARRAGUT
POST-EMPLOYMENT BENEFITS PLAN**

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**THE TOWN OF FARRAGUT
POST-EMPLOYMENT BENEFITS PLAN**

INTRODUCTION

The Town of Farragut (the "Employer" /the "Town") has adopted this Plan effective August 1, 2022 on behalf of its former Employees in order to provide post-employment benefits after retirement:

**ARTICLE I
DEFINITIONS**

1.1 "Administrator" means the individual(s) or entity appointed by the Employer to carry out the administration of the Plan. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan. In the event the Administrator has not been appointed, or resigns from a prior appointment, the Employer shall be deemed to be the Administrator.

1.2 "Benefit" or "Benefit Program" means the benefits available to a Participant as outlined in Section 4.1.

1.3 "Eligible Employee" means any former Employee who has satisfied the provisions of Section 2.1.

1.4 "Employee" means an individual who performs services for the Employer, and who has been designated as eligible to participate in, and receive benefits under a post-employment benefit plan.

1.5 "Insurance Contract" means any contract issued by an Insurer underwriting a Benefit.

1.6 "Insurer" means any insurance company that underwrites a Benefit under this Plan or, with respect to any self-funded benefits, the Employer.

1.7 "Other post-employment benefits" ("OPEB") or "post-employment benefits" means non-pension benefits paid on behalf of a former Employee or a former Employee's Spouse after separation from service. Such benefits may include, but shall not be limited to, medical and prescription drug coverage.

1.8 "Participant" means a former Employee of the Employer who satisfies the requirements for participation in a post-employment benefits plan sponsored by the Employer.

1.9 "Plan" means this instrument, including all amendments thereto.

1.10 "Plan Year" means the 12-month period beginning July 1 and ending June 30. The Plan Year shall be the coverage period for the Benefits provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.

1.11 "Spouse" means the legally married husband or wife of a Participant, unless legally separated by court decree.

ARTICLE II PARTICIPATION

2.1 ELIGIBILITY

Each former Employee (as well as his or her Spouse who was covered on the employee's Benefit Plan while an active employee) who retires at age 60 or later with 20 or more years of service will be eligible to continue to participate in the Town's medical plan, and the Town will pay, until the employee attains age 65, the same percentage of the cost of the Insured's Medical premiums as is currently being paid for active employees. The premium will be based on the coverage immediately preceding retirement.

Employees who waive coverage in the Plan at retirement will not be able to opt into the Plan at a later date.

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee shall become a Participant effective as of the date on which he met the eligibility requirements of Section 2.1.

2.3 TERMINATION OF PARTICIPATION

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- (1) Participant and/or Spouse are certified as being eligible for Medicare benefits;
- (2) Participant's death, subject to the provisions of Section 2.4;
- (3) Participant becomes ineligible to participate under the terms of the Benefit Programs;
- (4) The termination of this Plan, subject to the provisions of Section 7.2; or
- (5) Reemployment with the Employer.

2.4 DEATH

Benefits shall cease upon the death of the Participant.

ARTICLE III CONTRIBUTIONS TO THE PLAN

3.1 EMPLOYER CONTRIBUTION

The Employer has established an OPEB Trust for the exclusive purpose of funding the benefits provided under this Plan. The Employer shall make such contributions to the OPEB Trust in such amounts and at such times as the Employer shall determine are appropriate to fund the Benefit Programs.

3.2 PARTICIPANT CONTRIBUTION

As a condition of eligibility under a Benefit Program, a Participant may be required to make contributions, in amounts and at times specified by the Employer and the applicable Benefit Program, applicable to the coverage option selected and the group or classification of Participants of which such Participant is a member. Such contribution requirements may be adjusted from time to time in the sole discretion of the Employer. Contributions shall be made in such manner as the Administrator shall specify.

ARTICLE IV BENEFITS

4.1 BENEFIT PROGRAMS

Each Participant may elect, in accordance with the terms of the Benefit Program and the policies and procedures of the Employer, to participate in Benefit Programs available under the Marketplace, including, but not limited to:

- (1) Cigna Health and life Insurance Co.: Cigna Connect; or
- (2) Bright HealthCare: Gold

4.2 SUPPLEMENTAL HEALTH INSURANCE REIMBURSEMENT BENEFIT

There are no Supplemental Health Insurance Reimbursement Benefits under this Plan.

ARTICLE V ADMINISTRATION

5.1 PLAN ADMINISTRATION

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power to administer the Plan in all of its details, subject, however, to the pertinent provisions of the Code.

5.2 CLAIMS PROCEDURES

All claims for benefits under the Plan shall be made, processed and paid in accordance with applicable law and the terms and conditions of the applicable Benefit Program. If the claim is denied, the Participant or beneficiary shall follow the Employer's claims review procedure for the applicable Benefit Program.

5.3 EXAMINATION OF RECORDS

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

5.4 PAYMENT OF EXPENSES

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

5.5 INSURANCE CONTROL CLAUSE

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third party Insurer whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

**ARTICLE VI
AMENDMENT OR TERMINATION OF PLAN**

6.1 AMENDMENT

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations.

6.2 TERMINATION

The Employer is establishing this Plan with the intent that it will be maintained for an indefinite period of time. Notwithstanding the foregoing, the Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Insurance Contract shall be paid in accordance with the terms of the Contract.

ARTICLE VII MISCELLANEOUS

7.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 7.8.

7.2 GENDER AND NUMBER

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

7.3 EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

7.4 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

7.5 NO VESTED INTEREST

No person shall have any right, title or interest in or to any contributions made under the Plan and the Benefit Programs, such contributions being made for the sole purpose of providing benefits under the Programs in accordance with their terms. Neither the Employer nor the Administrator shall in any way guarantee the payment of any benefit that may be or become due to any person under the Plan or the Benefit Programs.

7.6 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

7.7 EMPLOYER'S PROTECTIVE CLAUSES

Upon the failure of either the Participant or the Employer to obtain the insurance contemplated by this Plan (whether as a result of negligence, gross neglect or otherwise), the Participant's Benefits shall be limited to the insurance premium(s), if any, that remained unpaid for the period in question and the actual insurance proceeds, if any, received by the Employer or the Participant as a result of the Participant's claim.

The Employer's liability to the Participant shall only extend to and shall be limited to any payment actually received by the Employer from the Insurer. In the event that the full insurance Benefit contemplated is not promptly received by the Employer within a reasonable time after submission of a claim, then the Employer shall notify the Participant of such facts and the Employer shall no longer have any legal obligation whatsoever (except to execute any document called for by a settlement reached by the Participant). The Participant shall be free to settle, compromise or refuse to pursue the claim as the Participant, in his sole discretion, shall see fit.

The Employer shall not be responsible for the validity of any Insurance Contract issued hereunder or for the failure on the part of the Insurer to make payments provided for under any Insurance Contract. Once insurance is applied for or obtained, the Employer shall not be liable for any loss which may result from the failure to pay Premiums to the extent Premium notices are not received by the Employer.

7.8 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

7.9 CAPTIONS

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

7.10 CONTINUATION OF COVERAGE

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan subject to the continuation coverage requirement of Internal Revenue Code Section 4980B becomes unavailable, each Participant will be entitled to continuation coverage as prescribed in Code Section 4980B, and related regulations.

IN WITNESS WHEREOF, this Plan document is hereby executed this____ day of _____, 20____.

THE TOWN OF FARRAGUT

By: _____

Title: _____

**DECLARATION OF TRUST
FOR
OTHER POST-EMPLOYMENT BENEFITS**

**ARTICLE I
DEFINITIONS**

- 1.1. Definitions. For purposes of this Declaration of Trust, the following terms shall have the respective meanings set forth below unless otherwise expressly provided.
- (a) “Beneficiary” means the Spouse, Dependents, or the person or persons designated by a Participant pursuant to the terms of a post-employment benefits plan to receive any benefits payable under the plan.
 - (b) “Board” means the board of trustees created pursuant to Section 5.1 of this Trust.
 - (c) “Code” means the Internal Revenue Code of 1986, as amended from time to time.
 - (d) “Dependent” means a dependent, as described in Section 152(a) of the Internal Revenue Code of 1986, as amended from time to time, determined without regard to subsections (b)(1), (b)(2) and (d)(1)(B) thereof, of a Participant.
 - (e) “Directed Trustee” means Commercial Bank and Trust, and its successors and assigns, or such other entity as may be appointed by the Board to provide trust services pursuant to Section 6.1(b) of this Trust.
 - (f) “Employee” means an individual who performs services for the Employer, and who has been designated as eligible to participate in, and receive benefits under a post-employment benefits plan.
 - (g) “Employer” means the Town of Farragut.
 - (h) “OPEB Liability” means the net liability for post-employment benefits other than pension benefits under GASB 74 or GASB 75.
 - (i) “Other post-employment benefits” (“OPEB”) or “post-employment benefits” means non-pension benefits paid on behalf of a former Employee or a former Employee’s Beneficiary after separation from service. Such benefits may include, but shall not be limited to, medical, prescription drugs, dental, vision, hearing, Medicare Part B or Part D premiums, life insurance, long-term care, and long-term disability.

- (j) "Participant" means an Employee of the Employer who satisfies the requirements for participation in a post-employment benefits plan sponsored by the Employer.
- (k) "Spouse" means the spouse of a Participant in a marriage of two individuals if such marriage would be recognized by any state, possession, or territory of the United States.
- (l) "State Funding Board" or "Funding Board" means the board created pursuant to Tennessee Code Annotated, Section 9-9-101.
- (m) "Trust" means the trust created and established hereunder.

ARTICLE II PURPOSE AND SCOPE OF TRUST

- 2.1. This Trust is established exclusively for the purpose of funding other post-employment benefits accrued by Employees of the Employer, to be paid as they come due in accordance with the terms of the Employer's respective post-employment benefits plan.
- 2.2. Nothing in this Trust shall be construed to define or otherwise grant any rights or privileges to post-employment benefits. Such rights and privileges, if any, shall be governed by the terms of the Employer's respective post-employment benefits plan.

ARTICLE III TRUST ASSETS

- 3.1. This Trust shall consist of all contributions paid or otherwise delivered to it, and all investment income and realized and unrealized gains and losses.
- 3.2. The Trustees shall receive and accept for the purposes hereof all contributions described herein and shall hold, invest, reinvest, manage, administer, and distribute property and the increments, proceeds, earnings, and income solely to meet OPEB Liabilities and provide other post-employment benefits as described herein, and in accordance with Code Sections 105 and 106.
- 3.3. All assets held by the Trustees in the Trust are referred to herein as the "Trust Fund." The Trustees have the authority to invest and manage the assets of the Trust Fund.
- 3.4. The contributions made by to the Trust and all investments, receipts, disbursements, and other transactions thereunder may be maintained in a common account, which contributions shall be used solely for the payment of benefits, expenses and other charges properly allocable to the Trust.

- 3.5. The Trust Fund shall continue to be held by the Trustees in trust and dealt with in accordance with the provisions of the Trust. At no time shall any part of the Trust Fund be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their eligible Spouses and Dependents, as applicable, as provided herein and for defraying the reasonable expenses of administering the Trust.

ARTICLE IV TRUST CONDITIONS

- 4.1. This Trust shall be irrevocable, and the assets of this Trust shall be preserved, invested and expended solely pursuant to and for the purposes of this Declaration of Trust and shall not be loaned or otherwise transferred or used for any other purpose. During the life of the Trust, no portion of the principal or income of this Trust shall revert to the Employer. The assets of the Trust shall be expended solely to:
- (a) Make payments for other post-employment benefits pursuant to and in accordance with terms of the post-employment benefits plan; and
 - (b) Pay the cost of administering this Trust.
- 4.2. This Trust shall have the powers, privileges and immunities of a corporation; and all of its business shall be transacted, all of its funds invested, and all of its cash and securities and other property held in trust for the purpose for which received.
- 4.3. All assets, income and distributions of the Trust shall be protected against the claims of creditors of the Employer, Employees, Former Employees, Participants or their Beneficiaries, and shall not be subject to execution, attachment, garnishment, the operation of bankruptcy, the insolvency laws or other process whatsoever, nor shall any assignment thereof be enforceable in any court.

ARTICLE V BOARD OF TRUSTEES

- 5.1. The general administration and responsibility for the proper operation of this Trust shall be governed by a board of trustees (hereinafter the "Board").
- 5.2. The Board shall annually elect from its membership a chair and a vice chair and shall designate a secretary who need not be a member of the Board. Written minutes covering all meetings and actions of the Board shall be prepared by the secretary and shall be kept on file, open to public inspection pursuant to the provisions of Tennessee Code Annotated, Title 10, Chapter 7.
- 5.3. Members of the Board shall serve without compensation but shall receive reasonable reimbursement for actual and necessary travel expenses in accordance with the Employer's travel regulations.

- 5.4. A majority of the voting members of the Board serving shall constitute a quorum for the transaction of business at a meeting of the Board. Voting upon action taken by the Board shall be conducted by a majority vote of the voting members present at the meeting of the Board. The Board shall meet at the call of the chair, or upon the call of a majority of the members, and as may be otherwise provided in any operating policies or procedures adopted by the Board.
- 5.5. The business of the Board shall be conducted at meetings of the Board held in compliance with Tennessee Code Annotated, Title 8, Chapter 44.

ARTICLE VI POWERS AND DUTIES OF THE BOARD

- 6.1. In addition to the powers granted by any other provisions of this Trust, the Board shall have the powers necessary or convenient to carry out the purposes and objectives of this Trust including, but not limited to, the following express powers:
- (a) Invest any funds of the Trust in any instrument, obligation, security, or property that constitutes legal investments for assets of the Trust as described in applicable law, including without limitation Tennessee Code Annotated, Section 8-50-1201, et seq., as amended from time to time, including the use of mutual funds, commingled investment funds or collective investment trusts, institutional accounts, or master trusts, provided that any such investment is authorized in the investment policy adopted, and from time to time amended, by the chief governing body of the Employer.
 - (b) Contract for the provision of all or any part of the services necessary for the management and operation of the Trust, including, but not limited to, trust and custody services and investment management services;
 - (c) Contract with financial consultants, auditors, and other consultants as necessary to carry out its responsibilities under the provisions of this Trust;
 - (d) At the Board's sole discretion, contract with an actuary or actuaries for the benefit of the Employer in determining the level of funding necessary by the Employer to fund the other post-employment benefits offered by the post-employment benefits plan;
 - (e) Prepare annual financial reports, including audited financial statements, following the close of each fiscal year relative to the activities of the Trust. Such statements and reports shall contain such information as shall be prescribed by the Board and be prepared in accordance with the standards established by the Governmental Accounting Standards Board; and

- (f) Upon the request of the State Funding Board, file the annual report and financial statements with the secretary of the State Funding Board. The report and statements shall be filed with the secretary of the Board within ninety (90) calendar days from the date of the request, unless the secretary extends such time in writing.
- (g) To determine, consistent with the applicable laws, rules or regulations, all questions of law or fact that may arise as to any person or entity claiming rights under the Trust;
- (h) Subject to and consistent with GASB 74 and 75, Code Section 115 and applicable law, to construe and interpret the Trust and to correct any defect, supply any omission, or reconcile any inconsistency in the Trust;
- (i) To adopt and amend bylaws governing its operations and procedures;
- (j) To provide for termination of trusteeship and transfer of assets to successor trustees as permitted by law;
- (k) To employ legal counsel;
- (l) To employ and contract with auditors, accountants, investment advisers, investment brokers, consultants, medical personnel, and other agents and employees;
- (m) Subject to Articles IX and X, to collect and disburse all funds due and payable under the Trust;
- (n) To provide for and promulgate all the rules, regulations, and forms that are deemed as necessary or desirable in fulfilling its purposes of assisting in providing other post-employment benefits and in maintaining proper records and accountings consistent with GASB Statement 74 and 75 and Internal Revenue Service standards;
- (o) To adopt an Investment Policy Statement and asset allocation;
- (p) To bring and defend actions, sue and be sued, and plead and be impleaded;
- (q) To expend funds for the purchase of fidelity and surety bonds and liability insurance for the protection and indemnification of Trustees in the performance of their duties;
- (r) To expend funds for the reasonable expenses of the Trustees while engaged in the performance of their duties;
- (s) To employ insurance companies, banks, trust companies, and investment brokers as agents for the keeping of records and the receipt and disbursement of funds held by or due the Trustees;

- (t) To exercise generally any of the powers of an owner with respect to all or any part of the Trust Fund; and
 - (u) To take all actions consistent with this Declaration of Trust necessary or appropriate to administer or carry out the purposes of the Trust; provided, however, the Trustees need not take any action unless, in their opinion, there are sufficient Trust assets available for the expense thereof.
- 6.2. The Trustees may buy fiduciary liability insurance or errors and omissions insurance, as described above. However, all such insurance shall provide that proceeds shall be payable to the Trust and shall contain express provisions reserving to the insurer executing the same the full right of recourse against all parties or other individuals whose errors, acts, omissions, or breaches may obligate such insurer to make payments to the Trust.
- 6.3. In addition to the powers stated in Section 6.1, the Trustees may from time to time delegate to an individual, committee, or organization certain of its fiduciary responsibilities under the Trust. Any such individual, committee, or organization shall remain a fiduciary until such delegation is revoked by the Trustees, which revocation may be without cause and without advance notice. Such individual, committee, or organization shall have such power and authority with respect to such delegated fiduciary responsibilities as the Trustees have under the Trust.
- 6.4. The Trustees may rely upon a certification of the Employer with respect to any instruction, direction, or approval of such Employer and may continue to rely upon such certification until a subsequent certification is filed with the Trustees. The Trustees shall have no duty to make any investigation or inquiry as to any statement contained in any such writing but may accept the same as fully authorized by the Employer.
- 6.5. The Trustees shall be protected further in relying upon a written certification that purports to be from any custodian, investment manager, insurance company, or mutual fund as to the person or persons authorized to give instructions or directions on behalf of such custodian, investment manager or insurance company and continue to rely upon such certification until a subsequent written certification is filed with the Trustees.
- 6.6. The Trustees' responsibilities and liabilities shall be subject to the following limitations:
- (a) The Trustees shall have no duties other than those expressly set forth in this Declaration of Trust and those imposed on the Trustees by applicable laws.
 - (b) The Trustees and the Trust Administrator shall not be responsible for any particular federal, state or local income, payroll or other tax consequence to the Employer or a Participant, Spouse, or Dependent.

- (c) The Trustees shall be responsible only for money and property actually received by the Trust, and then to the extent described in this Declaration of Trust.
 - (d) The Trustees shall not be responsible for the correctness of any determination of payments or disbursements from the Trust Fund.
 - (e) No Trustee shall have any liability for the acts or omissions of any predecessor or successor in office.
 - (f) The Trustees shall have no liability for (i) the acts or omissions of any investment manager or managers; (ii) the acts or omissions of any insurance company; (iii) the acts or omissions of any investment fund; (iv) the acts or omissions of any custodian; (v) the acts or omissions of the trust administrator; or (vi) the acts or omissions of any contractor.
- 6.7. The Trust shall, and hereby does, to the extent permitted by law, indemnify the Trustees, including persons who have served as such in the past or who are heirs, executors, or administrators thereof, against expenses (including attorney's fees), judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any actual or threatened proceeding of any kind, arising by reason of the fact that any such person is or was a Trustee, and shall advance to such person expenses reasonably incurred in defending any such proceedings as permitted by law. Such indemnity shall apply, however, only if, in connection with the matter at issue, the person claiming indemnity hereunder acted in good faith and in a manner he or she reasonably believed was in the best interests of the Trust. This indemnity does not extend to any acts of the person seeking indemnity which involve gross negligence or willful misconduct, or are materially in breach of this Agreement, or any bylaw. The Trustees may obtain and may rely on a written opinion of independent legal counsel on any issues of good faith, reasonable belief, or breach, or on any and all other issues that may bear on the application of this indemnity.

ARTICLE VII

POWERS AND DUTIES OF THE DIRECTED TRUSTEE

- 7.1. The Directed Trustee shall act solely in a directed capacity hereunder and shall act solely as directed by the Board or Employer. It shall be the duty of the Directed Trustee to receive, hold, manage, invest and reinvest the Trust funds and to make payments from the Trust in accordance with governing law and the provisions set forth herein pursuant to this Trust. The Directed Trustee shall be responsible for such sums as are actually received by it as Directed Trustee hereunder. The Directed Trustee shall have no duty or authority to ascertain whether any contributions should be made to it pursuant to the post-employment benefits plan. The duties and obligations shall be limited to those expressly imposed upon it by this Trust.

ARTICLE VIII INVESTMENTS

- 8.1. The Board shall be responsible for investing the assets of the Trust funds in accordance with Section 6.1(a) above.
- 8.2. Subject to the limitations in Section 6.1(a) above, the Board, or its nominee, has full power to hold, purchase, sell, assign, transfer, or dispose of any of the securities or investments in which the assets of the Trust have been invested, as well as of the proceeds of such investments and any moneys belonging to the Trust.
- 8.3. All of the Board's business shall be transacted, all of the Trust funds invested, all warrants for money drawn, any payments made, and all of the cash and securities and other property of the Trust shall be held:
- (a) In the name of the Board as title holder only, or as Trustee;
 - (b) In the name of its nominee; provided, that the nominee is authorized by Board resolution solely for the purpose of facilitating the transfer of securities and restricted to members of the Board, or a partnership composed of any such members; or
 - (c) For the account of the Board or its nominee in such forms as are standard in the investment community for the timely transaction of business or ownership identification, such as book entry accounts.
- 8.4. Except as otherwise provided, no Board member nor employee of the Board shall have any personal interest in the gains or profits of any investment made by the Board; nor shall any Board member or employee of the Board, directly or indirectly, for such member or employee or as an agent, in any manner for such member or employee or as an agent, in any manner use the same except to make such current and necessary payments as are authorized by the Board.

ARTICLE IX EMPLOYER CONTRIBUTIONS TO TRUST

- 9.1. Notwithstanding Section 6.1(d) above, it shall be the sole and exclusive responsibility of the Employer to determine the level of contributions the Employer will make to the Trust for the purpose of financing the post-employment benefits accrued by its respective Employees. Neither the Trust, nor the Board shall be responsible for collecting or otherwise determining the level of contributions needed by the Employer to finance any post-employment benefits offered by the Employer.

ARTICLE X
WITHDRAWALS FOR PAYMENT OF OTHER POST-EMPLOYMENT
BENEFITS

- 10.1. The Board shall upon the request of the Employer reimburse the Employer for payments made for other post-employment benefits upon the Board's receipt of certified documentation evidencing the payment. Such payments shall be made by the Board on no more than a quarterly basis.
- 10.2. Notwithstanding anything in this part to the contrary, the Board shall not honor a request for reimbursement made by the Employer under this Article if assets credited to the Trust are not equal to or greater than the amount requested. Retroactive payments shall be paid by the Board upon accumulation of sufficient assets.

ARTICLE XI
BOOKS AND RECORDS

- 11.1. The books and records of the Trust shall be maintained in accordance with generally accepted accounting principles and shall be open to public inspection. The annual report, including financial statements, all books, accounts and financial records of the Trust shall be subject to audit by the State Comptroller of the Treasury.
- 11.2. The Board may, with the prior approval of the State Comptroller of the Treasury, engage a licensed certified public accountant to perform the audits. The audit contract between the Board and the certified public accountant shall be on a contract forms-prescribed by the State Comptroller of the Treasury. Reimbursement of the costs of audits prepared by the State Comptroller of the Treasury and the payment of fees for audits prepared by a licensed certified public accountant shall be the responsibility of the Board, which may be paid from the assets of the Trust.

ARTICLE XII
AMENDMENT

- 12.1. The Employer shall have the right at any time and from time to time to amend, in whole or in part, any or all of the provisions of this Trust; however, no such amendment shall authorize or permit the assets of the Trust (other than such part as may be used to pay the expenses of administering the Trust) to be used for or diverted to purposes other than those expressed in this Declaration of Trust. Any such amendment shall not be effective until approved by resolution of the chief governing body of the Employer, and by the State Funding Board.

ARTICLE XIII
PLAN TERMINATION OR MODIFICATION

- 13.1. In the event the other post-employment benefits plan is terminated or substantially modified rendering the assets of this Trust to be unnecessary to fund the plan, the assets shall be distributed pursuant to Section 13.2 below.
- 13.2. The Trust shall have perpetual existence, except if dissolved by the Board. Following any such dissolution, the Board shall proceed to wind up the affairs of the Trust in an orderly manner and within a reasonable period of time considering relevant circumstances. After paying or making reasonable provision for the payment of all liabilities of the Trust, and upon receipt of such releases, indemnities or like documentation as the Trustees may reasonably deem necessary for the protection of the Trustees, the Trustees shall distribute the remaining property of the Trust, in cash or in kind or partly each, for the sole purpose of assisting in the payment of post-employment benefits for Participants, Spouses, and Dependents, and for related reasonable expenses, fees and allocated administrative fees and expenses. Upon the satisfaction of all liabilities under the Trust, any remaining assets shall be transferred to another entity whose income is excluded from gross income under Code Section 115. In no event will Trust assets be distributed to or revert to any entity that is not an entity whose income is excluded from gross income under Code Section 115.
- 13.3. Actuarial valuations contemplated by this Article shall be performed by the plan's independent consulting actuary in accordance with actuarial methods recognized by the Governmental Accounting Standards Board for other post-employment benefits.

ARTICLE XIV
PARTICIPANT OR BENEFICIARY CONTRIBUTIONS TO TRUST

14.1. If Participant or Beneficiary contributions are required or permitted under the terms of the other post-employment benefits plan, such contributions shall be assets of this Trust and subject to all the provisions of this Trust. Provided, however, the Employer or its designee shall establish a record keeping account for each Participant or Beneficiary showing the amount of contributions made by such Participant or Beneficiary, and to the extent authorized under the Plan, any earnings or interest thereon.

ARTICLE XV
PROTECTIVE CLAUSE

- 15.1. Neither the Employer, the Board, nor the Trust shall be responsible for the validity of any contract of insurance or other arrangement maintained in connection with the post-employment benefits plan, or for the failure on the part of the insurer or provider to make payments provided by such contract, or for the

action of any person which may delay payment or render a contract void or unenforceable in whole or in part.

ARTICLE XVI CONSTRUCTION

- 16.1. This Trust created herein shall be governed by and construed in accordance with the laws of the State of Tennessee.
- 16.2. If any terms and conditions of this Trust are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Trust shall not be affected thereby and shall be construed to effectuate the purpose of this Trust.
- 16.3. This Trust Agreement shall be binding upon the Trustees, the Employer, and, as the case may be, the delegates, successors, and assigns of each of them.
- 16.4. Necessary parties to any accounting, litigation, or other proceedings relating to the Trust Agreement shall include only the Trustees. The settlement or judgment in any such case in which the Trustees are duly served or cited shall be binding upon all persons claiming by, through, or under this Trust.
- 16.5. The terms of the Declaration of Trust shall supersede any previous oral or written agreement between the parties to this Trust pertaining to matters that are the subject of the Trust.
- 16.6. If the Trustees make any payment that according to the terms of the Trust and the benefits provided hereunder should not have been made, the Trustees may recover that incorrect payment, by whatever means necessary, whether or not it was made due to the error of the Trustees, from the person to whom it was made or from any other appropriate party. For example, the Trustees may deduct the amount of the incorrect payment when making any future payments to the recipient of the incorrect payment.
- 16.7. Any payment to the Employer insurance company, or any other recipient (or their respective designee), shall, to the extent thereof, be in full satisfaction of the claim of such entity being paid thereby and the Trustees may condition payment thereof on the delivery by the recipient, or its designee, of the duly executed receipt and release in such form as may be determined by the Trustees.
- 16.8. The Trust provides no guaranty that payments or reimbursements to employees, former employees, retirees, spouses or beneficiaries will be tax-free. The Trust will obtain a ruling from the Internal Revenue Service concerning only the federal tax treatment of the Trust's income. That ruling may not be cited or relied upon by the any party whatsoever as precedent concerning any matter relating to the Employer's health plan(s) (including post-retirement health plans). In particular, that ruling has no effect on whether contributions to the Employer's health plan(s) or payments from the Employer's health plans (including reimbursements of medical expenses) are excludable from the gross income of employees, former

employees or retirees, under the Internal Revenue Code. The federal income tax consequences to employees, former employees and retirees depend on the terms and operation of the Employer's health plan(s).

[The next and last page is the signature page]

EMPLOYER:

By: The Town of Farragut

Name: _____

Title: _____

TRUSTEES:

Michelle Pence, Human Resource Director

Allison Myers, Finance Director

David Smoak, Town Administrator

DIRECTED TRUSTEE:

David Smoak, Town Administrator

APPROVED:

Chair of State Funding Board

Date

Town of Farragut
Town of Farragut Other Post-Employment Benefits Trust
INVESTMENT POLICY STATEMENT



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I. Overview

- a.) It is the policy of **Town of Farragut (The "Town")** to invest Town of Farragut Other Post-Employment Benefits Trust ("OPEB") funds in a manner which will provide sufficient investment return to meet the current and future OPEB benefit cash flow demands of the benefit plan while conforming to all state statutes governing the investment of such OPEB dedicated trust funds.

II. Purpose and Scope

- a.) This policy covers all OPEB funds held in trust and invested for the purpose of meeting the obligations under its OPEB defined benefit programs. Plan fiduciaries shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. Plan fiduciaries shall also take necessary action to diversify the investments of the Plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so and shall act in accordance with the documents and instruments governing the Plan (including this Investment Policy Statement).
- b.) The purpose of this Investment Policy Statement ("IPS") is to articulate guidelines, roles and responsibilities associated with the management of the investment of Plan assets and is intended to govern all investments associated with the Plan. It is intended to be both sufficiently specific to be meaningful, while retaining flexibility to the extent practicality requires.
- c.) The Town has established an Investment Committee (the "Committee") to serve as Plan fiduciary and manage, in its sole and absolute discretion, the investment of Plan assets. The Committee will discharge its responsibilities under the Plan solely in the long-term interests of Plan participants and their beneficiaries. The guidelines outlined in this IPS are intended to assist the Committee in effectively implementing, supervising, monitoring and evaluating the investment of the assets of the Plan. The Plan's investment program is defined in the various sections of this IPS by:
 - 1. Stating in a written document the Committee's attitudes, expectations, objectives and guidelines for the investment of all of the Plan's assets.
 - 2. Setting forth an investment structure for managing the Plan's assets. This structure includes various asset classes, investment management styles, asset allocation and acceptable ranges that, in total, are expected to produce an appropriate level of overall diversification and total investment return over the investment time horizon.
 - 3. Providing guidelines for each investment portfolio that control the level of overall risk and liquidity assumed in that portfolio, so all Plan assets are managed in accordance with stated objectives.
 - 4. Providing rate-of-return and risk characteristics for each asset class represented by various investment options.
 - 5. Establishing formal criteria to select, monitor, evaluate and compare the performance results achieved by each investment option on a regular basis.
 - 6. Encouraging effective communications between and among the Committee and all parties involved with the investment management decisions.
 - 7. Complying with all applicable fiduciary, prudence and due diligence requirements experienced investment professionals would utilize, and with all applicable laws, rules and regulations from various local, state, federal and international political entities that may impact the Plan assets.

III. Key Responsibilities of the Committee

The key responsibilities of the Committee include, but are not limited to:

- a.) Development, adoption and periodic updating of the IPS and following its terms.
- b.) Hiring of experts (such as investment advisors, investment managers, consultants, actuaries and other advisors), where necessary, to carry out the terms of this IPS and monitoring of their respective performances on an ongoing basis.
- c.) Controlling expenses of the investments as well as administrative costs.
- d.) Avoiding prohibited transactions and conflicts of interest. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the trust.
- e.) Reviewing the asset allocation policy, asset class guidelines, and current capital market assumptions at least annually to ensure that the current asset mix can reasonably be expected to achieve the long-term goals of the Plan.
- f.) Selecting, monitoring and dismissing and/or replacing any investment management firm engaged to manage plan assets.
- g.) Reviewing Plan investments no less than semi-annually to assess whether policy guidelines continue to be appropriate and are met. The Committee shall monitor investment risk, as well as monitor investment returns on an absolute and benchmark relative basis.
- h.) Providing a copy of this IPS to each firm retained to provide investment services to the Plan and requiring each such firm to acknowledge in writing receipt of the document and acceptance of its contents.
- i.) Monitoring and voting of proxies in a way that is consistent with the Plan's interest, engaging the services of consultants, the custodian bank, and/or proxy advisory services in the course of fulfilling its responsibilities in this regard.

IV. Investment Philosophy and Policies

a.) Philosophy

The investment philosophy of the Committee is to seek a return on investment consistent with levels of investment risk that are prudent and reasonable given long-term capital market conditions and the investment objectives of the Plan (please refer to Investment Objectives in Section V). While the Committee recognizes the importance of the preservation of capital, it also recognizes that achieving the Plan's investment objectives requires prudent risk-taking, and that risk is the prerequisite for generating excess investment returns. Therefore, the Committee's policy regarding investment risk, consistent with modern portfolio theory, is that risk cannot be eliminated but should be managed, and that fiduciaries have the obligation to utilize risk effectively. Risk exposures should be identified, measured, monitored, and tied to responsible parties; and risk should be taken consistent with expectations for return. The Committee recognizes that the assumption of risk is necessary to meet Plan objectives; that is, **there are no "risk free" assets**, which are sufficient to generate the Plan's required rate of return. Thus, Plan risk management does not require the elimination of risk, but the balancing of risk and expected return.

b.) Policies

1. The investment policies of the Plan shall be based on financial guidelines that will consider:
 - A. The financial condition of the Plan, i.e., the relationship between the current and projected assets of the Plan and the projected other post-employment benefit payments.
 - B. Changes in the number of active and retired participants; benefit payments.
 - C. The expected long term capital market outlook, including expected volatility of, and correlation among, various asset classes.
 - D. The range of possible investment outcomes associated with different policies.
 - E. The Committee's risk tolerance, that is, the trade-off between the desire to achieve high returns (and the associated high volatility) and the desire to avoid unacceptable outcomes (and the associated necessity for reduced volatility).
2. The Committee will consider alternative investment policies and will measure their potential impact on the financial condition of the Plan and assess their suitability in meeting the objectives of the Plan.
3. The Committee's financial plan will result in a review of risk metrics, that is, an expected amount of volatility associated with a given expected level of investment returns offered by the capital markets including the expected active return.
4. Based on the risk metrics, the Committee, with input from the Investment Consultant (Appendix IV), will approve a specific allocation of the investments (the policy portfolio) among the various asset classes considered prudent given the Plan's benefit structure, and considering multiple measures of investment and surplus risk. The policy portfolio shall be expressed in terms of a normal percentage allocation, and ranges for each asset class. These policy weights, acceptable ranges, and performance benchmarks for each asset class are found in Appendix I.
5. The policy portfolio shall be sufficiently diversified to enable the appropriate fiduciary to manage risk, within acceptable risk budgets, in order to optimize return.
6. The Plan's equity and fixed income assets shall minimize the use of economic leverage. Economic leverage, in the context of portfolio management, is defined as a net dollar exposure to assets in excess of the dollar amount of invested capital, as measured by current market value.

V. Investment Objectives

- a.) The investment objectives of the Plan and its investment program are to:
1. Provide other post-employment benefits (incorporating the ability to pay all benefit and expense obligations when due), as described in the Plan document, to its participants and their beneficiaries;
 2. Maintain a reasonable funding cushion for (1) possible future increases in benefits and/or expenses, and (2) any reduction in the investment return assumption; and
 3. Provide a long-term investment return greater than the Plan's investment return assumption commensurate with appropriate levels of risk.

- b.) The investment strategy articulated in the policy portfolio found in Appendix I has been developed in the context of long-term capital market expectations, as well as multi-year projections of actuarial liabilities. Accordingly, the investment objectives and strategies emphasize a mid- to long-term outlook, and interim performance fluctuations will be viewed with the corresponding perspective. The Committee acknowledges that over short time periods (i.e. one quarter, one year, and even three- to five- year time periods), returns will vary from performance objectives and the investment policy thus serves as a buffer against ill-considered action.
- c.) There are three principal factors that affect an OPEB trust fund's financial status: 1) contributions, 2) benefit payments and 3) investment performance. Only the last factor is dependent upon the investment policy and guidelines contained herein. However, the Committee's level of risk tolerance will take into account all three factors. At certain levels of funded status, it could be impossible for the investments to achieve the necessary performance to meet the promised liabilities. The result is that either benefits have to be reduced, contributions increased or risk tolerance changed.

VI. Return Objectives

- a.) The Return Objective of the overall Fund should be viewed relative to:
 - 1. Investment return assumption
 - 2. Funded status
 - 3. Policy benchmarks
- b.) The Plan's total return objective should be at least equal to the Plan's investment return assumption on a consistent basis over time.
 - 1. This objective is to achieve a rate of return equal to or greater than the Plan's investment return assumption. If the Plan's assets grow at a rate equal to or greater than the investment return assumption, the Plan's funding condition will be improved. Earning a lower return will generally result in increased levels of contributions. (Improving the Plan's funded status is conditioned, in part, on the successful implementation of a prudent funding policy.)
- c.) Funded status should increase over time.
 - 1. The ultimate objective is to get the Plan fully funded and subsequently maintain a status of full funding, meaning that the Plan's assets are at least as great as the Plan's liabilities, both as measured by actuarially acceptable methodologies. Full funding provides a higher level of assurance that all promised benefits can be paid from existing assets and expected investment returns.

- d.) Total Retirement Portfolio return should match or exceed the Total Retirement Portfolio weighted benchmark return, net of all fees and expenses on a consistent basis over time.
 - 1. This objective is to match or exceed a passively managed portfolio with a similar asset mix, net of all fees and expenses. The value added above the policy benchmark measures the effectiveness of the Committee's active management decisions. Please refer to Appendix II for a list of performance benchmarks.

Performance Return measurement standards will adhere to the time-weighted methodology.

VII. Constraints

a.) Liquidity

Assets shall be allocated to provide adequate liquidity for the Plan disbursements, such as benefit payments and ongoing expenses. Plan assets shall be managed such that all other post-employment benefit payments are met as they become due. Liquid investment vehicles are hereby defined as all investments that can be quickly converted to cash with no significant adverse change in value as a result of the liquidation.

b.) Time Horizon

The Plan has a long-term perspective based on multiyear projections of spending, and asset growth. Accordingly, short-term investment performance shortfalls are not necessarily of critical interest unless they suggest failures in strategy execution at investment management firms retained by the Plan.

c.) Regulatory and Legal Constraints

The asset types approved for investment can be found in Appendix II.

All investment/allocation decisions shall reflect the current and future projected cash flow needs of the OPEB plan. The projected cash flow needs shall be determined in part from the data compiled for the OPEB actuarial study conducted at least every two (2) years as required by GASB and the employer's workforce analysis and retirement projections.

Appendix I: Strategic Asset Allocation & Allowable Ranges

The Committee has adopted the following asset allocation policy ("Policy"), including asset class weights and ranges, benchmarks for each asset class, and the benchmark for the Total Plan. The allowable ranges have been chosen to be consistent with budgets and ranges for total and active risk.

Total Plan Asset Allocation

	Lower Limit	Strategic Allocation	Upper Limit
Domestic Equity	0%	54%	75%
International Equity	0%	5%	5%
Real Estate	0%	10%	25%
Fixed Income	0%	29%	50%
Cash Equivalents	0%	2%	10%

Domestic Equity Asset Allocation

	Lower Limit	Strategic Allocation	Upper Limit
Large Value	0%	15%	30%
Large Growth	0%	11%	30%
Mid Value	0%	10%	25%
Mid Growth	0%	6%	25%
Small Value	0%	8%	20%
Small Growth	0%	4%	20%

International Equity Asset Allocation

	Lower Limit	Strategic Allocation	Upper Limit
Foreign Large Blend	0%	3%	5%
Diversified Emerging Markets	0%	2%	5%

Fixed Income Asset Allocation

	Lower Limit	Strategic Allocation	Upper Limit
High Yield Bond	0%	7%	15%
Intermediate-Term Bond	0%	12%	20%
Inflation-Protected Bond	0%	5%	15%
Short-Term Bond	0%	5%	15%
Money Market	0%	2%	10%

There will be periodic deviations in actual asset weights from the Policy asset weights specified above. Causes for periodic deviations are market movements, cash flows, significant plan changes, and varying portfolio performance. Significant movements from the asset class Policy weights will alter the intended expected return and risk of the Plan. Therefore, the actual asset allocation will be reviewed at least quarterly to determine and report any deviation outside of the upper and/or lower limits. The Committee shall assess and manage the trade-off between the cost of rebalancing and the active risk associated with the deviation from policy asset weights. The Committee may delay a rebalancing program when the majority of the Committee believes the delay is in the best interest of the Plan. Results of rebalancing will be reviewed by the Committee at semi-annual meetings.

Appendix II: Asset Class Performance Benchmarks

The Committee has adopted the following performance benchmarks for each asset class:

Asset Class	Market Benchmark
Large Cap Value	Russell 1000 Value
Large Cap Growth	Russell 1000 Growth
Mid-Cap Value	Russell Mid-Cap Value
Mid-Cap Growth	Russell Mid-Cap Growth
Small Cap Value	Russell 2000 Value
Small Cap Growth	Russell 2000 Growth
International	MSCI EAFE
Real Estate	FTSE NAREIT Equity REITs
Diversified Emerging Markets	MSCI Emerging Markets
Multisector Bond	Barclays US Universal
High Yield Bond	Credit Suisse High Yield
Intermediate-Term Bond	Barclays US Universal
Inflation-Protected Bond	Barclays US TIPS
Short-Term Bond	Barclays Capital Govt/Credit 1-3 Yr.
Bank Loan	Credit Suisse Leveraged Loan Index
Money Market	Three Month T Bill

Peer group analysis should be added for all asset classes to further give meaningful insight into performance numbers, acknowledging that "peer groups" violate several of the characteristics required of a meaningful benchmark.

Benchmarks for each asset class may be changed or modified only by the Committee, and each benchmark shall be incorporated in each investment management agreement as the basis for evaluation of performance.

Total Plan Performance Benchmark

The average annual rate of return of the Plan over a five-year period (market cycle) shall exceed the average annual rate of return that would have been achieved in the same period by a composite weighted market index and peer group benchmark.

Knox County OPEB Category Blend	Knox County OPEB Index Blend	Allocation
Large Value	Russell 1000 Value TR	15%
Large Growth	Russell 1000 Growth TR	11%
Mid-Cap Value	Russell Mid Cap Value TR	10%
Mid-Cap Growth	Russell Mid Cap Growth TR	6%
Small Value	Russell 2000 Value TR	8%
Small Growth	Russell 2000 Growth TR	4%
Foreign Large Blend	MSCI EAFE GR	3%
Diversified Emerging Mkts	MSCI EM GR	2%
Real Estate	FTSE Nareit All Equity REITs TR	10%
High Yield Bond	Credit Suisse HY	7%
Intermediate Core-Plus Bond	Bloomberg US Universal TR	12%
Inflation-Protected Bond	Bloomberg US Treasury US TIPS TR	5%
Short-Term Bond	Bloomberg US Govt/Credit 1-3 Yr TR	5%
Money Market - Taxable	USTREAS T-Bill 3 Mon	2%

Appendix III: Due Diligence Guidelines

In addition to the overall Plan investment results, individual asset managers will be evaluated by the Committee and its advisors. The following factors explain the general due diligence process used to evaluate managers:

- *People* – the ability to attract and retain talent at the firm and investment team level
 - Firm Level: Management and culture considerations, such as asset flows, firm leadership, and compensation structure
 - Investment Level: Personnel stability, risk management oversight, competitive edge, key personnel tenure and experience
- *Philosophy* – intuitively appealing and connected with the investment process
 - Adoption by investment team
 - Consistent with team's culture
- *Process* – investment process consistent with philosophy and the firm's culture
 - Well-articulated investment process, portfolio construction methodology/implementation, sell discipline
 - Investment style that is clearly defined by sub-style and factor biases
 - Analyst/Research team competitive edge (fundamental and quantitative)
 - Transparency of process, cash management capabilities
- *Performance* – validation of a consistent and repeatable investment process
 - Style exposure, active bet awareness, active return assessment, benchmark awareness/constraints
 - Performance: rolling period versus peers and benchmark (3yr; 10yr max), longer term performance relative to benchmark and category peers
 - Information Ratio, Standard Deviation, Tracking Error, Up/Down capture ratios, Alpha, Attribution (sector, security, region)
 - Fund size, PM/trader information flow
- *Product* – operational (size, availability), economic, and compliance considerations. Share classes and fees versus peer group.

Occasionally, the Plan's investment advisor may recommend that the Committee take action with regard to an investment as a result of the advisor's due diligence and evaluation of the investment with regard to the above factors. The advisor may recommend to the Committee the following options:

- assign the investment to a watch list to closely monitor the investment's performance and determine if the substandard performance is due to a short-term aberration or a long-term trend;
- replace the investment with another investment that meets the above stated guidelines or add another investment to that category

In both cases, the advisor will provide to the Committee the reasons supporting any such recommendation either to watch or replace a Plan investment.

Appendix IV: Investment Committee and Service Provider Information

Effective as of _____

The Members of the Investment Committee are as follows:

Name or Title Human Resource Director

Name or Title Finance Director

Investment Committee Chairman Name or Title Town Administrator

Plan Trustee Commercial Bank and Trust Company

Plan Custodian Commercial Bank and Trust Company

Plan Investment Consultant USI Advisors Inc.

Adoption of Investment Policy

Date of Adoption by Investment Committee _____

By: _____

Printed Name: _____

Title: _____

Authorized Signer of the **Town of Farragut Other Post-Employment Benefits Trust**

This Investment Policy Statement provided by USI Advisors, Inc. is not intended to constitute legal or tax advice. Neither USI Advisors, Inc., its employees, agents nor affiliates can provide legal or tax advice. It is recommended that this document be reviewed by an attorney knowledgeable in this specific area of the law. Any change to this Investment Policy Statement should be communicated in writing and on a timely basis to all interested parties. If any term or condition of this Investment Policy Statement conflicts with any trust and/or plan document, the document shall control, to the extent consistent with applicable law.

"11.2010.072"

**THE TOWN OF FARRAGUT
Post-Employment Benefits Trust
Funding Policy**

THE TOWN OF FARRAGUT
Post-Employment Benefits Trust
Funding Policy

Purpose and Scope

This document establishes the principal elements and parameters of an actuarial Funding Policy for the Town of Farragut Post-Employment Benefits Trust ("Trust") within the Town of Farragut("Utility"). To accommodate that need for reasonable flexibility and yet also provide substantive guidance, the Funding Policy outlines various policy elements, structures, and parameters. Employer shall utilize the Funding Policy for purposes of requesting the actuarial computation of the funding deposit to be made by the Employer to the Trust.

While the selection of actuarial assumptions is an essential part of the actuarial process for the Trust, the selection of actuarial assumptions is outside the scope of the Funding Policy statement.

General Policy Objectives

1. The principal goal of the Funding Policy is to assure that future Utility contributions and current Plan assets should be sufficient to reasonably provide for benefits expected to be paid to current active and retired members. Contributions should recognize the cost of current service plus a series of amortization payments or credits to fully fund or recognize any unfunded or overfunded past service costs.
2. Utility shall deposit annually an amount calculated in accordance with the standards of practice established by the Actuarial Standards Board of the American Academy of Actuaries.
3. The Funding Policy seeks a reasonable allocation of the cost benefits and the required funding to the years of service. This includes the goal that annual contributions should, to the extent reasonably possible, maintain a close relationship to the expected and actual cost of each year of service.
4. The Funding Policy seeks to manage and control future Utility contribution volatility to the extent reasonably possible, consistent with other goals.
5. The Funding Policy supports the general public policy objectives of accountability and transparency.

Principal Elements of the Funding Policy

Actuarial Cost Method

1. Each participant's benefits should be funded under a reasonable allocation method, assuming all assumptions are true.
2. The expected cost of each year of service (generally known as the normal cost or service cost) for each active member should be reasonably related to the expected cost of that member's benefit.
3. No gains or losses should occur if all assumptions are met, except for investment gains and losses that may be deferred under an asset smoothing method, if such method is adopted.
4. The cost method should allow for a comparison between plan assets and the accumulated value of past normal costs for current participants, the Actuarial Accrued Liability ("AAL").

The actuarial cost method utilized for the Utility Plan shall be Entry Age Actuarial Cost method.

Amortization Policy

1. Variations in contribution requirements from funding the normal cost will generally arise from gains or losses, method or assumptions changes, or benefit changes and will emerge as an Unfunded Actuarial Accrued Liability ("UAAL").
2. The amortization policy should reflect explicit consideration of these different sources of change in the UAAL:
 - a. Experience gains and losses
 - b. Changes in assumptions and methods
 - c. Benefit or plan changes
3. The amortization policy should support the general policy of objectives of accountability and transparency. This leads to a preference for:
 - a. Amortization policies that reflect a history of the sources and treatment of UAAL
 - b. Amortization policies that provide for a full amortization date for UAAL

The amortization policy for the Trust shall be that the UAAL, as of 7/01/2022 and shall be amortized over 30 years beginning 7/01/2022. The amortization period under 2(a), 2(b), and 2(c) referenced above shall be 7 years from the date of the actuarial valuation.

Effective Date

The Funding Policy shall be effective for the Plan Year beginning July 1, 2022 and the Employer's fiscal year beginning July 1, 2022.

Amendment

Employer shall have the sole responsibility for establishing and modifying the Funding Policy for the Trust.

Accepted by:

(Date)

Exhibit A
Trustee Compensation Agreement

Both Parties agree that the annual fee shall be calculated at the rate of 7 basis points per annum of the market value of the plan assets. The fee will be calculated and charged at the rate of 1/12 (one-twelfth) monthly on the last business day of each calendar month.

In any year the annual trustee fee falls below \$3,000, the account will be charged the minimum monthly fee of \$250.

This agreement is made and entered into this 27th day of October, 2022, by and between:

Town Of Farragut:

Commercial Bank & Trust Co., Trustee:

By: _____

By: _____

Exhibit B
Custodial Compensation Agreement

Both Parties agree that the annual fee shall be calculated at the rate of 1 basis points per annum of the market value of the plan assets. The fee will be calculated and charged at the rate of 1/12 (one-twelfth) monthly on the last business day of each calendar month.

In any year the annual custodial fee falls below \$3,000, the account will be charged the minimum monthly fee of \$250.

This agreement is made and entered into this 27th day of October, 2022, by and between:

Town Of Farragut:

Commercial Bank & Trust Co., Custodian:

By: _____

By: _____

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Karen Tindal, Tourism Manager

SUBJECT: Approval of the Veteran Salute 5K/10K road races, November 12, 2022

INTRODUCTION: The first Veterans Salute race was held in 2019. Part of the proceeds from the run will benefit the United Veteran's Council of East Tennessee in support of Wreaths Across America. The event will include a 10K (7:30 a.m. start), 1 M Fun Run (8:15 a.m. start) and a 5K (9 a.m. start) and is scheduled for Saturday, November 12. The start and finish area, along with the athlete's village, will be located at the Farragut Community Center on Jamestowne Blvd.

DISCUSSION: This event will include temporary one lane closure of Jamestowne Blvd, Kingston Pike, Campbell Station Road and the streets through Village Green Subdivision. A map of all three courses is attached. With the exception of the fun run, the other two races are a loop and once runners have passed that area, the road will be reopened. The lane closure on Kingston Pike is for a very short distance – from Russgate to Boring Road. The lane closure on Campbell Station Road is from Old Colony Parkway to Jamestowne. We hope to encourage the local community to gather at Founders Park and cheer on our runners from the Veteran's Salute Corridor.

Restrooms and water stations will be provided, and the Knox County Sheriff's Department will provide traffic control (along with volunteers.)

RECOMMENDATION BY: Karen Tindal, Tourism Manager

PROPOSED MOTION: Approve the event application involving the Town's public rights of way for the Salute to Veteran's Races on November 12, 2022.

MOTION BY: _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>WILLIAMS</u>	<u>MEYER</u>	<u>WHITE</u>	<u>POVLIN</u>	<u>BURNETTE</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____

Salute to Veterans Races

Presented by Fleet Feet Knoxville

Events

Runners can choose from 4 distances:

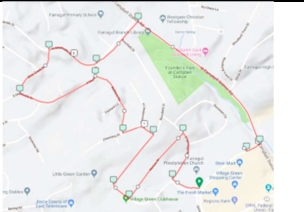
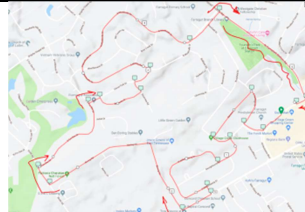
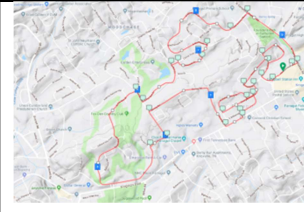
- 1-mile fun run – An untimed mile (0.9 miles) thru the village green neighborhoods to provide fun and remembrance. Start on the road. Finish at the new community center.
- 5k - a timed 5k or 3.1 miles, this race travels thru the Village Green neighborhood. The run finishes up with the Veterans Salute corridor, situated along N Campbell Station Rd as runners go by the park. Start on the road. Finish at the new community center.
- 10k - a timed 10k or 6.2 miles, this race travels thru the Village Green neighborhood. The run continues onto a short stretch of Kingston Pike before going thru Boring area. It then reenters Village Green via Concord Manor. Course cover the Monticello Rd before turning onto N Campbell Station Rd and entrance into the Veterans Salute corridor along the park. Start on the road. Finish at the new community center.
- 15k (planned for 2020) - this course is similar to 10k with the addition on another 3.1 miles thru the beautiful Fox Den neighborhood. The runners separate as they come out of Boring turning left. The runners then regroup as they enter Major.

Race Times

- 7:30 10k starts (also 15k)
- 8:15 1M fun run starts
- 9:00 5k starts
- 10:30 course closes; awards shortly after

Race courses:

Except for fun run, all courses that are timed will be certified by USATF.

Fun Run (0.9 M)	5K (3.1 M)	10K (6.2 M)	15K (9.3 M)
			
Untimed/not certified	To be certified	To be certified	To be certified – 2020 intro

Safety Measures

- **KSCO – Randy Errington** (randy.errington@knoxsheriff.org)

Sheriff officers will be positioned at key points where the runner traffic can be endangered by vehicular traffic, mostly near key streets. We probably need one to two officers along Campbell stations 1 to 2 officers along Kingston Pike and two officers along Smith Road and maybe one officer at entrance to Village Green from East Fox den.

- **Volunteers**

We will use volunteers as course monitors to direct runners as well as provide a “reasonable” amount of directing traffic in low traffic areas.

- **Cones**

We will use cones on major streets to separate car traffic from runner traffic. That is Campbell Station Kingston Pike and Smith Road. In the neighborhood we will use Cones sparingly to indicate direction and mark turns. Call Karen will check with her contact at <business> and an estimate and town of Farragut is considering covering that expense for the race.

- **Signage**

We will use a variety of signage along the course to secure the traffic and separate and help with directions. Digital signs left turn, right turn, do not enter, racing progress and caution, will be some of the more common signs used along the course. On major street we will use county signs or digital signs to forecast to drivers that there is road closure ahead.

Parking

Parking will be limited at the town of Farragut community center site. Parking lot at Faith Lutheran church also presents a large number of parking spaces, depending on their availability. Official parking will be recommended to be the Village Green shopping center with a short walk to the start line. This may allow us to tap into some of the businesses at Village Green shopping center. There will be no wrote impact to drive in and out.

Finish Area

The finish area will be at this time to Farragut community center. We will use their community center for access to the gym, the bathrooms, and in cold-weather shelter. Karen will verify with Sue that community center access is available by end of October. If we work with Shop Farragut we may use there some of the parking lot area for a tent village stage set up.

Fire Marshal Review/Approval Kim Sepesi (kim_sepesi@rmetro.com)

- We will review the layout and emergency staging with Fire Marshal for final approval; this information is part of the race information that will be communicated to all agencies.
- Tent Inspection: No tent permits has been required for our 2 10x10 pop-up tents without any side panels. These are used for protection against inclement weather.
- If anything changes, we will directly forward to the FM to make sure there are no pending issues.

Post-race celebration

We're talking to Shop Farragut to secure a venue in the parking lot and set up a post race celebration. Fleet Feet Knoxville will take care of their racer amenities such as post race food, awards, door prizes but Shop Farragut will be responsible for coordinating vendor recruitment celebration post race food for non-racers food trucks and such we will work with Shop Farragut to make sure the expenses are covered by them or are shared equitably. In the past years shop Farragut had been able to secure food vendors food trucks as well as casual pint beer bus.

- Racers Only -
- Everyone –

Charity

We will select a charity based on our veteran's organization that supports the Corridor. Ideally we would like to have a local organization to donate some of our proceeds to. We will select a charity based on our veteran's organization that supports the Corridor. Ideally we would like to have a local organization to donate some of our proceeds to.

Veterans Salute Corridor

As the main draw of this event, we will work with a local chapter of a veteran organization to commemorate and remember the fallen soldiers by using signage images flags along the Corridor that no less than the length of the lower part of the parking lot at the park and could extend more depending on interest. The idea is the runners have to run alongside this Corridor and Remember.

Can we use a local biking club chapter (check in with Harley's store on Lovell) and get them to volunteer for the event? Park their bike on the road with a yellow vest and flag, etc.

Awards

We will use a similar award structure to the Freedom Run for the 5K. For 10K and 15K, we will use a more conventional age breakdown with youth 1-10 and seniors 80+.

- Overall Male/Female
- Overall Master Male/Female
- Overall Grand Master Male/Female
- Overall Senior Master "Veteran" Male/Female
- top 3 in each Age Group (notice the additional age groups breakdowns):
 - 1-6, 7-8, 9-10, 11-14, 15-19, 20-24, 25-29, 30-34, 35-39, 40-44, 45-49, 50-54, 55-59, 60-64, 65-69, 70-74, 75-79, 80-84, 85+
- TEAM SPIRIT AWARD - Running by yourself is fun, but running together is even better! To make this year's Farragut Freedom Run even more fun, bring your friends, family, coworkers and enter our Team Spirit Award Contest. How to win is easy; the teams with the most members, win!
How it works:
 - Make sure your team is registered on Run Sign Up before the race! **Create a Team/Group**
 - Your team needs to be a group of 5 or more people. Groups can be family members, coworkers, friends, etc of all ages and abilities.
 - All members need to be signed up for the team by the start of the race.
 - All members must participate in the race, whether that is running and/or walking.
 - Team coordinated outfits are not required but HIGHLY encouraged!

Insurance

As a member, RRCA provides a \$2 Million policy insurance for our event. We will request Certificate of Insurance for the following entities with their requested language:

- Town of Farragut

Certificate of Insurance –

Fleet Feet Knoxville Running club has a \$2 Million policy for this event. Additionally, the following steps will be taken:

- Special language inserted for the Town on the Certificate of Insurance, "The Town of Farragut, its agents and employees, are additionally insured under this policy".
- The Town will be a certificate holder
- The Certificate of Insurance will be forwarded to the Town as soon as it is received.

Corporate Filings

Fleet Feet Knoxville Running Club (Tax Id 26-1907253) a non-profit running club is the filing entity for this event. We will work closely with Fleet Feet Knoxville as the presenting sponsor. The registered agent listed on those corporate filings of the primary sponsor/organizer corporation, Shahin or Cheryl Hadian, are on the board of the event and will be the signatory authority for this application.

Additional draw

Other than the Veterans' Corridor (Salute Corridor) where every racer will run thru, the post-race celebration will be the other draw.

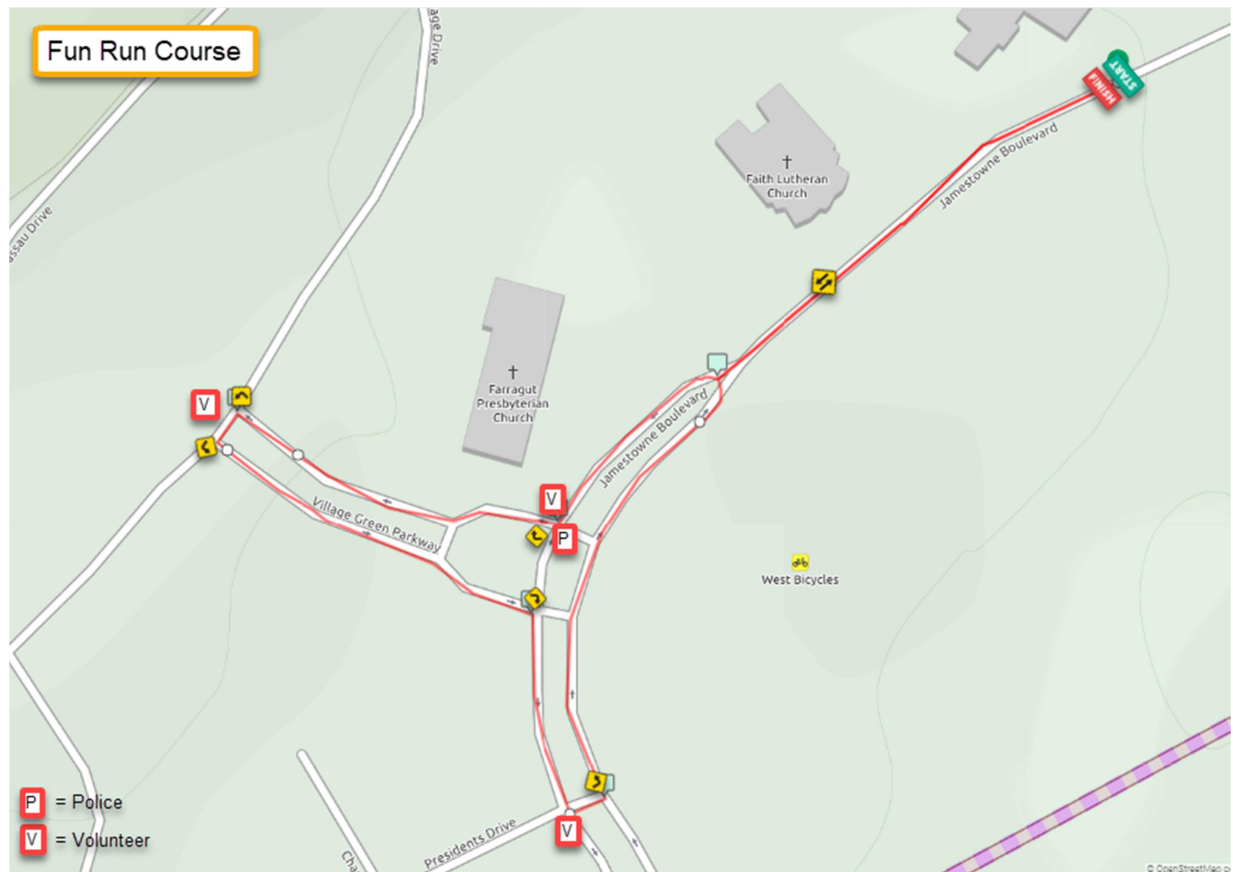
Production needs

Budget

Commemorative products

Timing

Total Race Solutions



Farragut
Special Event Permit Application
BP-2021-791

Submitted by Shahin Hadian
shahin@fleetfeetknoxville.com
(865) 850-5022

Address of Proposed Work: **239 JAMESTOWNE BLVD**

City: **Farragut** State: **TN** Zip: **37934**

Contact Information

Applicant's Contact Information

Title: _____ First Name: **Shahin** Last Name: **Hadian** Suffix: _____
Business Name: **Fleet Feet Knoxville Running Club**
Mailing Address: **10961 Twin Harbour Dr**
City: **Knoxville** State: **TN** Zip: **37934**
Email Address: **shahin@fleetfeetknoxville.com**
Cell Phone: **(865) 850-5022** Work Phone: **(865) 675-3338** Home Phone: **(865) 850-5022**

Contractor's Contact Information

Title: _____ First Name: Last Name: _____ Suffix: _____
Business Name: _____
Mailing Address: _____
City: _____ State: **TN** Zip: _____
Email Address: _____
Cell Phone: _____ Work Phone: _____ Home Phone: _____

Property Owner's Contact Information

Title: First Name: _ Last Name: Suffix:
Business Name:
Mailing Address:
City: State: **TN** Zip:
Email Address:
Cell Phone: Work Phone: Home Phone:

Application Questionnaire (* denotes required question)

Special Event

Will any Public Parks/Facilities be used in your event? * Yes

Please note that use of any public parks/facilities must be approved by the Farragut Parks and Recreation Department prior to applying for this permit. Please call 865-966-7057 for approval before proceeding with this permit.

What park or facility?

Start Date of Event * Nov 12, 2022

Name of Event * Veterans Salute road races

Type of Event * Race

Please Specify

Brief Description of Event * 5K/10K and Fun Run road races

Is event private or open to the public? *	<u>Open to the public</u>
Is food being served?	<u>No</u>
Will you have portable Sanitary Facilities?	<u>Yes</u>
Will you have a solid waste dumpster?	<u>No</u>
Will there be any temporary structures/stages? Upload Location in File Upload Section.	<u>No</u>
Will you need Temporary Power? PROVIDE LOCATION DRAWING IN FILE UPLOAD SECTION.	<u>No</u>
Will you have any other Air Supported Structures? UPLOAD LOCATION DRAWING IN FILE UPLOAD SECTION.	<u>No</u>
Will you need any public street closures? Please Note: Any public street closures must go before Board of Mayor and Aldermen for approval	<u>No</u>
Where are the parking areas located? INCLUDE DRAWING IN FILE UPLOAD SECTION.	<u>Community Center, Faith Lutheran Church, and near by shopping center</u>
If this event is a parade/sporting event, where is the route, staging, and disbanding areas? UPLOAD DRAWING IN FILE UPLOAD SECTION	<u>See attached map</u>
In case of Rainout, state cancellation date and time: (EXAMPLE-EVENT IS AT 2:00PM ON SATURDAY, RAINOUT CANCELLATION IS AT 1:00 PM SATURDAY OR POSTPONEMENT IS UNTIL 4:00 PM)	<u>n/a</u>

Will there be music, live or otherwise? Yes

Will you have Security/Police Officers at your event? Yes

Please note: The Town of Farragut does not provide Security or Police Officers.

Will you have any Emergency Medical Personnel/Apparatus On-Site? Yes

Please Note: The Town of Farragut does not provide Emergency Medical Personnel/Apparatus.

What kind of cooking equipment will be used?

Name of Sanitary Facility Vendor: ETP

Name of Solid Waste Vendor:

How many Generators?

From what time to what time are they to be closed?

Include times to be manned:

What hours will the music be playing? DJ 6:30-10:00 for music and announcements

How many Officers? 10

From what time to what time? 6:30-10:30

From what time to what time?

Will you have any Fire Officers/Apparatus at your event? No

Will you have Tents? Yes
If Yes, please list tents in order from largest to smallest.

Will you have Bounce Houses? No

Provide law enforcement contact for day of event. KSCO Randy Errington

Provide emergency services contact for day of event.

Have you applied for an insurance certificate of general liability insurance? * Yes
Naming the Town of Farragut, its employees and agents as additionally insured.

Copy of Insurance must be uploaded. Certificate of Insurance has been requested
I HEREBY UNDERSTAND AND AGREE TO THE STATED REQUIREMENTS ABOVE.

I hereby understand and agree that approval of event permit is contingent upon receipt of copy of insurance.

Please Provide a Full Name Signature.

Do you want this event advertised on VisitFarragut.org? Yes

Will there be any animals at the event? No

FULL NAME SIGNATURE

I hereby understand and agree that for any event involving 3rd party alcohol sales or service, this application must be submitted at least 90 days prior to event date.

Will alcoholic beverages be served? * No

How many people do you expect? 200-300

Have you read the Parks / Facility Usage Policies, located at the beginning of the application process?

Have you received prior approval from the Farragut Parks and Recreation Department?

A Signed Letter of Approval from Property Owner must be uploaded in the document uploads section. False

End Date of Event Nov 12, 2022

Please list the Streets to be Closed

Include drawing in file upload section False

Provide Location Drawing in File Upload Section. False

Event Start Time 7:30 AM

Event End Time 10:00 AM

Event Setup Time 6:00 AM

Event Teardown Time 10:30 AM

Phone # of Food Vendor - 1:

Phone # of Food Vendor - 2:

Phone # of Food Vendor - 3:

Phone # of Food Vendor - 4:

Phone # of Food Vendor - 5:

Phone # of Food Vendor - 6:

Phone # of Food Vendor - 7:

Phone # of Food Vendor - 8:

Phone # of Food Vendor - 9:

Phone # of Food Vendor - 10:

Square Footage of Stage 15

Size of Tent 1 10x20

Size of Tent 2 10x10

Size of Tent 3

Size of Tent 4

Size of Tent 5

Size of Tent 6

Size of Tent 7

Size of Tent 8

Size of Tent 9

Size of Tent 10

Size of Tent 11

Size of Tent 12

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Karen Tindal, Tourism Manager

SUBJECT: Approval of the Hot to Trot 5K/10K & Fun Run, November 24, 2022

INTRODUCTION:

This item involves a request for approval of a special event application related to the Hot to Trot 5K/10K and Fun Run to be held along portions of Parkside Drive on Thanksgiving morning, November 24, 2022.

DISCUSSION:

This Annual Hot to Trot Race(s) is sponsored by Fleet Feet Knoxville Running Club. Proceeds from the events will help raise money for A Hand Up for Women and a food drive for Shepard of Hope Food Pantry. The races will start and end near the Fleet Feet store in the Parkside Station shopping center west of Lakesedge Drive. Please see the attached map. Each event will feature a loop (2 loops for the 10K) along portions of Parkside Drive. There will be some short-term road/lane closures within the affected portion of Parkside Drive. Set up time will begin at 6:30 a.m. and all clean-up will be complete by 10:00 a.m.

As in previous years, the organizers of the event have been working with the affected entities to make them aware of this ahead of time. Event organizers have been careful to minimize any impact to vehicular traffic and access.

The Parkside Station shopping center will be used for all staging facilities, including portable restrooms. Most of the parking will be provided on adjoining properties, including JCPenney and, if necessary, the primary school property on the west side of N. Campbell Station Road. The event is anticipated to have as many as 1,500 participants. Traffic control from parking areas and along the route itself will be addressed with Knox County and City of Knoxville police staff. EMS personnel from Rural Metro will also be on hand. Fleet Feet volunteers will provide clean-up for the event.

RECOMMENDATION: Karen Tindal, Tourism Manager, for approval.

PROPOSED MOTION:

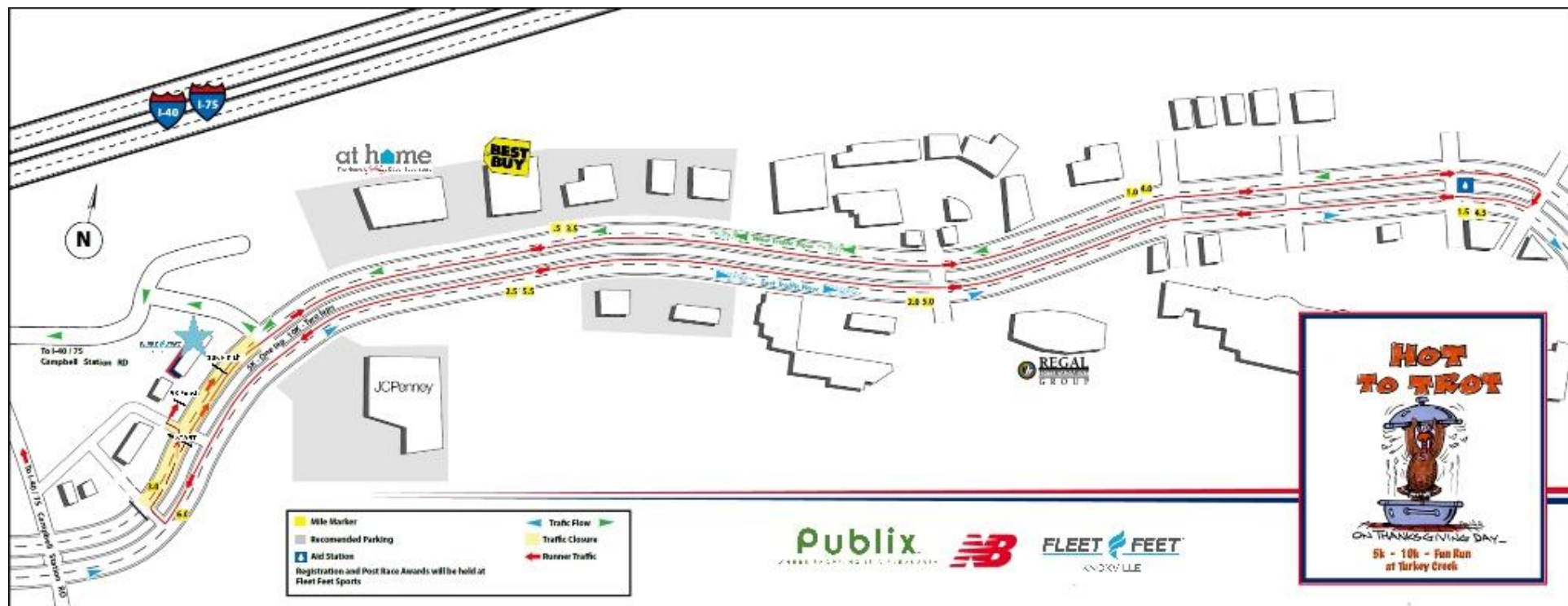
Motion to approve the Hot to Trot 5K/10K and Fun Run road closures on Parkside Drive on November 24, 2022 from 6:30 to 10:00 AM.

MOTION BY: _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>WILLIAMS</u>	<u>MEYER</u>	<u>WHITE</u>	<u>POVLIN</u>	<u>BURNETTE</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____

HOT TO TROT 5K/10K & FUN RUN COURSE AND TRAFFIC IMPACT INFORMATION

Effective on Thanksgiving Day 11/25/2021 from 6:30 am – 10:00 am



PARKSIDE DRIVE - ROAD CLOSURE PLAN

6:30 - 10:00 - Westbound lanes of Parkside Drive, between Lakes Edge Dr (Light at JC Penny's) & the road running next to First Tennessee Bank will be closed. This area is the start/finish area for all races (5K, 10K, and fun run).

7:30 - 7:45 (15 min) - Both westbound lanes of Parkside Dr. from Lakes Edge Dr (Light at JC Penny's) to Turkey Cove Lane (entrance to Abuelo's) will be closed during the first 15 minutes of the race. The course closures changes to one lane after the last runner.

7:30 - 9:30

Eastbound traffic (towards Lovell Rd) - The inside lane Eastbound traffic on Parkside Dr will be closed from Lakes Edge Dr (light at JC Penny's) to Snow Goose Dr (light at Chick-fil-A).

Westbound traffic (towards Campbell Station Rd) - The inside lane Westbound traffic on Parkside Dr will be closed from Snow Goose Dr (light at Chick-fil-A) to light at First TN Bank.

9:00 - Inside lanes reopens East of Turkey Cove Lane.

9:30 - All inside lanes reopen (except for start/finish area).

ACCESS PLAN

The following access plan has been devised for those businesses and residences during the hours of 7:30 – 9:30 am:

- **Eastbound traffic (towards Lovell Rd)** - The outside lane of Eastbound traffic on Parkside Dr will be open at all times and the best way to access businesses on the South side of Parkside Dr. As there is no Left Turn allowed across Parkside Dr with the inside lanes closed, the best way to access North businesses will be from Campbell Station Rd.
- **Westbound traffic (towards Campbell Station Rd)** - The outside lane of Westbound traffic on Parkside Dr from Lovell Rd until Lakes Edge Dr (light at JC Penny's) will be open during most of the race and is the best way to access business on the North side of Parkside Dr. As there is no Left Turn allowed across Parkside Dr, the best way to access South businesses and residences will be by Campbell Station Rd.

IMPORTANT REMINDERS

- Allow additional time to reach your destination & Use caution when driving
- Respect all volunteers and signages on the course as our primary objective is the safety of all participants
- Absolutely, there is no crossing of Parkside Dr when race is in progress. So plan accordingly!
- Travel East to reach businesses and residences on the South side of Parkside Dr and Travel West to reach businesses on the North side of Parkside Dr.
- The connecting parking lots on the North side of Parkside Dr provide an alternative in reaching businesses from the West. This only applies to businesses to the West of Car Maxx. Remember 15 min closure of both Westbound lanes from 7:30 to 7:45.
- The connecting parking lots on the South side of Parkside Dr provide an alternative in reaching residences and businesses from the East. This only applies to residences and businesses East of Lambert Medical supplies.

Questions: Contact us by phone at (865) 675-3338 or via Email at hotttotrot21@fleetfeetknoxville.com

Farragut
Special Event Permit Application
BP-2021-792

Submitted by Shahin Hadian
shahin@fleetfeetknoxville.com
(865) 850-5022

Address of Proposed Work: **11619 PARKSIDE DR**

City: **Farragut** State: **TN** Zip: **37934**

Contact Information

Applicant's Contact Information

Title: _____ First Name: **Shahin** Last Name: **Hadian** Suffix: _____
Business Name: **Fleet Feet Knoxville Running Club**
Mailing Address: **11619 Parkside Dr**
City: **Knoxville** State: **TN** Zip: **37934**
Email Address: **shahin@fleetfeetknoxville.com**
Cell Phone: **(865) 850-5022** Work Phone: **(865) 675-3338** Home Phone: **(865) 850-5022**

Contractor's Contact Information

Title: _____ First Name: Last Name: _____ Suffix: _____
Business Name: _____
Mailing Address: _____
City: _____ State: **TN** Zip: _____
Email Address: _____
Cell Phone: _____ Work Phone: _____ Home Phone: _____

Property Owner's Contact Information

Title: First Name: Mary Last Name: Wormsley Suffix:
Katherine
Business Name: Hatcher Hill Properties
Mailing Address: 11619 Parkside Dr
City: Knoxville State: TN Zip: 37934
Email Address: marykatherine@hatcherhill.com
Cell Phone: (865) 332-7822 Work Phone: Home Phone:

Application Questionnaire (* denotes required question)

Special Event

Will any Public Parks/Facilities be used in your event? * No

Please note that use of any public parks/facilities must be approved by the Farragut Parks and Recreation Department prior to applying for this permit. Please call 865-966-7057 for approval before proceeding with this permit.

What park or facility?

Start Date of Event * 11/24/2022

Name of Event * Hot to Trot 5K/10K & Fun Run

Type of Event * Race

Please Specify

Brief Description of Event * 5K/10K Road Race and fun run

Is event private or open to the public? *	<u>Open to the public</u>
Is food being served?	<u>No</u>
Will you have portable Sanitary Facilities?	<u>Yes</u>
Will you have a solid waste dumpster?	<u>No</u>
Will there be any temporary structures/stages? Upload Location in File Upload Section.	<u>No</u>
Will you need Temporary Power? PROVIDE LOCATION DRAWING IN FILE UPLOAD SECTION.	<u>No</u>
Will you have any other Air Supported Structures? UPLOAD LOCATION DRAWING IN FILE UPLOAD SECTION.	<u>No</u>
Will you need any public street closures? Please Note: Any public street closures must go before Board of Mayor and Aldermen for approval	<u>Yes</u>
Where are the parking areas located? INCLUDE DRAWING IN FILE UPLOAD SECTION.	<u>multiple parking locations including neighboring centers including JC Penny across the street</u>
If this event is a parade/sporting event, where is the route, staging, and disbanding areas? UPLOAD DRAWING IN FILE UPLOAD SECTION	<u>see attached map</u>
In case of Rainout, state cancellation date and time: (EXAMPLE-EVENT IS AT 2:00PM ON SATURDAY, RAINOUT CANCELLATION IS AT 1:00 PM SATURDAY OR POSTPONEMENT IS UNTIL 4:00 PM)	<u>N/A</u>

Will there be music, live or otherwise? Yes

Will you have Security/Police Officers at your event? Yes

Please note: The Town of Farragut does not provide Security or Police Officers.

Will you have any Emergency Medical Personnel/Apparatus On-Site? Yes

Please Note: The Town of Farragut does not provide Emergency Medical Personnel/Apparatus.

What kind of cooking equipment will be used?

Name of Sanitary Facility Vendor: ETP

Name of Solid Waste Vendor:

How many Generators?

From what time to what time are they to be closed? 6:30-10:00 a,m

Include times to be manned: 6:30-10:00 am

What hours will the music be playing? DJ will be available from 6:30-10:00 for music and announcements

How many Officers? 9

From what time to what time? 6:30-10:00

From what time to what time?

7-10 am

Will you have any Fire Officers/Apparatus at your event? Yes

Will you have Tents?

Yes

If Yes, please list tents in order from largest to smallest.

Will you have Bounce Houses?

No

Provide law enforcement contact for day of event.

KCSO Randy Errington

Provide emergency services contact for day of event.

KFD (2)

Have you applied for an insurance certificate of general liability insurance? *

Yes

Naming the Town of Farragut, its employees and agents as additionally insured.

Copy of Insurance must be uploaded.

COI to be provided as in past years

I HEREBY UNDERSTAND AND AGREE TO THE STATED REQUIREMENTS ABOVE.

I hereby understand and agree that approval of event permit is contingent upon receipt of copy of insurance.

Please Provide a Full Name Signature.

Do you want this event advertised on VisitFarragut.org?

Yes

Will there be any animals at the event?

No

FULL NAME SIGNATURE

I hereby understand and agree that for any event involving 3rd party alcohol sales or service, this application must be submitted at least 90 days prior to event date.

Will alcoholic beverages be served? * No

How many people do you expect? 1500

Have you read the Parks / Facility Usage Policies, located at the beginning of the application process?

Have you received prior approval from the Farragut Parks and Recreation Department?

A Signed Letter of Approval from Property Owner must be uploaded in the document uploads section. False

End Date of Event 11/24/2022

Please list the Streets to be Closed Portion of parkside Dr in front of Fleet Feet Knoxville

Include drawing in file upload section True

Provide Location Drawing in File Upload Section. False

Event Start Time 7:30 AM

Event End Time 9:30 AM

Event Setup Time 6:30 AM

Event Teardown Time 10:00 AM

Phone # of Food Vendor - 1:

Phone # of Food Vendor - 2:

Phone # of Food Vendor - 3:

Phone # of Food Vendor - 4:

Phone # of Food Vendor - 5:

Phone # of Food Vendor - 6:

Phone # of Food Vendor - 7:

Phone # of Food Vendor - 8:

Phone # of Food Vendor - 9:

Phone # of Food Vendor - 10:

Square Footage of Stage 15

Size of Tent 1 10x20

Size of Tent 2 10x10

Size of Tent 3 10x10

Size of Tent 4

Size of Tent 5

Size of Tent 6

Size of Tent 7

Size of Tent 8

Size of Tent 9

Size of Tent 10

Size of Tent 11

Size of Tent 12

Size of Tent 13

Size of Tent 14

Size of Tent 15

Will this have side panels? Tent 1 Yes

Will this have side panels? Tent 2 No

Will this have side panels? Tent 3 No

Will this have side panels? Tent 4 No

Will this have side panels? Tent 5

Will this have side panels? Tent 6

Will this have side panels? Tent 7

Will this have side panels? Tent 8

Will this have side panels? Tent 9

Will this have side panels? Tent 10

AGENDA NUMBER V.E.

MEETING DATE October 27, 2022

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Allison Myers, Town Recorder

SUBJECT: Approval of the Farragut Tourism and Visitor Advisory Committee Appointment

INTRODUCTION: The purpose of this business item is to appoint an applicant to the Farragut Tourism and Visitor Advisory Committee. There are positions available for Hotel Representative and Attraction Representative. Mark Grenier has applied and is qualified to fill the Attraction Rep position.

RECOMMENDATION BY: Allison Myers, Town Recorder/Treasurer, for approval.

PROPOSED MOTION: To appoint Mark Grenier to the Farragut Tourism and Visitor Advisory Committee.

BOARD ACTION:

MOTION BY: _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>BURNETTE</u>	<u>MEYER</u>	<u>WHITE</u>	<u>POVLIN</u>	<u>WILLIAMS</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____



TOWN OF FARRAGUT CITIZEN BOARD/COMMITTEE APPLICATION

Name Mark Grenier
Address 11400 Outlet Dr. Zip 37932
Home Phone _____ Business Phone 865-672-0283
Fax _____ E-mail mark.grenier@topgolf.com
Occupation Director of Operations - Topgolf
Education HS

Why would you like to serve on a Town of Farragut committee (attach resume or additional information if desired):

I am interested in serving on the Tourism and Visitor Advisory Committee. As a new member of the business community, it will be helpful for me to gain more knowledge of the town, what it has to offer, and allow my team to be more involved as a whole. I believe that I can bring another perspective to the committee. Topgolf brings together the entertainment, food and beverage, and golf segments of things to do in Farragut. I want to make sure that we're supporting the town as much as we've been supported by the town.

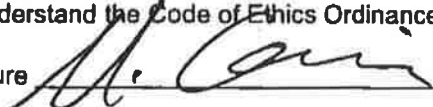
Intro to Farragut Program Graduate Yes ☐ No ☒

Indicate which Committee you are interested in serving:

- ☐ Arts and Beautification Committee
- ☐ Board of Plumbing & Gas/Mechanical Examiners
- ☐ Board of Zoning Appeals (BZA)
- ☐ Farragut Education Relations Committee
- ☐ Farragut Museum Committee
- ☒ Farragut Tourism / Visitor Advisory Committee *
- ☐ Parks & Athletics Council
- ☐ Stormwater Advisory Committee
- ☐ Visual Resources Review Board (VRRB)

* The Farragut Tourism / Visitor Advisory Committee will consist of representatives from different segments of the community including one lodging representative, one dining representative, one retail representative, one attraction representative, and four at large members. If you selected the Farragut Tourism / Advisory Committee above, please indicate the segment you would represent: _____ at large

I give my permission to the Town of Farragut to use my likeness on the web and/or Town publications. I have read and understand the Code of Ethics Ordinance and the applicable committee charter, ordinance or and/or by-laws.

Signature  Date 08/29/2022

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: David Smoak, Town Administrator



SUBJECT: Approval of Interlocal Agreement between the Town of Farragut, Knox County, the City of Knoxville and the Joint Economic Community Development Board of Knox County

INTRODUCTION: The purpose of this agenda item is to approve an Interlocal Agreement between the Town of Farragut, Knox County, the City of Knoxville and the Joint Economic Community Development Board of Knox County

BACKGROUND: The Town of Farragut and Knox County entered into an agreement on April 17, 2001 as part of the Comprehensive Growth Plan required by the State of Tennessee. The growth plan act requires a Joint Economic Community Development Board (JECDB) be established that has representatives from the City of Knoxville, Knox County and the Town of Farragut. This board meets quarterly to coordinate economic development activities throughout Knox County.

DISCUSSION: The Development Corporation of Knox County (TDC) has served as the JECDB since its inception in 2001. In 2022, Knox County and the City of Knoxville elected to restructure the TDC to better serve the community and for various legal reasons. The background for these changes is provided for in **Attachment B**.

Moving forward, a separate JECDB will be established that will fulfill the requirements set forth in the growth plan statute. The Board of Directors shall be composed of seven (7) directors, five of whom shall be designated and two shall be appointed as follows:

1. The Mayor of Knox County
2. The Chairman of the Knox County Commission
3. The Mayor of the City of Knoxville
4. The Mayor of the Town of Farragut
5. The Superintendent of Knox County Schools
6. A resident of Knox County, who shall not be an elected or appointed official or employee of the County, who shall be appointed by the Knox County Mayor for a four (4) year term
7. A resident of the City of Knoxville, who shall not be an elected or appointed official or employee of the City, who shall be appointed by the City of Knoxville Mayor for a four (4) year term

A copy of the Interlocal Agreement and Fourth Amended and Restated Charter of the Joint Economic and Community Development Board of Knox County are included as **Attachment A** in the packet.

RECOMMENDATION BY: Town Administrator David Smoak for approval.

PROPOSED MOTION: To approve the Interlocal Agreement between the Town of Farragut, Knox County, the City of Knoxville and the Joint Economic Community Development Board of Knox County

BOARD ACTION:

MOTION BY: _____ SECONDED BY: _____

<u>VOTE/TOTAL</u>	<u>WHITE</u>	<u>MEYER</u>	<u>POVLIN</u>	<u>BURNETTE</u>	<u>WILLIAMS</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____

INTERLOCAL AGREEMENT RELATING TO JOINT ECONOMIC AND COMMUNITY DEVELOPMENT BOARD

This Interlocal Agreement Relating to Joint Economic and Community Development Board is made and entered into as of the __ day of _____, 2022, by and between Knox County, Tennessee (the "County"), the City of Knoxville, Tennessee (the "City"), the Town of Farragut, Tennessee (the "Town"), and the Joint Economic and Community Development Board of Knox County (formerly known as The Development Corporation of Knox County) ("JECDB").

WITNESSETH:

WHEREAS, the City and the County entered into that certain Agreement, dated January 11, 2001, which had a term ending on December 31, 2007, pursuant to which the City and the County agreed to a Growth Plan, as further detailed therein, and designated The Development Corporation of Knox County ("TDC") as the joint economic and community development board (the "January 2001 Agreement"); and

WHEREAS, the City, the County, and TDC entered into that certain Agreement, dated March 13, 2001, pursuant to which the parties further established TDC as the joint economic and community development board, pursuant to the January 2001 Agreement, and designated how the City and the County would fund TDC operations (the "March 2001 Agreement"); and

WHEREAS, the City, the County, and TDC entered into that certain Agreement to Renew by Written Consent, dated December 31, 2007, which renewed the March 2001 Agreement; and

WHEREAS, the City, the County, and TDC entered into that certain Second Agreement to Renew by Written Consent, dated December 31, 2012, which further renewed and extended the term of the March 2001 Agreement, such that the term automatically renewed each year as of December 31, 2016; and

WHEREAS, the Town and the County entered into that certain Agreement, dated April 17, 2001, pursuant to which the Town and the County agreed to a Growth Plan, as further detailed therein; designated TDC as the joint economic and community development board; and provided that the Town had the right to appoint a non-voting representative to the board of directors of TDC (the "Farragut Agreement"); and

WHEREAS, TDC has conveyed the industrial and business park properties and related assets to The Industrial Development Board of the County of Knox and has changed its name to the Joint Economic and Community Development Board of Knox County ("JECDB"); and

WHEREAS, the City, the County, and the Town desire that JECDB continue to operate as the joint economic and community development board, within the meaning of Tennessee Code Annotated § 6-58-114 (the "JECDB Statute"), in order to foster communication relative to economic and community development between and among governmental entities, industry, and private citizens in the City, the Town, and the County; and

WHEREAS, JECDB, in connection with its name change and changes in the composition of its board of directors, has adopted a Fourth Amended and Restated Charter, a copy of which is attached hereto as Exhibit A (the "Amended Charter"); and

WHEREAS, JECDB, the City, the County, and the Town desire to collaborate and work together to enter into this interlocal agreement to confirm JECDB as the joint economic and community development board contemplated and required by the JECDB Statute.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the parties agree as follows:

1. Purpose of this Agreement. The purpose of this Agreement is to set forth the terms upon which the City, the County, and the Town agree that JECDB will continue to be designated as and operate, pursuant to the JECDB Statute, as the joint economic and community development board in Knox County.

2. Board Obligations.

(a) JECDB shall perform the functions of a joint economic and community development board as set forth in the JECDB Statute.

(b) The composition of the board of directors of JECDB shall be as set forth in the Amended Charter.

(c) JECDB acknowledges that all of the meetings of its board of directors shall be subject to the open meetings requirements of a public entity as provided by applicable law.

3. Funding. It is the expectation of the parties that the operations of JECDB shall not require any ongoing funding from the County, the City or the Town as it is not expected that JECDB shall have operating expenditures, provided if the board of directors of JECDB determine that funding is required for the operations of the JECDB, JECDB shall submit a funding request to the County, the City and/or the Town in accordance with the budgeting process of those parties.

4. Duration and Termination. The duties and responsibilities of the parties hereunder shall commence as of the date hereof and shall continue for a period of three (3) years thereafter. Thereafter, the term of this Agreement shall automatically be extended for additional one (1) year terms unless any party hereto gives at least ninety (90) days' notice that such party does not agree to such automatic extension, in which case, the term of this Agreement shall terminate at the end of the then current term unless the parties hereto agree otherwise. This Agreement shall also terminate if the parties have agreed in writing to a termination of this Agreement.

5. Notices. Any notice, request, demand, instruction or other communication (a "Notice") to be given to any party with respect to this Agreement may be given either by the party or its counsel and shall be deemed to have been properly sent and given when (a) delivered by hand, (b) sent by certified mail, return receipt requested, or (c) sent by reputable courier service. If delivered by hand or courier service, a Notice shall be deemed to have been sent, given and received on the date when actually received by the addressee (or on the date when the addressee refuses to accept delivery of same). If sent by certified mail, a Notice shall be deemed to have been sent and given when properly deposited with the United States Postal Service with the proper address and postage paid therewith, and shall be deemed to have been received on the fifth (5th) business day following the date of such deposit, whether or not actually received by addressee. The addresses to which Notices shall be sent are:

If to the City:	City of Knoxville, Tennessee 400 Main Street, Suite 699 P.O. Box 1631 Knoxville, Tennessee 37901 Attention: Mayor
If to the County:	Knox County, Tennessee 400 Main Street, Suite 615 Knoxville, Tennessee 37901 Attention: Mayor
If to the Town:	Farragut Town Hall 11408 Municipal Center Drive Farragut, Tennessee 37932 Attention: Mayor
If to JECDB:	Joint Economic and Community Development Board of Knox County 17 Market Square #201 Knoxville, Tennessee 37902 Attention: President

6. Severability. If a court of competent jurisdiction or an arbitrator determines that any term of this Agreement is invalid or unenforceable to any extent under applicable law, the remainder of this Agreement (and the application of this Agreement to other circumstances) shall not be affected thereby, and each remaining term shall be valid and enforceable to the fullest extent permitted by law.

7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.

8. Entire Agreement. This Agreement contains the entire understanding among the parties with respect to the matters contained herein, and supersedes any prior understanding and agreements between them respecting the within subject matter. There are no representations, agreements, arrangements or understandings, oral or written, between or among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein. Notwithstanding the foregoing, to the extent this Agreement or any of the terms hereof shall conflict with the terms of any of the other documents or agreements referenced herein, the terms of said documents or agreements shall control.

9. Amendments and Modifications. No amendment, modification, or alteration to this Agreement shall be valid or enforceable nor shall any waiver of any provision be effective unless such amendment, modification, or alteration is approved, in writing, by the governing body of the parties hereto. The amendment of any agreement between the parties hereto and any other person or entity which deletes, alters, or amends a provision in such agreement relating to the rights of any other party hereto without the prior, written consent of such party to such amendment shall constitute a breach of this Interlocal Agreement.

10. Relationship to Existing Agreements. To the extent the January 2001 Agreement, March 2001 Agreement or the Farragut Agreement, as each has been amended and to the extent each may remain in effect, contain terms relating to the designation, operating and/or the funding of JECDB or the

appointment of the directors of JECDB, those Agreements shall be deemed to be amended by this Agreement, and such terms shall no longer be in effect after the date of this Agreement.

11. Headings. The paragraph headings are inserted only as a matter of convenience and for references and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

12. Authorized Representatives. Any action required of or permitted to be taken pursuant to this Agreement by any of the parties hereto may be performed by an authorized representative of the respective party without further action by the governing body of such party.

13. Limitation of Liability. All covenants, stipulations, promises, agreements and obligations of the parties contained in this Agreement shall be deemed to be the respective limited covenants, stipulations, promises, agreements and obligations of the parties hereto, as applicable, and not of any officer, director, employee or agent of such parties nor of any incorporator, director, employee or agent of any successor corporation to any such party, in its individual capacity. No recourse shall be had against any such individual, either directly or otherwise under or upon any obligation, covenant, stipulation, promise or agreement contained herein or in any other document executed in connection herewith.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officials thereunto duly authorized as of the date first written above.

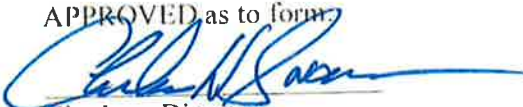
KNOX COUNTY, TENNESSEE

Contract No. 22-635
APPROVED as to form:


County Law Director
9/14/22

By: 
Glenn Jacoby, Mayor

CITY OF KNOXVILLE, TENNESSEE

APPROVED as to form:

City Law Director

By: 
Indya Kincannon, Mayor

TOWN OF FARRAGUT, TENNESSEE

By: _____
Ron Williams, Mayor

JOINT ECONOMIC AND COMMUNITY
DEVELOPMENT BOARD OF KNOX COUNTY

By: _____
President

Exhibit A

Fourth Amended and Restated Charter

33129772.4

**FOURTH AMENDED AND RESTATED CHARTER
OF
THE JOINT ECONOMIC AND COMMUNITY DEVELOPMENT BOARD OF KNOX COUNTY**
(formerly known as THE DEVELOPMENT CORPORATION OF KNOX COUNTY)

The undersigned Corporation, pursuant to Section 48-60-106 of the Tennessee Nonprofit Corporation Act, hereby amends and restates its Charter as follows:

1. The name of the Corporation is amended to be the Joint Economic and Community Development Board of Knox County and was formerly known as The Development Corporation of Knox County.

2. The Corporation is a public benefit corporation. The Corporation is an independent corporate entity and shall not be considered a component unit of Knox County Government.

3. The Corporation is not a religious corporation.

4. The registered agent for the Corporation is Mike Odom and the registered office in Tennessee is located in Knox County, Tennessee, at 17 Market Square, Suite 201, Knoxville, Tennessee 37902.

5. The original incorporators and their respective addresses at the time of incorporation were:

Dwight Kessel
City/County Building, Suite 651
400 Main Avenue
Knoxville, TN 37902

Leo Cooper
City/County Building, Suite 651
400 Main Avenue
Knoxville, TN 37902

Frank Leuthold
City/County Building, Suite 651
400 Main Avenue
Knoxville, TN 37902

Howard Pinkston
City/County Building, Suite 651
400 Main Avenue
Knoxville, TN 37902

6. The principal office of the Corporation is located at 17 Market Square, Suite 201, Knoxville, Tennessee 37902.

7. The Corporation is nonprofit.

8. The Corporation does not have members.

9. The Corporation is organized exclusively for scientific, charitable or educational purposes that will enhance, promote and stimulate economic and community development within Knox County, Tennessee (including within all municipalities located within the borders of Knox County, Tennessee), either directly or indirectly, through its cooperation with public or private agencies, including but not limited to the following:

(a) To cooperate and act jointly with Knox County, Tennessee, and political subdivisions and public agencies located therein in the promotion and stimulation of economic and community development within said county;

(b) To solicit, collect, receive, accumulate, administer and distribute funds and property in such manner as will most effectively operate to further such scientific, educational and charitable purposes, either directly or by contributions to any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, with the exception of organizations testing for public safety; and

(c) To do any or all things hereinabove set forth, and all things usual, necessary or proper in furtherance of or incidental to said purposes.

10. As a means of accomplishing the purposes for which it is organized, the Corporation shall have and be subject to the rights, powers, benefits, privileges and immunities, restrictions, liabilities and obligations, as provided for nonprofit corporations by the Tennessee Nonprofit Corporation Act, Tennessee Code Annotated §§ 48-51-101, et seq., or as the same shall hereafter be amended, but limited in certain aspects, as follows:

(a) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth hereinabove.

(b) No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in, including the publishing or distribution of statements, any political campaign on behalf of any candidate for public office.

(c) Notwithstanding any other provision of this Charter, the Corporation shall not carry on any activities not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or (ii) by a corporation the contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended.

11. The property, affairs and business of the Corporation shall be managed by a Board of Directors. The Board of Directors shall be composed of seven (7) directors, five of whom shall be designated and two of whom shall be appointed as follows:

1. The Mayor of Knox County, Tennessee (the "County") shall serve a term coextensive with his or her term as the Mayor of the County of Knox, Tennessee.

2. The Chairman of the Board of County Commissioners of the County shall serve a term coextensive with his or her term as the Chairman of the Board of County Commissioners of the County.

3. The Mayor of the City of Knoxville, Tennessee (the "City") shall serve a term coextensive with his or her term as the Mayor of the City.

4. The Mayor of the Town of Farragut, Tennessee shall serve a term coextensive with his or her term as Mayor of the Town of Farragut, Tennessee.

5. The Superintendent of Knox County Schools shall serve a term coextensive with his or her term as such Superintendent.

6. A resident of the County, who shall not be an elected or appointed official or employee of the County or of any of its component agencies, shall serve on the Board. Such director shall be appointed by the Mayor of the County and shall serve a four (4) year term, provided that the Mayor of the County may designate a director that is serving as of the date of this Fourth Amended and Restated Charter as such Mayor's designated director, in which case such director shall complete his or her current term and thereafter the Mayor of the County shall appoint a director to serve as provided in this paragraph for a four (4) year term.

7. A resident of the City, who shall not be an elected or appointed official or employee of the City or of any of its component agencies, shall serve on the Board. Such director shall be appointed by the Mayor of the City and shall serve a four (4) year term, provided that the Mayor of the City may designate a director that is serving as of the date of this Fourth Amended and Restated Charter as such Mayor's appointed director, in which case such director shall complete his or her current term and thereafter the Mayor of the City shall appoint a director to serve as provided in this paragraph for a four (4) year term.

Notwithstanding any provision of this Fourth Amended and Restated Charter to the contrary, none of the directors of the Board as of the effective date of this Fourth Amended and Restated Charter shall have his or her term as a director decreased as a result of the adoption of this Fourth Amended and Restated Charter, and all persons serving as a director as of the effective date of this Fourth Amended and Restated Charter shall continue to be eligible to serve as a director until such times as each such director's term expires or such director resigns. If any such director resigns or otherwise vacates his or her office as a director, such director's remaining term shall not be filled.

In appointing directors hereunder, the Mayor of the County and the Mayor of the City will collaborate to insure that such appointed directors represent private business and industry and that at least one appointed director is a person who owns land qualifying for classification and valuation under Title 67, Chapter 5, Part 10 of the Tennessee Code Annotated.

All matters of the Corporation shall be governed by the Board of Directors in conformance with the Tennessee Nonprofit Corporation Act, Tennessee Code Annotated §§ 48-51-101, et seq., or as the same shall hereafter be amended, and in conformance with the Bylaws of the Corporation.

12. The directors or incorporators may agree to take any action required or permitted by a vote without a meeting on written consent, setting forth the action so taken, signed by all of the directors.

13. Upon the dissolution of the Corporation, and pursuant to Tennessee Code Annotated § 48-64-101, et seq.:

(a) All liabilities and obligations of the Corporation shall be paid and discharged, or adequate provisions shall be made therefor; and

(b) All remaining assets of the Corporation shall be transferred to the County of Knox, Tennessee, or its duly appointed successors and assigns, provided that such assets shall be used by the grantee exclusively for the same purposes as those for which the Corporation was organized.

14. (a) To the fullest extent that the law of the State of Tennessee as it exists on the date hereof or as it may hereafter be amended permits the limitation or elimination of the liability of directors, no director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as a director.

(b) If the Tennessee Nonprofit Corporation Act is amended after approval of this Article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Tennessee Nonprofit Corporation Act, as so amended.

15. The provisions of this Charter may be amended, altered or repealed from time to time by the affirmative vote of at least seventy-five (75%) percent of the incumbent members of the Board of Directors of the Corporation to the extent and in the manner otherwise prescribed by the Tennessee Nonprofit Corporation Act, Tennessee Code Annotated §§ 48-51-101, et seq., and any additional provisions so authorized may be added hereto; provided that the provisions of this Charter shall not be changed, modified, repealed or expanded in such a manner as to be inconsistent with the purposes for which the Corporation is formed.

16. This Fourth Amended and Restated Charter was duly adopted by the Board of Directors of the Corporation at its regular meeting on _____, 2022.

17. This Fourth Amended and Restated Charter shall be effective immediately upon filing with the Secretary of State of Tennessee.

DATED this _____ day of _____, 2022.

THE DEVELOPMENT CORPORATION OF KNOX
COUNTY

By: _____
Title: _____

32830171.7

TRANSITION PLAN FOR
THE DEVELOPMENT CORPORATION OF KNOX COUNTY

Background

The Development Corporation of Knox County ("TDC") presently serves four primary purposes. First, TDC owns and manages the business and industrial parks for Knox County. The costs of acquiring and developing these business and industrial parks was largely paid with funds provided, directly or indirectly, by Knox County. All of these business and industrial parks are located outside the corporate limits of the City of Knoxville and the Town of Farragut.

Second, TDC has provided management services to the two industrial development boards that have been formed by the City of Knoxville, the industrial development board that has been formed by Knox County and the health, education and housing facility board formed by Knox County. These management services have been largely provided by the staff of TDC, and the board of directors of TDC has not had significant involvement with the ongoing activities of these boards.

Third, TDC operates the Fairview Technology Center as an incubator for start-up business. An advisory board for the Fairview Technology Center provides day-to-day oversight of the Center and considers all applications for the use of space at the Fairview Technology Center.

Fourth, TDC, with the addition of the Mayor of the Town of Farragut, serves as the joint economic and community development board ("JECDB") of Knox County. Under Tenn. Code Ann. § 6-54-118, Knox County, like all counties in the State, is required to have a JECDB in order to "foster communication relative to economic and community development between and among governmental entities, industry, and private citizens." As part of the approval of Knox County's growth plan, TDC was approved by the State to act as the JECDB for purposes of State law, even though its composition did not exactly align with state law requirements.

Reasons for Requested Changes and Recommended Changes

The Mayors of Knox County and the City of Knoxville have requested that the operations of TDC be restructured in order to streamline economic development efforts, address certain legal concerns and create cost efficiencies for the local governments. The requested changes in the role of TDC should not be interpreted in any manner as a reflection of the service provided by the board of directors of TDC or TDC's staff. The board of directors of TDC, both historically and presently, has been composed of some of the ablest community leaders in the County and the City, who have fulfilled their duties as board members with distinction. Rather, for the reasons set forth below, the Mayors have concluded that an overall restructuring of economic development functions would best serve the community, and this restructuring affects the role of TDC.

With respect to the ownership and management of the County's business and industrial parks, there are strong legal reasons for utilizing the County's industrial development board (the

“County IDB”) for that role instead of TDC. TDC is a non-profit corporation under Tennessee law and is not a governmental entity. The County IDB is a public corporation created by Knox County and is treated as a governmental entity for many purposes under State law. Because of this distinction, properties held by the County IDB are explicitly exempt from property taxation under State law, while it is uncertain, at best, as to whether the property owned by TDC is exempt from taxation. While TDC’s property has not been assessed for property taxes at this point, it is quite possible that such an assessment could occur in the future, which could create significant administrative and legal issues for the County and TDC. Also, as a governmental entity, the County IDB should be able to claim sovereign immunity as to any tort claims that may arise relating to incidents that may occur on property owned by the County IDB. As a nonprofit corporation, TDC would not be entitled to claim this substantial benefit. Third, under Tennessee law, while TDC generally does not get the benefits of being treated as a governmental entity, it has the burden of complying with the open records and open meeting laws applicable to governmental entities because of the large number of governmental representatives on TDC board of directors and the substantial funding that TDC receives from the County and the City. As a result, any private business information provided by an economic development prospect to TDC staff would be subject to an open records request, which may dissuade a prospect from fully engaging with TDC. Fourth, to compete for economic development projects with other jurisdictions in Tennessee or outside the State, land will frequently need to be offered to prospects at a deep discount or for free. Because of TDC’s status as a nonprofit, 501(c)(3) corporation, such transactions could raise private inurement issues in terms of assisting private industry, which could raise concerns regarding TDC’s 501(c)(3) status. Because industrial development boards are established under a state statute that specifically authorizes industrial development boards to donate properties (and industrial development boards are not 501(c)(3) entities), the County IDB would not have similar restraints. For these reasons, it would be a better legal structure for the industrial/business park properties presently owned by TDC to be transferred to the County IDB and for all vetting of and negotiating with economic development prospects be handled by the Knoxville Chamber, which is a private, non-profit entity that receives limited public funding as part of its budget. In most counties across the State, industrial park properties are generally owned by local industrial development boards or the county itself, and this change would align Knox County with most jurisdictions in the State.

TDC’s management of the industrial development boards and health educational and housing facility board would also change under this restructuring. The City’s industrial development boards focus almost exclusively on affordable housing and redevelopment initiatives, and because Knoxville’s Community Development Corporation (“KCDC”) is the City’s housing and redevelopment authority, an alignment of these organizations made sense. As a result, the assignment of TDC’s management agreement with the City’s industrial development boards to KCDC has already occurred. Under this proposed restructuring, the County IDB and the health, educational and housing facility board would be staffed by the Chamber. As the Chamber will continue to vet economic development prospects and negotiate economic development agreements, the negotiation of land sales and incentives would be included under the Chamber’s scope of authority so that a “one-stop shop” environment can be provided to economic development prospects. As major economic development prospects frequently seek a comprehensive proposal including site options, incentives, workforce development and infrastructure improvements, the Chamber is best situated to coordinate the overall package for a

prospect and coordinate the necessary approvals with the IDB and the other governmental bodies that may be involved.

The purpose of the Fairview Technology Center to serve as an incubator of small business is consistent with one of the strategic objectives of the Chamber, which is to assist small, local businesses, so the programs at the Fairview Technology Center would align well with the Chamber's strategic plan. Also, because the Chamber already receives funding from the County, any necessary County funding for the Fairview Technology Center could easily be shifted to the Chamber. It is therefore recommended that the operations of the Fairview Technology Center be transferred to the Chamber. In such case, the advisory board for the Fairview Technology Center would remain in place to provide continuity and historical perspective.

Under the proposed restructuring, the Mayors would request that the board of directors of TDC continue to serve as the JECDB. The name of TDC would be changed to the Knox County Joint Economic Community Development Board, Inc. to reflect its revised role, and the charter of TDC would need to be amended to reflect this name change. The size of the board of directors would also be decreased to be more consistent with the size contemplated by the statutes requiring the creation of JECDB. A smaller number of board members would also facilitate discussion at meetings of the JECDB. As was mentioned above, the board of directors of the JECDB needs to include the Mayor of Knox County and the Mayors of the City of Knoxville and the Town of Farragut. It is recommended that the Mayor of the Town of Farragut become a voting member of the JECDB to reflect the importance and growth of the Town of Farragut. Private citizens representing local business and industry, including a representative that holds property in a greenbelt classification, would also serve to provide insight from the private sector. It is recommended that the ultimate size of board of directors of JECDB be between five to seven members.

As was mentioned above, the only statutory duty of the JECDB is to "foster communication relative to economic and community development between and among governmental entities, industry, and private citizens." Additionally, the Tennessee Department of Economic and Community Development requires each county to have a JECDB in order to apply for certain grants, to participate in the Tennessee Certified Site program and to be eligible for Three Star status for purposes of recruiting business. To the extent the JECDB is required to perform any duties relating to these State programs, TDC, as the JECDB, would continue to do so.

By state law, the board of directors of the JECDB as well as the executive committee designated by the board of directors of JECDB are required to meet quarterly. It is recommended that the entire board of directors of the JECDB be designated as the executive committee of the JECDB so that only one set of quarterly meetings would be required. At these quarterly meetings it is anticipated that the three Mayors, along with the entire JECDB board of directors, would receive an economic development report card from the Chamber. These meetings would also provide a public forum for the three Mayors and representative citizens to discuss economic development issues affecting Knox County. As these meetings would be public meetings, members of the public would also have the opportunity to receive an economic development update.

Next Steps

- Conveyance of Industrial/Business Park Properties
 - Undertake real estate due diligence relating to conveyance of properties (title issues, environmental reports, restrictive covenant assignments)
 - Address any potential assignment of ongoing construction contracts
 - Negotiate interlocal agreement between County and County IDB as to management of industrial/business park properties
 - Draft real estate conveyance documents and consummate transfer
 - Assign all contracts relating to maintenance of industrial/business parks
- Assignment of management of County IDB and health, education and housing facility board to Chamber
 - Draft assignment documents
 - Consummate assignment of management contract with IDB and Chamber
- Transition of Fairview Technology Center
 - Undertake due diligence as to legal requirements for transition of Fairview Technology Center to the Chamber
 - Draft documents required for and consummate transfer of Fairview Technology Center to the Chamber
- Transition of role of TDC to serve only as JECDB
 - Draft amendments to TDC's organizational documents to change name and change board size and clarify role as JECDB
 - Designate board of reconstituted JECDB as also the executive committee of the JECDB
 - Establish meeting schedule and meeting format for JECDB
- Other Miscellaneous Transition Issues
 - TDC would retain a sufficient amount of funds, which should be relatively small, to operate as the JECDB
 - TDC would transfer to the County IDB funds that were designated for or expected to be used for the improvement, maintenance and operation of the industrial/business parks and all intellectual property, such as any trademarks or tradenames, relating to the industrial/business parks
 - TDC would transfer to the entity selected by the board of directors any funds that were designated for the operation of the Fairview Technology Center and all intellectual property, such as any trademarks or tradenames, relating to the Fairview Technology Center
 - Legal counsel shall determine whether Tennessee Attorney General's consent is needed for consummation of the proposed transaction and, if so required, will prepare the necessary application to obtain such consent

Timing

The goal would be to consummate these transitions by January 1, 2022. However, prior to the consummation of these transactions, it may be advisable to resolve certain ongoing construction disputes in which TDC is involved. Also, if the consent of the Tennessee Attorney

General is required, that process would likely not be completed by the end of the year. If either or both of these issues cause a delay, then the transition will be completed as soon as possible. If these transactions are to be completed by January 1, 2022, the board of directors of TDC would need to have a special meeting in December, 2021 to authorize the changes discussed above.

Requested Action of Board of Directors of the Board of Directors

The Board of Directors of TDC is requested to adopt a resolution authorizing its officers and legal counsel to proceed with transition of the activities of TDC as outlined in this memorandum.

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Sue Stuhl, Parks & Recreation Director & Lauren Cox, Park Manager

SUBJECT: Approval of Bids for Contract 2023-07

INTRODUCTION: The purpose of this item is consideration of bids and award of Contract 2023-07, 2022 Fall Tree Planting

BACKGROUND: This project includes planting trees and shrubs in 6 park and public space locations within the Town of Farragut. The planting of trees and shrubs is an annual project that includes the Plant A Tree program so funds include not only Town of Farragut operating funds but donations from the public who would like to plant a tree in someone's memory or honor. In the past, the annual tree planting project has been under \$10,000 so it required only getting multiple quotes. This year staff added a number of areas to receive plantings in addition to the Plant A Tree program so the estimated price required a bid process and approval by the Board of Mayor and Aldermen.

DISCUSSION: Once approved by the Board of Mayor and Aldermen, the awarded landscape firm will order the trees and will plant when appropriate, but the project must be finished by December 31, 2022, or the landscape firm will provide a one-year warranty on plant materials. This is the standard that has been used for over 25 years for the annual fall tree planting. The quotes were separated into two sections with pricing requested for Section A and Section A and B separately. The plantings scheduled for the community center are for the area around the entrance sign at the west end of the community center parking lot. This is the start of new landscaping at the community center based off a design that was completed in 2020. Additional plantings in Section A are Plant A Tree donations and additional border shrubs along Field 1 to provide a safety buffer between the field and Harrison Road. Section B comprises of additional plantings for safety, color and additional shade at Farragut Town Hall and Anchor parks.

SECTION A

Location	Tree/Plant Type	Size at Planting	Quantity	Notes
Farragut Community Center 239 Jamestowne Blvd.	Azalea Encore "Autumn Bonfire"	3 Gal.	3	New Planting
	Densiform Dense Yew	30" Min.	3	New Planting
Anchor Park 11730 Turkey Creek Road	Red Sunset Maple	2" Caliper	1	New Planting
	Willow Oak	2" Caliper	1	New Planting

	Willow Oak	2" Caliper	1	Replacement
Mayor Bob Leonard Park 301 N. Watt Road	Redbud	1 ½" – 2" Caliper	3	New Planting
	Shumard Oak	2" Caliper	3	New Planting
	Little Giant Dwarf Arborvitae	5 Gal.	4	New Planting
	Green Velvet Boxwood	5 Gal.	4	New Planting
	Densiform Yew	5 Gal.	4	New Planting
	Purple Daydream Loropetalum	5 Gal.	4	New Planting
Farragut Outdoor Classroom 220 N. Campbell Station Road	Fringe Tree	1.5"-2" Caliper	1	New Planting
McFee Park 917 McFee Road	Red Sunset Maple	2" Caliper	1	New Planting

Section B

Location	Tree/Plant Type	Size at Planting	Quantity	Notes
Farragut Town Hall Park 11408 Municipal Center Drive.	Redbud	1.5"-2" Caliper	6	New Planting
Anchor Park 11730 Turkey Creek Road	Red Sunset Maple	2" Caliper	6	New Planting
	Black Gum	2" Caliper	6	New Planting
	Redbud	1.5"-2" Caliper	3	New Planting

We received three quotes for this project on October 12, 2022:

- Landscape Design Works Section A: \$6,227.88; Sections A & B: \$12,630.90
- KMF 3 Lawn & Landscape Section A: \$7,420.90; Sections A & B: \$16,870.19
- Creative Designs & Landscape Section A: \$7,955.00; Sections A & B: \$17,125

Staff recommends moving forward with both Section A and Section B as the total price is within the project budget. The bid from Landscape Design Works was the lowest at \$12, 620.90. Their references supported excellent quality work. They stated they are able to provide the complete planting project at the low bid because they purchase directly from farms and do not use nurseries to order trees. KMF3 Lawn & Landscape was the mid-level bid at \$16,870.00. Creative Designs and Landscape has the highest bid at \$17, 125.00 and has held the tree planting contract with the Town of Farragut for the three previous years. It is imperative that this project get finished by December 2022 because it includes outside donations from families for the Plant a Tree program.

FINANCIAL SECTION:

<u>Total Budget</u>	<u>Requested Amount</u>	<u>Contracted Amount</u>	<u>Remaining Amount</u>
\$25,000	12,630.90	0	\$12,369.10
Approved By: <u>A. Myers</u>			

RECOMMENDATION BY: Sue Stuhl & Lauren Cox

PROPOSED MOTION: Approval of bids and award of Contract 2023-07 to Landscape Design Works for their low bid of **\$12,630.90**

MOTION BY: _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>WILLIAMS</u>	<u>MEYER</u>	<u>WHITE</u>	<u>POVLIN</u>	<u>BURNETTE</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____



September 21, 2022

To whom it may concern,

The Town of Farragut is currently seeking pricing for the installation of trees for our local parks and public spaces. Included in this package is a listing of each Town of Farragut facility where plantings are to be installed. When completing this package, the total price should reflect:

1. Plant material and other necessary materials (soil, amendments, etc.)
2. Labor
3. Mulching
4. Staking, as necessary

Requirements for plants and labor include: trees should be the requested size, healthy and free of disease when delivered. All plantings should be planted in a proper and consistent manner, including proper depth, and amendment or addition of soil if needed. Selected vendor will meet the appropriate Town staff a minimum of two weeks prior to installation of plant material for specific placement in each Town facility as requested. Job is to be completed no later than Friday, December 16. If the completion date is not met, a one-year warranty will be provided at no cost to the Town.

We thank you for your interest in working with the Town of Farragut. To be considered for this project, please have all materials completed and returned to Farragut Town Hall no later than 5:00 pm on Wednesday, October 12. Should you be unable to or do not desire to offer pricing, please indicate "No Quote" on the bid form and return. If you have any questions, please feel free to contact me at (865) 218-3372 or at lcox@townoffarragut.org

Sincerely,

Lauren Cox

PARK MANAGER

**11408 MUNICIPAL CENTER DRIVE | FARRAGUT, TN 37934 | 865.966.7057 |
WWW.TOWNOFFARRAGUT.ORG**

It is the policy of the Town of Farragut not to discriminate on the basis of race, color, national origin, age, sex, or disability pursuant to Title VI of the civil Rights Act of 1964, Public Law 93-112 and 101-336 in its hiring, employment practices and programs. To request accommodations due to disabilities, please call 865-966-7057 in advance of the meeting

Fall 2022 Tree Planting List

SECTION A

Location	Tree/Plant Type	Size at Planting	Quantity	Notes
Farragut Community Center 239 Jamestowne Blvd.	Azalea Encore "Autumn Bonfire"	3 Gal.	3	New Planting
	Densiform Dense Yew	30" Min.	3	New Planting
Anchor Park 11730 Turkey Creek Road	Red Sunset Maple	2" Caliper	1	New Planting
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	Willow Oak	2" Caliper	1	Replacement
Mayor Bob Leonard Park 301 N. Watt Road	Redbud	1 ½" – 2" Caliper	3	New Planting
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	Green Velvet Boxwood	5 Gal.	4	New Planting
	Densiform Yew	5 Gal.	4	New Planting
	Purple Daydream Loropetalum	5 Gal.	4	New Planting
Farragut Outdoor Classroom 220 N. Campbell Station Road	Fringe Tree	1.5"-2" Caliper	1	New Planting
McFee Park 917 McFee Road	Red Sunset Maple	2" Caliper	1	New Planting

Section B

Location	Tree/Plant Type	Size at Planting	Quantity	Notes
Farragut Town Hall Park 11408 Municipal Center Drive.	Redbud	1.5"-2" Caliper	6	New Planting
Anchor Park 11730 Turkey Creek Road	Red Sunset Maple	2" Caliper	6	New Planting
	Black Gum	2" Caliper	6	New Planting
	Redbud	1.5"-2" Caliper	3	New Planting



2022 Tree Planting Quote Form

Note: Price to include plant material, mulch, staking (where needed) and all associated labor. All trees are to be balled and burlapped.

Total Price Section A: _____

Total Price Sections A & B: _____

Vendor Name: _____

Vendor Address: _____

Contact Person: _____

Contact E-mail: _____

Contact Phone: _____

Signature: _____

Date: _____

References may be requested for the low bidder.

Please return all completed forms to Lauren Cox by Wednesday, October 12 at 5 p.m. Forms can be emailed to lcx@townoffarragut.org or delivered to Farragut Town Hall, located at 11408 Municipal Center Drive, Farragut, TN 37934 (open 8 a.m. to 5 p.m. Monday - Friday).



2022 Tree Planting Quote Form

Note: Price to include plant material, mulch, staking (where needed) and all associated labor. All trees are to be balled and burlapped.

Total Price Section A: \$6227.88

Total Price Sections A & B: \$12,630.90

Vendor Name: Landscape Design Works

Vendor Address: 450 Blackburn Lane - Lenoir City, TN 37771
PO Box 52446 - Knoxville, TN 37950

Contact Person: Hadley Martin

Contact E-mail: Hadley.designworks@gmail.com Contact Phone: 865-603-3315

Signature: W Hadley Martin Date: 10-11-2022

References may be requested for the low bidder.

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Landscape Design Works Quote: A: \$6,227.88 A&B: \$12,630.90

John Nichols 865-567-2643 Commercial (Bates & Nichols)

What project did they complete for you?

Commercial plantings

- 36 Leland Cyprus Trees
- Shrubs around building

How was their communication? Did they respond to your questions and comments in a timely manner?

Great communication. Responds same day.

Did they meet your deadline?

Yes.

Once they had to go above and beyond: The planting deadline was interrupted by roadway work. Hadley and his crew kept the (36) trees maintained and alive until they could get them planted.

Did they plant according to your specifications? (Requested size, healthy)

Yes.

Did your plantings stay healthy? Did you have to replace anything once the job was complete?

Yes.

Would you hire them again?

Absolutely. They do a great job. Bates & Nichols have been using them for over three years.

Landscape Design Works Quote: A: \$6,227.88 A&B: \$12,630.90

Allison Nix 865-816-2325 Residential (Bridgemore)

What project did they complete for you?

Landscaping around the home, tree planting and creating a garden.

How was their communication? Did they respond to your questions and comments in a timely manner?

Perfect. Quick response and willing to work on off days,

Did they meet your deadline?

Yes. Hadley has met all deadlines.

Did they plant according to your specifications? (Requested size, healthy)

Yes. Hadley can also design your landscape plan.

Did your plantings stay healthy? Did you have to replace anything once the job was complete?

Yes. Small bushes that didn't work out were replaced in a timely manner.

Would you hire them again?

Absolutely.

Landscape Design Works Quote: A: \$6,227.88 A&B: \$12,630.90

Bob Jones 314-452-1872 Residential (Gettysvue) – No call back or email as of 10/18 12:00pm

What project did they complete for you?

How was their communication? Did they respond to your questions and comments in a timely manner?

Did they meet your deadline?

Did they plant according to your specifications? (Requested size, healthy)

Did your plantings stay healthy? Did you have to replace anything once the job was complete?

Would you hire them again?



2022 Tree Planting Quote Form

Note: Price to include plant material, mulch, staking (where needed) and all associated labor. All trees are to be balled and burlapped.

Total Price Section A: \$7420.97

Total Price Sections A & B: \$16870.19

Vendor Name: KMF 3 Lawn and Landscape

Vendor Address: 6111 Patriot Way, 37931

Contact Person: Kenneth Frazier

Contact E-mail: kmfcontracting@gmail.com Contact Phone: 865-254-5633

Signature:  Date: 10/12/2022

References may be requested for the low bidder.

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