

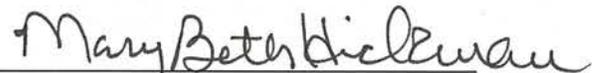
CITY CLERK MEMORANDUM
18-30

DATE: October 23, 2018
TO: Honorable Mayor and Members of City Council
FROM: Mary Beth Hickman, City Clerk
SUBJECT: SPECIAL MEETING OF CITY COUNCIL

At the request of City Manager Mark Watson, and in accordance with Article II, Section 2, of the Charter of the City of Oak Ridge, Tennessee, a special meeting of City Council is hereby called for **Monday, October 29, 2018 at 6:00 p.m.** in the Municipal Building Courtroom, 200 S. Tulane Avenue, for consideration of the following:

- AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE," BY AMENDING THE ZONING MAP WHICH IS MADE A PART OF THE ORDINANCE BY CHANGING THE ZONING DISTRICT OF PARCEL 007.00, ANDERSON COUNTY TAX MAP 100H, GROUP A, (APPROXIMATELY 0.59 ACRES) FROM R-2, LOW DENSITY RESIDENTIAL, TO R-3, MEDIUM DENSITY RESIDENTIAL; SAID PARCEL BEING LOCATED AT THE SOUTHEAST CORNER OF LAFAYETTE DRIVE AND MARQUETTE ROAD.
- A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF OAK RIDGE, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$13,750,000, IN ONE OR MORE SERIES; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS, ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS.

In accordance with the City Charter, matters transacted at this special meeting shall be limited to the subjects recited in the notice of the meeting.



Mary Beth Hickman

cc: Mark S. Watson, City Manager
Kenneth R. Krushenski, City Attorney
Department Directors
The Oak Ridger
Oak Ridge Today
The Knoxville News Sentinel
BBB Communications

ADMINISTRATIVE MEMORANDUM
18-18

DATE: October 23, 2018
TO: Mary Beth Hickman, City Clerk
FROM: Mark S. Watson, City Manager
SUBJECT: SPECIAL MEETING OF CITY COUNCIL

In accordance with Article II, Section 2, of the Charter of the City of Oak Ridge, you are hereby requested to call a special meeting of City Council for Monday, October 29, 2018, at 6:00 p.m. in the Municipal Building Courtroom, 200 S. Tulane Avenue. The meeting will be limited to consideration of the following:

- AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE," BY AMENDING THE ZONING MAP WHICH IS MADE A PART OF THE ORDINANCE BY CHANGING THE ZONING DISTRICT OF PARCEL 007.00, ANDERSON COUNTY TAX MAP 100H, GROUP A (APPROXIMATELY 0.59 ACRES), FROM R-2, LOW DENSITY RESIDENTIAL, TO R-3, MEDIUM DENSITY RESIDENTIAL; SAID PARCEL BEING LOCATED AT THE SOUTHEAST CORNER OF LAFAYETTE DRIVE AND MARQUETTE ROAD.
- A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF OAK RIDGE, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$13,750,000, IN ONE OR MORE SERIES; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS; ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS.



Mark S. Watson

**OAK RIDGE CITY COUNCIL
SPECIAL MEETING**

Municipal Building Courtroom

Monday, October 29, 2018

6:00 p.m.

AGENDA

- I. ROLL CALL
- II. ITEMS FOR CONSIDERATION
 - a. AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE," BY AMENDING THE ZONING MAP WHICH IS MADE A PART OF THE ORDINANCE BY CHANGING THE ZONING DISTRICT OF PARCEL 007.00, ANDERSON COUNTY TAX MAP 100H, GROUP A, (APPROXIMATELY 0.59 ACRES) FROM R-2, LOW DENSITY RESIDENTIAL, TO R-3, MEDIUM DENSITY RESIDENTIAL; SAID PARCEL BEING LOCATED AT THE SOUTHEAST CORNER OF LAFAYETTE DRIVE AND MARQUETTE ROAD.
 - b. A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF OAK RIDGE, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$13,750,000, IN ONE OR MORE SERIES; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS, ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS.
- III. ADJOURNMENT

**COMMUNITY DEVELOPMENT MEMORANDUM
PLANNING DIVISION
18-38**

DATE: October 10, 2018

TO: Mark S. Watson, City Manager

THROUGH: Wayne E. Blasius, Community Development Director 

FROM: Nathalie A. Schmidt, AICP, Senior Planner

SUBJECT: ZONING CHANGE REQUEST FOR PROPERTY LOCATED AT THE SOUTHEAST CORNER OF LAFAYETTE DRIVE AND MARQUETTE ROAD FROM R-2 LOW-DENSITY RESIDENTIAL DISTRICT TO R-3 MEDIUM DENSITY RESIDENTIAL DISTRICT; ANDERSON COUNTY TAX MAP 100H, GROUP A, PARCEL 007.00, .59 ACRES

Introduction

An item for City Council's consideration is an ordinance to rezone Anderson County Tax Map 100H, Group A, Parcel 007.00, located at the southeast corner of Lafayette Drive and Marquette Road, from R-2 Low Density Residential District to R-3 Medium Density Residential District.

Funding

No funding is necessary to approve this request.

Background

The petitioned site is one block south of the intersection of Lafayette Drive and the Oak Ridge Turnpike. Across Marquette is the rear parking lot and entrance to the First Baptist Church. Across Lafayette are the First Presbyterian Church (which fronts the Turnpike), an office building with a lodge hall behind it and the Cumberland Presbyterian Church, both set well back from the street. The neighborhood behind the property is legacy housing within a Manhattan District Overlay (MDO). Just south of the property is Willow Place, a relatively new upscale housing development. All of the surrounding properties on Lafayette Drive have buildings that are well constructed and well maintained, designed to be attractive from the streets and inviting to potential visitors.

Lafayette Drive is a heavily traveled arterial street. Marquette is a minor residential street. The subject property is relatively level though development is limited by existing water and sewer easements crossing the property. The site is part of the MDO overlay, which enjoys reduced building setback requirements.

The petitioner states that the proposed zoning is more appropriate than the existing zoning because "it would expand the potential for office space use." The zoning ordinance only permits residential and selected public/quasi-public uses by right in an R-2 district. An R-3 district would allow by right a significant list of office and non-residential uses, as included below.

Pursuant to Article V, Section 5.05 of the Zoning Ordinance, the following regulations apply in R-3 Medium Density Residential Districts.

- a) Permitted Principal Uses:
 - 1. Duplex.
 - 2. Single family attached dwellings with no more than 8 contiguous units.

3. Public, non-profit and community facilities; recreation areas and uses and ancillary structures such as, but not limited to, picnic grounds, playgrounds, stadiums, swimming pools, tennis courts and baseball fields including stands and fences; community center; libraries and museums.
4. Business and professional offices.
5. Hospital, clinic, mental health clinic, and related medical office uses.
6. Animal hospitals/clinics.
7. Buildings and meeting rooms which are associated with charitable, philanthropic, civic, or professional clubs.
8. Assisted living facilities, independent living facilities, nursing homes and retirement center.
9. Local government, state or federal uses, public utility building, telephone exchange, transformer station, and electrical transmission towers; providing such use will promote the general welfare of the community and will have no material adverse effect upon the district in which it is located.
10. Religious institutions.
11. Private and public educational institutions.
12. Bed and Breakfast (Inn).

(b) Permitted Accessory Uses:

1. Any use customarily incidental to the permitted principal uses, including office uses having to do with the management and administration of any permitted use.
2. Home occupations as defined in Article II and meets the requirements of Section 3.11.

(c) Special Exceptions Requiring Board of Zoning Appeals Approval:

1. Public, non-profit and community facilities; recreation areas and uses and ancillary structures such as, but not limited to, picnic grounds, playgrounds, stadiums, swimming pools, tennis courts and baseball fields including stands and fences; community centers; libraries and museums.
2. Cemetery.
3. Family day care home, group day care homes, and adult day care facility,
4. Permanent and transient group care facilities.

(d) Area, Height, Bulk and Placement Regulations

Maximum Usable Floor Area (footprint of the building) to Lot Area 30% for permitted uses and 60% for Special Exceptions.

Minimum Size of Lot per Principle building: 3,600 square feet per dwelling unit and not to exceed 12 units per acre.

Minimum Required Setback Dimensions in Feet: Front – 25 feet; Side – 10 feet for <3 stories, + 10 feet for each additional story but not to exceed 50 feet; Rear – 30 feet.

Maximum Height in feet: 55.

NOTE: See Articles XIII and XVI of this ordinance for applicable site plan review regulations.

Also note that in Article IX, Section 9.09 of the Zoning ordinance, the MDO setbacks for principle buildings and accessory buildings is 5 feet at the front, side and rear property lines.

Land Use Plan
Proposed Ordinance

Nathalie Schmidt
Nathalie A. Schmidt, AICP, Senior Planner

City Manager's Comments:

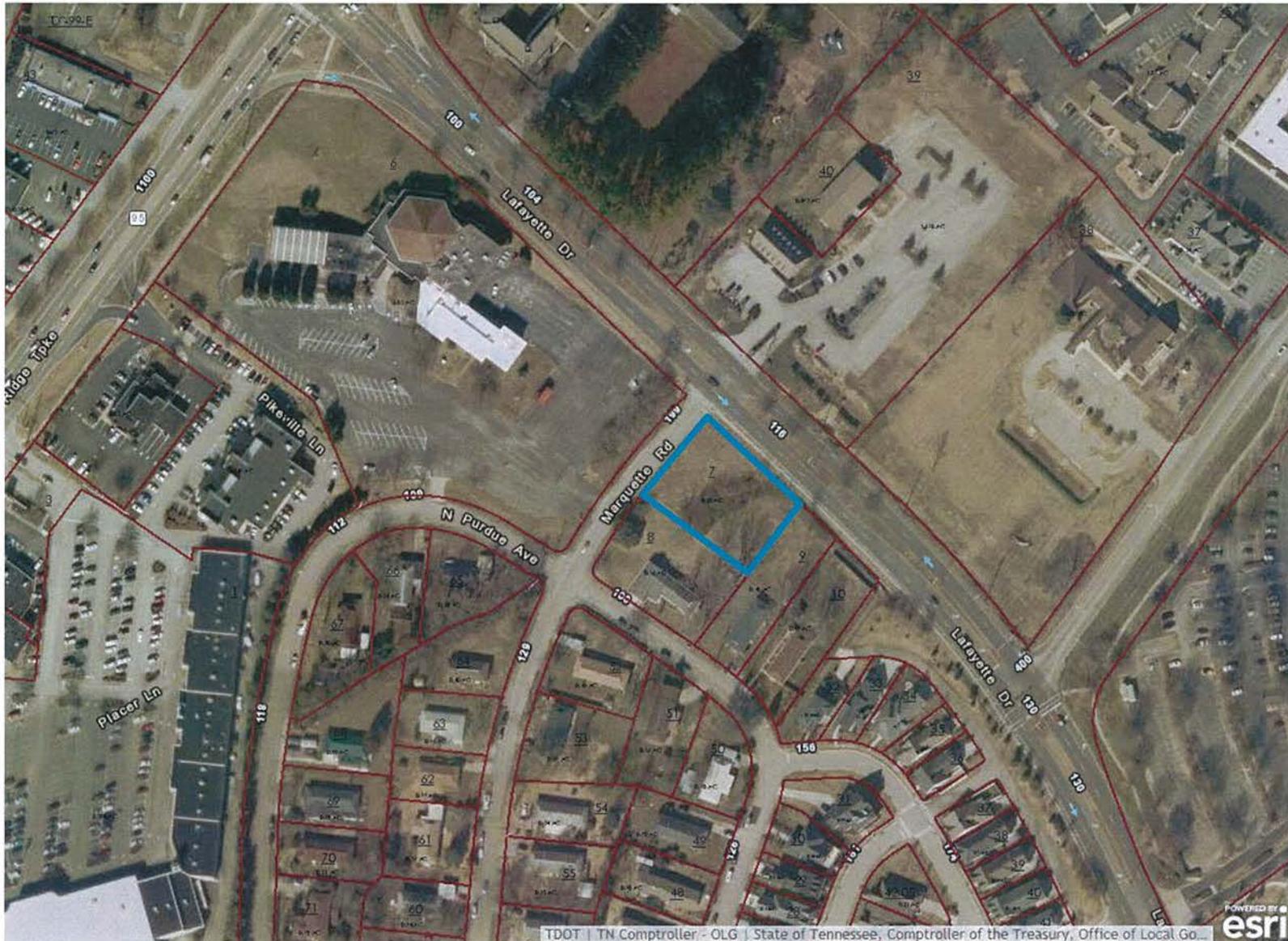
I have reviewed the above issue and recommend Council action as outlined in this document.

Mark S. Watson
Mark S. Watson

10/22/18
Date

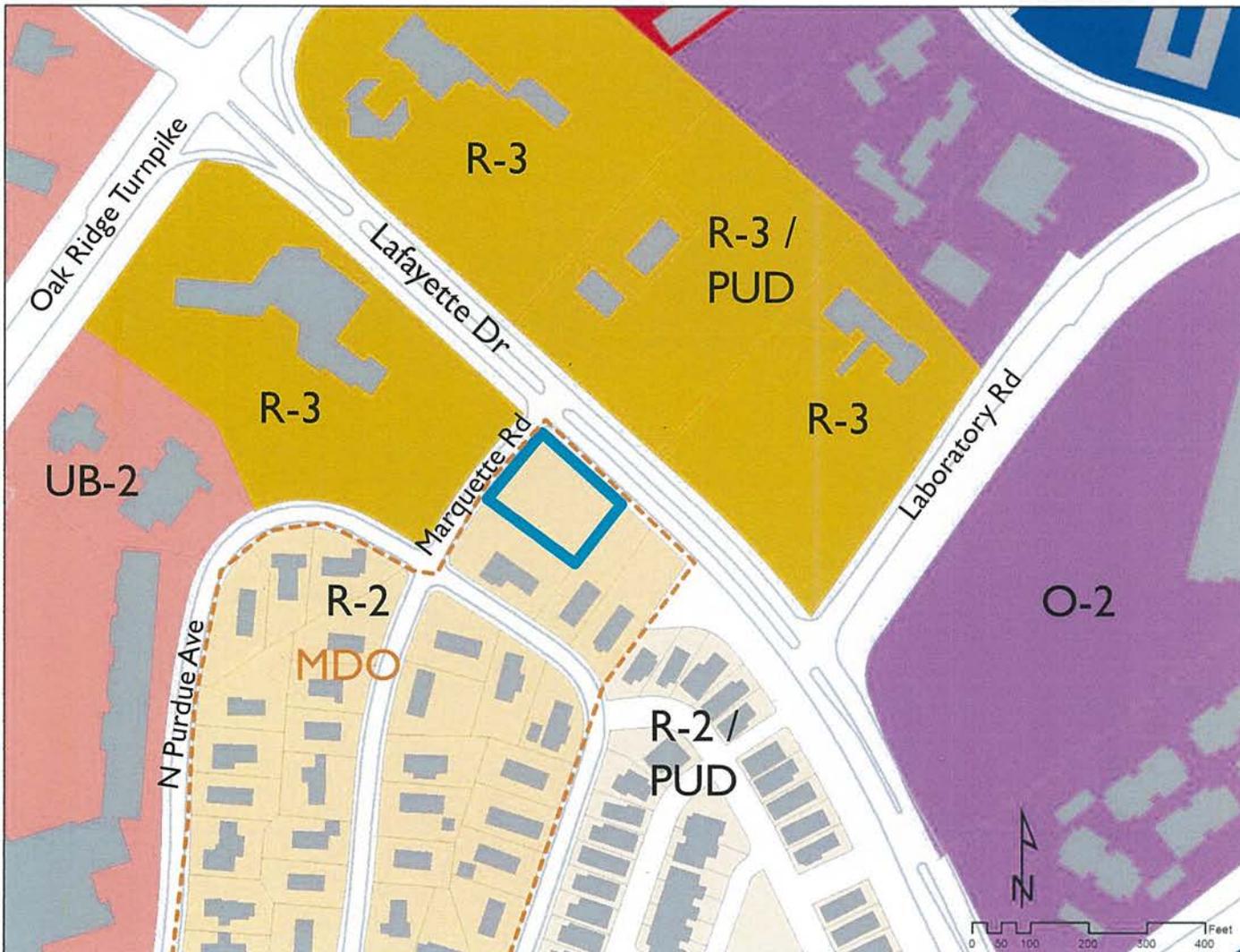
Rezoning Request – Aerial

Anderson County Tax Map 00H, Group A, Parcel 007.00, at the corner of Marquette Rd and Lafayette Dr

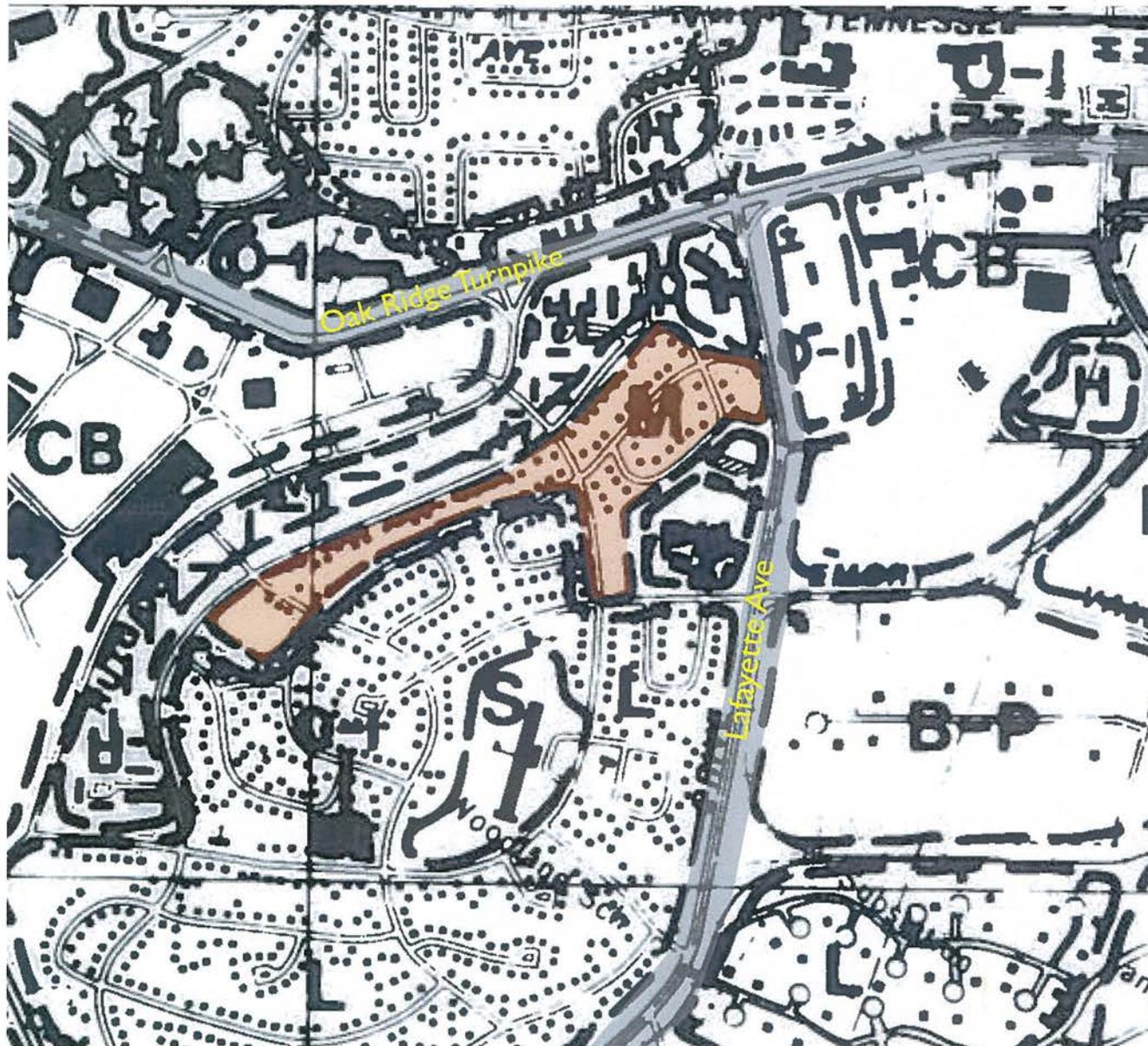


Rezoning Request – Surrounding Zoning

Anderson County Tax Map 00H, Group A, Parcel 007.00, at the corner of Marquette Rd and Lafayette Dr



Comprehensive Plan – Land Use Plan



Land Use Plan

- L Low-Density Housing
- M Mid-Density Housing
- H High-Density Housing
- NB Neighborhood Business
- CB Community Business
- OI Office-Institutional
- BP Business Park
- GI General Industrial
- PU Public
- P Park
- S School
- G Greenbelt
- U Unimproved



TITLE

AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE," BY AMENDING THE ZONING MAP WHICH IS MADE A PART OF THE ORDINANCE BY CHANGING THE ZONING DISTRICT OF PARCEL 007.00, ANDERSON COUNTY TAX MAP 100H, GROUP A, (APPROXIMATELY 0.59 ACRES) FROM R-2, LOW DENSITY RESIDENTIAL, TO R-3, MEDIUM DENSITY RESIDENTIAL; SAID PARCEL BEING LOCATED AT THE SOUTHEAST CORNER OF LAFAYETTE DRIVE AND MARQUETTE ROAD.

WHEREAS, the following change has been submitted for approval or disapproval to the Oak Ridge Municipal Planning Commission and the Commission has approved the same subject to certain conditions; and

WHEREAS, a public hearing thereon has been held as required by law.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OAK RIDGE TENNESSEE:

Section 1. The district boundaries of the zoning map attached to and made a part of Ordinance No. 2, as amended, are revised in the following particulars:

<u>Property Description</u>	<u>Location</u>	<u>Present Zoning District</u>	<u>New Zoning District</u>
Parcel 007.00 Map 100H, Group A (± 0.59 Acres)	Southeast corner of Lafayette Drive and Marquette Road	R-2, Low Density Residential	R-3, Medium Density Residential

Section 2. The change shall be imposed upon said map and shall be as much a part of Ordinance No. 2 as if fully described therein.

Section 3. This ordinance shall become effective ten (10) days after adoption on second reading, the welfare of the City of Oak Ridge requiring it.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

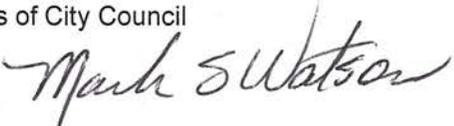
Mary Beth Hickman, City Clerk

First Reading: _____
Public Hearing: _____
Publication Date: _____
Second Reading: _____
Publication Date: _____
Effective Date: _____

CITY COUNCIL MEMORANDUM
18-35

DATE: January 30, 2018

TO: Honorable Mayor and Members of City Council

FROM: Mark S. Watson, City Manager 

SUBJECT: PROPOSED BOND RESOLUTION FOR PRESCHOOL, SCARBORO PARK AND OAK RIDGE SENIOR CENTER

Introduction

An item for City Council's consideration is a resolution authorizing the issuance of General Obligation Bonds of the City of Oak Ridge, Tennessee in the aggregate principal amount of not to exceed \$13,750,000, in one or more series; making provision for the issuance, sale and payment of said bonds, establishing the terms thereof and the disposition of proceeds therefrom; and providing for the levy of taxes for the payment of principal, premium, if any, and interest on the bonds.

Funding

The recommendation is for a 25-year bond option on the funding taking the payoff to the year 2043. Payment for the full costs associated with the above projects will be obligated with these funds. The estimated future tax impact will be eight (8) cents on the \$2.54 existing rate. The City Council has already taken the step of adopting two (2) cents for the current year.

Background

O September 10, 2018, the City Council adopted a preliminary resolution authorizing the sale of up to \$16.5 Million in General Obligation Bonds for the purposes outlined above. After bids were received, significant savings were realized from original estimates. A new budget has been outlined that identified the bid costs, bond issuance costs, furniture allocations, bid alternatives for both Senior Center and School, a Discretionary Fund, testing/inspections and architectural/engineering fees.

A furniture inventory was done for both facilities. The recommendation for both facilities is a \$400,000 furniture allocation for the School and a \$100,000 allocation for the Senior Center. Some equipment is able to be used by the School and the Senior Center has indicated an interest in seeking additional furnishings for the facility. The City will provide the original base allocation of \$100,000 as included within the bond amounts.

Earlier this year, the City funded the architecture costs and additional initial construction costs to keep the School timetable intact for December 2019 occupancy. Anticipated funding of this bond issuance will allow bond closing by December 18, 2018. The City's Bond Counsel has indicated that costs from the earlier issue can be consolidated with the new \$13,750,000 issuance. This will free-up roughly \$1 Million in previously obligated funds. After consulting with the Budget and Finance Committee, the newly unobligated funding is recommended for a much needed roof replacement on the Robertsville Middle School. The City has recently invested in the interior of the building. Substantial roof improvements are needed to protect the investment and avoid leakage. The Committee has recommended use of this funding for the roof replacement project.

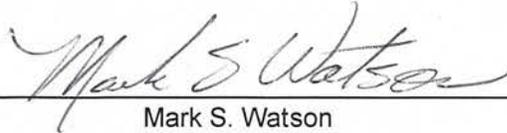
City Council Memorandum

Page 2

October 26, 2018

Recommendation

Approval of the attached resolution is recommended by the City Manager and the Finance Director.



Mark S. Watson

Attachments:

Option 1 and Option 2 Debt Schedules

Cost Schedule for Bond Projects

Chart of Existing Bonds

Roof Priority Spreadsheet

Resolution



ESTIMATED DEBT SERVICE

City of Oak Ridge, Tennessee
General Obligation Bonds, Series 2018
Funding of Pre-School/Senior Center - Budget Rates - 25-Year Amortization
Includes Furniture

Date	Principal	Estimated Coupon	Interest	Total P+I	Fiscal Total
06/01/2019			242,451.25	242,451.25	242,451.25
06/01/2020			484,902.50	484,902.50	484,902.50
06/01/2021			484,902.50	484,902.50	484,902.50
06/01/2022	405,000.00	3.650%	484,902.50	889,902.50	889,902.50
06/01/2023	420,000.00	3.650%	470,120.00	890,120.00	890,120.00
06/01/2024	435,000.00	3.650%	454,790.00	889,790.00	889,790.00
06/01/2025	450,000.00	3.650%	438,912.50	888,912.50	888,912.50
06/01/2026	465,000.00	3.650%	422,487.50	887,487.50	887,487.50
06/01/2027	485,000.00	3.650%	405,515.00	890,515.00	890,515.00
06/01/2028	500,000.00	3.650%	387,812.50	887,812.50	887,812.50
06/01/2029	520,000.00	3.650%	369,562.50	889,562.50	889,562.50
06/01/2030	540,000.00	3.650%	350,582.50	890,582.50	890,582.50
06/01/2031	555,000.00	3.650%	330,872.50	885,872.50	885,872.50
06/01/2032	580,000.00	3.650%	310,615.00	890,615.00	890,615.00
06/01/2033	600,000.00	3.650%	289,445.00	889,445.00	889,445.00
06/01/2034	620,000.00	3.650%	267,545.00	887,545.00	887,545.00
06/01/2035	645,000.00	3.650%	244,915.00	889,915.00	889,915.00
06/01/2036	665,000.00	3.650%	221,372.50	886,372.50	886,372.50
06/01/2037	690,000.00	3.650%	197,100.00	887,100.00	887,100.00
06/01/2038	715,000.00	3.650%	171,915.00	886,915.00	886,915.00
06/01/2039	745,000.00	3.650%	145,817.50	890,817.50	890,817.50
06/01/2040	770,000.00	3.650%	118,625.00	888,625.00	888,625.00
06/01/2041	800,000.00	3.650%	90,520.00	890,520.00	890,520.00
06/01/2042	825,000.00	3.650%	61,320.00	886,320.00	886,320.00
06/01/2043	855,000.00	3.650%	31,207.50	886,207.50	886,207.50
	13,285,000.00		7,478,211.25	20,763,211.25	

Date Structure

Date 12/01/2018
First Coupon Date 06/01/2019

Yield Statistics

Average Coupon 3.6500000%
Weighted Average Maturity 15.422
True Interest Cost (TIC) 3.7191449%



SOURCES AND USES OF FUNDS

City of Oak Ridge, Tennessee
General Obligation Bonds, Series 2018
Funding of Pre-School/Senior Center - Budget Rates - 25-Year Amortization
Includes Furniture

Sources:

Bond Proceeds:	
Par Amount	13,285,000.00
	<hr/>
	13,285,000.00

Uses:

Project Fund Deposits:	
Project Fund for Pre-K/Park	9,910,000.00
Project Fund for Senior Center	<hr/>
	3,155,000.00
	13,065,000.00
Delivery Date Expenses:	
Cost of Issuance	116,745.00
Underwriter's Discount	<hr/>
	103,255.00
	220,000.00
	<hr/>
	13,285,000.00



ESTIMATED DEBT SERVICE

City of Oak Ridge, Tennessee
General Obligation Bonds, Series 2018
Funding of Pre-School/Senior Center - Budget Rates - 25-Year Amortization
Includes Furniture and Uses \$1mm from 2017 Issue

Date	Principal	Estimated Coupon	Interest	Total P+I	Fiscal Total
06/01/2019			224,018.75	224,018.75	224,018.75
06/01/2020			448,037.50	448,037.50	448,037.50
06/01/2021			448,037.50	448,037.50	448,037.50
06/01/2022	375,000.00	3.650%	448,037.50	823,037.50	823,037.50
06/01/2023	385,000.00	3.650%	434,350.00	819,350.00	819,350.00
06/01/2024	400,000.00	3.650%	420,297.50	820,297.50	820,297.50
06/01/2025	415,000.00	3.650%	405,697.50	820,697.50	820,697.50
06/01/2026	430,000.00	3.650%	390,550.00	820,550.00	820,550.00
06/01/2027	445,000.00	3.650%	374,855.00	819,855.00	819,855.00
06/01/2028	465,000.00	3.650%	358,612.50	823,612.50	823,612.50
06/01/2029	480,000.00	3.650%	341,640.00	821,640.00	821,640.00
06/01/2030	495,000.00	3.650%	324,120.00	819,120.00	819,120.00
06/01/2031	515,000.00	3.650%	306,052.50	821,052.50	821,052.50
06/01/2032	535,000.00	3.650%	287,255.00	822,255.00	822,255.00
06/01/2033	555,000.00	3.650%	267,727.50	822,727.50	822,727.50
06/01/2034	575,000.00	3.650%	247,470.00	822,470.00	822,470.00
06/01/2035	595,000.00	3.650%	226,482.50	821,482.50	821,482.50
06/01/2036	615,000.00	3.650%	204,765.00	819,765.00	819,765.00
06/01/2037	640,000.00	3.650%	182,317.50	822,317.50	822,317.50
06/01/2038	665,000.00	3.650%	158,957.50	823,957.50	823,957.50
06/01/2039	685,000.00	3.650%	134,685.00	819,685.00	819,685.00
06/01/2040	710,000.00	3.650%	109,682.50	819,682.50	819,682.50
06/01/2041	740,000.00	3.650%	83,767.50	823,767.50	823,767.50
06/01/2042	765,000.00	3.650%	56,757.50	821,757.50	821,757.50
06/01/2043	790,000.00	3.650%	28,835.00	818,835.00	818,835.00
	12,275,000.00		6,913,008.75	19,188,008.75	

Date Structure

Date 12/01/2018
First Coupon Date 06/01/2019

Yield Statistics

Average Coupon 3.6500000%
Weighted Average Maturity 15.430
True Interest Cost (TIC) 3.7175507%



SOURCES AND USES OF FUNDS

City of Oak Ridge, Tennessee
General Obligation Bonds, Series 2018
Funding of Pre-School/Senior Center - Budget Rates - 25-Year Amortization
Includes Furniture and Uses \$1mm from 2017 Issue

Sources:

Bond Proceeds:	
Par Amount	12,275,000.00
	<hr/>
	12,275,000.00

Uses:

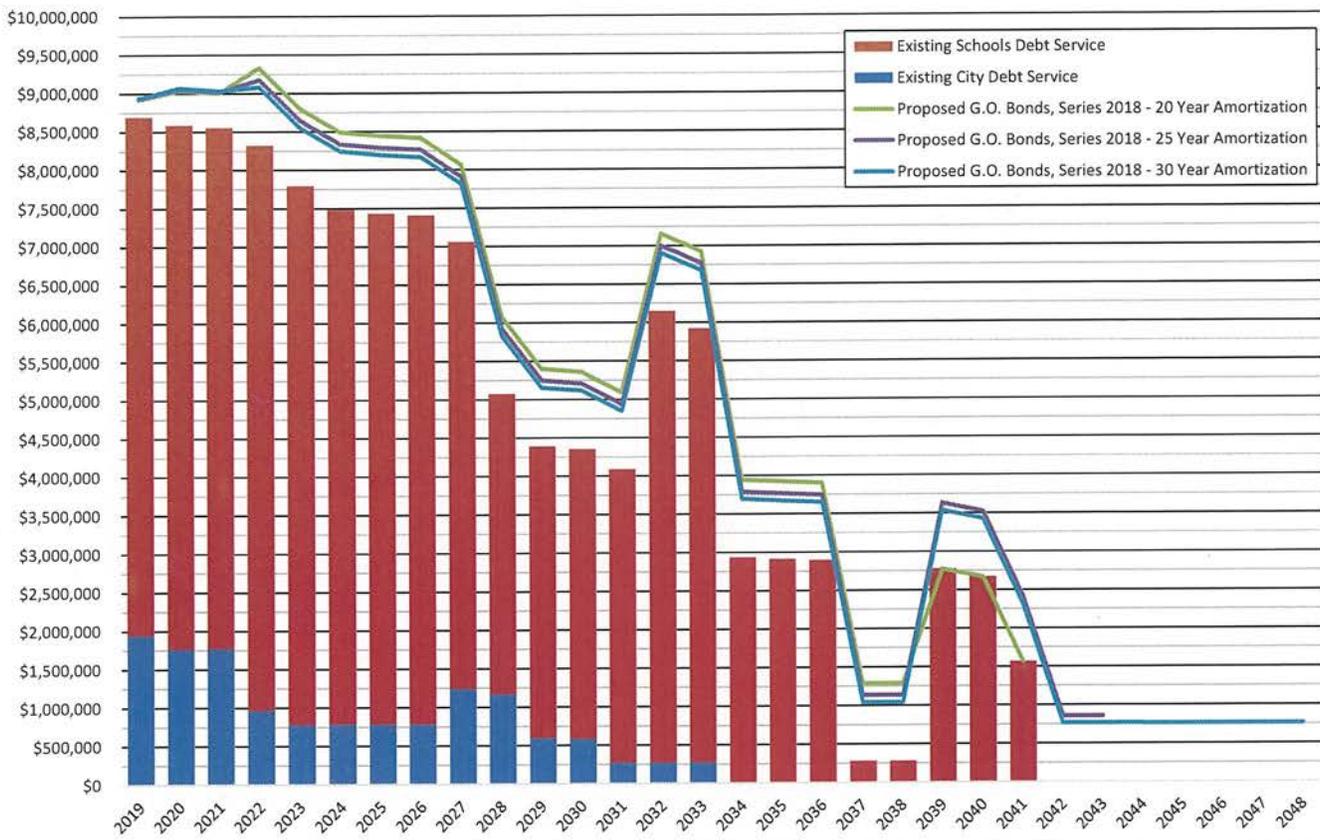
Project Fund Deposits:	
Project Fund for Pre-K/Park	8,910,000.00
Project Fund for Senior Center	<u>3,155,000.00</u>
	12,065,000.00
 Delivery Date Expenses:	
Cost of Issuance	116,745.00
Underwriter's Discount	<u>93,255.00</u>
	210,000.00
	<hr/>
	12,275,000.00

**PreSchool and Scarboro Park and Senior Center
Cost Summary**

PreSchool and Scarboro Park	Current Amount after Bidding
Construction	\$8,026,000
Alternate - Building Automated Controls	\$260,000
Alternate - Drop Off Canopy	\$124,000
Furniture Allowance	\$400,000
Discretionary Fund	\$501,300
A/E Costs (soft cost)	\$574,700
Testing and Special Inspections	\$23,260
Total PreSchool& Scarboro Park	\$9,909,260
Senior Center	Current Amount after Bidding
Construction	\$2,620,000
Alternate - Building Automated Controls	\$59,900
Alternate - Drop Off Canopy	\$28,135
Furniture Allowance	\$100,000
Discretionary Fund	\$131,000
A/E Costs (soft cost)	\$196,630
Testing and Special Inspections	\$18,723
Total Senior Center	\$3,154,388
Project Total	\$13,063,648

City of Oak Ridge, Tennessee

Total Combined Outstanding Debt Service - Breakdown Between General Fund & Schools
Estimated Debt Service Options on Proposed 2018 Bonds (with Furniture)



Remaining Life & Fiscal Year					Fiscal Year					
Roof Location	Years 0 to 2	Years 2 to 4	Years 3 to 5	Priority Ranking	19	20	21	22	23	24
Jefferson Middle										
Sections 1-3	\$ 915,000			1			\$ 915,000			
Linden Elementary										
Section 1	\$ 750,000			1			\$ 750,000			
Robertsville Middle										
Sections 1-7, 11-14	\$ 750,000			1	\$ 750,000					
Sections 8-9	\$ 240,000			1		\$ 240,000				
Woodlands Elementary										
Sections 1-10	\$ 1,050,000			1		\$ 1,050,000				
ORHS										
Sections 1 (e-g), 6	\$ 835,257			1			\$ 835,257			
1010 Commerce Building										
Section 1,3	\$ 180,000			1				\$ 180,000		
Central Service Center										
Section 1-3		\$ 1,425,000		1		\$ 1,425,000				
Centennial Golf Course										
Clubhouse/Training	\$ 70,000			1	\$ 70,000					
Marina										
Section 1	\$ 48,000			1			\$ 48,000			
Section 2	\$ 27,500			1			\$ 27,500			
WWTP										
Section 6	\$ 24,000			1			\$ 24,000			
School Administration										
Section 1		\$ 14,500		2				\$ 14,500		
Sections 2-3		\$ 120,000		2				\$ 120,000		
Sections 4-5		\$ 45,000		2				\$ 45,000		
Glenwood Elementary										
Section 1-6		\$ 515,000		2			\$ 515,000			
Linden Elementary										
Section 2		\$ 22,000		2				\$ 22,000		
Robertsville Middle										
Sections 10		\$ 21,000		2				\$ 21,000		
Willow Brook										
Sections 1-7		\$ 745,000		2	\$ 745,000					
ORHS										
Sections 2(d-f), 5		\$ 1,200,000		2					\$ 1,200,000	
Library										
Sections 1-5			\$ 321,000	2						\$ 321,000
WWTP										
Sections 1-5		\$ 282,000		2						\$ 282,000
Total	\$ 4,889,757	\$ 4,389,500	\$ 321,000		\$ 1,565,000	\$ 2,715,000	\$ 2,500,257	\$ 794,500	\$ 222,500	\$ 1,803,000
Cummulative Total		\$ 9,279,257	\$ 9,600,257			\$ 4,280,000	\$ 6,780,257	\$ 7,574,757	\$ 7,797,257	\$ 9,600,257

Source:
Roof Asset Evaluation Report
December 15, 2017
Completed by RoofConnect, National Roofing Services

Received by: *Mary Beth Hickman*
Mary Beth Hickman, City Clerk
October 24, 2018

Roof Location	Remaining Life & Fiscal Year								Priority Ranking
	Years 0 to 2	Years 2 to 4	Years 3 to 5	Years 4 to 6	Years 5 to 7	Years 6 to 8	Years 8 to 10	Years 10 to 12	
Jefferson Middle									
Sections 1-3	\$ 915,000								1
Linden Elementary									
Section 1	\$ 750,000								1
Robertsville Middle									
Sections 1-7, 11-14	\$ 750,000								1
Sections 8-9	\$ 240,000								1
Woodlands Elementary									
Sections 1-10	\$ 1,050,000								1
ORHS									
Sections 1 (e-g), 6	\$ 835,257								1
1010 Commerce Building									
Section 1,3	\$ 180,000								1
Central Service Center									
Section 1-3		\$ 1,425,000							1
Centennial Golf Course									
Clubhouse/Traiiing	\$ 70,000								1
Marina									
Section 1	\$ 48,000								1
Section 2	\$ 27,500								1
WWTP									
Section 6	\$ 24,000								1
School Administration									
Section 1		\$ 14,500							2
Sections 2-3		\$ 120,000							2
Sections 4-5		\$ 45,000							2
Glenwood Elementary									
Section 1-6		\$ 515,000							2
Linden Elementary									
Section 2		\$ 22,000							2
Robertsville Middle									
Sections 10		\$ 21,000							2
Willow Brook									
Sections 1-7		\$ 745,000							2
ORHS									
Sections 2(d-f), 5		\$ 1,200,000							2
Library									
Sections 1-5			\$ 321,000						2
WWTP									
Sections 1-5		\$ 282,000							2
Total	\$ 4,889,757	\$ 4,389,500	\$ 321,000						
Cummulative Total		\$ 9,279,257	\$ 9,600,257						

Source:
Roof Asset Evaluation Report
December 15, 2017
Completed by RoofConnect, National Roofing Services

Received by: *Mary Beth Hickman*
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October 24, 2018

Remaining Life & Fiscal Year									
Roof Location	Years 0 to 2	Years 2 to 4	Years 3 to 5	Years 4 to 6	Years 5 to 7	Years 6 to 8	Years 8 to 10	Years 10 to 12	Priority Ranking
Blankenship Stadium									
Section 1				\$ 24,000					3
Section 3				\$ 17,600					3
School Administration									
Sections 6-7				\$ 25,000					3
ORHS									
Section 3				\$ 113,000					3
Civic Center									
Sections 1-3			\$ 472,000						3
Scarboro Community Center									
Section 1					\$ 85,000				3
Ambulance Building									
Section 1				\$ 19,000					3
205 Badger Building									
Section 1,3					\$ 6,000				4
Fire Station #1									
Sections 1-4						\$ 70,000			4
Fire Station #2									
Sections 1-4						\$ 70,000			4
Municipal Building									
Section 3						\$ 85,000			4
Blankenship Stadium									
Section 2								\$ 35,200	5
ORHS									
Sections 1 (a-d), 2(a-c), 4, 5(f), 7-9							\$ 858,000		5
205 Badger Building									
Section 2							\$ 6,000		5
Animal Shelter									
Sections 1-4							\$ 70,000		5
Central Service Center									
Section 4							\$ 9,000		5
Municipal Building									
Sections 1-2								\$ 320,000	5
Marina									
Section 3							\$ 11,000		5
Section 2-3							\$ 90,000		5
Total	\$ 4,889,757	\$ 4,389,500	\$ 793,000	\$ 198,600	\$ 91,000	\$ 225,000	\$ 1,044,000	\$ 355,200	
Cumulative Total		\$ 9,279,257	\$ 10,072,257	\$ 10,270,857	\$ 10,361,857	\$ 10,586,857	\$ 11,630,857	\$ 11,986,057	

Source:
Roof Asset Evaluation Report
December 15, 2017
Completed by RoofConnect, National Roofing Services

Received by: *Mary Beth Hickman*
Mary Beth Hickman, City Clerk
October 24, 2018

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF OAK RIDGE, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$13,750,000, IN ONE OR MORE SERIES; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS, ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS

WHEREAS, 9-21-101, et seq., inclusive, Tennessee Code Annotated, as amended, authorizes the City of Oak Ridge, Tennessee (the "Municipality"), by resolution of the City Council, to issue and sell bonds and to finance public works projects; and

WHEREAS, the City Council hereby determines that it is necessary and advisable to issue general obligation bonds, in one or more series, for the purpose of financing in whole or in part, (i) the acquisition, construction, and/or equipping certain school facilities for use as a pre-kindergarten, (ii) the acquisition, construction, renovation and/or improvement of buildings and other improvements to be used for school purposes, public buildings, parks and a senior center, (iii) the acquisition of all property, real or personal, appurtenant thereto, or connected with such public works projects; (iv) payment of architectural, engineering, legal, fiscal and administrative costs incident to the foregoing; (v) reimbursement to the Municipality for funds previously expended for any of the foregoing; (vi) payment of capitalized interest during construction of such projects and for up to six months thereafter; and (vii) payment of costs incident to the issuance and sale of the bonds authorized herein; and

WHEREAS, the City Council of the Municipality did adopt on September 10, 2018 an Initial Resolution proposing the issuance of not to exceed \$16,500,000 in the aggregate principal amounts of general obligation bonds for the purposes described above; and

WHEREAS, the Initial Resolution, together with the notice required by Section 9-21-206, Tennessee Code Annotated, will be published as required by law; and

WHEREAS, it is the intention of the City Council of the Municipality to adopt this resolution for the purpose of authorizing not to exceed \$13,750,000 in aggregate principal amount of bonds for the above-described purposes, providing for the issuance, sale and payment of said bonds, establishing the terms thereof, and the disposition of proceeds therefrom, and providing for the levy of a tax for the payment of principal thereof, premium, if any, and interest thereon.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Oak Ridge, Tennessee, as follows:

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

Section 2. Definitions. In addition to the terms defined in the preamble above, the following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Bonds" means the not to exceed \$13,750,000 General Obligation Bonds, Series 2018 of the Municipality, to be dated their date of issuance, and having such series designation or such other dated date as shall be determined by the Mayor pursuant to Section 8 hereof.

(b) "Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository, or to its nominee as Registered Owner, with the certificate of bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the Municipality or the Registration Agent, constitute the written record that identifies, and records the transfer of, the beneficial "book-entry" interests in those bonds.

(c) "Code" means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder.

(d) "Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to, DTC.

(e) "DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns.

(f) "DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC System.

(g) "Financial Advisor" for the Bonds authorized herein means Cumberland Securities Company, Inc., Knoxville, Tennessee.

(h) "Governing Body" means the City Council.

(i) "Mayor" shall mean the Mayor of the Municipality.

(j) "Projects" means the (i) the acquisition, construction, and/or equipping certain school facilities for use as a pre-kindergarten, (ii) the acquisition, construction, renovation and/or improvement of buildings and other improvements to be used for school purposes, public buildings, parks and a senior center, (iii) the acquisition of all property, real or personal, appurtenant thereto, or connected with such public works projects; and (iv) payment of architectural, engineering, legal, fiscal and administrative costs incident thereto.

(k) "Registration Agent" means the registration and paying agent appointed by the Mayor pursuant to the terms hereof, or any successor designated by the Governing Body.

Section 3. Findings of the Governing Body: Compliance with Debt Management Policy.

(a) In conformance with the directive of the State Funding Board of the State of Tennessee, the Municipality has heretofore adopted its Debt Management Policy. The Governing Body hereby finds that the issuance and sale of the Bonds, as proposed herein, is consistent with the Municipality's Debt Management Policy.

(b) The estimated interest expense and costs of issuance of the Bonds have been made available to the Governing Body.

Section 4. Authorization and Terms of the Bonds.

(a) For the purpose of providing funds to finance, in whole or in part, the Projects, including reimbursement to the Municipality for funds previously expended for any of the foregoing and payment of capitalized interest during construction of the Projects and for up to six months thereafter, and payment of costs incident to the issuance and sale of the Bonds, there is hereby authorized to be issued bonds, in one or more series, of the Municipality in the aggregate principal amount of not to exceed \$13,750,000. The Bonds shall be issued in one or more series, in fully registered, book-entry form (except as otherwise set forth herein), without coupons, and subject to the adjustments permitted hereunder, shall be known as "General Obligation Bonds, Series 2018", shall be dated their date of issuance, and shall have such series designation or such other dated date as shall be determined by the Mayor pursuant to the terms hereof. The Bonds shall bear interest at a rate or rates not to exceed five and one-half percent (5.50%) per annum, payable (subject to the adjustments permitted hereunder) semi-annually on June 1 and December 1 in each year, commencing June 1, 2019. The Bonds shall be issued initially in \$5,000 denominations or integral multiples thereof, as shall be requested by the original purchaser thereof. Subject to the adjustments permitted pursuant to the terms hereof, the Bonds shall mature serially or be subject to mandatory redemption and shall be payable on June 1 of each year, subject to prior optional redemption as hereinafter provided, in the years 2020 through 2049, inclusive, such that the approximately level debt service is paid annually with respect to the Bonds commencing no later than 2022.

(b) Subject to the adjustments permitted under Section 8 hereof, the Bonds shall be subject to redemption prior to maturity at the option of the Municipality on June 1, 2029 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Governing Body in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

(c) Pursuant to the terms hereof, the Mayor is authorized to sell the Bonds, or any maturities thereof, as term bonds ("Term Bonds") with mandatory redemption requirements corresponding to the maturities set forth herein or as determined by the Mayor. In the event any or all the Bonds are sold as Term Bonds, the Municipality shall redeem Term Bonds on redemption dates corresponding to the maturity dates set forth herein, in aggregate principal amounts equal to the maturity amounts established pursuant to the terms hereof for each redemption date, as such maturity amounts may be adjusted pursuant to the terms hereof, at a price of par plus accrued interest thereon to the date of redemption. The Term Bonds to be redeemed within a single maturity shall be selected as follows:

If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such mandatory redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Municipality on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Municipality shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Notice of any call for redemption shall be given by the Registration Agent on behalf of the Municipality not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the Municipality nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the Municipality pursuant to written instructions from an authorized representative of the Municipality (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein. In the case of a Conditional Redemption, the failure of the Municipality

to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository, if applicable, or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

(d) The Governing Body hereby authorizes and directs the Mayor to appoint the Registration Agent for the Bonds and hereby authorizes the Registration Agent so appointed or the Registration Agent for the Bonds to maintain Bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance or upon transfer, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer, to furnish the Municipality at least annually a certificate of destruction with respect to Bonds cancelled and destroyed, and to furnish the Municipality at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The Mayor is hereby authorized to execute and the City Clerk is hereby authorized to attest such written agreement between the Municipality and the Registration Agent as they shall deem necessary and proper with respect to the obligations, duties and rights of the Registration Agent. The payment of all reasonable fees and expenses of the Registration Agent for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

(e) The Bonds shall be payable, both principal and interest, in lawful money of the United States of America at the main office of the Registration Agent. The Registration Agent shall make all interest payments with respect to the Bonds by check or draft on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by depositing said payment in the United States mail, postage prepaid, addressed to such owners at their addresses shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the Municipality in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each. In the event the Bonds are no longer registered in the name of DTC, or a successor Depository, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

(f) Any interest on any Bond that is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the Municipality to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the Municipality shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Municipality shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such

Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered Owners. The Registration Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the Municipality to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on the Bonds when due.

(g) The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or the Bond to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the Municipality to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations.

(h) The Bonds shall be executed in such manner as may be prescribed by applicable law, in the name, and on behalf, of the Municipality with the signature of the Mayor and the attestation of the City Clerk.

(i) Except as otherwise provided in this resolution, the Bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity shall be issued to DTC and immobilized in its custody or a custodian of DTC. The Bond Registrar is a custodian and agent for DTC, and the Bond will be immobilized in its custody. A Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. The holders of these beneficial ownership interests are hereinafter referred to

as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, THE REGISTRATION AGENT SHALL TREAT CEDE & CO. AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE REGISTRATION AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS RESOLUTION.

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Registration Agent directly to DTC or its nominee, Cede & Co., as provided in the Letter of Representation relating to the Bonds from the Municipality and the Registration Agent to DTC (the "Letter of Representation"). DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. The Municipality and the Registration Agent shall not be responsible or liable for payment by DTC or DTC Participants for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

In the event that (1) DTC determines not to continue to act as securities depository for the Bonds, or (2) to the extent permitted by the rules of DTC, the Municipality determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, then the Municipality shall discontinue the Book-Entry System with DTC or, upon request of such original purchaser, deliver the Bonds to the original purchaser in the form of fully-registered Bonds, as the case may be. If the Municipality fails to identify another qualified securities depository to replace DTC, the Municipality shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully-registered Bonds to each Beneficial Owner. If the purchaser(s) certifies that it intends to hold the Bonds for its own account, then the Municipality may issue certificated Bonds without the utilization of DTC and the Book-Entry System.

THE MUNICIPALITY AND THE REGISTRATION AGENT SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS; (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE, CEDE & CO., AS OWNER.

(j) The Registration Agent is hereby authorized to take such action as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight

delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the owners of the Bonds; provided, however, that the Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this Section.

(k) The Registration Agent is hereby authorized to authenticate and deliver the Bonds to the original purchaser, upon receipt by the Municipality of the proceeds of the sale thereof and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Registration Agent by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

(l) In case any Bond shall become mutilated, or be lost, stolen, or destroyed, the Municipality, in its discretion, shall issue, and the Registration Agent, upon written direction from the Municipality, shall authenticate and deliver, a new Bond of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Bond, or in lieu of and in substitution for such lost, stolen or destroyed Bond, or if any such Bond shall have matured or shall be able to mature, instead of issuing a substituted Bond the Municipality may pay or authorize payment of such Bond without surrender thereof. In every case, the applicant shall furnish evidence satisfactory to the Municipality and the Registration Agent of the destruction, theft or loss of such Bond, and indemnify satisfactory to the Municipality and the Registration Agent; and the Municipality may charge the applicant for the issue of such new Bond an amount sufficient to reimburse the Municipality for the expense incurred by it in the issue thereof.

Section 5. Source of Payment. The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the Municipality. For the prompt payment of the principal of, premium, if any, and interest on the Bonds, the full faith and credit of the Municipality are hereby irrevocably pledged.

Section 6. Form of Bonds. The Bonds shall be in substantially the following form, the omissions to be appropriate completed when the Bonds are prepared and delivered:

(Form of Bond)

REGISTERED
Number _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF ANDERSON
CITY OF OAK RIDGE, TENNESSEE
GENERAL OBLIGATION BOND, SERIES 2018

Interest Rate:

Maturity Date:

Date of Bond:

CUSIP No.:

Registered Owner:

Principal Amount:

FOR VALUE RECEIVED, the City of Oak Ridge, Tennessee (the "Municipality") hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner

hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth (or upon earlier redemption as set forth herein), and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate interest hereinabove set forth from the date hereof until said maturity date or redemption date, said interest being payable on June 1, 2019], and semi-annually thereafter on the first day of [June and December in each year until this Bond matures or is redeemed. The principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the principal corporate trust office of _____, _____, _____, as registration and agent and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Bond on each interest payment date directly to the registered owner hereof shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said Bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the Municipality to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any, on] this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent.

Except as otherwise provided herein or in the Resolution, as hereinafter defined, this Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds of the series of which this Bond is one. One Bond for each maturity shall be issued to DTC and immobilized in its custody or a custodian of DTC. The Bond Registrar is a custodian and agent for DTC, and the Bond will be immobilized in its custody. A book-entry system shall be employed, evidencing ownership of the Bonds in \$5,000 denominations, or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants, as defined in the Resolution, pursuant to rules and procedures established by DTC. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the Municipality and the Registration Agent shall treat Cede & Co. as the only owner of the Bonds for all purposes under the Resolution, including receipt of all principal and maturity amounts of, premium, if any, and interest on the Bonds, receipt of notices, voting and requesting or taking or not taking, or consenting to, certain actions hereunder. Payments of principal, maturity amounts, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid directly to DTC or its nominee, Cede & Co. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners, as defined in the Resolution. Neither the Municipality nor the Registration Agent shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants. In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) to the extent permitted by the rules of DTC, the Municipality determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect its interests or the interests of the Beneficial Owners of the Bonds, the Municipality may discontinue the book-entry system with DTC. If the Municipality fails to identify another qualified securities depository to replace DTC, the Municipality shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully-registered Bonds to each Beneficial Owner. Neither the Municipality nor the Registration Agent shall have any responsibility or obligations to DTC Participant or any Beneficial Owner with respect to (i) the

Bonds; (ii) the accuracy or any records maintained by DTC or any DTC Participant; (iii) the payment by DTC or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal or maturity amounts of and interest on the Bonds; (iv) the delivery or timeliness of delivery by DTC or any DTC Participant of any notice due to any Beneficial Owner that is required or permitted under the terms of the Resolution to be given to Beneficial Owners; (v) the selection of Beneficial Owners to receive payments in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC, or its nominee, Cede & Co., as owner.

Bonds of the issue of which this Bond is one maturing on or before June 1, 2030 shall be subject to redemption prior to maturity at the option of the Municipality on June 1, 2029 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the City Council of the Municipality, in its discretion. If less than all the principal amount of the Bonds of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the amount of the interest of each DTC Participant in the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

[Subject to the credit hereinafter provided, the Municipality shall redeem Bonds maturing _____ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of Bonds of which this Bond is one, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall select. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

<u>Final Maturity</u>	<u>Redemption Date</u>	<u>Principal Amount of Bonds Redeemed</u>
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*Final Maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Municipality on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Municipality shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.]

Notice of any call for redemption shall be given by the Registration Agent not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the Municipality nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and it notice has been duly provided as set forth in the Resolution, as hereafter defined. In the case of a Conditional Redemption, the failure of the Municipality to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bond called for redemption and not so paid remain outstanding.

This Bond is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the principal corporate trust office of the Registration Agent set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special

Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor during a period following the receipt of instructions from the Municipality to call such Bond for redemption.

This Bond is one of a total authorized issue aggregating \$_____ and issued by the Municipality to finance in whole or in part, (i) the acquisition, construction, and/or equipping certain school facilities for use as a pre-kindergarten, (ii) the acquisition, construction, renovation and/or improvement of buildings and other improvements to be used for school purposes, public buildings, parks and a senior center, (iii) the acquisition of all property, real or personal, appurtenant thereto, or connected with such public works projects; (iv) payment of architectural, engineering, legal, fiscal and administrative costs incident to the foregoing; (v) reimbursement to the Municipality for funds previously expended for any of the foregoing; (vi) payment of capitalized interest during construction of such projects and for up to six months thereafter; and (vii) payment of costs incident to the issuance and sale of the bonds authorized herein, pursuant to 9-21-101, et seq., Tennessee Code Annotated, as amended, and pursuant to a resolution adopted by the City Council of the Municipality on October 29, 2018 (the "Resolution").

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bond during the period the Bond is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bond in Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

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

IN WITNESS WHEREOF, the Municipality has caused this Bond to be signed by its Mayor and attested by its City Clerk as of the date hereinabove set forth.

CITY OF OAK RIDGE, TENNESSEE

By: _____
Mayor

ATTESTED:

City Clerk

Transferable and payable at the principal corporate trust office of: _____

Date of Registration: _____

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

Registration Agent

By: _____
Authorized Officer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____, whose address is _____ (Please insert Federal Identification or Social Security Number of Assignee _____), the within Bond of City of Oak Ridge, Tennessee, and does hereby irrevocably constitute and appoint _____, attorney, to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent

Section 7. Levy of Tax. The Municipality, through its Governing Body, shall annually levy and collect a tax upon all taxable property within the Municipality, in addition to all other taxes authorized by law, sufficient to pay principal of, premium, if any, and interest on the Bonds when due, and for that purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds in said year. Principal and interest falling due at any time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the Municipality and reimbursement therefor shall be made out of the taxes hereby provided to the levied when the same shall have been collected. The tax herein provided may be reduced to the extent of any direct appropriations from other funds, taxes and revenues of the Municipality to the payment of debt service on the Bonds.

Section 8. Sale of Bonds.

(a) The Bonds shall be offered for competitive public sale in one or more series, at a price of not less than 98% of par, plus accrued interest, as a whole or in part from time to time as shall be determined by the Mayor, in consultation with the Financial Advisor. The Bonds, or any series thereof, shall be sold by delivery of bids via physical delivery, mail, fax, or telephone or by electronic bidding means of an Internet bidding service as shall be determined by the Mayor, in consultation with the Financial Advisor.

(b) If the Bonds are sold in more than one series, the Mayor is authorized to cause to be sold in each series an aggregate principal amount of Bonds less than that shown in Section 4 hereof for each series, so long as the total aggregate principal amount of all series issued does not exceed the total aggregate of Bonds authorized to be issued herein.

(c) The Mayor is further authorized with respect to each series of Bonds to:

(1) change the dated date of the Bonds, or any series thereof, to a date other than the date of issuance of the Bonds;

(2) change the designation of the Bonds, or any series thereof, to a designation other than "General Obligation Bonds, Series 2018" and to specify the series designation of the Bonds, or any series thereof;

(3) change the first interest payment date on the Bonds, or any series thereof, to a date other than June 1, 2019, provided that such date is not later than twelve months from the dated date of such series of Bonds;

(4) establish and adjust the principal and interest payment dates and the maturity amounts of the Bonds, or any series thereof, provided that (A) the total principal amount of all series of the Bonds does not exceed the total amount of Bonds authorized herein; (B) the final maturity date of each series shall not exceed the final maturity described in Section 4 hereof; and (C) the debt service schedule shall be consistent with the terms of Section 4 and shall not result in balloon indebtedness requiring the approval of Director of State and Local Finance of the State of Tennessee;

(5) adjust or remove the Municipality's optional redemption provisions of the Bonds, provided that the premium amount to be paid on Bonds or any series thereof does not exceed two percent (2%) of the principal amount thereof;

(6) sell the Bonds, or any series thereof, or any maturities thereof as Term Bonds with mandatory redemption requirements corresponding to the maturities set forth herein or as otherwise determined by the Mayor, as he shall deem most advantageous to the Municipality; and

(7) cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company if such insurance is requested and paid for by the winning bidder of the Bonds, or any series thereof.

The form of the Bond set forth in Section 6 hereof shall be conformed to reflect any changes made pursuant to this Section 8 hereof.

(d) The Mayor is authorized to sell the Bonds, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Governing Body. The Mayor is further authorized to sell the Bonds, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Governing Body, in one or more series as the Mayor shall deem to be advantageous to the Municipality and in doing so, the Mayor is authorized to change the designation of the Bonds to a designation other than "General Obligation Bonds"; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this resolution or bonds authorized by any other resolution or resolutions adopted by the Governing Body.

(e) The Mayor is authorized to award the Bonds, or any series thereof, in each case to the bidder whose bid results in the lowest true interest cost to the Municipality, provided the rate or rates on the Bonds does not exceed the maximum rate prescribed by Section 4 hereof. The award of the Bonds by the Mayor to the lowest bidder shall be binding on the Municipality, and no further action of the Governing Body with respect thereto shall be required.

(f) The Mayor and City Clerk are authorized to cause the Bonds, in book-entry form (except as otherwise permitted herein), to be authenticated and delivered by the Registration Agent to the successful bidder and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. The Mayor is hereby authorized to enter into a contract with the Financial Advisor, for financial advisory services in connection with the sale of the Bonds and to enter into an engagement letter with Bass, Berry & Sims PLC to serve as bond counsel in connection with the Bonds, and all actions heretofore taken by the officers of the Municipality in that regard are hereby ratified and approved.

Section 9. Disposition of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited with a special fund of the Municipality known as the Construction Fund (the "Construction Fund"), or such other designation as shall be determined by the Mayor, to be kept separate and apart from all other funds of the Municipality. The Municipality shall disburse funds in the Construction Fund to pay costs of issuance of the Bonds, including necessary legal, accounting and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, Registration Agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Bonds. Notwithstanding the foregoing, costs of issuance of the Bonds may be withheld from the good faith deposit or purchase price of the Bonds and paid to the Financial Advisor to be used to pay costs of issuance of the Bonds. The remaining funds in the Construction Fund shall be disbursed solely to pay the costs of the Projects and to reimburse the Municipality for any funds previously expended for costs of the Projects. Money in the Construction Fund shall be invested in such investments as shall be permitted by applicable law, and any investment earnings may be used for costs of the Project or for paying debt service on the Bonds, at the Municipality's election.

Section 10. Official Statement. The officers of the Municipality, or any of them, are hereby authorized and directed to provide for the preparation and distribution of a Preliminary Official Statement describing the Bonds. After bids have been received and the Bonds have been awarded, the officers of the Municipality, or any of them, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission. The officers of the Municipality, or any of them, shall arrange for the delivery to the successful bidder on the Bonds of a reasonable number of copies of the Official Statement within seven business days after the Bonds have been awarded for delivery, by the successful bidder on the Bonds, to each potential investor requesting a copy of the Official Statement and to each person to whom such bidder and members of his bidding group initially sell the Bonds.

The officers of the Municipality, or any of them, are authorized, on behalf of the Municipality, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12(b)(1), except for the omission in the Preliminary Official Statement of certain pricing and other information allowed to be omitted pursuant to such Rule 15c2-12(b)(1). The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the Municipality except for the omission in the Preliminary Official Statement of such pricing and other information.

Notwithstanding the foregoing, no Official Statement is required to be prepared if the Bonds, or any series thereof, are purchased by a purchaser that certifies that such purchaser intends to hold the Bonds, or any series thereof, for its own account and has no present intention to reoffer the Bonds, or any series thereof.

Section 11. Discharge and Satisfaction of Bonds. If the Municipality shall pay and discharge the indebtedness evidenced by any series of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers (an "Agent"; which agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Defeasance Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice); or

(c) By delivering such Bonds to the Registration Agent for cancellation by it;

and if the Municipality shall also pay or cause to be paid all other sums payable hereunder by the Municipality with respect to such Bonds, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the Municipality to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the Municipality shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Defeasance Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Defeasance Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Municipality as received by the Registration Agent and (B) to the extent such cash will be required for

such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Municipality, as received by the Registration Agent. For the purposes of this Section, Defeasance Obligations shall direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any agency thereof, obligations of any agency or instrumentality of the United States or any other obligations at the time of the purchase thereof are permitted investments under Tennessee law for the purposes described in this Section, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Section 12. Federal Tax Matters Related to the Bonds.

(a) The Bonds are expected to be issued as federally tax-exempt bonds. If so issued, the Municipality hereby covenants that it will not use, or permit the use of, any proceeds of the Bonds in a manner that would cause the Bonds to be subjected to treatment under Section 148 of the Code, and applicable regulations thereunder, as an "arbitrage bond." To that end, the Municipality shall comply with applicable regulations adopted under said Section 148. The Municipality further covenants with the registered owners from time to time of the Bonds that it will, throughout the term of the Bonds and through the date that the final rebate, if any, must be made to the United States in accordance with Section 148 of the Code, comply with the provisions of Sections 103 and 141 through 150 of the Code and all regulations proposed and promulgated thereunder that must be satisfied in order that interest on the Bonds shall be and continue to be excluded from gross income for federal income tax purposes under Section 103 of the Code.

(b) The Governing Body hereby delegates to the Mayor the authority to designate, and determine whether to designate, any series of the Bonds as "qualified tax-exempt obligations," as defined in Section 265 of the Code, to the extent permitted under the Code.

(c) It is reasonably expected that the Municipality will reimburse itself for certain expenditures made by it in connection with the Projects by issuing the Bonds. This resolution shall be placed in the minutes of the Governing Body and shall be made available for inspection by the general public at the office of the Governing Body. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

(d) The appropriate officers of the Municipality are authorized and directed, on behalf of the Municipality, to execute and deliver all such certificates and documents that may be required of the Municipality in order to comply with the provisions of this Section related to the issuance of the Bonds.

Section 13. Continuing Disclosure. The Municipality hereby covenants and agrees that it will provide annual financial information and material event notices if and as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The Mayor is authorized to execute at the Closing of the sale of the Bonds an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the Municipality to comply with the undertaking herein described and to be detailed in said closing agreement shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the Municipality to comply with their undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

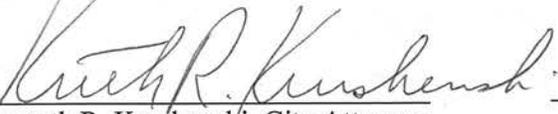
Section 14. Resolution a Contract. The provisions of this resolution shall constitute a contract between the Municipality and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner until such time as the Bonds and interest due thereon shall have been paid in full.

Section 15. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 16. Repeal of Conflicting Resolutions and Effective Date. All other resolutions and orders, or parts thereof in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.

Duly adopted and approved on October 29, 2018.

APPROVED AS TO FORM
AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Attested:

Beth Hickman, City Clerk

STATE OF TENNESSEE)

COUNTY OF ANDERSON)

I, Beth Hickman, certify that I am the duly qualified and acting City Clerk of City of Oak Ridge, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a specially called meeting of the governing body of the Municipality held on October 29, 2018; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to the Municipality's General Obligation Bonds, Series 2018.

WITNESS my official signature and seal of said Municipality on this 29th day of October, 2018.

City Clerk

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