

Denny Wayne Robinson  
County Executive

Heather Grissom  
Executive Assistant



**WHITE COUNTY, TENNESSEE**  
Office of County Executive

1 East Bockman Way, Room 205  
Sparta, Tennessee 38583  
P 931.836.3203  
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***Public Notice of Regular Call Meeting of the Board Of County  
Commissioners of White County***

Notice is hereby given to all county commissioners, all residents of White County, Tennessee, and to all persons interested that an open, regular meeting of the Board of County Commissioners of White County will be held on Monday, November 21<sup>st</sup>, 2016 at 6:00 P.M. in the large courtroom, 3<sup>rd</sup> floor of the White County Courthouse in Sparta, Tennessee.

**Agenda**

1. Call to order by Chairman Pro Tempore, Al Klee
2. Prayer
3. Pledge
4. Roll Call
5. Approve minutes from the October 17<sup>th</sup>, 2016 meeting
6. Spread on Minutes Grand Jury Report
7. Spread on Minutes letter from State of Tennessee Comptroller of the Treasury.
8. Spread on Minutes Statement regarding vacancy in District 3
9. Res 95-11-2016 Appointing Member to Steering Committee A
10. Spread on Minutes Harold England's Resignation from Steering Committee B

11. Res 96-11- 2016 Appointing Member to the Solid Waste Committee
12. Report of Steering Committee A
13. Report of Steering Committee B
  - A. Res 97-11- 2016 Surplus Equipment
  - B. Res 98-11- 2016 Electronic Ticket Fees
14. Report of Solid Waste Committee
15. Report of Budget Committee
  - A. Res 99-11-2016 Tourism Grant Funding Match
  - B. Res 100-11-2016 Funding for Pavilion at Tennis Courts
  - C. Res 101-11-2016 Sheriff's Weapon's Sales
16. Report of the Purchasing Committee
17. Report of the Financial Management Committee
  - A. Res 102-11- 2016 Approval of EMS Contracts
  - B. Res 103-11-2016 Approval of Issuance of Solid Waste Debt
18. Report of Audit Committee
19. Spread on minutes Audit Committee Report to County Commission
20. Report of Beer Board
21. Spread on minutes; all committee reports
22. Notaries
23. Discussion on Timeline to fill Vacancy in District 3.
24. Recognition of Members from Audience
25. Old Business
26. New Business
27. Adjournment

NOVEMBER 21, 2016

BE IT REMEMBERED THAT THE WHITE COUNTY LEGISLATIVE BODY met in regular session at the White County Courthouse in Sparta, Tennessee on November 21, 2016 at 6:00 p.m.

Present and presiding the Hon. Al Klee, Chairman Pro Tempore, Denny Wayne Robinson, County Executive, and Connie Jolley, Clerk, with the following Commissioners present: Cain Rogers, Harold England, Dale Bennett, Russell Gooch, Mack Johnson, Diana Haston, Bruce Frasier, Karen LaFever, Matt McBride. Absent: Terry Alley, Bruce Null, Stanley Neal

Chairman Pro Tempore, Al Klee requested a moment of silence for Commissioner B K Luna and past Commissioner Andy Alley.

Motion was made by Commissioner Matt McBride and seconded by Commissioner Russell Gooch to approve the minutes from the Oct. 17, 2016 as presented. Chairman Pro Tempore, Al Klee called for a voice vote, all members in favor of said motion.

Motion was made by Commissioner Cain Rogers and seconded by Commissioner Harold England to spread on minutes the Grand Jury Report. Chairman Pro Tempore, Al Klee called for a voice vote, all members in favor of said motion.

Motion was made by Commissioner Russell Gooch and seconded by Commissioner Karen LaFever to spread on minutes a letter from State of Tennessee Comptroller of the Treasury. Chairman Pro Tempore, Al Klee called for a voice vote, all members in favor of said motion.

Motion was made by Commissioner Cain Rogers and seconded by Commissioner Matt McBride to spread on minutes a statement regarding a vacancy in District 3. Chairman Pro Tempore, Al Klee called for a voice vote, all members in favor of said motion.

Motion was made by Commissioner Matt McBride and seconded by Commissioner Bruce Frasier to approve resolution 95-11-2016, appointing member to Steering Committee A. Upon the roll being called the following voted.

YES  
DIANA HASTON  
BRUCE FRASIER  
KAREN LAFEVER  
MATT MCBRIDE  
CAIN ROGERS  
HAROLD ENGLAND  
AL KLEE

NO

ABSENT  
BRUCE NULL  
STANLEY NEAL  
TERRY ALLEY

George T. Elrod  
114 South Main Street • P.O. Box 551  
Sparta, Tennessee 38583  
Phone 931/836-8414 • Fax 931/836-3386

FILED

NOV 2 2016

TIME 1:30 PM A.  
BEVERLY F. JOLLEY  
CIRCUIT COURT CLERK

IN THE CRIMINAL COURT OF WHITE COUNTY, TENNESSEE

OCTOBER 2016 TERM

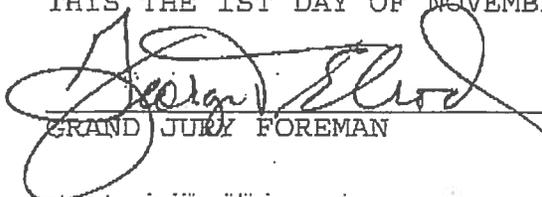
COMES NOW THE GRAND JURY IN AND FOR SAID COUNTY AND  
STATE DULY APPOINTED AND CONSTITUTED AND SUBMITS THIS, ITS  
REPORT AT THE OCTOBER, 2016 TERM OF COURT.

1. WE HAVE INSPECTED SOME COUNTY AND PUBLIC OFFICES  
AND FIND SAME TO BE IN GOOD STATE OF REPAIR, REASONABLY  
WELL MAINTAINED AND IN GOOD ORDER.

OUR INSPECTION OF THE JUSTICE CENTER NOTED THAT THE  
BUILDING IS MAINTAINED IN A REASONABLY GOOD ORDER.

2. WE INSPECTED THE BONDS FOR THE COUNTY IN AND FOUND THEM  
TO BE IN ORDER.

THIS THE 1ST DAY OF NOVEMBER 2016.

  
GRAND JURY FOREMAN

APPROVED FOR ENTRY:

STATE OF TENNESSEE  
THIRTEENTH JUDICIAL DISTRICT

DISTRICT ATTORNEY GENERAL

CLERK OF THE DISTRICT COURT



**STATE OF TENNESSEE  
COMPTROLLER OF THE TREASURY  
OFFICE OF STATE AND LOCAL FINANCE  
SUITE 1600 JAMES K. POLK STATE OFFICE BUILDING  
505 DEADERICK STREET  
NASHVILLE, TENNESSEE 37243-1402  
PHONE (615) 401-7872  
FAX (615) 741-5986**

October 21, 2016

Honorable Denny W. Robinson, County Executive  
and Honorable Board of Commissioners  
White County  
1 East Bockman Way, Courthouse Room 204  
Sparta, TN 38583

Dear Mr. Robinson and Members of the Board:

This letter acknowledges receipt of a certified copy of the fiscal year 2017 budget.

We have reviewed the budget and have determined that projected revenues and other available funds are sufficient to meet anticipated expenditures. Our review of the budget is based solely on the information we have received and is for determining that the budget appears to be balanced. With regard to programs included in the budget such as education, roads, and corrections, we have not attempted to determine that the local government has complied with specific program statutes or guidelines, or with any financing requirements prescribed by any state or federal agency. A property tax rate may be included in this budget, and we would recommend that local government officials be certain that all program requirements have been met before initiating the tax collection process.

This letter constitutes approval, by this office, for the County's fiscal year 2017 budget as adopted by the County Commission.

If you should have any questions or we may be of assistance, please feel free to call us.

Sincerely,

A handwritten signature in cursive script that reads "Sandra Thompson".

Sandra Thompson  
Director of the Office of State and Local Finance

cc: Mr. Bryan Burklin, Assistant Director, Division of Local Government Audit, COT

Denny Wayne Robinson  
County Executive

Heather Grissom  
Executive Assistant



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Office of County Executive

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To All County Commissioners,

It is with great sorrow I must notify every one of the vacancy that has opened in County Commission District 3.

Our longtime friend and colleague, BK Luna, passed away Friday, October 28, 2016. He had been a cornerstone of our community for years and his guidance and wisdom will be truly missed.

Sincerely,

A handwritten signature in black ink, appearing to read "Denny Wayne Robinson", written over a horizontal line.

Denny Wayne Robinson  
White County Executive



WHITE COUNTY, TENNESSEE

RESOLUTION 95-11-2016  
APPOINTING MEMBER TO FILL VACANCY ON  
STEERING COMMITTEE A

WHEREAS, A vacancy has occurred on Steering Committee A; and

WHEREAS, White County bylaws require that a representative from each commission district be appointed to Steering A and Steering B; and

WHEREAS, Commissioner Harold England has requested to be placed on Steering Committee A to represent the 3<sup>rd</sup> district.

NOW THEREFORE BE IT RESOLVED, by the White County Commission, meeting in a regular scheduled meeting, that Harold England be appointed to fulfill the term on Steering Committee A until such time as a new committee is appointed in September 2017.

Motion made by Matt McBride and seconded by Bruce Frasier that the above resolution be adopted.

On roll call, the vote was recorded as follows:

AYES 10

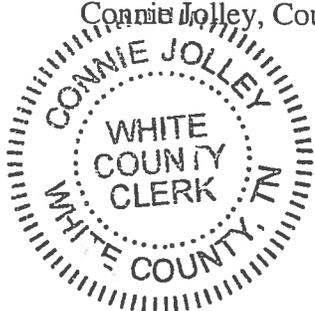
NAYS 0

The above resolution was passed on the 21<sup>st</sup> day of November, 2016.

Al Klee, Chairman Pro Tempore,  
County Legislative Body

ATTEST:

Connie Jolley, County Clerk



Approved the 21<sup>st</sup> day of November, 2016.

Denny Wayne Robinson, County Executive

YES	NO	ABSENT
DALE BENNETT		
RUSSELL GOOCH		
MACK JOHNSON		

Motion was made by Commissioner Bruce Frasier and seconded by Commissioner Matt McBride to spread on minutes Harold England's Resignation from Steering Committee B. Upon the roll being called the following voted.

YES	NO	ABSENT
MATT MCBRIDE		STANLEY NEAL
KAREN LAFEVER		BRUCE NULL
BRUCE FRASIER		TERRY ALLEY
DIANA HASTON		
MACK JOHNSON		
RUSSELL GOOCH		
HAROLD ENGLAND		
DALE BENNETT		
AL KLEE		
CAIN ROGERS		

Motion was made by Commissioner Matt McBride and seconded by Commissioner Cain Rogers to approve resolution 96-11-2016, appointing member to the Solid Waste Committee. Upon the roll being called the following voted.

YES	NO	ABSENT
MACK JOHNSON		STANLEY NEAL
RUSSELL GOOCH		BRUCE NULL
DALE BENNETT		TERRY ALLEY
AL KLEE		
HAROLD ENGLAND		
CAIN ROGERS		
MATT MCBRIDE		
KAREN LAFEVER		
BRUCE FRASIER		
DIANA HASTON		

Report of Steering Committee A given by Commissioner Dale Bennett

Report of Steering Committee B given by Commissioner Matt McBride

Motion was made by Commissioner Cain Rogers and seconded by Commissioner Russell Gooch to approve resolution 97-11-2016, Surplus Equipment. Upon the roll being called the following voted.

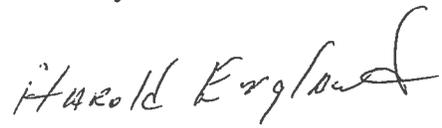
November 14, 2016

Denny W. Robinson  
1 E. Bockman Way Rm 205  
Sparta, TN 38583

Dear Mr. Robinson:

With this letter, I hereby submit my resignation from Steering Committee B effective 12:00 o'clock midnight, November 14<sup>th</sup> 2016. It is my desire that I be appointed to both Steering Committee A and the Solid Waste Committee to fill the current vacancy.

Sincerely,

A handwritten signature in cursive script that reads "Harold England". The signature is written in black ink and is positioned above the printed name.

Harold England



## WHITE COUNTY, TENNESSEE

### RESOLUTION 96-11-2016

#### APPOINTING MEMBER TO FILL VACANCY ON THE SOLID WASTE COMMITTEE

**WHEREAS**, a vacancy has occurred on the White County Solid Waste Committee; and

**WHEREAS**, White County bylaws require that a representative from each commission district be appointed to the Solid Waste Committee; and

**WHEREAS**, Commissioner England represents the district with a vacancy and he has requested to fulfill the unexpired term on the Solid Waste Committee.

**NOW THEREFORE BE IT RESOLVED**, by the White County Commission, meeting in a regular scheduled meeting, that Harold England be appointed to fulfill the term on the Solid Waste Committee until such time as a new committee is appointed in September 2017.

Motion made by Matt McBride and seconded by Cain Rogers that the above resolution be adopted.

On roll call, the vote was recorded as follows:

AYES 10

NAYS 0

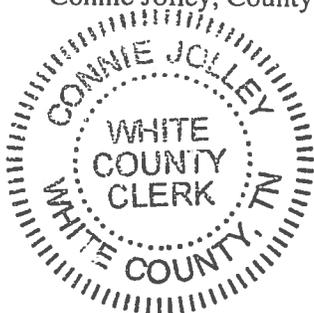
The above resolution was passed on the 21<sup>st</sup> day of November, 2016.

Al Klee, Chairman Pro Tempore,  
County Legislative Body

ATTEST:

Connie Jolley, County Clerk

Approved the 21<sup>st</sup> day of November, 2016.



Denny Wayne Robinson, County Executive

# White County, Tennessee

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## **Steering A Committee Meeting**

Date: 11/14/2016

Time: 5:30pm

Location: White County Courthouse

The White County Steering Committee A met on Monday, November 14<sup>th</sup>, 2016 at the White County Courthouse. Members present were Dale Bennett, Bruce Null, Bruce Frasier, and Mack Johnson. Also present were Denny Wayne Robinson, Carl LaFever, Joe LaFever, G. Jake Jacob, William McManus and James Whitaker. Absent were Diana Haston and Al Klee.

There being a quorum present, the meeting was called to order by Chairman Dale Bennett and prayer was led by Bruce Null.

Mr. Bennett asked for approval of the minutes from the previous meeting. Mack Johnson made a motion and Bruce Frasier seconded the motion to approve the minutes as presented. The motion was approved.

### Discussion on Field Repair – Hwy. 70 Fields

Members discussed materials, equipment, and measurements presented for repair of the fields after reviewing a report submitted by Engineer Casey Scoggins. The matter was tabled to the next meeting awaiting more information.

### Discussion on LaFever Cemetery Rd.

Dale Bennett advised that the Highway Dept. had graded and graveled the road. William McManus, Jake Jacob, Carl LaFever and Joe LaFever discussed with members the road is severely deteriorated and needs to be paved. Residents advised that the postal service and bus transportation have complained about the deterioration of the road. Dale Bennett advised that only 633.7 feet is county road. Denny Wayne Robinson advised other agencies are not willing to pay for the rest of the road repairs as they have in the past. It was further stated by several in attendance that Clay Parker, Road Superintendent, has advised he does not have the funds in the budget to pave the road at this time. Residents advised they wish to be put on the paving list.

### Tennis Court Pavilion

Members of the committee discussed that Mark Mitchell and others want a pavilion at the tennis courts located at the high school and that the City of Sparta has agreed to give \$1,500 for a pavilion if the County will do the same to cover the cost. Mack Johnson made a motion and Bruce Null seconded the motion to send the matter to the Budget Committee to appropriate \$1,500 for the pavilion. The motion was approved.

# White County, Tennessee

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Old Business:

None

New Business:

Dale Bennett advised that several "Private Drive" signs have purchased through the General Fund and have been stolen.

Members discussed the replacement of B.K. Luna's position. Denny Wayne Robinson stated that the Commission has 120 days to do so which would make the deadline February 26, 2017. Mr. Robinson also discussed the bylaws/rules and procedures for replacing the commissioner position. Members discussed meeting and interviewing interested parties at the December meeting and voting on the replacement at the January meeting.

*Tourism Grant:* Mr. Robinson advised there is \$50,000 tourism grant from the state available for application. He discussed some of the details of the grant and suggestions of what the grant could be used for, including TDEC wanting a boat/kayak ramp at Big Bottom Rd. Bruce Null made a motion and Mack Johnson seconded the motion to send the matter to the Budget Committee for approval. The motion was approved.

Mr. Robinson discussed White County will be implementing a fire ban due to drought conditions. Mr. Robinson stated he had also been advised that White County's water supply is good for approximately 3 months.

Dale Bennett discussed forming an Events and Tourism Subcommittee for White County and advised there were many grants available that would help the committee. Dale Bennett made a motion and Bruce Frasier seconded the motion to form the subcommittee. The motion was approved.

There being no further business, Dale Bennett made a motion and Bruce Null seconded the motion to adjourn. The motion was approved.

The next meeting will be December 12, 2016, at 5:30pm.

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Chairman, Steering Committee A

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Secretary, Steering Committee A

# White County, Tennessee

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## **Steering B Committee Meeting**

Date: 11/14/2016

Time: 5:30pm

Location: White County Courthouse

The White County Steering Committee B met on Monday, November 14<sup>th</sup>, 2016, at the White County Courthouse. Members present were Matt McBride, Cain Rogers, Terry Alley, Harold England, Russell Gooch, Stanley Neal and Karen LaFever. Also present were Sheriff Oddie Shoupe, Tommy Simmons, Mike Kerr, Denny Robinson and Chad Marcum.

There being a quorum present, the meeting was called to order by Chairman McBride and prayer was led by Stanley Neal. Mr. McBride asked the committee to observe a moment of silence in honor of Commissioner BK Luna.

Mr. McBride asked for approval of the minutes from the previous meeting. Harold England made a motion and Karen LaFever seconded the motion to approve the minutes as presented. The motion was approved.

Discussion on EMS ePCR system and Billing Services – Finance Director, Chad Marcum and EMS Director, Mike Kerr were available to discuss EMS patient reporting and billing services that are currently in place for EMS. Mr. Marcum presented the committee detailed information on the reporting procedures for patient care as well as the last 5 years of EMS patient billing and collections. To streamline the process and gain competitive pricing, a request for proposal was initiated and the committee was presented with the results. After review of all information presented, Karen Lafever made a motion and Stanley Neal seconded the motion to send the contracts to the Financial Management Committee. All members voted in favor. The motion was approved.

Discussion on EMA Surplus Vehicle – Finance Director, Chad Marcum, presented the committee with a vehicle that has been deemed no longer adequate for county use and needs to be sold as a surplus vehicle. After review, Matt McBride made a motion and Cain Rogers seconded the motion to send a resolution to full court authorizing the vehicle to be sold as surplus property. All members voted in favor. The motion was approved.

Discussion on E-Tickets – Beverly Jolley was present to discuss E-Tickets that are now being issued by the Tennessee Highway Patrol. An administration fee of \$5.00 is collected if the county chooses to participate. \$4.00 is transferred to the law enforcement agency that issued the citation that resulted in a guilty plea or a judgement of guilty and \$1.00 is retained by the county clerk and held in a special fund for computer related expenses or replacement. It is required by TCA code that the County Legislative Body adopt a resolution authorizing the collection of the fee. After discussion, Terry Alley made a motion and Russell Gooch seconded the motion to send the resolution to the full court. All members voted in favor. The motion was approved.

# White County, Tennessee

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Mr. McBride asked the committee for any old business: There was none.

Mr. McBride asked the committee for any new business:

Circuit Court Clerk, Beverly Jolley was present to discuss a shortage in storage space for court records. These records are required by law to be kept in climate controlled, fire proof, secured storage. After detailed discussion, no action was taken at this time.

County Executive, Denny Robinson was present to discuss the vacancy in district 3. He presented the committee an outline of the process, T.C.A codes and the timeline in which the vacancy must be filled. After a lengthy discussion, the committee decided to fill the vacancy as outlined by the County Executive in the information presented to the committee.

Mr. McBride presented the committee information regarding the Burn Ban the Governor has issued across the state as well as a possible water shortage. Mr. Robinson has talked to our local utility districts and will be receiving weekly updates on water supply.

There being no further business Harold England made a motion and Stanley Neal seconded the motion to adjourn. The motion was approved.

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Chairman, Steering Committee B

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Secretary, Steering Committee B



## WHITE COUNTY, TENNESSEE

### RESOLUTION NO. 97-11-2016

#### A RESOLUTION TO DECLARE ITEMS AS SURPLUS PROPERTY

WHEREAS, White County has authority to declare items as surplus that are no longer deemed necessary or adequate to properly perform the duties of county government as prescribed by law, AND

WHEREAS, certain departments of have requested approval of the county legislative body to have specific property declared as surplus property of the county.

NOW, THEREFORE BE IT RESOLVED, that the below schedule of property is hereby declared as surplus property of White County.

Department	Description	VIN
EMA	1999 Chevy Blazer	1GNCS13W3X2209266

Motion made by Cain Rogers and seconded by Russell Goeh  
that the above resolution be adopted.

On roll call, the vote was recorded as follows:

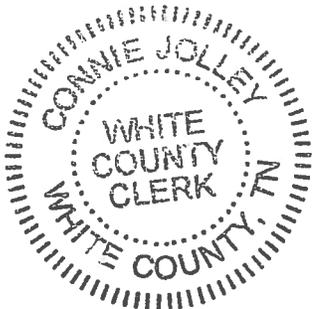
AYES: 10  
NAYES: 0

The above Resolution was passed on the 21<sup>st</sup> day of November, 2016.

Al Klee, Chairman Pro Tempore,  
White County Legislative Body

Attest:

Connie Jolley  
Connie Jolley, County Clerk



Approved the 21<sup>st</sup> day of November, 2016.

Denny Wayne Robinson, White County Executive

YES  
MATT MCBRIDE  
KAREN LAFEVER  
BRUCE FRASIER  
DIANA HASTON  
MACK JOHNSON  
RUSSELL GOOCH  
HAROLD ENGLAND  
DALE BENNETT  
AL KLEE  
CAIN ROGERS

NO

ABSENT  
STANLEY NEAL  
BRUCE NULL  
TERRY ALLEY

Motion was made by Commissioner Karen LaFever and seconded by Commissioner Russell Gooch to approve resolution 98-11-2016, Electronic Ticket Fees. Upon the roll being called the following voted.

YES  
MACK JOHNSON  
RUSSELL GOOCH  
DALE BENNETT  
AL KLEE  
HAROLD ENGLAND  
CAIN ROGERS  
MATT MCBRIDE  
KAREN LAFEVER  
BRUCE FRASIER  
DIANA HASTON

NO

ABSENT  
STANLEY NEAL  
BRUCE NULL  
TERRY ALLEY

Report of Solid Waste Committee given by Commissioner Karen LaFever

Report of Budget Committee given by Commissioner Al Klee

Motion was made by Commissioner Matt McBride and seconded by Commissioner Dale Bennett to amend resolution 99-11-2016, to be paid for out of the County General Fund. Upon the roll being called the following voted.

YES  
MATT MCBRIDE  
KAREN LAFEVER  
BRUCE FRASIER  
DIANA HASTON  
MACK JOHNSON  
RUSSELL GOOCH  
HAROLD ENGLAND

NO

ABSENT  
STANLEY NEAL  
BRUCE NULL  
TERRY ALLEY



## WHITE COUNTY, TENNESSEE

### RESOLUTION NO. 98-11-2016

#### RESOLUTION AUTHORIZING ELECTRONIC TRAFFIC CITATION FEE

**WHEREAS**, Tennessee Code Annotated §55-10-207 permits the court clerk to charge and collect an electronic traffic citation fee of five dollars (\$5.00) for each electronic traffic citation resulting in a conviction, AND

**WHEREAS**, such fee shall be assessable as court cost and paid by the defendant for any offense cited in a traffic citation delivered that results in a plea of guilty or nolo contendere, or a judgement of guilt, AND

**WHEREAS**, such fee shall be in addition to all other fees, taxes, and charges, AND

**WHEREAS**, one dollar (\$1.00) of such fee shall be retained by the court clerk for use in upgrading or replacing data processing equipment, AND

**WHEREAS**, four dollars (\$4.00) of such fee shall be transmitted by the court clerk to the law enforcement agency which prepared and issued the electronic traffic citation, AND

**WHEREAS**, Tennessee Code Annotated §55-10-207 authorizes the county legislative body, by majority vote, to adopt a resolution authorizing the collection of this fee.

#### **IT IS HEREBY RESOLVED by the White County Legislative Body that:**

SECTION 1. For each electronic traffic citation there is hereby imposed an Electronic Citation Fee of five dollars (\$5.00), pursuant to Tennessee Code Annotated §55-10-207.

SECTION 2. This fee shall terminate five (5) years from the date this resolution is adopted, pursuant to Tennessee Code Annotated §55-10-207, unless such section is subsequently amended by the Tennessee General Assembly allowing for the fee to be collected for a longer period of time.

Motion made by Karen LaFever and seconded by Russell Goach  
that the above resolution be adopted.

On roll call, the vote was recorded as follows:

AYES: 10  
NAYES: 0

The above Resolution was passed on the 21<sup>st</sup> day of November, 2016.

Al Klee  
Al Klee, Chairman Pro Tempore,  
White County Legislative Body

Attest:  
Connie Jolley  
Connie Jolley, County Clerk



Approved the 21<sup>st</sup> day of November, 2016.

Denny Wayne Robinson  
Denny Wayne Robinson, White County Executive

# White County, Tennessee

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## **Solid Waste Committee Meeting**

Date: 11/14/2016

Time: Immediately Following Steering Committee B

Location: White County Courthouse

The White County Solid Waste Committee met on Monday, November 14<sup>th</sup>, 2016 immediately following Steering Committee B at the White County Courthouse. Members present were Karen LaFever, Bruce Null, Terry Alley, Stanley Neal and Matt McBride. Also present were Russell Gooch, Mike Kerr, Keith McCulley, Gayland Barlow, Chad Marcum, and Denny Robinson. Absent was Diana Haston.

There being a quorum present, the meeting was called to order by Karen LaFever. Ms. LaFever asked for approval of the minutes from the previous meeting. Bruce Null made a motion and Terry Alley seconded the motion to approve the minutes as presented. The motion was approved.

### Directors Report:

Director Keith McCulley reported that our engineers have installed water pumps into our water wells in an effort to obtain more accurate water samples. Accurate water samples should show that the County no longer needs to be in assessment with the State and in turn save the County money.

Mr. McCulley reported on the continued equipment issues. The Bomag is non-operational again. While the Bomag is down we lose valuable space in our current cell. Keith further reports we have exhausted all old Bomag part resources. Our dozer continues to be non-operational as well. There is a transmission on order for the dozer and is expected to be here within the next week. The landfill continues to be in desperate need for operational equipment.

### Engineer's Report:

Engineer was not present to give a report.

### Scrap Metal Process:

Currently Cooper's Recycling comes to the landfill and picks up scrap metal. To establish a more profitable process, Request for Proposals were sent. The new process would be that we would haul the scrap metal from the convenience center to the metal recycling facility eliminating a step as well as obtaining a more profitable business relationship. Both Southern Central Iron and Metal and Scott's Auto Salvage responded. The purchasing committee recommended Scott's Auto Salvage. Bruce Null made a motion and Terry Alley seconded the motion to accept the Purchasing Committee's recommendation of Scott's Auto Salvage. All members voted in favor. The motion was approved.

# White County, Tennessee

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Chairman LaFever asked the committee for any old business:

There was none.

Chairman LaFever asked the committee for any new business:

County Executive Robinson addressed the committee on the needed revenue to address the equipment issues we are having at the landfill. The committee previously appropriated \$200,000.00 for the purchase of a Compactor. However, in the search for equipment, it has become apparent that more money will need to be appropriated to purchase a Compactor and a Dozer. Mr. Robinson ask the committee to appropriate \$1.5 Million for the purchase of a compactor and a dozer. Mr. Robinson further explained that he feels confident that we could purchase both pieces of equipment for less. Mr. Robinson presented the committee with several examples of equipment that he has researched.

Commissioner Neal inquired about debt issuance. Mr. Marcum explained to the committee that Solid Waste does not currently have any debt and the estimated yearly payment would be approximately \$150,000.00.

Stanley Neal made a motion and Bruce Null seconded the motion to send to financial management an additional \$800,000.00 to purchase equipment needed for the landfill. All members voted in favor. The motion was approved.

There was a lengthy discussion regarding the pros and cons of opening a new cell, a transfer station, and an incineration facility. No action was taken at this time.

There being no further business, Terry Alley made a motion and Matt McBride seconded the motion to adjourn. The motion was approved.

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Chairman, Solid Waste Committee

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Secretary, Solid Waste Committee

# White County, Tennessee

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## **Budget Committee Meeting**

Date: 11/14/2016

Time: Following Solid Waste Committee

Location: White County Courthouse

The White County Budget Committee met on Monday, November 14, 2016 following the Solid Waste Committee at the White County Courthouse. Members present were Mr. Denny Wayne Robinson, Mr. Terry Alley, Mr. Russell Gooch, and Mr. Stanley Neal. Also present were Mr. Chad Marcum, Mr. Mike Kerr, and Sheriff Oddie Shoupe. Absent was Mr. Al Klee.

There being a quorum present, the meeting was called to order by Mr. Neal.

Mr. Neal asked for approval of the minutes from the October 10, 2016 meeting. Mr. Gooch made a motion and Mr. Alley seconded the motion to approve the minutes as presented. The motion was approved.

The committee considered a General Fund budget amendment in the amount of \$18,000 to recognize revenue from the Sheriff's Department weapon sales and to appropriate additional funds needed for the purchase of body cameras. Mr. Alley made a motion and Mr. Gooch seconded the motion to approve the amendment as presented. The motion was approved.

The committee considered three line item budget amendments totaling \$15,164 for Central Maintenance, Sheriff's Department, and EMS. Mr. Gooch made a motion and Mr. Alley seconded the motion to approve the amendments as presented. The motion was approved.

Mr. Neal asked the committee for any old business:

The committee discussed the AirMedCare proposal tabled during the September committee meeting. No action was taken.

Mr. Neal asked the committee for any new business:

Mr. Marcum addressed the committee regarding the WCHS Band's upcoming trip to Washington DC as well as the possibility of including a contribution to the Upper Cumberland Veteran's Cemetery in the fiscal year 2018 budget. The committee took no action on either item.

Coming from Steering Committee A, Mr. Robinson explained that Steering Committee A had requested that \$1,500 be appropriated from county general reserves to assist in the construction of a pavilion at the tennis courts and that \$2,500 to \$5,000 be appropriated for a recreational tourism grant match. After discussion, Mr. Alley made a motion and Mr. Gooch seconded the motion to have the funds dispersed from already appropriated parks and recreation funds. The motion was approved.

After discussion, the next meeting was set for December 12, following the solid waste committee.

# White County, Tennessee

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There being no further business, Mr. Gooch made a motion and Mr. Alley seconded the motion to adjourn. The motion was approved.

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Chairman, Budget Committee

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Secretary, Budget Committee



WHITE COUNTY, TENNESSEE

**RESOLUTION 99-11-2016 AMENDMENT  
RESOLUTION TO DISBURSE FUNDS FROM PARKS AND RECREATION FOR  
TOURISM ENHACMENT GRANT**

**WHEREAS**, Resolution 99-11-2016 was amended by the County Legislative Body in the regular scheduled meeting.

**THEREFORE BE IT RESOLVED**, Resolution 99-11-2016 is to be paid for out of the County General Fund.

Motion made by Russell Goach and seconded by Matt McBride that the above resolution be adopted.

On roll call, the vote was recorded as follows:

AYES 10

NAYS 0

The above resolution was passed on the 21<sup>st</sup> day of November, 2016.

Al Klee, Chairman Pro Tempore,  
County Legislative Body

ATTEST:

Connie Jolley, County Clerk



Approved the 21<sup>st</sup> day of November, 2016.

Denny Wayne Robinson, County Executive

YES	NO	ABSENT
DALE BENNETT		
AL KLEE		
CAIN ROGERS		

Motion was made by Commissioner Russell Gooch and seconded by Commissioner Matt McBride to approve resolution 99-11-2016 to disburse funds from County General Fund for Tourism Enhancement Grant, as amended. Upon the roll being called the following voted.

YES	NO	ABSENT
MATT MCBRIDE		STANLEY NEAL
KAREN LAFEVER		BRUCE NULL
BRUCE FRASIER		TERRY ALLEY
DIANA HASTON		
MACK JOHNSON		
RUSSELL GOOCH		
HAROLD ENGLAND		
DALE BENNETT		
AL KLEE		
CAIN ROGERS		

Motion was made by Commissioner Diana Haston and seconded by Commissioner Matt McBride to approve resolution 100-11-2016, funding for Pavilion at Tennis Courts. Upon the roll being called the following voted.

YES	NO	ABSENT
MACK JOHNSON		STANLEY NEAL
RUSSELL GOOCH		BRUCE NULL
DALE BENNETT		TERRY ALLEY
AL KLEE		
HAROLD ENGLAND		
CAIN ROGERS		
MATT MCBRIDE		
KAREN LAFEVER		
BRUCE FRASIER		
DIANA HASTON		

Motion was made by Commissioner Russell Gooch and seconded by Commissioner Karen LaFever to approve resolution 101-11-2016, Sheriff's Weapon's Sales. Upon the roll being called the following voted.

YES	NO	ABSENT
CAIN ROGERS		STANLEY NEAL
HAROLD ENGLAND		BRUCE NULL



WHITE COUNTY, TENNESSEE

RESOLUTION 99-11-2016

RESOLUTION TO DISBURSE FUNDS FROM PARKS AND RECREATION FOR TOURISM ENHACMENT GRANT

WHEREAS, tourism is an essential part of the economic stability of White County; and WHEREAS, there is an opportunity to apply for a Tourism Grant to help White County in its efforts to obtain additional tourism to our area; and

WHEREAS, this grant will be used to create a boat ramp, parking and access to the river at the bridge in Big Bottom; and

WHEREAS, tourist and local citizens will both benefit from increased opportunities from additional recreation prospects; and

WHEREAS, the Tourism Grant does require a match to obtain approval; this match is not to exceed ten (10) percent.

THEREFORE BE IT RESOLVED; by the White County Legislative Body that funding for the match to the Tourism Enhancement Grant be disbursed through the Parks and Recreation expenditure major category of the General Fund.

Motion made by Russell Goach and seconded by Matt McBride that the above resolution be adopted.

On roll call, the vote was recorded as follows:

AYES 10

NAYS 0

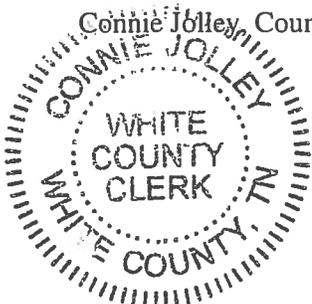
The above resolution was passed on the 21st day of November, 2016.

Signature of Al Klee, Chairman Pro Tempore, County Legislative Body

ATTEST:

Signature of Connie Jolley, County Clerk

Approved the 21st day of November, 2016.



Signature of Denny Wayne Robinson, County Executive



WHITE COUNTY, TENNESSEE

RESOLUTION NO. 100-11-2016  
RESOLUTION TO DISBURSE FUNDS FROM PARKS AND RECREATION  
FUNDING FOR PAVILION AT TENNIS COURTS

WHEREAS, certain citizens have made a request of White County to contribute \$1,500 toward the construction of a pavilion at the tennis courts recreational complex on the WCHS campus, AND

WHEREAS, the City of Sparta has agreed to also contribute \$1,500 toward the pavilion construction, AND

WHEREAS, the tennis courts and basketball courts are all governed by the Parks and Rec Committee, Steering Committee A, and it is appropriate that funding for improvements to that facility be paid for by Parks and Recreation budget.

IT IS HEREBY RESOLVED that funding for tennis court's pavilion at WCHS campus, totaling no more than \$1,500 be disbursed through the Parks and Recreation expenditure major category of the General Fund.

Motion made by Diana Haston and seconded by Matt McBride that the above resolution be adopted.

On roll call, the vote was recorded as follows:

AYES 10

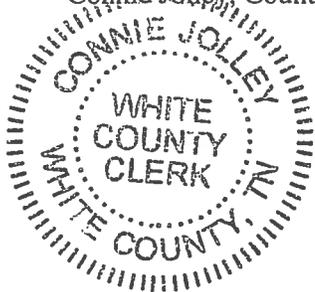
NAYS 0

The above resolution was passed on the 21<sup>st</sup> day of November, 2016.

Al Klee, Chairman Pro Tempore,  
County Legislative Body

ATTEST:

Connie Jolley, County Clerk



Approved the 21<sup>st</sup> day of November, 2016.

Denny Wayne Robinson, County Executive



WHITE COUNTY, TENNESSEE

RESOLUTION NO. 101-11-2016  
RESOLUTION TO AMEND FISCAL YEAR 2017 GENERAL FUND

WHEREAS, the budget of White County is made a year in advance and is basically an estimate of revenues and expenditures that will be available and required for that year, AND

WHEREAS, at certain times revenues are received and appropriations required which were not budgeted nor anticipated in the making of the original budget document.

IT IS HEREBY RESOLVED to amend the budget and recognize funds received from the public auction of confiscated weapons in compliance with TCA 39-17-1317, as well as to add additional funds needed for the purchase of body cameras:

<u>Description</u>	<u>Account</u>	<u>Major Category</u>	<u>Line Item</u>	<u>Debit</u>	<u>Credit</u>
Increase	42910	Proceeds from Confiscated Property		13,445	
Decrease	39000	Unassigned Fund Balance		4,555	
Increase	54110-716	Sheriff's Department	Law Enforcement Equipment		18,000
				<u>18,000</u>	<u>18,000</u>

Motion made by Russell Goetz and seconded by Karen LaFever that the above resolution be adopted.

On roll call, the vote was recorded as follows:

AYES: 10  
NAYES: 0

The above Resolution was passed on the 21st day of November, 2016.

Al Klee, Chairman Pro Tempore,  
White County Legislative Body

Attest:

Connie Jolley, County Clerk



Approved the 21st day of November, 2016.

Denny Wayne Robinson, White County Executive

YES	NO	ABSENT
AL KLEE		TERRY ALLEY
DALE BENNETT		
RUSSELL GOOCH		
MACK JOHNSON		
DIANA HASTON		
BRUCE FRASIER		
KAREN LAFEVER		
MATT MCBRIDE		

Report of the Purchasing Committee given by Commissioner Dale Bennett

Report of Financial Management Committee given by Commissioner Matt McBride.

Motion was made by Commissioner Matt McBride and seconded by Commissioner Cain Rogers to approve resolution 102-11-2016, approval of EMS Contracts. Upon the roll being called the following voted.

YES	NO	ABSENT
MACK JOHNSON		TERRY ALLEY
RUSSELL GOOCH		STANLEY NEAL
DALE BENNETT		BRUCE NULL
AL KLEE		
HAROLD ENGLAND		
CAIN ROGERS		
MATT MCBRIDE		
KAREN LAFEVER		
BRUCE FRASIER		
DIANA HASTON		

Motion was made by Commissioner Matt McBride and seconded by Commissioner Russell Gooch to approve resolution 103-11-16, approval of issuance of Solid Waste Debt. Upon the roll being called the following voted.

YES	NO	PASS	ABSENT
CAIN ROGERS	MACK JOHNSON	BRUCE FRASIER	TERRY ALLEY
AL KLEE		HAROLD ENGLAND	STANLEY NEAL
DALE BENNETT			BRUCE NULL
RUSSELL GOOCH			
DIANA HASTON			
KAREN LAFEVER			
MATT MCBRIDE			

Report of Audit Committee given by Commissioner Russell Gooch

# White County, Tennessee

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## **Purchasing Committee Meeting**

Date: 11/14/2016

Time: 4:30pm

Location: White County Courthouse

The White County Purchasing Committee met on Monday, November 14, 2016 at 4:30pm at the White County Courthouse. Members present were Mr. Dale Bennett, Ms. Karen LaFever, and Mr. Denny Wayne Robinson. Also present was Mr. Chad Marcum. Absent was Mr. Terry Alley.

There being a quorum present, the meeting was called to order by Mr. Bennett.

Mr. Bennett asked for approval of the minutes from the September 12, 2016 meeting. Ms. LaFever made a motion and Mr. Robinson seconded the motion to approve the minutes as presented. The motion was approved.

Mr. Bennett opened the floor for nominations for Chairman. Ms. LaFever nominated Mr. Bennett. Mr. Robinson made a motion and Ms. LaFever seconded the motion that all nominations cease and Mr. Bennett be elected by acclamation. The motion was approved.

Mr. Bennett opened the floor for nominations for Vice Chairman. Mr. Robinson nominated Ms. LaFever. Mr. Robinson made a motion and Mr. Bennett seconded the motion that all nominations cease and Ms. LaFever be elected by acclamation. The motion was approved.

The committee considered a recommendation to accept an RFP submission from AMB – Ambulance Medical Billing for EMS ePCR software and billing services. Ms. LaFever made a motion and Mr. Robinson seconded the motion to accept the recommendation, noting that all appropriate purchasing practices were followed. The motion was approved.

The committee considered a recommendation to accept an RFP submission from Scott's Auto Salvage and Sales for Solid Waste Scrap Metal Processing. Mr. Bennett made a motion and Ms. LaFever seconded the motion to accept the recommendation, noting that all appropriate purchasing practices were followed. The motion was approved.

The committee considered a recommendation to accept a bid from Edd Rogers Valley Ford in the amount of \$26,850.00 for the purchase of a Highway Department truck. Ms. LaFever made a motion and Mr. Robinson seconded the motion to accept the recommendation, noting that all appropriate purchasing practices were followed. The motion was approved.

There being no further business, Mr. Robinson made a motion and Ms. LaFever seconded the motion to adjourn. The motion was approved.

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Chairman, Purchasing Committee

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Secretary, Purchasing Committee

# White County, Tennessee

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## **Financial Management Meeting**

Date: 11/16/2016

Time: 5:00pm

Location: White County Courthouse

The White County Financial Management Committee met on Wednesday, November 16, 2016 at 5:00pm at the White County Courthouse. Members present were Mr. Clay Parker, Mr. Kurt Dronebarger, Mr. Denny Wayne Robinson, Ms. Diana Haston, Mr. Matt McBride, Mr. Cain Rogers, and Mr. Dale Bennett. Also present were Mr. Chad Marcum and Mr. Mike Kerr.

There being a quorum present, the meeting was called to order by Mr. McBride and a prayer was led by Mr. Kerr.

Mr. McBride asked for approval of the minutes from the October 5, 2016 meeting. Ms. Haston made a motion and Mr. Bennett seconded the motion to approve the minutes as presented. The motion was approved.

The committee considered approval for the county to enter into contracts for EMS ePCR software and billing services with AMB – Ambulance Medical Billing and ESO. After a lengthy discussion regarding the pros and cons of outsourced billing, Mr. Rogers made a motion and Mr. Parker seconded the motion to send the contracts to the County Commission for approval contingent upon receiving approval of the County Attorney. The motion was approved.

The committee considered approval for the issuance of debt up to \$1,000,000 for the White County Solid Waste Disposal Fund for the purchase of a bulldozer, compactor, and roll-off truck(s). After discussion regarding the previously authorized debt issuance and the necessity of the equipment, Mr. Parker made a motion and Mr. Rogers seconded the motion to approve the issuance of up to \$1,000,000 in a capital outlay note and to rescind approval of the \$200,000 debt issuance granted in the October 5, 2016 meeting. On a roll call vote, all members voted in favor of the motion.

Mr. McBride asked the committee for any other business:

Mr. Rogers inquired as to the property and sales tax revenues received thus far in the fiscal period. Mr. Marcum stated that property taxes were meeting expectations and that sales tax collections were very positive.

After discussion, the next meeting was set for Wednesday, January 4, 2017 at 5:00pm.

There being no further business, Mr. Parker made a motion and Mr. Dronebarger seconded the motion to adjourn. The motion was approved.

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Chairman, Financial Mgt. Committee

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Secretary, Financial Mgt. Committee



WHITE COUNTY, TENNESSEE

RESOLUTION NO. 102-11-2016  
RESOLUTION TO AUTHORIZE EXECUTION OF CONTRACTS FOR  
EMS ePCR SOFTWARE AND BILLING SERVICES

WHEREAS, the White County EMS has used electronic patient care records since 2010 and third-party billing services since 2013, AND

WHEREAS, White County recently received responses to a Request for Proposals for EMS ePCR Software and Billing Services on October 27, 2016, AND

WHEREAS, three (3) responses to the Request for Proposals were received, AND

WHEREAS, it was agreed to by the EMS Director, Finance Director, and County Executive that of the three proposals received, AMB – Ambulance Medical Billing provided the best long-term solution for White County, AND

WHEREAS, AMB has partnered with ESO Solutions to provide the electronic patient care record software.

IT IS HEREBY RESOLVED that the County Executive is authorized to execute a contractual agreement with Credit Bureau Systems, Inc. d/b/a Ambulance Medical Billing for EMS billing services and ESO Solutions for electronic patient care record software, upon the county attorney's approval.

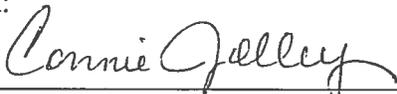
Motion made by Matt McBride and seconded by Cain Rogers that the above resolution be adopted.

On roll call, the vote was recorded as follows:

AYES: 10  
NAYES: 0

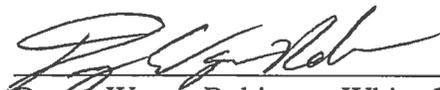
The above Resolution was passed on the 21<sup>st</sup> day of November, 2016.

  
Al Klee, Chairman Pro Tempore,  
White County Legislative Body

Attest:  
  
\_\_\_\_\_  
Connie Jolley, County Clerk



Approved the 21<sup>st</sup> day of November, 2016.

  
\_\_\_\_\_  
Denny Wayne Robinson, White County Executive

## AMB SERVICE AGREEMENT

THIS SERVICE AGREEMENT (the "Agreement") is made and entered into on this the \_\_\_ day of \_\_\_\_\_, 2016, by and between White County EMS, of 280 Medic Drive, Sparta, Tennessee 38583-5990 ("CLIENT"), and Credit Bureau Systems, Inc. d/b/a Ambulance Medical Billing, of 100 Fulton Court, Paducah, Kentucky 42002-9200 (hereafter "AMB"), pursuant to the terms and conditions set forth herein. For the consideration stated herein, the parties do hereby agree as follows:

**1. Description of Services.** AMB is a national ambulance and EMS full service billing and revenue cycle enhancement firm, specializing in billing and obtaining payment for services provided by ambulance services, and CLIENT is in the business of providing ambulance services to patients in its geographical location. For the term of this Agreement, as defined herein, AMB shall use its best efforts to bill for and obtain reimbursement for CLIENT, for all of CLIENT'S charges, for all services rendered by the Client to patients, on or after the Effective Date, by billing patients and third party payers, including applicable governmental programs and entities (hereafter the "Services"). Any additional services which AMB agrees to provide are explicitly set forth in the Addenda hereto which are incorporated herein by reference and explicitly made a part of and included in the Services.

CLIENT agrees that AMB will be the sole and exclusive provider of the Services during the terms of this Agreement, and CLIENT will not utilize any other party or entity, or its own personnel, to bill for services rendered by CLIENT during the term of this Agreement.

**2. Effective Date.** This Agreement shall be effective for all Services rendered by CLIENT on and after \_\_\_\_\_, 201\_, during the term of this Agreement, as defined herein. AMB shall have no obligation or responsibility with respect to any services rendered by CLIENT prior to the Effective Date, or accounts receivables already existing as of the Effective Date, unless a separate written agreement is entered into by the parties with respect to such pre-Effective Date services (hereafter "Legacy Claims").

**3. Term.** The initial term of this Agreement shall be for three (3) years from the Effective Date (hereafter the "Initial Term"). The Initial Term shall automatically renew on a year to year basis and shall only renew for billing only services.

**4. Fees.** Beginning as of the Effective Date, CLIENT shall pay AMB a fee of 5.50% per month of net collections received during the Initial Term and any Additional Term (the "Base Fee"). Net collections shall be defined as the total sum of all monies collected by AMB, or by CLIENT, for all services rendered by CLIENT after the Effective Date, during the Initial Term or any Additional Term of this Agreement. The parties agree that some direct payments will be made to CLIENT during the term of this Agreement (hereafter "Direct Payments") and CLIENT acknowledges that AMB is entitled to be

paid its fee, as described herein, with respect to any such Direct Payments. CLIENT shall report all such Direct Payments to AMB within 72 hours of receiving said payment.

**5. Computer Hardware, Software, and Training.** To implement the Services, CLIENT has requested, and AMB has agreed to provide, the following necessary computer hardware, software, equipment, and training (hereafter collectively the “Equipment”) for the following agreed upon prices:

- a. ESO Subscription \$ 9,685.00
- b. Billing Interface \$595.00
- c. 8 Getac V110’s \$20,000.00
- d. Training \$2,500.00

Total Charge for Equipment: \$32,780.00

If this Agreement is terminated by CLIENT, or AMB, for any reason, prior to the completion of the Initial Term, CLIENT shall pay AMB the pro-rata portion of the Total Charge for Equipment that represents the pro-rata portion of the Initial Term that is not completed due to termination (hereafter the “Pro Rata Charge for Equipment”). By way of example, if CLIENT terminates this Agreement, for whatever reason, after 19 months, CLIENT shall owe and shall pay AMB the Pro Rata Charge for Equipment which shall be equal to 17/36ths of the Total Charge for Equipment, upon termination. CLIENT specifically agrees and acknowledges that it shall have no right to return the Equipment, or any portion of the Equipment, to AMB for a full or partial credit towards the Total Charge for Equipment owed by CLIENT to AMB.

If CLIENT fulfills its obligations as described herein, including its obligation to pay for all Base Fees as described herein, and the Agreement is not terminated prior to the expiration of the Initial Term, CLIENT shall owe no additional amount to AMB for the Equipment.

**6. Payment of Fees to AMB.** AMB shall send an invoice to CLIENT for all Base Fees, any Pro Rata Charge for Equipment due and owing, and any other charges, as provided for herein, on or about the 10<sup>th</sup> day of each month following the close of business for the prior month (hereafter “Invoice”). Payment is due, and CLIENT shall pay, the Invoice upon receipt. Any Invoice, or part of any Invoice, that is not paid by CLIENT within thirty (30) days, shall accrue and CLIENT shall pay interest, at the rate of 1.5% per month until paid.

CLIENT agrees to carefully review each Invoice upon receipt, and CLIENT shall notify AMB in writing with respect to any charges that are disputed within thirty (30) days of receiving each Invoice. All charges on any Invoice that are not disputed in writing by CLIENT within thirty (30) days of receipt of said Invoice, along with all accrued interest charges, shall be deemed correct, final and non-modifiable by the parties (hereafter “Undisputed Charges”).

CLIENT agrees to, and hereby does, grant AMB a lien on all money received on behalf of CLIENT, as a result of the Services provided by AMB, up to the amount of any Undisputed Charges.

Should CLIENT fail to pay AMB for any Undisputed Charges within sixty (60) days of receipt of any Invoice, Client hereby authorizes and directs AMB to take all lawful action necessary to access, withhold, and retain sufficient sums for payment to AMB of all Undisputed Charges from money paid on behalf of CLIENT from payment transactions on patient accounts, whether from insurance companies, governmental payers, or patients. AMB shall have the right, but not the obligation, to take such steps as allowed herein, and AMB does not waive the right to take any steps it is allowed to take hereby by refraining from immediately taking such steps. Without limiting the foregoing, CLIENT specifically authorizes and directs AMB to change all "remit to" addresses in connection with all billing to direct all patient and/or third party payments to AMB, rather than CLIENT. Upon receipt, AMB is authorized and directed to retain such sums as are necessary to pay itself for all Undisputed Charges. AMB shall provide a full and complete accounting to CLIENT of all payments remitted to AMB on behalf of CLIENT, and AMB shall promptly remit to CLIENT all money remitted to AMB, net of any money retained and applied towards Undisputed Charges owed to AMB.

**7. Bank Account and Treasury Process** A bank account or lockbox account will be maintained in the name of CLIENT at a bank approved by CLIENT (hereafter the "Bank Account"). Except under the limited circumstances described in numerical paragraph 6 whereby AMB is authorized and directed to change the "remit to" address on remittances due to CLIENT'S failure to pay Undisputed Charges, AMB shall cause all cash receipts, remittances, electronic transfers, and payments of any kind to be directed into the Bank Account, at the election of the CLIENT. AMB will have no signatory or ownership rights in the bank account and will have no right to negotiate or assert ownership rights in deposited funds or to checks made payable to CLIENT. CLIENT shall be responsible for all bank charges, and AMB shall have no responsibility or liability for any bank errors or omissions.

**8. Operating Procedures.** CLIENT agrees and acknowledges that in order for AMB to provide the Services contemplated hereby, CLIENT must provide, or cause facilities, hospitals, or other third-party sites at which CLIENT provides services, to provide to AMB accurate and complete demographic information required by AMB, at no cost to AMB (hereafter the "Demographic Information"). CLIENT acknowledges that AMB will necessarily rely on the Demographic Information in providing the Services contemplated hereby, and that the timing and amount of reimbursements and ultimately Net Collections generated by AMB and received by CLIENT is directly related to the completeness, timeliness and accuracy of the Demographic Information and other variables, some of which are beyond the control of AMB.

AMB will bill and attempt to collect CLIENT charges in a timely manner and in a manner consistent with all applicable Federal, State and Local laws and regulations and in a manner consistent with the

policies and procedures of third party payers that are made known by such payers to medical practices and billing companies or otherwise known by AMB.

The parties may, from time to time, mutually agree to specific lawful and appropriate operating policies and procedures related to the performance of Services under this Agreement. Any such operating policies and procedures, or amendments thereto, will, upon mutual written and signed agreement, become an integral part of this Agreement and shall be binding upon both parties.

**9. Cash Flow Ramp Up.** AMB acknowledges that maintaining adequate cash flow for CLIENT is an important part of the relationship between CLIENT and AMB, and AMB will use its good-faith, best efforts to maximize CLIENT'S cash flow. CLIENT acknowledges that its cash flow is affected by many things, including its run volume, which are out of AMB'S control. CLIENT agrees and acknowledges that AMB has explained that it will diligently begin billing, re-billing, and following up on CLIENT'S claims as of the Effective Date. CLIENT further acknowledges that it understands that, unless a separate written agreement is entered into, AMB has not agreed to provide Services with respect to CLIENT'S Legacy Claims, and it is vitally important to CLIENT'S cash flow that CLIENT or some other third party continue to re-bill and follow up with respect to its Legacy Claims. CLIENT acknowledges that in order for cash flow to remain at levels comparable to that which existed pre-Effective Date, it is vitally important for CLIENT to continue to diligently bill, re-bill, and follow up with all Legacy Claims with the same effort, timeliness, and manpower as before the Effective Date.

**10. Confidentiality.** AMB agrees not to disclose to anyone other than CLIENT any information about CLIENT'S business, fee structure, internal compensation, operating practices and procedures, methods, managed care or facility contracting strategies, or similar business information that would commonly be understood to be confidential or any confidential medical information regarding CLIENT'S patients received in the course of performing the Services (CLIENT'S "Confidential Information"), except as required to bill charges, as legally required, or as otherwise provided herein.

CLIENT agrees that it will not disclose to third parties information about AMB'S business, fee structure, strategies, internal compensation, operating practices, procedures, protocols, methods, vendors, computer hardware and proprietary software utilized, and resulting or related processes employed by AMB to provide the Services (AMB'S "Confidential Information").

Each party's Confidential Information shall remain the property of that party, during and after this Agreement. Both parties shall, at all times, have in force a signed Confidentiality Agreement executed by each full time and part time employee, independent contractor, consultant and vendor that requires CLIENT'S Confidential Information and AMB'S Confidential Information to be maintained and protected as set forth herein, which said Confidentiality Agreement(s) shall survive the expiration or termination of this Agreement. Both parties shall comply with, and assist the other with compliance with applicable state or federal confidentiality requirements as to individual patient information. Notwith-

standing the foregoing, CLIENT agrees that AMB may use CLIENT information for research and statistical compilation purposes so long as CLIENT and patient identifying information is kept confidential in accordance with applicable law.

**11. Software and Proprietary Information.** AMB will at all times during the term of this Agreement, have a valid and current copy of and license for use of any third party billing software used to provide the Services required hereunder, and CLIENT will be given timely notice of any changes in third party software vendors or systems to the extent those changes would materially affect the Services. The parties agree that AMB may store Demographic Information, back-up documentation, statements, explanations of benefits, payer inquiries and other information it receives in connection with the Services (“CLIENT Information”) in electronic form through optical scanning or other technologies selected by AMB and that AMB is not obligated to maintain paper copies. AMB will at all times maintain a current and complete copy of all CLIENT Information in a secure, off-site location and that no CLIENT data shall be deleted or purged unless a period of seven years has passed since the date services were provided by CLIENT or CLIENT gives written approval of such data deletion.

It is specifically acknowledged that all CLIENT data is the property of CLIENT but that AMB may maintain a copy for documentation of Services and for other purposes relating to this Agreement during and after the term of this Agreement.

**12. Termination.** This Agreement can be terminated by CLIENT at any time with 90 days written notice for any reason. In the event this Agreement is terminated, for whatever reason, or expires, the parties agree as follows:

- a) AMB shall continue to perform Services, and be entitled to the Base Fees set forth herein, for a period of one hundred twenty (120) days after the effective date of termination (hereafter “Wind Down Period”) for all of CLIENT’s charges for services rendered prior to the termination date (hereafter “Wind Down Fees”).
- b) In the event the Agreement is terminated before the expiration of the Initial Term, CLIENT shall pay AMB for the pro rata portion of the Equipment as is due and owing under paragraph 5 herein.
- c) CLIENT expressly agrees to cooperate and assist AMB with its performance during the Wind Down Period and will timely report, or cause to be reported, all payment received during the Wind Down Period.
- d) AMB shall discontinue performing Services for CLIENT at the end of the Wind Down Period. CLIENT shall have no right to require the discontinuation of Services before the completion of the Wind Down Period.

- e) AMB shall deliver to CLIENT, conditioned upon full payment to AMB of all Undisputed Charges, a complete list of the existing accounts receivable (all debit and credit balances) in an industry standard electronic format, including data layout and/or translation tables.
- f) Except for the foregoing, AMB shall have no further obligation to provide any Services after the effective date of termination, except for any additional services specifically agreed to be provided by AMB.

**13. Non-Employment.** During the term of this Agreement and for a one year period commencing with the termination of this Agreement, both parties agree not to employ, directly or indirectly, or through any third party rendering services on behalf of such party, any employees of the other or its parent, affiliates or subsidiaries, without written consent of the other party. Both parties agree that the other party does not have an adequate remedy at law to protect its rights under this section and agree that the non-defaulting party will have the right to injunctive relief from any violation or threatened violation of this section.

**14. Notice.** Any notices, payment, demand or communication required or permitted to be given herein shall be sent to the following:

If to AMB:	If to CLIENT:
Ambulance Medical Billing	_____
Attn: Bill Harrod	_____
100 Fulton Court	_____
Paducah KY 42002-9200	_____

**15. Governing Law and Jurisdiction.** This Agreement shall be interpreted and governed by the laws of the Commonwealth of Kentucky. In the event of any dispute or disagreement between CLIENT and AMB, the sole and exclusive venue and jurisdiction shall be in the McCracken Circuit Court, McCracken County, Kentucky.

**16. Indemnification.** AMB will indemnify, defend (including providing a legal defense and paying all reasonable attorney’s fees and reasonable litigation expenses) and hold harmless, CLIENT, its officers, directors, shareholders, employees and contractors, against any claims, damages, or liability (including but not limited to any claims, judgments, causes of action, fines, penalties, attorneys’ fees, litigation costs and/or damages) arising out of AMB’s failure to comply with this Agreement, or its negligence and/or intentional acts which cause damages in performing its duties and obligations hereunder.

CLIENT will indemnify, defend (including providing a legal defense and paying all reasonable attorney's fees and reasonable litigation expenses) and hold harmless, AMB, its officers, directors, shareholders, employees and contractors, against any claims, damages, or liability (including but not limited to any claims, judgments, causes of action, fines, penalties, attorneys' fees, litigation costs and/or damages) arising out of CLIENT'S failure to comply with this Agreement, or its negligence and/or its intentional acts which cause damages in performing its duties and obligations hereunder.

**17. Independent Contractors.** The parties to this Agreement are independent contractors and nothing herein shall be construed to create an employment relationship between either party or its members.

**18. Insurance.** AMB affirms that at all times during the term(s) of this Agreement, it shall have in force valid Worker's Compensation insurance covering all of its employees, as well as General Liability Insurance with a policy limit of no less than \$500,000, and Errors and Omissions insurance coverage with a policy limit of no less than \$3,000,000. AMB shall give CLIENT timely notice of the cancellation or lapse of any of the above policies.

**19. Inspection.** CLIENT, its agents and representatives, shall at all times during the term of this Agreement have reasonable access, during regular business hours, to review and inspect the location(s) where the services are performed upon seven (7) days advance written notice to AMB. Any inspection performed shall be subject to the confidentiality provisions of this Agreement and shall be conducted so as not to disrupt AMB's staff or business. AMB shall not unreasonably deny, restrict or delay access for any requested inspection. In the event that CLIENT engages the services of an outside party to conduct or assist in any inspection, CLIENT shall ensure that all other parties are bound by a Confidentiality Agreement identical to the one applicable to the parties to this Agreement.

**20. Force Majeur.** Time is of the essence in the performance of the duties required by each party hereunder. However, performance of duties hereunder may be impeded by occurrences beyond the control of one or both parties. Events such as flood, earthquake, hurricane, tornado, blizzard, fire, riot, war, insurrection, or civil disturbance, strikes by common carriers, extended loss (more than 48 hours) of utilities (except for non-payment), and similar events shall excuse the affected party from performance of services impeded by such event(s). Nevertheless, each party has a duty to use reasonable efforts to prevent or mitigate such impediments. In the event that any catastrophe shall prevent the timely billing of CLIENT's services by AMB for more than fifteen (15) working days, CLIENT shall have the right to secure, without penalty, substitute services until AMB can restore services, at which time AMB's responsibilities and rights under this Agreement shall be reinstated. For its protection, CLIENT shall, at its own expense, purchase and maintain business interruption and/or accounts receivable insurance coverage to cover any such catastrophic event, as stated above.

**21. Miscellaneous.**

- a) This Agreement contains the entire agreement between the parties relative to the Services to be provided to CLIENT and no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied in the Agreement will be of any force or effect.
- b) This Agreement specifically supersedes any prior written or oral agreements between the parties relating to the provisions of the Services, and any amendments or changes to this Agreement must be in writing, and signed by both CLIENT and AMB to be effective..
- c) This Agreement is binding upon, and inures to the benefit of and is enforceable by AMB, CLIENT and their respective legal representatives, assigns and successors in interest, subject to Section 20 (d) below.
- d) Neither party may assign this Agreement without the prior written consent of the other party, provided that this Agreement will be deemed assigned to, and will be binding upon, the survivor in any merger or business combination involving a party or the purchaser of all or substantially all of the assets of a party.
- e) In the event CLIENT fails to comply with the terms of this Agreement, including but not limited to CLIENT'S failure to pay AMB'S fees when due, CLIENT shall pay all costs for collection including court costs, attorney fees, and collection agency contingency percentages of not less than 35% to be added to the principle balance as a collection charge immediately upon default and referral of the account to the collection agency of AMB's choice.
- f) AMB and CLIENT acknowledge that they are duly authorized by appropriate corporate action to enter into this Agreement and that this Agreement is being signed by duly authorized agents authorized to act on their respective behalf.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed.

CLIENT

AMB

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **ADDENDUM 1: RESPONSIBILITIES OF EACH PARTY**

**In order to comply with the Agreement, and to perform the Services contemplated thereunder, AMB shall do the following:**

1. Provide coding of all encounters generated by CLIENT, as required by third party payers, inclusive of, but not limited to HCPCS, ICD-9 CM, and ICD-10 coding schemes.
2. Issue bills to individuals for all self-pay patients with a minimum 2 statements and 1 script letter (COLLECTION NOTICE). CLIENT will be given limited discretion regarding the wording to appear on bills and letters.
3. Regularly monitor services and volume(s) with detailed, encounter/run audits, reconciled to applicable service, encounter and activity records/logs, for at least twelve (12) individual months in Year 1 of this agreement and three (3) month per year thereafter. The goal of monitoring is to assure that greater than 98% of all billable services are processed for billing. In the event that an audit reveals that less than 98% of all billable services are billed, corrective steps will be taken and monthly audits will be performed until 98% reconciliation is achieved. CLIENT, at its' own expense, may conduct additional audits at any time.
4. If required, develop and maintain electronic data interfaces directly with CLIENT'S hospital service sites (where such sites allow) for the collection of patient demographic data. CLIENT agrees to apply its best efforts to assist AMB in achieving these interfaces, including, but not limited to interacting with hospital Information Systems staff, Administration and others.
5. Use reasonable efforts to accurately enter procedural and demographic data necessary for patient and third party billing into its billing system, within three (3) business days of receipt, subject to CLIENT's obligation under the Agreement to provide accurate and complete Demographic Information.
6. Issue initial billing to patients and/or third parties no more than seven (7) business days after receiving all required information.
7. Submit claims electronically to all third party payers capable of accepting claims in electronic format.
8. Prepare and deliver month-end reports of the billing performance and practice statistics no later than the tenth (10th) business day of the next month. This duty may be fulfilled by electronic and/or paper reports.

9. Produce monthly credit balance reports and advise the CLIENT of refunds due to both patients and third parties.
10. Provide toll free phone lines for patient inquiries and adequate phone inquiry staff to effectively respond to patients in a reasonable amount of time.
11. Use reasonable efforts to advise CLIENT of any material change in third party rules and regulations which are made known to providers and third party billing agents or otherwise known to AMB.

**CLIENT, to support the billing process and to facilitate optimal performance by AMB, shall do the following:**

1. Identify one administrative and one clinical representative to whom AMB may, respectively, address all matters related to Services under this Agreement. If AMB or its selected vendor performs coding for CLIENT, CLIENT will also appoint a coding representative. All CLIENT representatives will have the power to agree, on behalf of CLIENT, to mutually agreed resolutions to any issues arising in their respective areas, and upon AMB's request, receive confirmatory memoranda or letters, which will thereupon be incorporated into this Agreement by reference. These individuals appointed by CLIENT will provide timely response to all reasonable requests by AMB.
2. CLIENT warrants that AMB may rely on the existence of patient signatures on assignment of benefits, medical information releases and Advance Beneficiary Notices, and physician signatures on charts and other medical documents, as required for submission of claims on behalf of CLIENT.
3. CLIENT will assist AMB in working with and/or resolving problems related to work performed by personnel employed by hospitals, labs and other institutions in order to achieve the goals of this Agreement and the provision of Services by AMB in an efficient and cost-effective manner.
4. CLIENT will provide AMB with timely notice at least sixty [60] days prior to the expected addition or reduction of services so that AMB has adequate time to perform its duties under the Agreement. AMB will not be responsible for losses or delays in payment resulting from untimely notice.
5. It is the mutual goal of CLIENT and AMB to conduct all billing in a compliant manner. CLIENT will establish and enforce and AMB will follow written billing policies and procedures for the practice that will serve as the foundation of a practice Compliance Program for CLIENT and AMB. These billing policies and procedures will be developed and amended, as needed, in concert with AMB's Compliance Staff and AMB's Compliance Plan, as described in the Agreement, and shall be consistent with AMB's Compliance Plan.
6. CLIENT will respond, within five (5) business days, to any documentation requests, made by payers and/or AMB, and forwarded from AMB.

7. Upon receipt of the requisite research and worksheets from AMB, CLIENT will timely issue refunds of overpayments to patients and payers and shall be responsible for reconciliation of the refund checking account to assure that all refund checks have been cashed. CLIENT shall promptly notify AMB of the receipt of cancelled checks upon which AMB shall rely to remove credit balances from CLIENT's accounts receivable files. CLIENT shall be solely responsible for monitoring and surrendering unclaimed funds to the Treasurer of the State having escheat jurisdiction over any unclaimed payments.
8. CLIENT shall be responsible for assuring that all information required for CLIENT enrollment, if performed by AMB, is provided timely, accurately and completely. AMB shall not be responsible for delays in provider enrollment and subsequent billing and payment delays or losses related to delayed response by CLIENT.
9. CLIENT shall give AMB timely advance notice of any new payment contracts, HMO or PPO relationships and other contracts or market changes so that AMB may accommodate these changes, as necessary.

## ADDENDUM 2: COMPLIANCE

Both parties to this Agreement agree to, and have represented to each other that they do, perform their respective business activities in a manner consistent with all federal, state, and local laws and regulations. As part of the inducement, each to the other, to enter into this Agreement, both parties have represented that they do, and will continue to operate consistent with and fully comply with their respective Corporate Compliance Plans, to the extent that such plans have been adopted. To the extent that no such Plan has been adopted, both parties agree to the following:

1. Each party will conduct its own periodic risk assessment and advise the other party to this Agreement of any findings that may affect that other party's compliance or performance under this Agreement.
2. Both parties agree that the other party hereto may review its Compliance Program upon request.
3. Both parties agree to conduct appropriate background checks on all employees, prospective employees, contractors, agents and vendors to assure that all services are provided by individuals who have not been excluded by any governmental authority, or should be excluded by any governmental authority.
4. Both parties agrees to maintain appropriate compliance records and assure the completeness and security of said records.
5. Both parties agree to scrupulously and diligently comply with the rules and regulations related to the following areas of widely known compliance risk:
  - a) Improper waiver of charges, deductibles and copayments;
  - b) Upcoding, unbundling, serial reporting and other coding violations;
  - c) Misuse of a provider number or misrepresentation of the identity of a provider of services;
  - d) Failure to repay overpayments or failure to timely refund overpayments;
  - e) Seeking duplicate payment for the same service and/or from the same source;
  - f) Failure to maintain proper records of current and prior billing;
  - g) Failure to protect the confidentiality of patient information;
6. Both parties agree that, in the event that they become aware of a compliance concern that appears to be related to the other party's conduct, they will promptly communicate that concern to the other party in writing. The party receiving notice will take prompt action to investigate the concern and will timely (within 30 days) report back to the other party, in writing, their response to the reported concern.
7. Both parties specifically agrees that they will defer reporting any such concern to any payer, govern-

mental agency or agent, or law enforcement organization until they have complied with the above paragraph and remain concerned that the other party's response is inappropriate or more than thirty (30) days has elapsed without any response. Both parties agree that only in cases where a party has firm, credible evidence of deliberate, willful or criminal misconduct will they immediately report concerns to anyone other than the other party.

8. Nothing herein shall be construed to infer or imply a duty or expectation that any party will knowingly conceal or participate in any misconduct, or allow any misconduct to continue.
9. It is expressly agreed that AMB has the right and duty to suspend and refuse submission of any and all claims that AMB reasonably believes are, or may be, improper and would subject CLIENT or AMB to compliance violations. AMB has the duty to provide reasonable and timely notice to CLIENT of such suspension and to make reasonable and timely efforts to resolve the issue or concern leading to the suspension of claim submission. In the event that investigation is required to resolve the suspension, each party agrees to cooperate in such investigation.
10. Each party agrees to be separately responsible for their respective compliance-related legal and consulting expenses.
11. AMB shall provide CLIENT with a copy of the yearly SOC1 report completed by a third party independent auditor.

## LEGACY ACCOUNTS AGREEMENT

This contract is made between; White County EMS("CLIENT"), and Credit Bureau Systems, Inc. d/b/a Ambulance Medical Billing and Medical Accounts Receivable Systems ("AMB-MARS") and related to collection accounts receivable prior to 'Effective Date' as noted in the AMB SERVICE AGREEMENT entered into \_\_\_\_\_.

- 1) Upon receipt of either an electronic file or detailed printout of the patient balance record[s], AMB-MARS will load the account demographic and balance information into a database and file claims, perform follow-up, issue patient statements and post insurance payments as outlined in AMB SERVICE AGREEMENT.
- 2) Payments will be directed to AMB-MARS and will be posted to the balance due by AMB-MARS.
- 3) Client agrees to pay CONTRACTOR 18% of all funds collected for dates of service prior to the 'Effective Date' and; recovered by AMB-MARS.
- 4) All terms, conditions, promises, covenants and fees contained in the Agreement shall continue to apply as originally written and agreed upon.

White County EMS

BY: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

AMB-MARS

BY: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## SUBSCRIPTION AGREEMENT

This Subscription Agreement (the "*Agreement*") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ ("*Effective Date*") by and between ESO SOLUTIONS, INC., a Texas corporation with its principal place of business at 9020 N Capital of Texas Highway, Building II-300, Austin, Texas 78759 ("*ESO*"), and White County EMS, with its principal place of business at 280 Medic Drive Sparta, Tennessee 38583-5990 ("*Customer*") (each a "*Party*" and collectively the "*Parties*").

WHEREAS, ESO is in the business of providing software services (the "*Services*") to businesses and municipalities; and

WHEREAS, Customer desires to obtain these Services from ESO, all upon the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the agreement made, and the payments to be made by Customer, the Parties mutually agree to the following:

1. **Services.** ESO agrees to provide Customer the Services selected by Customer on Exhibit A attached hereto and incorporated by reference herein. Customer agrees that Services purchased hereunder are neither contingent on the delivery of any future functionality or future features, nor dependent on any oral or written public comments made by ESO regarding future functionality or future features.
2. **Term.** The Term of this Agreement shall commence on the Effective Date and shall terminate one year after the Effective Date ("*Initial Term*"). THE AGREEMENT SHALL AUTOMATICALLY RENEW FOR SUCCESSIVE RENEWAL TERMS OF ONE YEAR, UNLESS ONE PARTY GIVES THE OTHER PARTY WRITTEN NOTICE THAT THE AGREEMENT WILL NOT RENEW, AT LEAST THIRTY (30) DAYS PRIOR TO THE END OF THE CURRENT TERM.
3. **Subscription Fees, Invoices and Payment Terms.**
  - a. **Subscription Fees.** Customer has chosen to have Credit Bureau Systems dba Ambulance Medical Billing with its principal place of business at 100 Fulton Court, Paducah, Kentucky 42002 ("*Billing Agent*") pay all or a portion of the fees for the Services on its behalf as indicated in Exhibit A (the "*Subscription Fees*"). In the event Billing Agent does not pay the Subscription Fees on behalf of Customer, and Customer chooses to continue receiving Services, then Customer shall be responsible for any outstanding fees. ESO may evaluate Customer's usage and adjust Billing Agent's invoice based on changes in Customer usage as indicated in Exhibit A. ESO shall have the option to increase pricing, except during the Initial Term, as long as it provides at least sixty (60) days' notice of such increase to Billing Agent prior to automatic renewal under Section 2 above.
  - b. **Payment of Invoices.** Customer shall pay the full amount of invoices within thirty (30) days of receipt (the "*Due Date*"). Customer is responsible for providing complete and accurate billing and contact information to ESO and to notify ESO of any changes to such information.
  - c. **Disputed Invoices.** If Customer in good faith disputes a portion of an invoice, Customer shall remit to ESO, by the Due Date, full payment of the undisputed portion of the invoice. In addition, Customer must submit written documentation: (i) identifying the disputed amount, (ii) an explanation as to why the Customer believes this amount is incorrect, (iii) what the correct amount should be, and (iv) written evidence supporting Customer's claim. If Customer does not notify ESO of a disputed invoice by the Due Date, Customer shall have waived its right to dispute that invoice. Any disputed amounts determined by ESO to be payable shall be due within ten (10) days of such determination.
4. **Termination.**
  - a. **Termination by Customer for ESO Default.** If ESO fails to perform a material obligation under this Agreement and does not remedy such failure within thirty (30) days following written notice from Customer ("*ESO Default*"), Customer may terminate this Agreement without incurring further liability, except for the payment of all accrued but unpaid Subscription Fees. If ESO is unable to provide Service(s) for ninety (90) consecutive days due to a Force Majeure event as defined in Section 16a, *Force Majeure*, Customer may terminate the affected Service(s) without liability to ESO.
  - b. **Termination by ESO for Customer Default.** ESO may terminate this Agreement with no further liability if (i) Customer fails to pay for Services as required by this Agreement and such failure remains uncorrected for five (5) days following written notice from ESO, or (ii) Customer fails to perform any other material obligation under this Agreement and does not remedy such failure within thirty (30) days following written notice from ESO (collectively referred to as "*Customer Default*"). In the event of a Customer Default, ESO shall have the right to (i) terminate this Agreement; (ii) suspend all Services being provided to Customer; (iii) terminate the right to use the Software on the web and/or mobile devices; (iv) apply interest to the amount past due, at the rate of one and one-half percent (1½%) (or the maximum legal rate, if less) of the unpaid amount per month; (v) offset any amounts that are owed to Customer by ESO against the past due amount then owed to ESO; and/or (vi) take any action in connection with any other right or remedy ESO may have under this Agreement, at law or in equity. If ESO terminates this Agreement due to a Customer Default, Customer shall remain liable for all accrued Subscription Fees and other charges. In addition, Customer agrees to pay ESO's reasonable expenses (including attorney and collection fees) incurred in enforcing ESO's rights in the event of a Customer Default.
  - c. **Termination by Customer for Convenience.** Customer may terminate this Agreement for any or no reason with ninety (90) days prior written notice to ESO.

- 5. Delivery of Data upon Expiration or Termination of Agreement.** If Customer requests its data within thirty (30) days of expiration of this Agreement, or the termination of this Agreement pursuant to Section 4 above, ESO shall deliver to Customer its data. ESO shall make reasonable and good faith efforts to accommodate Customer's preference for the type of media for delivery. Customer shall reimburse ESO for the cost of the media on which Customer's data is delivered to Customer.
- 6. System Maintenance.** In the event ESO determines that it is necessary to interrupt the Services or that there is a potential for Services to be interrupted for the performance of system maintenance, ESO will use good-faith efforts to notify Customer prior to the performance of such maintenance and will schedule such maintenance during non-peak hours (midnight to 6 a.m. Central Standard Time). In no event shall interruption of Services for system maintenance constitute a failure of performance by ESO.
- 7. Access to Internet.** Customer has sole responsibility for obtaining, maintaining, and securing its connections to the Internet, and ESO makes no representations to Customer regarding the reliability, performance or security of any particular network or provider.
- 8. Mobile Software.** If Customer elects to use ESO's Mobile Software (the "*Software*"), the provisions of this Section shall apply.
- a. Use of Software.** Subject to the terms, conditions and restrictions in this Agreement and in exchange for the Mobile Software Interface Fees and/or Subscription Fees, ESO hereby grants to Customer a non-exclusive, world-wide, non-transferable rights, for the Term of this Agreement, to use and copy (for installation and backup purposes only) the Software to the units for which the Mobile Software Interface has been purchased.
- b. Ownership and Restrictions.** This Agreement does not convey any rights of ownership in or title to the Software or any copies thereof. All right, title and interest in the Software and any copies or derivative works thereof shall remain the property of ESO. Customer will not: (i) disassemble, reverse engineer or modify the Software; (ii) allow any third party to use the Software; (iii) use the Software as a component in any product or service provided by Customer to a third party; (iv) transfer, sell, assign, or otherwise convey the Software; (v) remove any proprietary notices placed on or contained within the Software; or (vi) copy the Software except for backup purposes. Customer agrees to keep the Software free and clear of all claims, liens, and encumbrances.
- c. Mobile Software Interface Fee.** The Mobile Software Interface Fee is non-refundable. The Software shall be deemed accepted upon delivery to Customer.
- d. Title.** ESO hereby represents and warrants to Customer that ESO is the owner of the Software or otherwise has the right to grant to Customer the rights set forth in this Agreement. In the event of a breach or threatened breach of the foregoing representation and warranty, Customer's sole remedy shall be to require ESO to either: (i) procure, at ESO's expense, the right to use the Software, or (ii) replace the Software or any part thereof that is in breach and replace it with Software of comparable functionality that does not cause any breach.
- 9. Support and Updates.** During the Term of this Agreement, ESO shall provide Customer the support services and will meet the service levels as set forth in Exhibit B attached hereto and incorporated herein. ESO will also provide Updates to Customer, in accordance with Exhibit B.
- 10. Other Services.** Upon request by Customer, ESO may provide services related to the Software other than the standard support described above at ESO's then-current labor rates. This may include on-site consultation, configuration, and initial technical assistance and training for the purpose of installing the Software and training selected personnel on the use and support of the Software. ESO shall undertake reasonable efforts to accommodate any written request by Customer for such professional services.
- 11. Indemnification by Customer.** Customer will defend and indemnify ESO from any and all claims brought by third parties against ESO and will hold ESO harmless from all corresponding losses incurred by ESO arising out of or related to (i) Customer's misuse of the Services and/or Software, (ii) any services provided by Customer to third parties, or (iii) Customer's negligence, inaction or omission in connection with the services it provides to third parties.
- 12. Limitation of Liability.** NOTWITHSTANDING ANY OTHER PROVISION HEREOF, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, RELIANCE, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES (INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOST PROFITS, LOST REVENUES OR COST OF PURCHASING REPLACEMENT SERVICES) ARISING OUT OF OR RELATING TO THIS AGREEMENT. ADDITIONALLY, ESO SHALL NOT BE LIABLE TO CUSTOMER FOR ANY ACTUAL DAMAGES IN EXCESS OF THE AGGREGATE AMOUNT THAT ESO HAS, PRIOR TO SUCH TIME, COLLECTED FROM CUSTOMER WITH RESPECT TO SERVICES DELIVERED HEREUNDER. FURTHERMORE, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER, EITHER IN CONTRACT OR IN TORT, FOR PROTECTION FROM UNAUTHORIZED ACCESS OF CUSTOMER DATA OR FROM UNAUTHORIZED ACCESS TO OR ALTERATION, THEFT OR DESTRUCTION OF CUSTOMER DATA FILES, PROGRAMS, PROCEDURES OR INFORMATION, NOT CONTROLLED BY ESO, THROUGH ACCIDENT OR FRAUDULENT MEANS OR DEVICES. THIS SECTION SHALL SURVIVE ANY TERMINATION OR EXPIRATION OF THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THAT THIS LIMITATION OF LIABILITY WAS SPECIFICALLY BARGAINED FOR AND IS ACCEPTABLE TO CUSTOMER. FURTHER, EACH PARTY'S WILLINGNESS TO AGREE TO THE LIMITATIONS CONTAINED IN THIS SECTION WAS MATERIAL TO ENTERING INTO THIS AGREEMENT.

**13. Acknowledgements and Disclaimer of Warranties.** Customer acknowledges that ESO cannot guarantee that there will never be any outages in ESO network and that no credits shall be given in the event Customer's access to ESO's network is interrupted. THE SERVICES ARE PROVIDED "AS IS." UNLESS OTHERWISE SPECIFIED HEREIN, ESO MAKES NO REPRESENTATION OR WARRANTY TO CUSTOMER OR ANY OTHER PERSON OR ENTITY, WHETHER EXPRESS, IMPLIED OR STATUTORY, AS TO THE DESCRIPTION, QUALITY, MERCHANTABILITY, COMPLETENESS OR FITNESS FOR A PARTICULAR PURPOSE, OF ANY SERVICE OR SOFTWARE PROVIDED HEREUNDER OR DESCRIBED HEREIN, OR AS TO ANY OTHER MATTER (INCLUDING WITHOUT LIMITATION THAT THERE WILL BE NO IMPAIRMENT OF DATA OR THAT SERVICES WILL BE UNINTERRUPTED OR ERROR FREE), ALL OF WHICH WARRANTIES BY ESO ARE HEREBY EXCLUDED AND DISCLAIMED, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

**14. Confidential Information.** "Confidential Information" shall mean all information disclosed in writing by one Party to the other Party that is clearly marked "CONFIDENTIAL" or "PROPRIETARY" by the disclosing Party at the time of disclosure or which reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. Confidential Information does not include any information that (i) was already known by the receiving Party free of any obligation to keep it confidential at the time of its disclosure; (ii) becomes publicly known through no wrongful act of the receiving Party; (iii) is rightfully received from a third person without knowledge of any confidential obligation; (iv) is independently acquired or developed without violating any of the obligations under this Agreement; or (v) is approved for release by written authorization of the disclosing Party.

A recipient of Confidential Information shall not disclose the information to any person or entity except for the recipients and/or its employees, contractors and consultants who have a need to know such Confidential Information. The recipient may disclose Confidential Information pursuant to a judicial or governmental request, requirement or order; provided that the recipient shall take all reasonable steps to give prior notice to the disclosing Party.

Confidential Information shall not be disclosed to any third party without the prior written consent of the owner of the Confidential Information. The recipient shall use Confidential Information only for purposes of this Agreement and shall protect Confidential Information from disclosure using the same degree of care used to protect its own Confidential Information, but in no event less than a reasonable degree of care. Confidential Information shall remain the property of the disclosing Party and shall be returned to the disclosing Party or destroyed upon request of the disclosing Party. Because monetary damages may be insufficient in the event of a breach or threatened breach of the foregoing provisions, the affected Party may be entitled to seek an injunction or restraining order in addition to such other rights or remedies as may be available under this Agreement, at law or in equity, including but not limited to monetary damages.

**15. General Provisions.**

- a. **Force Majeure.** Neither Party shall be liable to the other, nor deemed in default under this Agreement if and to the extent that such Party's performance of this Agreement is delayed or prevented by reason of Force Majeure, which is defined to mean an event that is beyond the reasonable control of the affected Party and occurs without such Party's fault or negligence.
- b. **Entire Agreement.** This Agreement, including all schedules, exhibits, addenda and any Business Associate Agreement (as that term is used in the Health Insurance Portability and Accountability Act and related regulations) (*see Exhibit C*) are incorporated herein by reference, constitutes the entire agreement between the Parties and supersedes all prior and contemporaneous agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this agreement shall be effective unless in writing and signed by the Party against whom the modification, amendment or waiver is asserted.
- c. **Governing Law.** This Agreement shall be governed by the laws of the State of Texas without regard to choice or conflict of law rules.
- d. **Arbitration.** Any controversy or claim arising out of or relating to this Agreement, or a breach of this Agreement, shall be finally settled by arbitration in Austin, Texas, and shall be resolved under the laws of the State of Texas. The arbitration shall be conducted before a single arbitrator, who may be a private arbitrator, in accordance with the commercial rules and practices of the American Arbitration Association then in effect. Any award, order or judgment pursuant to such arbitration shall be deemed final and binding and may be enforced in any court of competent jurisdiction. The arbitrator may, as part of the arbitration award, permit the substantially prevailing Party to recover all or part of its attorney's fees and other out-of-pocket costs incurred in connection with such arbitration. All arbitration proceedings shall be conducted on a confidential basis. The Parties knowingly, voluntarily, and irrevocably waive their right to a trial by jury.
- e. **No Press Releases without Consent.** Neither Party may use the other Party's name or trademarks, nor issue any publicity or public statements concerning the other Party or the existence or content of this Agreement, without the other Party's prior written consent. Notwithstanding, Customer agrees that ESO may use Customer's name and logo in ESO sales presentations, without Customer's prior written consent, during the Term of this Agreement, but only for the purposes of identifying the Customer as a customer of ESO. Likewise, Customer may use ESO's name and logo to identify ESO as a vendor of Customer.

- f. Aggregate Data Reporting. Customer hereby grants ESO the right to collect and store its data for aggregate reporting purposes, but in no event shall ESO disclose Protected Health Information (“PHI”) unless permitted by law. Moreover, ESO will not identify Customer without Customer’s consent.
- g. Compliance with Laws. Both Parties shall comply with and give all notices required by all applicable federal, state and local laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the performance of this Agreement.
- h. Waiver. No failure or delay by either Party in exercising any right under this Agreement shall constitute a waiver of that right. If Customer has made any change to the Agreement that Customer did not bring to ESO’s attention in a way that is reasonably calculated to put ESO on notice of the change, the change shall not become part of the Agreement.
- i. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision shall be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement shall remain in effect.
- j. Taxes and Fees. This Agreement is exclusive of all taxes and fees. Unless otherwise required by law, Customer is responsible for and will remit (or will reimburse ESO for) all taxes of any kind, including sales, use, duty, customs, withholding, property, value-added, and other similar federal, state or local taxes (other than taxes based on ESO’s income) assessed in connection with the Services and/or Software provided to Customer under this Agreement.
- k. Independent Contractor. Nothing in this Agreement shall be construed to create: (i) a partnership, joint venture or other joint business relationship between the Parties or any of their affiliates; or (ii) a relationship of employer and employee between the Parties. ESO is an independent contractor and not an agent of Customer.
- l. Counterparts: Execution. This Agreement and any amendments hereto may be executed by the Parties individually or in any combination, in one or more counterparts, each of which shall be an original and all of which shall together constitute one and the same agreement. Execution and delivery of this Agreement and any amendments by the Parties shall be legally valid and effective through: (i) executing and delivering the paper copy of the document, (ii) transmitting the executed paper copy of the documents by facsimile transmission or electronic mail in “portable document format” (“*.pdf*”) or other electronically scanned format, or (iii) creating, generating, sending, receiving or storing by electronic means this Agreement and any amendments, the execution of which is accomplished through use of an electronic process and executed or adopted by a Party with the intent to execute this Agreement (i.e. “*electronic signature*” through a process such as DocuSign®). In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart executed by the Party against whom enforcement of this Agreement is sought.
- m. Notice. All notices, requests, demands and other communications required or permitted to be given or made under this Agreement shall be in writing, shall be effective upon receipt or attempted delivery, and shall be sent by (i) personal delivery; (ii) certified or registered United States mail, return receipt requested; (iii) overnight delivery service with proof of delivery, or (iv) fax. Notices shall be sent to the addresses above. No Party to this Agreement shall refuse delivery of any notice hereunder.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned expressly agree and warrant that they are authorized to sign and enter into this Agreement on behalf of the Party for which they sign and have executed this Agreement on the Effective Date first written above.

ESO:

CUSTOMER:

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[Signature]

Chris Dillie

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[Printed Name]

President and CEO

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[Title]

---

[Date]

---

[Signature]

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[Printed Name]

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[Title]

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[Date]

**EXHIBIT A**  
**SCHEDULE OF SUBSCRIPTION FEES**

Customer has selected and Billing Agent has agreed to pay for the following Services on behalf of Customer:

Product	Quantity
EHR Suite w/ QM & Mobile 2,500 - 3,750 Calls	1.00
Cardiac Monitor 2,500 - 3,750 Incidents	1.00
Billing Standard Interface 2,500 - 3,750 Incidents	1.00

**PAYMENT TERMS AND PAYMENT MILESTONES**

The subscription year for Services shall begin upon execution of the Subscription Agreement or upon the commencement of active work on software implementation, whichever date comes later. The Subscription Fees are invoiced annually in advance commencing upon execution of this Agreement.

**EXHIBIT B**  
**SUPPORT SERVICES AND SERVICE LEVELS**

This Exhibit describes the software support services (“*Support Services*”) that ESO will provide and the service levels that ESO will meet.

1. **Definitions.** Unless defined otherwise herein, capitalized terms used in this Exhibit shall have the same meaning as set forth in the Agreement.

- (a) “*Customer Service Representative*” shall be the person at ESO designated by ESO to receive notices of Errors encountered by Customer that Customer’s Administrator has been unable to resolve.
- (b) “*Error*” means any failure of the Software to conform in any material respect with its published specifications.
- (c) “*Error Correction*” means a bug fix, patch, or other modification or addition that brings the Software into material conformity with its published performance specifications.
- (d) “*Priority A Error*” means an Error that renders the Software inoperable or causes a complete failure of the Software.
- (e) “*Priority B Error*” means an Error that substantially degrades the performance of the Software or materially restricts Customer’s use of the Software.
- (f) “*Priority C Error*” means an Error that causes only a minor impact on Customer’s use of the Software.
- (g) “*Update*” means any new commercially available or deployable version of the Software, which may include Error Corrections, enhancements or other modifications, issued by ESO from time to time to its Customers.
- (h) “*Normal Business Hours*” means 7:00 am to 7:00 pm Monday through Friday, Central Time Zone.

2. **Customer Obligations.**

Customer will provide at least one administrative employee (the “*Administrator*” or “*Administrators*”) who will handle all requests for first-level support from Customer’s employees with respect to the Software. Such support is intended to be the “front line” for support and information about the Software to Customer’s employees. ESO will provide training, documentation, and materials to the Administrators to enable the Administrators to provide technical support to Customer’s employees. The Administrators will refer any Errors to ESO’s Customer Service Representative that the Administrators cannot resolve, pursuant to Section 3 below; and the Administrators will assist ESO in gathering information to enable ESO to identify problems with respect to reported Errors.

3. **Support Services.**

- (a) *Scope.* As further described herein, the Support Services consist of: (i) Error Corrections that the Administrator is unable to resolve and (ii) periodic delivery of Error Corrections and Updates. The Support Services will be available to Customer during normal business hours, to the extent practicable. Priority A Errors encountered outside normal business hours may be communicated to the Customer Service Representative via telephone or email. Priority B and C Errors encountered outside normal business hours shall be communicated via email.
- (b) *Procedure.*
  - (i) *Report of Error.* In reporting any Error, the Customer’s Administrator will describe to ESO’s Customer Service Representative the Error in reasonable detail and the circumstances under which the Error occurred or is occurring; the Administrator will initially classify the Error as a Priority A, B or C Error. ESO reserves the right to reclassify the Priority of the Error.
  - (ii) *Efforts Required.* ESO shall exercise commercially reasonable efforts to correct any Error reported by the Administrator in accordance with the priority level assigned to such Error by the Administrator. Errors shall be communicated to ESO’s Customer Service Representative after hours as indicated below, depending on the priority level of the Error. In the event of an Error, ESO will within the time periods set forth below, depending upon the priority level of the Error, commence verification of the Error; and, upon verification, will commence Error Correction. ESO will work diligently to verify the Error and, once an Error has been verified, and until an Error Correction has been provided to the Administrator, shall use commercially reasonable, diligent efforts to provide a workaround for the Error as soon as reasonably practicable. ESO will provide the Administrator with periodic reports on the status of the Error Correction on the frequency as indicated below.

Priority of Error	Communicating Error to ESO outside Normal Business Hours	Time in Which ESO Will Commence Verification	Frequency of Periodic Status Reports
Priority A	Telephone or email	Within 8 hours of notification	Every 4 hours until resolved
Priority B	Email	Within 1 business day of notification	Every 6 hours until resolved

Priority C	Email	Within two calendar weeks of notification	Every week until resolved
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4. **ESO Server Administration.**

ESO is responsible for maintenance of Server hardware. Server administration includes:

- (a) Monitoring and Response
- (b) Service Availability Monitoring
- (c) Backups
- (d) Maintenance
  - (i) Microsoft Patch Management
  - (ii) Security patches to supported applications and related components
  - (iii) Event Log Monitoring
  - (iv) Log File Maintenance
  - (v) Drive Space Monitoring
- (e) Security
- (f) Virus Definition & Prevention
- (g) Firewall

**EXHIBIT C**  
**BUSINESS ASSOCIATE AGREEMENT**

This Business Associate Agreement (“*Agreement*”) is entered into by and between ESO Solutions, Inc. (“*Vendor*”), a Texas corporation, and Customer (“*Covered Entity*”), as of the Effective Date of the Subscription Agreement, for the purpose of setting forth Business Associate Agreement terms between Covered Entity and Vendor. Covered Entity and Vendor each are referred to as a “*Party*” and collectively as the “*Parties*.” This Agreement shall commence on the Effective Date set forth above.

**WHEREAS**, Covered Entity, owns, operates, manages, performs services for, otherwise are affiliated with or are themselves a Covered Entity as defined in the federal regulations at 45 C.F.R. Parts 160 and 164 (the “*Privacy Standards*”) promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (“*HIPAA*”) and the Health Information Technology for Economic and Clinical Health Act of 2009 (“*HITECH*”);

**WHEREAS**, pursuant to HIPAA and HITECH, the U.S. Department of Health & Human Services (“*HHS*”) promulgated the Privacy Standards and the security standards at 45 C.F.R. Parts 160 and 164 (the “*Security Standards*”) requiring certain individuals and entities subject to the Privacy Standards and/or the Security Standards to protect the privacy and security of certain individually identifiable health information (“*Protected Health Information*” or “*PHI*”), including electronic protected health information (“*EPHI*”);

**WHEREAS**, the Parties wish to comply with Privacy Standards and Security Standards as amended by the HHS regulations promulgated on January 25, 2013, entitled the “Modifications to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules Under the Health Information Technology for Economic and Clinical Health Act and the Genetic Information Nondiscrimination Act,” as such may be revised or amended by HHS from time to time;

**WHEREAS**, in connection with Vendor’s performance under its agreement(s) or other documented arrangements between Vendor and Covered Entity, whether in effect as of the Effective Date or which become effective at any time during the term of this Agreement (collectively “*Business Arrangements*”), Vendor may provide services for, or on behalf of, Covered Entity that require Vendor to use, disclose, receive, access, create, maintain and/or transmit health information that is protected by state and/or federal law; and

**WHEREAS**, Vendor and Covered Entity desire that Vendor obtain access to PHI and EPHI in accordance with the terms specified herein;

**NOW, THEREFORE**, in consideration of the mutual promises set forth in this Agreement and the Business Arrangements, and other good and valuable consideration, the sufficiency and receipt of which are hereby severally acknowledged, the Parties agree as follows:

**1. Vendor Obligations.**

In accordance with this Agreement and the Business Arrangements, Vendor may use, disclose, access, create, maintain, transmit, and/or receive on behalf of Covered Entity health information that is protected under applicable state and/or federal law, including without limitation, PHI and EPHI. All capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in the regulations promulgated by HHS in accordance with HIPAA and HITECH, including the Privacy Standards and Security Standards (collectively referred to hereinafter as the “*Confidentiality Requirements*”). All reference to PHI herein shall be construed to include EPHI. PHI shall mean only that PHI Vendor uses, discloses, accesses, creates, maintains, transmits and/or receives for or on behalf of Covered Entity pursuant to the Business Arrangements. The Parties hereby acknowledge that the definition of PHI includes “*Genetic Information*” as set forth at 45 C.F.R. § 160.103. To the extent Vendor is to carry out an obligation of Covered Entity under the Confidentiality Requirements, Vendor shall comply with the provision(s) of the Confidentiality Requirements that would apply to Covered Entity (as applicable) in the performance of such obligations(s).

**2. Use of PHI.**

Except as otherwise required by law, Vendor shall use PHI in compliance with this Agreement and 45 C.F.R. § 164.504(e). Vendor agrees not to use PHI in a manner that would violate the Confidentiality Requirements if the PHI were used by Covered Entity in the same manner. Furthermore, Vendor shall use PHI for the purpose of performing services for, or on behalf of, Covered Entity as such services are defined in the Business Arrangements. In addition, Vendor may use PHI (i) as necessary for the proper management and administration of Vendor or to carry out its legal responsibilities; provided that such uses are permitted under federal and applicable state law, and (ii) to provide data aggregation services relating to the health care operations of the Covered Entity as defined by 45 C.F.R. § 164.501. Covered Entity also authorizes Vendor to collect and store its data for aggregate reporting, but in no event shall Vendor disclose PHI unless permitted by law. Moreover, Vendor will not identify Covered Entity without consent. Covered Entity authorizes Vendor to de-identify PHI it receives from Covered Entity. All de-identification of PHI must be performed in accordance with the Confidentiality Requirements, specifically 45 C.F.R. § 164.514(b).

**3. Disclosure of PHI.**

- 1.1. Subject to any limitations in this Agreement, Vendor may disclose PHI to any third party as necessary to perform its obligations under the Business Arrangements and as permitted or required by applicable law. Vendor agrees not to disclose PHI in a manner that would violate the Confidentiality Requirements if the PHI was disclosed by the Covered Entity in the same manner. Further, Vendor may disclose PHI for the proper management and administration of Vendor; provided that: (i) such disclosures are required by law; or (ii) Vendor: (a) obtains reasonable assurances from any third party to whom the PHI is disclosed that the PHI will be held confidential and used and disclosed only as required by law or for the purpose for which it was disclosed to third party, and (b) requires the third party to agree to immediately notify Vendor of any instances of which it is aware that PHI is being used or disclosed for a purpose that is not otherwise provided for in this Agreement or for a purpose not expressly permitted by the Confidentiality Requirements. Vendor shall report to Covered Entity any use or disclosure of PHI not permitted by this Agreement of which it becomes aware. Such report shall be made within five (5) business days of Vendor becoming aware of such use or disclosure.
- 1.2. If Vendor uses or contracts with any agent, including a subcontractor (collectively “Subcontractors”) that uses, discloses, accesses, creates, receives, maintains or transmits PHI on behalf of Vendor, Vendor shall require all Subcontractors to agree in writing to the same restrictions and conditions that apply to Vendor under this Agreement. In addition to Vendor’s obligations under Section 9, Vendor agrees to mitigate, to the extent practical and unless otherwise requested by the Covered Entity, any harmful effect that is known to Vendor and is the result of a use or disclosure of PHI by Vendor or any Subcontractor in violation of this Agreement. Additionally, Vendor shall ensure that all disclosures of PHI by Vendor and its Subcontractors comply with the principle of “minimum necessary use and disclosure,” (i.e., in accordance with 45 C.F.R. §164.502(b), only the minimum PHI that is necessary to accomplish the intended purpose may be disclosed).

#### **4. Individual Rights Regarding Designated Record Sets.**

If Vendor maintains a Designated Record Set on behalf of Covered Entity, Vendor shall: (i) provide access to and permit inspection and copying of PHI by Covered Entity under conditions and limitations required under 45 C.F.R. §164.524, as it may be amended from time to time; and (ii) amend PHI maintained by Vendor as required by Covered Entity. Vendor shall respond to any request from Covered Entity for access by an individual within ten (10) business days of such request and shall make any amendment requested by Covered Entity within twenty (20) business days of such request. Any information requested under this Section 4 shall be provided in a form or format requested, if it is readily producible in such form or format. Vendor may charge a reasonable fee based upon Vendor’s labor costs in responding to a request for electronic information (or a cost-based fee for the production of non-electronic media copies). Vendor shall notify Covered Entity within ten (10) business days of receipt of any request for access or amendment by an individual.

#### **5. Accounting of Disclosures.**

Vendor shall make available to Covered Entity within ten (10) business days of a request by Covered Entity the information required for an accounting of disclosures of PHI in accordance with 45 C.F.R. §164.528 (or such shorter time as may be required by state or federal law). Such accounting must be provided without cost if it is the first accounting requested within any twelve (12) month period. For subsequent accountings within the same twelve (12) month period, Vendor may charge a reasonable fee based upon Vendor’s labor costs in responding to a request for electronic information (or a cost-based fee for the production of non-electronic media copies) only after Vendor informs Covered Entity and Covered Entity informs the individual in advance of the fee, and the individual is afforded an opportunity to withdraw or modify the request. Such accounting obligations shall survive termination or expiration of this Agreement and with respect to any disclosure, whether on or before the termination of this Agreement, shall continue for a minimum of seven (7) years following the date of such disclosure.

#### **6. Withdrawal of Authorization.**

If the use or disclosure of PHI under this Agreement is based upon an individual’s specific authorization regarding the use of his or her PHI, and: (i) the individual revokes such authorization in writing; (ii) the effective date of such authorization has expired; or (iii) the authorization is found to be defective in any manner that renders it invalid for whatever reason, then Vendor agrees, if it has received notice from Covered Entity of such revocation or invalidity, to cease the use and disclosure of any such individual’s PHI except to the extent Vendor has relied on such use or disclosure, or where an exception under the Confidentiality Requirements expressly applies.

#### **7. Records and Audit.**

Vendor shall make available to HHS or its agents its internal practices, books, and records relating to the compliance of Vendor and Covered Entity with the Confidentiality Requirements, such internal practices, books and records to be provided in the time and manner designated by HHS or its agents.

#### **8. Implementation of Security Standards; Notice of Security Incidents.**

Vendor will comply with the Security Standards and, by way of example and not limitation, use appropriate safeguards to prevent the use or disclosure of PHI other than as expressly permitted under this Agreement. In accordance with the Security Standards, Vendor will implement administrative, physical, and technical safeguards that protect the confidentiality, integrity and availability of the PHI that it uses,

discloses, accesses, creates, receives, maintains or transmits. To the extent feasible, Vendor will use commercially reasonable efforts to ensure that the technology safeguards used by Vendor to secure PHI will render such PHI unusable, unreadable and indecipherable to individuals unauthorized to acquire or otherwise have access to such PHI. Vendor will promptly report to Covered Entity any Security Incident of which it becomes aware; provided, however, that Covered Entity acknowledges and shall be deemed to have received notice from Vendor that there are routine occurrences of: (i) unsuccessful attempts to penetrate computer networks or services maintained by Vendor; and (ii) immaterial incidents such as “pinging” or “denial of services” attacks. At the request of Covered Entity, Vendor shall identify: the date of the Security Incident, the scope of the Security Incident, Vendor’s response to the Security Incident, and to the extent permitted by law, the identification of the party responsible for causing the Security Incident, if known.

## **9. Data Breach Notification and Mitigation.**

**1.1. HIPAA Data Breach Notification and Mitigation.** Vendor agrees to implement reasonable systems for the discovery and prompt reporting of any “breach” of “unsecured PHI” as those terms are defined by 45 C.F.R. §164.402 (“*HIPAA Breach*”). The Parties acknowledge and agree that 45 C.F.R. §§164.404 and 164.410, as describe below in this Section 9.1, govern the determination of the date of a HIPAA Breach. In the event of any conflict between this Section 9.1 and the Confidentiality Requirements, the more stringent requirements shall govern. Following the discovery of a HIPAA Breach, Vendor will notify Covered Entity immediately and in no event later than five (5) business days after Vendor discovers such HIPAA Breach unless Vendor is prevented from doing so by 45 C.F.R. §164.412 concerning law enforcement investigations. For purposes of reporting a HIPAA Breach to Covered Entity, the discovery of a HIPAA Breach shall occur as of the first day on which such HIPAA Breach is known to Vendor or, by exercising reasonable diligence, would have been known to Vendor. Vendor will be considered to have had knowledge of a HIPAA Breach if the HIPAA Breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the HIPAA Breach) who is an employee, officer or other agent of Vendor. No later than ten (10) business days following a HIPAA Breach, Vendor shall provide Covered Entity with sufficient information to permit Covered Entity to comply with the HIPAA Breach notification requirements set forth at 45 C.F.R. §164.400 *et. seq.* This Section 9.1 shall survive the expiration or termination of this Agreement and shall remain in effect for so long as Vendor maintains PHI.

**1.2. Data Breach Notification and Mitigation Under Other Laws.** In addition to the requirements of Section 9.1, Vendor agrees to implement reasonable systems for the discovery and prompt reporting of any breach of individually identifiable information (including, but not limited to, PHI and referred to hereinafter as “*Individually Identifiable Information*”) that, if misused, disclosed, lost or stolen would trigger an obligation under one or more State data breach notification laws (each a “*State Breach*”) to notify the individuals who are the subject of the information. Vendor agrees that in the event any Individually Identifiable Information is lost, stolen, used or disclosed in violation of one or more State data breach notification laws, Vendor shall promptly: (i) notify Covered Entity within five (5) business days of such misuse, disclosure, loss or theft; and (ii) cooperate and assist Covered Entity with any investigation into any State Breach or alleged State Breach. This Section 9.2 shall survive the expiration or termination of this Agreement and shall remain in effect for so long as Vendor maintains PHI or Individually Identifiable Information.

## **10. Obligations of Covered Entity.**

**1.1. Notification Requirement.** Covered Entity shall notify Vendor of:

- a. Any limitation(s) in Covered Entity’s notice of privacy practices in accordance with 45 CFR 164.520 to the extent that such changes may affect Vendor’s use or disclosure of PHI;
- b. Any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Vendor’s use or disclosure of PHI; and
- c. Any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Vendor’s use or disclosure of PHI.

**1.2. Permissible Requests.** Covered Entity agrees that it will not request Vendor to use or disclose PHI in any manner that would not be permissible under the Confidentiality Requirements if done by Covered Entity.

## **11. Terms and Termination.**

**1.1. Termination.** This Agreement shall remain in effect until terminated in accordance with the terms of this Section 11; provided, however, that termination shall not affect the respective obligations or rights of the Parties arising under this Agreement prior to the effective date of termination, all of which shall continue in accordance with their terms.

**1.2. Termination with Cause.** Either Party may immediately terminate this Agreement if either of the following events have occurred and are continuing to occur:

- a. Vendor or Covered Entity fails to observe or perform any material covenant or obligation contained in this Agreement for ten (10) business days after written notice of such failure has been given; or
- b. Vendor or Covered Entity violates any provision of the Confidentiality Requirement or applicable federal or state privacy law relating to its obligations under this Agreement.

**1.3. May Terminate Business Arrangements in Event of for Cause Termination.** Termination of this Agreement for either of the two reasons set forth in Section 11.2 above shall be cause for immediate termination of any Business Arrangement pursuant to which Vendor uses, discloses, accesses, receives, creates, or transmits PHI for or on behalf of Covered Entity.

**1.4. Termination Upon Conclusion of Business Arrangements.** Upon the expiration or termination of all Business Arrangements, either Covered Entity or Vendor may terminate this Agreement by providing written notice to the other Party.

**1.5. Return of PHI Upon Termination.** Upon termination of this Agreement for any reason, Vendor agrees either to return all PHI or to destroy all PHI received from Covered Entity that is in the possession or control of Vendor or its Subcontractors. In the case of PHI for which it is not feasible to return or destroy, Vendor shall extend the protection of this Agreement to such PHI and limit further uses and disclosure of such PHI. Vendor shall comply with other applicable state or federal law, which may require a specific period of retention, redaction, or other treatment of such PHI. This Section 11.5 shall survive the expiration or termination of this Agreement and shall remain in effect for so long as Vendor maintains PHI.

**12. No Warranty.**

PHI IS PROVIDED SOLELY ON AN "AS IS" BASIS. THE PARTIES DISCLAIM ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**13. Ineligible Persons.**

Vendor represents and warrants to Covered Entity that its directors, officers, and key employees: (i) are not currently excluded, debarred, or otherwise ineligible to participate in the federal health care programs as defined in 42 U.S.C. § 1320a-7b(f) of any state healthcare program (collectively, the "*Healthcare Programs*"); (ii) have not been convicted of a criminal offense related to the provision of healthcare items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the Healthcare Programs; and (iii) are not under investigation or otherwise aware of any circumstances which may result in Vendor being excluded from participation in the Healthcare Programs (collectively, the "*Warranty of Non-exclusion*"). Vendor representations and warranties underlying the Warranty of Non-exclusion shall be ongoing during the term, and Vendor shall immediately notify Covered Entity of any change in the status of the representations and warranties set forth in this Section 13. Any breach of this Section 13 shall give Covered Entity the right to terminate this Agreement immediately.

**14. Equitable Relief.**

The Parties understand and acknowledge that any disclosure or misappropriation of any PHI in violation of this Agreement will cause irreparable harm, the amount of which may be difficult to ascertain, and therefore agree that either Party shall have the right to apply to a court of competent jurisdiction for specific performance and/or an order restraining and enjoining any such further disclosure or breach and for such other relief deemed appropriate. Such right shall be in addition to the remedies otherwise available at law or in equity.

**15. Entire Agreement.**

This Agreement constitutes the complete agreement between Vendor and Covered Entity relating to the matters specified in this Agreement and supersedes all prior representations or agreements, whether oral or written with respect to such matters. In the event of any conflict between the terms of this Agreement and the terms of the Business Arrangements or any such later agreement(s), the terms of this Agreement shall control unless the terms of such Business Arrangements are more strict with respect to PHI and comply with the Confidentiality

Requirements, or the Parties specifically otherwise agree in writing. No oral modification or waiver of any of the provisions of this Agreement shall be binding on either Party to this Agreement; *provided, however* that upon the enactment of any law, regulation, court decision or relevant government publication and/or interpretive guidance or policy that a Party believes in good faith will adversely impact the use or disclosure of PHI under this Agreement, that Party may amend the Agreement to comply with such law, regulation, court decision or government publication, guidance or policy by delivering a written amendment to the other Party which shall be effective thirty (30) calendar days after receipt. No obligation on either Party to enter into any transaction is to be implied from the execution or delivery of this Agreement. This Agreement is for the benefit of, and shall be binding upon the Parties, their affiliates and respective successors and assigns.



WHITE COUNTY, TENNESSEE

**RESOLUTION NO. 103-11-2016  
RESOLUTION OF THE GOVERNING BODY OF  
WHITE COUNTY, TENNESSEE, AUTHORIZING THE  
ISSUANCE, SALE, AND PAYMENT OF  
SOLID WASTE EQUIPMENT CAPITAL OUTLAY NOTES  
NOT TO EXCEED \$1,000,000  
PURSUANT TO THE INFORMAL BID PROCESS**

**WHEREAS**, the Governing Body of White County, Tennessee, (the "Local Government") has determined that it is necessary and desirable to issue capital outlay notes in order to provide funds for the following public works project: Purchase of a bulldozer, compactor, and roll-off truck(s) for the White County Landfill (the "Project") at a cost of \$1,000,000 with an economic life of 8 years; and

**WHEREAS**, the Governing Body has determined that the Project will promote or provide a traditional governmental activity or otherwise fulfill a public purpose; and

**WHEREAS**, under the provisions of Parts I, IV and VI of Title 9, Chapter 21, Tennessee Code Annotated (the "Act"), local governments in Tennessee are authorized to finance the cost of this Project through the issuance and sale of interest-bearing capital outlay notes upon the approval of the Comptroller of the Treasury or Comptroller's Designee; and

**WHEREAS**, the Governing Body finds that it is advantageous to the Local Government to authorize the issuance of capital outlay notes to finance the cost of the Project;

**NOW THEREFORE, BE IT RESOLVED**, by the Governing Body of White County, Tennessee, as follows:

Section 1. That, for the purpose of providing funds to finance the cost of the Project in and for the Local Government, the Chief Executive Officer of the Local Government is hereby authorized in accordance with the terms of this resolution, and upon approval of the Comptroller of the Treasury or Comptroller's Designee, to issue and sell interest-bearing capital outlay notes in a principal amount not to exceed One Million Dollars (\$1,000,000) (the "Notes") by an informal bid process pursuant to the terms, provisions, and conditions permitted by law. The Notes shall be designated "Solid Waste Equipment Capital Outlay Notes, Series 2016"; shall be numbered serially from 1 upwards; shall be dated as of the date of issuance; shall be in denomination(s) as agreed upon with the purchaser; shall be sold at not less than 99% of par value and accrued interest; and shall bear interest at a rate or rates not to exceed six per cent (6%) per annum, and in no event shall the rate exceed the legal limit provided by law.

Section 2. That, the Notes shall mature eight (8) fiscal years after the fiscal year of issuance and, unless otherwise approved by the Comptroller of the Treasury or Comptroller's Designee, the Notes

shall be amortized in an amount reflecting at least level debt service on the Notes approximately according to the following schedule:

<u>FISCAL YEAR</u>	<u>PRINCIPAL AMOUNT</u>
2018	\$ 125,000
2019	125,000
2020	125,000
2021	125,000
2022	125,000
2023	125,000
2024	125,000
2025	125,000
	\$ 1,000,000

The final maturity of the Notes shall not exceed the reasonably expected economic life of the Project which is hereby estimated to be eight (8) years which is at least equal to or greater than the life of the notes.

Section 3. That, the Notes shall be subject to redemption at the option of the Local Government, in whole or in part, at any time, at the principal amount and accrued interest to the date of redemption, without a premium, or, if sold at par, with or without a premium of not exceeding one percent (1%) of the principal amount.

Section 4. That, the Notes shall be direct general obligations of the Local Government, for which the punctual payment of the principal and interest on the notes, the full faith and credit of the Local Government is irrevocably pledged and the Local Government hereby pledges its taxing power as to all taxable property in the Local Government for the purpose of providing funds for the payment of principal of and interest on the Notes. The Governing Body of the Local Government hereby authorizes the levy and collection of a special tax on all taxable property of the Local Government over and above all other taxes authorized by the Local Government to create a sinking fund to retire the Notes with interest as they mature in an amount necessary for that purpose.

Section 5. That, the Notes shall be executed in the name of the Local Government; shall bear the manual signature of the chief executive officer of the Local Government and the manual signature of the county clerk together with the Local Government seal affixed thereon; and shall be payable as to principal and interest at the office of the county clerk or at the office of the paying agent duly appointed by the Local Government. Proceeds of the Notes shall be deposited with the official designated by law as custodian of the funds. All proceeds shall be paid out for financing the Project pursuant to this Resolution and as required by law.

Section 6. That, the Notes will be issued in fully registered form and that at all times during which any Note remains outstanding and unpaid, the Local Government or its agent shall keep or cause to be kept at its office a note register for the registration, exchange or transfer of the Notes. The note register, if held by an agent of the Local Government, shall at all times be open for inspection by the Local Government or any duly authorized officer of the Local Government. Each Note shall have the qualities and incidents of a negotiable

instrument and shall be transferable only upon the note register kept by the Local Government or its agent, by the registered owner of the Note in person or by the registered owner's attorney duly authorized in writing, upon presentation and surrender to the Local Government or its agent together with a written instrument or transfer satisfactory to the Local Government duly executed by the registered owner or the registered owner's duly authorized attorney. Upon the transfer of any such Note, the Local Government shall issue in the name of the transferee a new registered note or notes of the same aggregate principal amount and maturity as the surrendered Notes. The Local Government shall not be obligated to make any such Note transfer during the fifteen (15) days next preceding an interest payment date on the Notes or, in the case of any redemption of the Notes, during the forty-five (45) days next preceding the date of redemption.

Section 7. That, the Notes shall be in substantially the form authorized by the Comptroller of the Treasury or Comptroller's Designee and shall recite that the Notes are issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated which is attached to this resolution as attachment 1.

Section 8. That, prior to the sale of the Notes, the Local Government shall submit a copy of this resolution authorizing the Notes to the Comptroller of the Treasury or Comptroller's Designee for approval and a copy of the proposed disclosure statement, if any, and a statement showing the estimated annual principal and interest requirements for the Notes and a detailed statement showing the estimated cost of issuance which shall include at least the following, if applicable: (1) fiscal agent and/or financial advisor fees; (2) bond counsel fees; (3) other legal charges if any; (4) credit enhancement fees; (5) trustee fees; (6) registration fees; (7) paying agent fees; (8) rating agency fees; (9) underwriters' discount or charges; (10) remarketing agent fees; (11) printing, advertising and other expenses; (12) the number of financial institutions contacted by telephone or by letter (which should be at least three) for the purpose of obtaining interest rates, and at least three institutions were contacted.

In its request for approval, the Local Government shall state and demonstrate that the proposed sale by the informal bid process is feasible, in the best interest of the Local Government, and that the Local Government should be able to amortize the proposed indebtedness together with all the obligations then outstanding.

Section 9. The Notes shall not be sold until receipt of the Comptroller of the Treasury or Comptroller's Designee's written approval for the sale of the Notes.

Section 10. That the Notes may be designated as qualified tax-exempt obligations for the purpose of Section 265(b) (3) of the Internal Revenue Code of 1986.

Section 11. That, after the sale of the Notes, and for each year that any of the notes are outstanding, the Local Government shall prepare an annual budget and budget ordinance in a form consistent with accepted governmental standards and as approved by the Comptroller of the Treasury or Comptroller's Designee. The budget shall be kept balanced during the life of the notes and shall appropriate sufficient monies to pay all annual debt service. The annual budget and ordinance shall be submitted to the Comptroller of the Treasury or Comptroller's Designee immediately upon its adoption; however, it shall not become the official budget for the fiscal year until such budget is approved by the Comptroller of the Treasury or Comptroller's Designee in accordance with Title 9, Chapter

21, Tennessee Code Annotated (the "Statutes".) If the Comptroller of the Treasury or Comptroller's Designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes, or as directed by the Comptroller of the Treasury or Comptroller's Designee.

Section 12. That, if any of the Notes shall remain unpaid at the end of eight (8) years from the issue date, then the unpaid Notes shall be retired from the funds of the Local Government or be converted into bonds pursuant to Chapter 11 of Title 9 of the Tennessee Code Annotated, or any other law, or be otherwise liquidated as approval by the Comptroller of the Treasury or Comptroller's Designee.

Section 13. That, all orders or resolutions in conflict with this Resolution are hereby repealed insofar as such conflict exists; and this Resolution shall become effective immediately upon its passage.

Motion made by Matt McBride and seconded by Russell Gooch that the above resolution be adopted.

On roll call, the vote was recorded as follows:

AYES 7 2 PASS

NAYS 1

The above resolution was passed on the 21<sup>st</sup> day of November, 2016.



Al Klee, Chairman Pro Tempore  
County Legislative Body

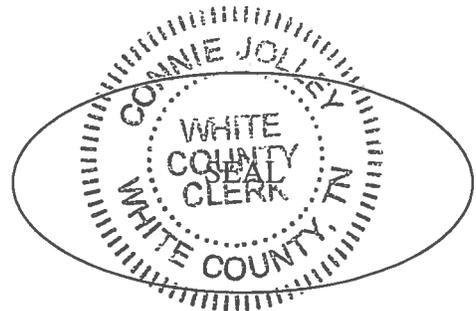
Duly passed and approved this 21st day of November, 2016.



(Denny Wayne Robinson, County Executive)

ATTESTED:

Connie Jolley  
(Connie Jolley, County Clerk)



Attachment 1  
CAPITAL OUTLAY NOTE FORM

Registered  
Note #: \_\_\_\_\_

White County  
Of the  
State of Tennessee  
Capital Outlay Note, Series 20 \_\_\_\_\_

Registered  
\$ \_\_\_\_\_

DATED

INTEREST RATE

MATURITY DATE

\_\_\_\_\_, 20\_\_

\_\_\_\_\_ %

\_\_\_\_\_, 20\_\_

Registered Owner: \_\_\_\_\_

Principal Sum: \$ \_\_\_\_\_

The County Commission (Governing Body) of White County, Tennessee (the Local Government) hereby acknowledges itself indebted, and for value received hereby promises to pay to the Registered Owner hereof (named above), or registered assigns, the Principal Sum specified above on the Maturity Date specified above or according to an amortization schedule attached hereto (unless this note shall have been duly called for prior redemption and payment of the redemption price shall have been duly made or provided for), upon presentation and surrender to the Local Government or its agent, and to pay interest on the Principal Sum on \_\_\_\_\_ and thereafter on \_\_\_\_\_ of each year at the Interest Rate per annum specified above or according to an amortization schedule attached hereto, by check, draft, or warrant mailed to the Registered Owner at the address of the Registered Owner as it appears on the fifteenth (15th) calendar day of the month next preceding the applicable payment date in the note register maintained by or on behalf of the Local Government. Both principal of and interest on this note are payable at the office of the \_\_\_\_\_ of the Local Government or a paying agent duly appointed by the Local Government in lawful money of the United States of America.

This note is a direct obligation of the Local Government for the payment of which as to both principal and interest the full faith and credit of the Local Government is pledged.

This note is subject to redemption prior to its stated maturity in whole or in part at any time at the option of the Local Government upon payment of the principal amount of the note together with the interest accrued thereon to the date of redemption with a premium of \_\_\_\_\_ % of par value.

This note is issued under the authority of Parts I, IV, and VI of Title 9, Chapter 21, Tennessee Code Annotated, and a Resolution duly adopted by the Governing Body of the Local Government meeting in session on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Resolution") to provide funds to finance the cost of public works projects referenced in the Resolution.

This note shall have the qualities and incidents of a negotiable instrument and shall be transferable only upon the note register kept by the Local Government or its agent, by the Registered Owner of the note in person or by the Registered Owner's attorney duly authorized in writing, upon presentation and surrender to the Local Government or its agent of the note together with a written instrument of transfer satisfactory to the Local Government duly executed by the Registered Owner or the Registered Owner's duly authorized attorney but only in the manner as provided in the Resolution of the Local Government authorizing the issuance of this note and upon surrender hereof for cancellation. Upon the transfer of any such note, the Local Government or its agent shall issue in the name of the transferee a new registered note or notes of the same aggregate principal amount and maturity as the surrendered note. The Local Government shall not be obligated to make any such Note transfer during the fifteen (15) days next preceding an interest payment date on the Notes or, in the case of any redemption of the Notes, during the forty-five (45) days next preceding the date of redemption.

Title 9, Chapter 21, Section 117, Tennessee Code Annotated provides that this note and interest thereon are exempt from taxation by the State of Tennessee or by any county, municipality or taxing district of the State, except for inheritance, transfer and estate taxes and except as otherwise provided under the laws of 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 note exist, have happened and have been performed in due time, form and manner as required by the Constitution and laws of the State of Tennessee, and that the amount of this note, together with all other indebtedness of the Local Government, does not exceed any constitutional or statutory limitation thereon, and that this note is within every constitutional and statutory limitation.

IN WITNESS WHEREOF, the Governing Body of the Local Government has caused this note to be executed in the name of the Local Government by the manual signature of the \_\_\_\_\_, and countersigned and attested by the manual signature of the \_\_\_\_\_ with the Seal of the Local Government affixed hereto or imprinted hereon, and this note to be dated as of the \_\_\_\_\_ day of 20\_\_\_\_.

\_\_\_\_\_  
(Chief Executive Office)

ATTESTED: \_\_\_\_\_  
(County Clerk)

SEAL

ASSIGNMENT

Note No. R- \_\_\_\_\_.

Amount: \$ \_\_\_\_\_.

**For value received, the undersigned hereby sells, assigns and transfers unto**

\_\_\_\_\_  
(Name and address of assignee)

\_\_\_\_\_  
(Please indicate social security or other tax identifying number of assignee)

The within-mentioned note and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney-in-fact, to transfer the same on the note register in the office of the \_\_\_\_\_ or the agent of the Local Government with full power of substitution in the premises.

Date: \_\_\_\_\_

Assignor:

\_\_\_\_\_

Address:

\_\_\_\_\_

Signature Guaranteed by: \_\_\_\_\_

NOTE: The signature as to this assignment must correspond with the name as written on the face of the within note in every particular, without alteration, enlargement or any change whatsoever.

**INFORMAL BID ATTACHMENT FOR \$ \_\_\_\_\_ (amount)**  
**\_\_\_\_\_ (description)**  
**INFORMAL BID CAPITAL OUTLAY NOTES**

As required by Title 9, Chapter 21, Part 609, Tennessee Code Annotated, this information is being submitted to the Comptroller of the Treasury or Comptroller's Designee to request approval to issue these notes by the informal bid process:

1. The informal bid process is feasible.
2. The informal bid process is in the best interest of the Local Government.
3. The Local Government will be able to amortize these notes together with all other outstanding obligations.
4. Interest rate proposals \_\_\_\_\_ have been obtained in writing from the following financial institutions (at least three):
 

1. _____	4. _____
2. _____	5. _____
3. _____	6. _____
5. \_\_\_\_\_ There are no issuance costs associated with the sale of these notes.
6. There are issuance costs, and they are itemized as follows:

	Lender 1	Lender 2	Lender 3	Lender 4	Lender 5	Lender 6
Financial advisor fees:	_____					
Legal counsel fees:	_____					
Credit enhancement fees:	_____					
Registration fees:	_____					
Paying agent fees:	_____					
Rating agency fees:	_____					
Underwriter's fees:	_____					
Remarketing agent fees:	_____					
Printing and advertising:	_____					
Other expenses:	_____					
<b>Total Cost of Issuance</b>						

Attached is the support to show that the informal bid process is feasible, how it is in the best interest of the local government, a before and after debt portfolio to show it can be amortized with all other outstanding obligations.

Signed: \_\_\_\_\_  
 (Chief Executive Officer)

# White County, Tennessee

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## **Audit Committee Meeting**

Date: 11/14/2016

Time: Following Budget Committee

Location: White County Courthouse

The White County Audit Committee met on Monday, November 14, 2016 following the Budget Committee meeting at the White County Courthouse. Members present were Mr. Stanley Neal, Mr. Terry Alley, and Mr. Russell Gooch. Also present was Mr. Chad Marcum. Absent were Mr. Ben Holland and Mr. Al Klee.

There being a quorum present, the meeting was called to order by Mr. Alley.

Mr. Alley asked for approval of the minutes from the December 14, 2015 meeting. Mr. Neal made a motion and Mr. Gooch seconded the motion to approve the minutes as presented. The motion was approved.

Mr. Alley opened the floor for nominations for Chairman. Mr. Gooch nominated Mr. Alley. Mr. Neal made a motion and Mr. Gooch seconded the motion that all nominations cease and Mr. Alley be elected by acclamation. The motion was approved.

Mr. Alley opened the floor for nominations for Vice Chairman. Mr. Neal nominated Mr. Gooch. Mr. Neal made a motion and Mr. Alley seconded the motion that all nominations cease and Mr. Gooch be elected by acclamation. The motion was approved.

Mr. Marcum reviewed the fiscal year 2016 audit results with the committee. The committee reviewed the one audit finding of White County at length.

The committee reviewed the Fraud Reporting Process and signage for White County which was established in December of 2014. The committee discussed that no correspondence related to fraud had been received since the process was established. Additionally, it was determined that Mr. Alley would assume the responsibility of checking the post office box for any correspondence.

The committee considered approval of a formal report letter to the White County Commission regarding the fiscal year 2016 audit report. Mr. Gooch made a motion and Mr. Neal seconded the motion to approve the report letter and ask that the commission spread the report letter on the minutes during their November 2016 meeting. The motion was approved.

Mr. Alley asked the committee for any new business: There was none.

There being no further business, Mr. Neal made a motion and Mr. Gooch seconded the motion to adjourn. The motion was approved.

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Chairman, Audit Committee

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Secretary, Audit Committee

Motion was made by Commissioner Matt McBride and seconded by Commissioner Russell Gooch to spread on minutes the Audit Committee Report to County Commission. Chairman Pro Tempore, Al Klee called for a voice vote, all members in favor of said motion.

Report of Beer Board given by Commissioner Bruce Frasier

Motion was made by Commissioner Diana Haston and seconded by Commissioner Matt McBride to spread on minutes; all committee reports. Chairman Pro Tempore, Al Klee called for a voice vote, all members in favor of said motion.

Motion was made by Commissioner Karen LaFever and seconded by Commissioner Bruce Frasier to approve the following notaries: Cynthia L Hickey, Lori Dyer, Christie M Birdwell, Lori L Meeks, Jeri Lynn Holman, Donald F Greene, Esmeralda V. Tucker, Sarah A Yott. Chairman Pro Tempore, Al Klee called for a voice vote, all members in favor of said motion.

Discussion on Timeline to fill vacancy in District 3, the Commission decided to appoint someone in the December meeting.

Recognition of Members from Audience:

State Rep. Paul Sherrell wanted to thank everyone for their vote and support and to let the Commission know he was available if needed.

Stephen Luna asked the Commission to consider him to fill the vacancy of his father (B K Luna) as County Commissioner for the 3<sup>rd</sup> District.

Old Business:

Commissioner Russell Gooch asked questions concerning the Sewer Contract with the City.

New Business:

Motion was made by Commissioner Matt McBride and seconded by Commissioner Dale Bennett to recess for an Attorney Client Meeting. Chairman Pro Tempore, Al Klee, called for a voice vote, all members in favor of said motion.

Chairman Pro Tempore, Al Klee called the meeting back into session.

Motion was made by Commissioner Mack Johnson and seconded by Commissioner Diana Haston to adjourn. Chairman Pro Tempore, Al Klee called for a voice vote, all members in favor of said motion.



WHITE COUNTY, TENNESSEE  
Audit Committee

November 21, 2016

White County Legislative Body  
White County Court House  
1 East Bockman Way  
Sparta, Tennessee 38583

Re: Report on Fiscal Year 2016 Audit Results

Dear Commissioners,

The White County Audit Committee met on November 14, 2016 to review the independent auditor's report for the fiscal year ended June 30, 2016. The report detailed one finding for the fiscal year. The committee discussed the findings and ways in which the finding could be corrected in the future.

The committee reports that it concurs with the finding detailed in the independent auditor's report and encourages each legislative body member to review the report in its entirety by visiting the Tennessee Comptroller of the Treasury's website at [comptroller.tn.gov/la/](http://comptroller.tn.gov/la/).

Respectfully submitted,  
White County Audit Committee

# White County, Tennessee

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## Beer Board Meeting

Date: 11/16/2016

Time: 5:00pm

Location: White County Courthouse

The White County Beer Board met on Monday, November 21<sup>st</sup>, 2016 at 5:00pm at the White County Courthouse. Members present were Raymond England, Dale Bennett and Bruce Frasier. Also in attendance was Karen LaFever.

There being a quorum present, the meeting was called to order by Chairman Frasier.

Mr. Frasier asked for approval of the minutes from the previous meeting. Mr. England made a motion and Mr. Bennett seconded the motion to approve the minutes as presented. The motion was approved.

Mr. Frasier opened the floor for nominations for Chairman. Mr. England nominated Mr. Frasier and Mr. Bennett seconded the motion that all nominations cease and Mr. Frasier be elected by acclamation. The motion was approved.

Mr. Frasier opened the floor for nominations for Vice Chairman. Mr. Bennett nominated Mr. England and Mr. Frasier seconded the motion that all nominations cease and Mr. England be elected by acclamation. The motion was approved.

Mr. Frasier opened the floor for nominations for Secretary. Mr. England nominated Mr. Bennett and Mr. Frasier seconded the motion that all nominations cease and Mr. Bennett be elected by acclamation. The motion was approved.

Mr. Frasier asked the committee for any old business. There was none.

Mr. Frasier asked the committee for any new business.

There was discussion regarding our current beer ordinances. After a lengthy discussion, Mr. England made a motion and Mr. Bennett seconded the motion to send a resolution changing our beer ordinances to match Alcohol Beverage Commission (ABC) ordinances as well as pre-existing Sparta City ordinances to the full court. All members voted in favor. The motion was approved.

There being no further business Mr. Bennett made a motion and Mr. England seconded the motion to adjourn. The motion was approved.

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Chairman, Beer Board

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Secretary, Beer Board