

INTERLOCAL AGREEMENT FOR MANAGEMENT OF CITY MANAGER-
COMMISSION CHARTER TERMINATION BY CITY OF LAKEWOOD

This Agreement is made between THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY (“Metropolitan Government”) and the CITY OF LAKEWOOD, TENNESSEE (“Lakewood”), the “Parties.”

WHEREAS, the question to surrender the Lakewood Municipal Charter was submitted to the registered voters by referendum on March 15, 2011, with the majority voting to surrender and terminate the Lakewood Municipal Charter; and

WHEREAS, pursuant to the provisions of *Tenn. Code Ann. § 7-1-106* and the Metropolitan Charter, Section 18.15, as a result of the referendum, the area within the boundaries of Lakewood will “be that of other areas outside the urban services district at the time of dissolution;” and

WHEREAS, pursuant to *Tenn. Code Ann. § 6-18-110*, the Parties agree that the Municipal Charter of Lakewood will terminate on May 28, 2011; and

WHEREAS, while there is some ambiguity in the State statues on the procedures for making the transition of a city’s affairs when the charter terminating is within the area of a consolidated government, the Parties have agreed upon the manner that will best serve all the citizens within the area of the Metropolitan Government including those within the area of Lakewood; and

WHEREAS, the Metropolitan Council and the Lakewood Board of Commissioners (“Commissioners”) desire a smooth transition for the residents of Lakewood; and

WHEREAS, pursuant to *Tenn. Code Ann. § 6-18-112*, the Parties agree that the Commissioners, under such bonds as may be required by the Metropolitan Council, shall become Trustees of the property and funds of the former City and shall proceed to terminate the affairs and dispose of the property of Lakewood; and

WHEREAS, Lakewood has caused a financial audit to be conducted prior to the date of this Agreement and the termination of its Charter, and the assets and liabilities of Lakewood are known; and

WHEREAS, Metropolitan Government believes it is in the best interests of the citizens living within the area of the Metropolitan Government to assume ownership of the Lakewood assets, continue the operation of Lakewood’s water system and parks, and assume all liabilities of Lakewood.

NOW, THEREFORE, the Parties agree as follows:

1. The financial audit is attached to the Agreement as Exhibit A and is incorporated into the Agreement. The Parties agree the Metropolitan Government’s agreement

to this Agreement is based on substantial reliance of the representations and accuracy of this audit.

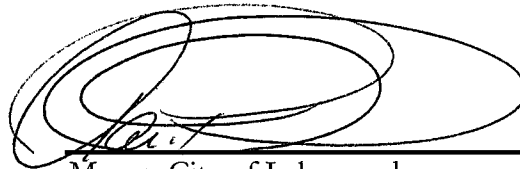
2. All assets of Lakewood, tangible and intangible, are transferred “as is” to the Metropolitan Government effective one minute past Midnight on May 28, 2011, such assets, including but not limited to, all:
 - a. monetary funds, including but not limited to bank accounts, securities, bonds;
 - b. accounts receivable;
 - c. motor vehicles;
 - d. furniture and furnishings;
 - e. equipment;
 - f. real property including buildings and other structures thereon;
 - g. all tangible and intangible assets of the water distribution system including easements, and
 - h. all streets, alleys, roadways, sidewalks and rights-of-ways.
3. The Metropolitan Government will assume no responsibility for the employment or past employment of Lakewood’s employees. Any salary, benefits, insurance benefits or rights, retirement benefits or rights of current or past Lakewood Employees will be paid solely from the assets of Lakewood to the extent there are assets sufficient of Lakewood. Should litigation develop as a result of rights claimed by former or current Lakewood employees, attorneys’ fees and costs of litigation will be paid solely from the assets of Lakewood and the Metropolitan Government assumes no responsibility through this Agreement for payment of any shortfall in the availability of such assets.
4. Except as provided in this Agreement, Metropolitan Government will assume the liabilities and obligations of Lakewood, known or unknown, asserted or unasserted, effective one minute past Midnight on May 28, 2011. However, in no event shall the Metropolitan Government assume liability for any claim whatsoever that will be extinguished or otherwise not capable of being asserted following the termination of Lakewood’s charter and the termination of the City of Lakewood.
5. The Metropolitan Government agrees to assume the responsibility of the Commissioners as Trustees of the property and funds of Lakewood in accordance with *Tenn. Code Ann. § 6-18-112* and will be responsible for overseeing the liquidation of the affairs of Lakewood in accordance with *Tenn. Code Ann. § 6-18-113*, as it deems appropriate.

6. This Agreement shall become effective only upon the final passage and approval by a majority vote of the Metropolitan Council and the Lakewood Board of Commissioners, with the effective date being the date approved by the Metropolitan Government.
7. This Agreement shall be construed in accordance with the laws of the State of Tennessee, and any dispute arising under this Agreement shall be brought only in the Circuit or Chancery Courts of Davidson County, Tennessee.

THE METROPOLITAN
GOVERNMENT OF NASHVILLE AND
DAVIDSON COUNTY

CITY OF LAKEWOOD

Karl F. Dean,
Mayor

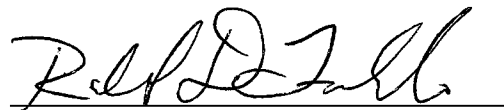


Mayor, City of Lakewood

APPROVED AS TO AVAILABILITY OF FUNDS:

ATTEST:

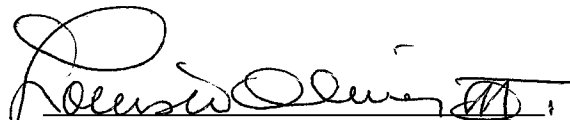
Director, Department of Finance



APPROVED AS TO FORM AND LEGALITY:

APPROVED AS TO FORM AND LEGALITY:

Metropolitan Attorney



City Attorney