

HUNTSVILLE UTILITY DISTRICT

P. O. Box 208
300 Water Plant Road
Huntsville, Tennessee 37756

(423) 663-3550

Tennessee Ethics Commission
SunTrust Bank Building
201 4th Avenue North, Suite 1820
Nashville, TN 37243

Re: Adoption of Model Ethical Standards of the Tennessee Association of Utility
District by Huntsville Utility District

Dear Sir:

I am writing you as President of the Board of Commissioners of Huntsville Utility District to inform you that Huntsville Utility District has adopted the model of ethical standards prepared by the Tennessee Association of Utility Districts (TAUD) as the ethical standards for Huntsville Utility District. The TAUD model was adopted by the Board of Commissioners on September 4, 2007. I have enclosed a copy of the Board's Resolution adopting the TAUD model.

Thank you for your assistance in this matter.

Sincerely yours,



Kay Peavyhouse, President

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TENNESSEE
ETHICS COMMISSION

RESOLUTION NO. 02-07

Whereas, Section 3 of Public Chapter No. 405 of the Tennessee Public Acts provides that a [utility district] [water, wastewater or gas authority] has the power to adopt ethical standards for its officials and employees;

Whereas, Section 3 of Public Chapter No. 405 of the Tennessee Public Acts directed the Tennessee Association of Utility Districts (TAUD) to prepare a model of ethical standards for the employees of utility districts and of water, wastewater and gas authorities in Tennessee and to submit such model of ethical standards to the Utility Management Review Board (UMRB) for its approval;

Whereas, a utility district or water, wastewater or gas authority cannot adopt the TAUD model of ethical standards until the TAUD model is approved by the UMRB;

Whereas, the UMRB approved the TAUD model of ethical standards by Order dated August 2, 2007; and

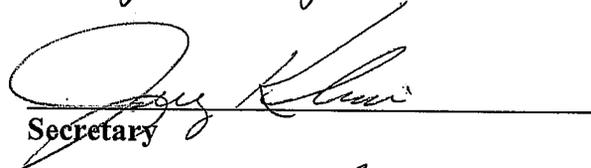
Whereas, the Huntsville Utility District desires to adopt the TAUD model of ethical standards approved by the UMRB for the officials and employees of Huntsville Utility District.

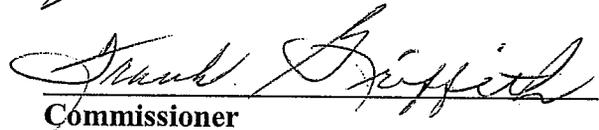
Wherefore, Premises Considered, Be It Hereby Resolved by the Board of Commissioners that Huntsville Utility District adopts the TAUD model of ethical standards for officials and employees of utility districts and water, wastewater and gas authorities as the ethical standards for the officials and employees of Huntsville Utility District effective immediately and that the President of the Board is directed to write a letter to the Tennessee

Ethics Commission to inform the Commission that the Huntsville Utility District has adopted the TAUD model of ethical standards and shall enclose a copy of this Resolution with such letter showing the date of the adoption of the TAUD model of ethical standards. Attached to this Resolution are the ethical standards adopted for Huntsville Utility District using the TAUD model of ethical standards.

Dated this 4th day of September, 2007.


President


Secretary


Commissioner


Commissioner


Commissioner