## IN THE CHANCERY COURT FOR CAMPBELL COUNTY, TENNESSEE AT JACKSBORO

CECIL LEFORCE,	)
Plaintiff	) CIVIL ACTION NO.: <u>7CH1-2025</u> -CV-192
v.	
CITY OF JELLICO,	) CAMPBELL CHANCERY COU 23 OCT 2025 pw3:48
Defendant	) Zauti zvzarno-ti

# VERIFIED COMPLAINT FOR TEMPORARY AND PERMANENT INJUNCTIVE RELIEF

#### INTRODUCTION

This is a citizen and taxpayer action seeking injunctive relief to prevent the City of Jellico and its officials from unlawfully selling or conveying municipal property without following the requirements of the City Charter; Tennessee statutes and applicable public bidding laws. Plaintiff seeks to preserve the public's interest in ensuring that all public property transactions are conducted lawfully, transparently and in good faith.

#### **PARTIES**

- 1. Plaintiff, Cecil LeForce, is a citizen and resident of Campbell County, Tennessee and is a taxpayer of the City of Jellico, Tennessee, with standing to bring this action to prevent the unlawful disposition of public property owned by the City of Jellico.
- 2. The Defendant, City of Jellico, is a governmental entity with offices at 410 S. Main Street, Jellico, Tennessee, and process may be served on its managing agent and Mayor, Sandy Terry, pursuant to Rule 4 of the *Tennessee Rules of Civil Procedure*.

#### JURISDICTION AND VENUE

- 3. Jurisdiction is proper in this Court pursuant to Tenn. Code Ann. §16-11-101, granting the Chancery Court authority over equitable matters and injunctive relief.
- 4. Venue is proper in Campbell County, Tennessee, as the acts complained of occurred within the County and involved property located therein.

#### **FACTUAL ALLEGATIONS**

- 5. The City of Jellico owns certain real property located at 1070 Creekmore Housley Drive, Jellico, Tennessee 37762.<sup>1</sup>
- The Plaintiff would show unto the Court that at the Council meeting held on 6. September 29, 2025, deliberations were undertaken in relation to the intent to sell the property and in fact, within a matter of minutes, a decision was reached by the City to sell the property to Traxion Materials for \$625,000.00. Impropriety of this decision is exemplified further when Councilman Creekmore acknowledged that the replacement cost of this building would be upwards of \$1,000,000.00 but voted for the unwarranted fire sale anyway. Further, Mayor Terry acknowledged that the building was in great shape. Records would indicate that the building had been remodeled by the previous tenant approximately five years ago, wherein the tenant spent an approximately amount of \$450,000.00 to upgrade the building for the City of Jellico. In it appalling that the City of Jellico did not bother to obtain an appraisal of said building to ascertain its true value all the while conceding that in fact, selling the building would not be in the best interest of the City of Jellico since the building could simply rented hence generating consistent long-term revenue for the City. It is noteworthy that the property which is the subject of this litigation comprises of a metal building within close proximity to one of the busiest interstates in the country, I-75, and comprises of 30,000 square feet of warehouse/industrial space.

<sup>&</sup>lt;sup>1</sup> Map No.: 012; Parcel 135, in the Campbell County Property Assessor's Office.

7. The Plaintiff would show unto the Court that at the meeting, Taylor Adkins, President of Traxion Materials, LLC, acknowledged on the record that he had deliberations with some of the City Council members prior to the meeting in apparent violation of the Tennessee Open Meetings Act (TOMA) which mandates that government business is conducted openly and transparently. The Plaintiff would show unto the Court that Tenn. Code Ann. §8-44-101(a) provides in pertinent part,

The general assembly hereby declares it to be the policy of this state that the formation of public policy and decisions is public business and shall not be conducted in secret.

The Plaintiff would further show unto the Court that Tenn. Code Ann. §8-44-102(a) provides,

All meetings of any governing body are declared to be public meetings open to the public at all times, except as provided by the Constitution of Tennessee.

The Plaintiff would show unto the Court that the acknowledgement made by Taylor Adkins that he engaged in deliberations and discussions with the City of Jellico through its Councilmen prior to the meeting on September 29, 2025, clearly underscores that the City has violated Tennessee Open Meetings Act codified at Tenn. Code Ann. §8-44-101 et seq. Suffice it to say that the City's action taken on September 29, 2025, not only violated TOMA, but also violated the City Charter as well as Tennessee law, wherein the Mayor, Sandra Terry, without passable information, negotiated a price for the sale of the building by essentially "splitting the difference" methodology which has not been recognized to be judicious and is analogous to "shooting from the hip". Summarily, the actions taken by the City on September 29, 2025, are not only dubious but is foolhardy.

8. The Plaintiff would show unto the Court that a City council meeting was thereafter held on or about October 16, 2025, wherein the City attorney advised the City of Jellico of the

impropriety of the sale of the property, notwithstanding, the City of Jellico adopted Ordinance No. 10-06-2025 and instantaneously passed the first reading of said Ordinance without any deliberation thereby defying to the recommendations of the City Attorney. The Plaintiff would further show unto the Court that at said meeting, the Plaintiff inquired as to whether the City of Jellico utilizes the services of MTAS<sup>2</sup> to which a Counsel Member responded in the affirmative. The Plaintiff would show unto the Court that MTAS has a policy as it pertains to surplus property<sup>3</sup> which provides in pertinent part:

A well-managed municipality will have policies and procedures in place to assure that the sale of surplus property is conducted in an orderly, profitable, and ethically transparent manner. Failure to enact such policies — and to have them firmly in place prior to putting any surplus property up for sale — invites problems that may have unpleasant results for the municipality and its officers.

\* \* \*

MTAS recommends that municipalities first seek an appraisal of the property to better understand the initial value. While complying with the municipality's ordinances and policies, the governing body would then decide what method to use in disposing of the property – public auction, use of an agent, etc.<sup>4</sup>

Therefore, before any municipal real property is sold, the municipal governing body should consider the real property's use and value to the municipality, establish the property as surplus if it deems the property no longer of use to the municipality, and then determine the process for disposal in accordance with the municipality's ordinances and policies. Needless to say that the recommendation of MTAS has been blatantly abrogated. The Plaintiff would show that in fact, the City Attorney advised the City of Jellico that the transaction in which the City of Jellico intends to engage in for the sale of the property is not advisable except to be sold either by sealed bid or public auction. The City Attorney's sound counsel did not prevail.

<sup>&</sup>lt;sup>2</sup> Municipal Technical Advisory Service.

<sup>&</sup>lt;sup>3</sup> Reference No. MTAS-763, Reviewed May 2, 2025.

<sup>&</sup>lt;sup>4</sup> Id.

<sup>&</sup>lt;sup>5</sup> Id.

9. The Plaintiff would show unto the Court that the Charter of the City of Jellico, Tennessee, hereinafter "Charter", more specifically Section 4.09,<sup>6</sup> sale of city property provides:

In accordance with Section 2.07(a), by ordinance the mayor (or city administrator if one is appointed) may sell city real estate or other property which is obsolete, surplus or unusable by THE MOST ADVANTAGEOUS MANNER available, including, but not limited to, advertisement in a local newspaper requesting sealed bids or directing a public auction.

The Plaintiff would show unto the Court that neither was the subject property advertised in the local newspaper requesting sealed bids or directing a public auction, nor was their citizenry made aware of the City's intent to sell this property or to declare this property "obsolete, surplus or unusable". In fact, during the September 26, 2025 meeting, quite to the contrary, the City Mayor indicated that this property could be leased by the City generating revenues for the City on an ongoing basis, clearly in defiance with the intent of said property being "obsolete, surplus or unusable".

- 10. It is incomprehensible that the conduct engaged in by the City of Jellico to sell said property to a private individual without an appraisal, without advertising in a local newspaper requesting sealed bids or directing a public auction is the most advantageous way to dispose of property owned by the City of Jellico and the Plaintiff would further show unto the Court that a review of the videos of the Council meeting and the recommendations of the City attorney fly in the face of the actions engaged in by the City of Jellico as being remotely advantageous to its citizenry hence in derogation of the Charter.
- 11. Upon information and belief, the City of Jellico intends to proceed with the sale despite failing to comply with legal obligations as set forth herein and intends to conduct a second and final hearing of the Ordinance to divest said property.

<sup>&</sup>lt;sup>6</sup> P. C-18.

12. The Plaintiff, as a taxpayer, will suffer irreparable harm if the sale proceeds unlawfully, as it would result in an illegal use and disposal of public property, potential loss of public funds, and violation of public trust.

#### LEGAL BASIS AND GROUNDS FOR RELIEF

- 13. The Defendant, City of Jellico's actions in attempting to sell municipal property without compliance with the Charter, Ordinance and bidding laws, violate the governing legal requirements of the City and the State of Tennessee.
  - 14. Such actions are ultra vires and void.
- 15. Once the property is sold or conveyed, it cannot easily be recovered and the harm to the public interest will be irreparable.
- 16. Plaintiff has no adequate remedy at law, making injunctive relief appropriate and necessary.

WHEREFORE, premises considered, the Plaintiff respectfully requests that this Honorable Court:

- 1. Issue a Temporary Restraining Order (TRO) preventing the Defendant, City of Jellico, from proceeding with any sale, transfer or conveyance of the subject property to a private induvial without advertising to secure sealed bid or by public auction pending a hearing on this matter;
- 2. That the Court issue a Preliminary and Permanent Injunction restraining the Defendant, City of Jellico, from selling or transferring the property without first complying with the bidding, notice and procedural requirements of the City Charter, Ordinance and Tennessee law;
- 3. Declare that any attempted sale of the property without such compliance is void and of no legal effect;
  - 4. Award Plaintiff reasonable costs and attorney fees allowed by law; and

5. Grant the Plaintiff such further and general relief to which the Court may deem the Plaintiff to be entitled.

RESPECTFULLY SUBMITTED, this \_\_\_\_\_\_ day of October, 2025.

CECIL LEFORCE

BY:

Ameesh A. Kherani, BPR #030218

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### **VERIFICATION**

I, Cecil LeForce, hereby verify that the statements in this Complaint are true to the best of my knowledge, information and belief.

CECIL LEFŐŘCE

STATE OF TENNESSEE )
)SS:
COUNTY OF CAMPBELL )

Subscribed to and sworn to before me this \_\_\_\_\_\_day of October, 2025.

Notary Public

My commission expires: 7-13-2026

