



AGENDA

BOARD OF MAYOR AND ALDERMEN WORK SESSION

Tuesday, January 19, 2016
Council Room, 2nd Floor, City Hall, 4:00 p.m.

Board of Mayor and Aldermen

Mayor John Clark, Presiding
Vice Mayor Mike McIntire
Alderman Darrell Duncan
Alderman Colette George

Alderman Michele Mitchell
Alderman Tommy Olterman
Alderman Tom C. Parham

Leadership Team

Jeff Fleming, City Manager
Chris McCartt, Assistant City Manager for Administration
Ryan McReynolds, Assistant City Manager for Operations
J. Michael Billingsley, City Attorney
Jim Demming, City Recorder/Chief Financial Officer
David Quillin, Police Chief

Craig Dye, Fire Chief
Morris Baker, Community Services Director
Lynn Tully, Development Services Director
George DeCroes, Human Resources Director
Heather Cook, Marketing and Public Relations Director

1. Call to Order
2. Roll Call
3. Acceptance of FY2015 Comprehensive Annual Financial Report - Vice Mayor McIntire, Chair of Audit Board
4. Project Status – Jeff Fleming
5. Discuss 2016 Board Planning Calendar & Format Changes – Jeff Fleming
6. AEP Franchise Agreement – Ryan McReynolds
7. Review of Items on January 19, 2016 Business Meeting Agenda
8. Adjourn

Citizens wishing to comment on agenda items please come to the podium and state your name and address. Please limit your comments to five minutes. Thank you.

Status Updates on Active Projects sorted by Cost

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	CurrentStatus
\$13,537,873.00	Niki Ensor	Niki Ensor	Raw Water Intake Replacement	WA1504	Site excavation for new pump station complete. Verticle bores at WTP schedule to begin 1/12/15. Verticle shaft at the intake almost complete. Horizontal shafts set to begin after the first of the year.
\$7,500,000.00	Michael Thompson	Thompson, Michael	SR 347 (Rock Springs Road)		Conference call held with TDOT Region One staff (Danny Oliver, John Barrett, Eric Wilson) and TDOT Local Programs in Nashville (Whitney Sullivan). Whitney Sullivan will prepare the contract.
\$5,600,000.00	Chad Austin	Norman Eichmann	Reedy Creek Sewer Trunk Line		TDOT drawings and documents have been received. Need to review and submit to TDOT. Still working with one property owner for easement.
\$3,250,000.00	Chad Austin	Mike Hickman	Colonial Heights Ph II Sewer & Water		Bid Opening Dec 2. Apparent low bidder - Merkel Brothers Construction
\$2,609,000.00	Chad Austin	Pamela Gilmer	System Wide Water Upgrades FY15 Phase 1		Working on Azalea Place, Cindy Place, and Woodbine Street.
\$2,500,000.00	Chad Austin	Mike Hickman	Colonial Heights Ph V Sewer & Water		Project is in design phase.
\$2,500,000.00	Chad Austin	Mike Hickman	Colonial Heights Ph IV Sewer & Water		Project is in design phase.
\$1,886,220.00	Chad Austin	Pamela Gilmer	System Wide Water Upgrades FY15 Phase 2		Received approval from TDEC (SWPPP, ARAP, and NOI); CSX Agreement for signatures and check.
\$1,700,000.00		Thompson, Michael	Main Street Rebuild		Awaiting contract from TDOT.
\$1,600,000.00	Chad Austin	Mike Hickman	Colonial Heights Ph III Sewer & Water		Easements being acquired.
\$1,002,226.46	Michael Thompson	Clabaugh, Hank	Riverbend Drive - Road Improvements and Construction	GP1512	The project is complete except the boring of the signal conduit across Ft Henry Drive.
\$950,000.00	Chad Austin	Pamela Gilmer	Ft. Henry and Moreland Dr. Sewer Rehabilitation		All permits except CSX maintenance request submitted for approval. TDOT approval received.
\$940,000.00	Kitty Frazier	Clabaugh, Hank	Kingsport Greenbelt - Eastern Extension - Phase 1		All information for NEPA approval has been submitted. NTP with Design phase expected by January.
\$900,000.00	Chad Austin	Sam Chase	ARC Kingsport Sewer System Upgrade		Littlejohn addressing comments from Nov. meeting.
\$697,475.00	Michael Thompson	Thompson, Michael	Stone Drive (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to American Way		TDOT has given the notice to proceed with Environmental Phase. TDOT Nashville to do Categorical Exclusion document.
\$671,382.14	Kitty Frazier	Clabaugh, Hank	Greenbelt (Rotherwood/Pedestrian Bridge)	GP1013	TDOT Nashville staff have approved redesign for Thibault property and we are now moving forward with ROW acquisition process.
\$631,700.00	Chris McCartt	Elsea, Tim	Wilcox Sidewalk Phase 5	MPO15D	Awaiting on response from District Attorney in regards on how to proceed with contract wording.

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\$500,000.00	Niki Ensor	Niki Ensor	WWTP Blower	SW1507	1/8/15 Conference call. Discovered issue with with blower core at manufacturing plant. Core to be replaced. Witness testing week of 1/18/15. Blower scheduled to be on end of February. Project schedule will not be affected.
\$487,800.00	Chad Austin	Hank Clabaugh	Citywide Sewer Replacements & Extensions		Work expected to be completed on the Rock Springs Road portion by Friday Jan. 15.
\$487,800.00	Chad Austin	Hank Clabaugh	Citywide Sewer Replacements & Extensions		Work expected to begin on Emory Church Road during the week of Jan. 18.
\$450,000.00	Chad Austin		Border Regions Areas 1, 2 & 3		Currently in FY18 CIP.
\$400,000.00	Chad Austin	Pamela Gilmer	W. Center St. Sewer Rehabilitation		All permits submitted for approval. TDOT approval received.
\$400,000.00	Michael Thompson	Thompson, Michael	Signalization of the SR 126 (Memorial Blvd. at Island Road Intersection	MPO15A	In ROW phase. Currently obtaining appraisal consultants.
\$267,670.00		Mason, David	Fire Station 3	GP1210	Project is substantially complete. Punch list inspection scheduled for 1/14/16.
\$265,100.00		Mason, David	Library Window Replacement	GP1400	The 4 improperly sized windows have been installed and punch list completed. Awaiting custom repair of leaded glass transom window to close out project.
\$221,800.00	Tim Elsea	Elsea, Tim	Lynn Garden Signal System	MPO15C	NTP with NEPA 11/4/2015. Will advertise RFQ for engineering services in Jan 2016.
\$131,000.00	Chad Austin		JB Dennis Annexation		Project has funding. We are currently working with Bloomingdale UD on a plan for them to upgrade the waterlines.
\$90,000.00	Chad Austin		Kingsport South Annexation		Lebanon Road hydrant will be installed with CH I I Sewer Project.
\$80,000.00	Kitty Frazier	Clabaugh, Hank	Reedy Creek Terrace Bridge	ST1503	Revised environmental review comments were received on 1/13/16. Spoden Wilson is currently addressing these comments.
\$75,000.00	Chad Austin	Hank Clabaugh	Cliffside Dr Force Main Replacement		Project awaiting funds from Roadway project closeout to proceed.
\$50,000.00		Pamela Gilmer	Police Seize Car Lot - Landfill	GP1609	Obtaining bids for project.
\$50,000.00	Tim Elsea	Elsea, Tim	Portable Camera Equipment Purchase	MPO15B	No RFQs were submitted for this project. Staff reviewing specifications and having discussions with vendors.
\$40,000.00	Chad Austin	Jim Gilreath	Clinchfield Street Waterline Replacement	WAM-2014-02	Waiting for demolition of concrete slab by developer.
\$29,995.00		Mason, David	Playground at Preston Forest Park	GP1523	weather in the southeast region has delayed the installer. Current schedule is to begin 1/11/16.
\$12,000.00	Chad Austin	Chris Alley	Pactolus-Rock Springs PRV's		Installation early-mid February
		Mason, David	130 Shelby St. - Engineering Bldg. Renovation	GP1514	Scheduled to advertise 1/17/16 and open bids 2/11/16
		Thompson, Michael	Riverport Road Rebuild		Budget numbers received from consultants. Will be incorporated into the CIP.

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	CurrentStatus
	Chad Austin	Chris Alley	Sullivan County Agriculture Center Waterline Extension		JC has sent plans to TDEC for approval.
	Chad Austin	Jim Gilreath	Maplewood and Ivanhoe Replacement		TDEC Approved 12-8-15.
	Chad Austin	Jim Gilreath	Castaway Waterline Replacement		TDEC Approved. 12-8-15.
	Niki Ensor	Hank Clabaugh	SLS #111 Parker Lane		Design phase

2016 BMA Planning Calendar - Subject to Change

		Key Topic or Department Spotlight (emphasizing operational efficiencies)	Future Direction	Oversight	Recognitions/Presentation (Marketing)
Work Session	Tuesday, January 19, 2016	Power Franchise	ONEKingsport Summit Groups	Audit, Sales Tax, Wellness Clinic, Safety, Projects Status	
Business Meeting	Tuesday, January 19, 2016				Rodney Dye Hagan Dietrich
Work Session	Monday, February 01, 2016	1. Key Budget Messages 2. Review of Current 5-Year CIP	ONEKingsport Summit Groups: Downtown Revitalization	Quarterly Financials, Projects Status	
Business Meeting	Tuesday, February 02, 2016				Judy Smith & John Morris
Work Session	Monday, February 15, 2016	1. Transportation Project Priorities 2. School Facilities	ONEKingsport Summit Groups: Destination City Investments	Projects Status	
Business Meeting	Tuesday, February 16, 2016				
Work Session	Monday, February 29, 2016	Centennial	ONEKingsport Summit Groups: Jobs & Entrepreneurship	Sales Tax, Wellness Clinic, Safety, Projects Status	
Business Meeting	Tuesday, March 01, 2016				
Work Session	Tuesday, March 15, 2016	Transit Center	ONEKingsport Summit Groups: Higher Education Innovation	Projects Status	
Business Meeting	Tuesday, March 15, 2016				
Work Session	Monday, April 04, 2016	I.T. & using technology for efficiencies	ONEKingsport Summit Groups: Health & Wellness	Sales Tax, Wellness Clinic, Safety, Projects Status	
Business Meeting	Tuesday, April 05, 2016				
Work Session	Monday, April 18, 2016	Website: ONEKingsport.com / KingsportTN.gov	ONEKingsport Summit Groups: Arts & Entertainment	Projects Status	
Business Meeting	Tuesday, April 19, 2016				
Work Session	Monday, May 02, 2016	Budget	ONEKingsport Summit Groups: Housing	Quarterly Financials, Sales Tax, Wellness Clinic, Safety, Projects Status	
Business Meeting	Tuesday, May 03, 2016				
Work Session	Monday, May 16, 2016	Budget	ONEKingsport Summit Groups: Overview Update	Projects Status	

2016 BMA Planning Calendar - Subject to Change

		Key Topic or Department Spotlight (emphasizing operational efficiencies)	Future Direction	Oversight	Recognitions/Presentation (Marketing)
Business Meeting	Tuesday, May 17, 2016				
Work Session	Monday, June 06, 2016	Fire Facilities Master Plan	ONEKingsport Summit Groups: Downtown Revitalization	Sales Tax, Wellness Clinic, Safety, Projects Status	
Business Meeting	Tuesday, June 07, 2016				
Work Session	Monday, June 20, 2016	MeadowView Annual Update	ONEKingsport Summit Groups: Destination City Investments	Projects Status	
Business Meeting	Tuesday, June 21, 2016				
Work Session	Tuesday, July 05, 2016	Senior Center Facilities Update	ONEKingsport Summit Groups: Jobs & Entrepreneurship	Sales Tax, Wellness Clinic, Safety, Projects Status	
Business Meeting	Tuesday, July 05, 2016				
Work Session	Monday, July 18, 2016	Library Facilities Update	ONEKingsport Summit Groups: Higher Education Innovation	Projects Status	
Business Meeting	Tuesday, July 19, 2016				
Work Session	Monday, August 01, 2016	Bays Mountain Update	ONEKingsport Summit Groups: Health & Wellness	Quarterly Financials, Sales Tax, Wellness Clinic, Safety, Projects Status	
Business Meeting	Tuesday, August 02, 2016				
Work Session	Monday, August 15, 2016	Police	ONEKingsport Summit Groups: Arts & Entertainment	Projects Status	
Business Meeting	Tuesday, August 16, 2016				
Work Session	Tuesday, September 06, 2016	Water/Sewer/Stormwater	ONEKingsport Summit Groups: Housing	Sales Tax, Wellness Clinic, Safety, Projects Status	
Business Meeting	Tuesday, September 06, 2016				
Work Session	Monday, September 19, 2016	Visitor Enhancement Program	ONEKingsport Summit Groups: Overview Update	Projects Status	
Business Meeting	Tuesday, September 20, 2016				
Work Session	Monday, October 03, 2016	Partner Updates: SBK Animal Shelter	ONEKingsport Summit Groups: Downtown Revitalization	Sales Tax, Wellness Clinic, Safety, Projects Status	

2016 BMA Planning Calendar - Subject to Change

		Key Topic or Department Spotlight (emphasizing operational efficiencies)	Future Direction	Oversight	Recognitions/Presentation (Marketing)
Business Meeting	Tuesday, October 04, 2016				
Work Session	Monday, October 17, 2016	Partner Updates: KCVB (MoveToKingsport, Fun Fest, etc.)	ONEKingsport Summit Groups: Destination City Investments	Projects Status	
Business Meeting	Tuesday, October 18, 2016				
Work Session	Monday, October 31, 2016	Partner Update: Healthy Kingsport, Keep Kingsport Beautiful	ONEKingsport Summit Groups: Jobs & Entrepreneurship	Projects Status	
Business Meeting	Tuesday, November 01, 2016				
Work Session	Monday, November 14, 2016	Partner Update: KHRA	ONEKingsport Summit Groups: Higher Education Innovation	Quarterly Financials, Sales Tax, Wellness Clinic, Safety, Projects Status	
Business Meeting	Tuesday, November 15, 2016				
Work Session	Monday, December 05, 2016	Partner Updates: DKA, PEAK	ONEKingsport Summit Groups: Health & Wellness	Projects Status	
Business Meeting	Tuesday, December 06, 2016				
Work Session	Monday, December 19, 2016	Partner Updates: NETWORKS	ONEKingsport Summit Groups: Arts & Entertainment	Sales Tax, Wellness Clinic, Safety, Projects Status	
Business Meeting	Tuesday, December 20, 2016				



AGENDA

BOARD OF MAYOR AND ALDERMEN

BUSINESS MEETING

Tuesday, January 19, 2016

Large Courtroom – 2nd Floor, City Hall

7:00 p.m.

Board of Mayor and Aldermen

Mayor John Clark, Presiding
Vice Mayor Mike McIntire
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Alderman Colette George

Alderman Michele Mitchell
Alderman Tommy Olterman
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George DeCroes, Human Resources Director
Heather Cook, Marketing and Public Relations Director

- I. CALL TO ORDER**
- II.A. PLEDGE OF ALLEGIANCE TO THE FLAG** - Led by New Vision Youth
- II.B. INVOCATION** – Pastor Richard Dice, Christ Church
- III. ROLL CALL**
- IV. RECOGNITIONS & PRESENTATIONS**
 1. Recognition of Rodney Dye – Ryan McReynolds
 2. Hagan Dietrich – Honorary City Manager for a Day – Jeff Fleming

V. APPROVAL OF MINUTES

1. Work Session – December 14, 2015
2. Business Meeting – December 15, 2015

VI. COMMUNITY INTEREST ITEMS

A. PUBLIC HEARINGS

1. Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Childress Ferry Road 2015 Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 05-2016) (Curtis Montgomery)
 - Public Hearing
 - Resolution – Annexation
 - Ordinance – Zoning - First Reading
 - Resolution – Plan of Services

COMMENT

Citizens may speak on agenda items. When you come to the podium, please state your name and address and sign the register that is provided. You are encouraged to keep your comments non-personal in nature, and they should be limited to five minutes. A total of thirty minutes is allocated for public comment during this part of the agenda.

B. BUSINESS MATTERS REQUIRING FIRST READING

1. Award Contract and Transfer Funds for Sanitary Sewer Facilities and Waterline Upgrades - Colonial Heights Phase 2 Project (AF: 07-2016) (Ryan McReynolds)
 - Resolution
 - Ordinance – First Reading
2. Amending the FY 2016 CDBG Budget (AF: 16-2016) (Lynn Tully)
 - Ordinance – First Reading
3. Amend the FY 2016 General Project Fund Budget (AF: 14-2016) (David Frye)
 - Ordinance – First Reading
4. Franchise Agreement with Kingsport Power Company (d.b.a American Electric Power), an Ordinance Establishing the Franchise Fee (AF: 20-2016) (Ryan McReynolds)
 - Ordinance – Agreement – First Reading
 - Ordinance – Franchise Fee – First Reading
5. Budget Cleanup Ordinance for FY16 (AF: 18-2016) (Jeff Fleming)
 - Ordinance – First Reading

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Amend Zoning of the Armory Property, Located Adjacent to the Intersection of West Stone Drive and Netherland Inn Road (AF: 303-2015) (Ken Weems)
 - Ordinance – **Second Reading & Final Adoption**

2. Public Hearing and Consideration of Ordinance to Amend the Sign Ordinance by Adding Decorative Lighting Regulations (AF: 304-2015) (Ken Weems)
 - Ordinance – **Second Reading & Final Adoption**
3. Amend the Fiscal Year Budget for the Addition of One (1) Position within the Engineering Division of the Public Works Department (AF: 291-2015) (Ryan McReynolds)
 - Ordinance – **Second Reading & Final Adoption**
4. Appropriate Funds Received From Coca-Cola Bottling Company for Pouring Rights at Brickyard Park, Domtar Park and Eastman Park at Horse Creek (AF: 282-2015) (Morris Baker)
 - Ordinance – **Second Reading & Final Adoption**
5. Accepting a \$1000 Grant from Swimming Saves Lives Foundation of U.S. Masters Swimming and Appropriate Funds (AF: 310-2015) (Chris McCartt)
 - Ordinance – **Second Reading & Final Adoption**

D. OTHER BUSINESS

1. Acceptance of FY2015 Comprehensive Annual Financial Report (AF: 22-2016) (Jim Demming, Mike McIntire)
 - Accept Report

E. APPOINTMENTS

1. Reappointments to the Kingsport Economic Development Board (AF: 08-2016) (Mayor Clark)
 - Reappointments

VII. CONSENT AGENDA

1. Apply for and Receive Grant Application for a Tennessee State Library and Archives Construction Grant (AF: 03-2016) (Morris Baker)
 - Resolution
2. Approval of Easement and Right-of-Way for Tranbarger Drive Sewer Extension Project (AF: 01-2016) (Ryan McReynolds)
 - Offer
3. Approval of Easements and Rights-of-Way for Citywide Water Line System Improvements Project – Phase II (AF: 06-2016) (Ryan McReynolds)
 - Offers
4. Apply for Membership with Tennessee One-Call System, Inc. (AF: 11-2016) (Ryan McReynolds)
 - Resolution
5. Amend the Agreement with Prairie Farms Dairy to Renew for an Additional Year (AF: 09-2016) (Jennifer Walker)
 - Resolution

6. Amend the Agreement with Gordon Food Service to renew for an Additional Year (AF: 10-2016) (Jennifer Walker)
 - Resolution
7. Funding Agreement between the U.S Geological Survey, National Geospatial Technical Operations Center and the City of Kingsport, TN for LiDAR Data Collection Spring 2016 (AF: 04-2016) (Jake White)
 - Resolution
8. Apply and Receive the Assistance to Firefighters (AFG) Grant through the U.S. Fire Administration of the Federal Emergency Management Administration (FEMA) Division of the Department of Homeland Security (DHS) (AF: 02-2016) (Scott Boyd)
 - Resolution
9. Apply for and Receive Arts Project Support Grant from the Tennessee Arts Commission (AF: 24-2016) (Morris Baker)
 - Resolution
10. Apply for and Receive a "Multi-Modal Access Fund" Grant from the Tennessee Department of Transportation (AF: 17-2016) (Michael Thompson, Troy Ebbert)
 - Resolution
11. Amending the Fees for Various Programs and Admissions at the Kingsport Aquatic Center (AF: 15-2016) (Chris McCartt)
 - Resolution

VIII. COMMUNICATIONS

- A. City Manager
- B. Mayor and Board Members
- C. Visitors

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IX. ADJOURN



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II.B. INVOCATION – Pastor Richard Dice, Christ Church

III. ROLL CALL

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IX. ADJOURN

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, December 14, 2015, 4:30 PM
Council Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor John Clark

Vice-Mayor Mike McIntire

Alderman Darrell Duncan

Alderman Michele Mitchell

Alderman Colette George

Alderman Tommy Olterman

Alderman Tom C. Parham

City Administration

Jeff Fleming, City Manager

J. Michael Billingsley, City Attorney

James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:30 p.m. by Mayor Clark.
2. **ROLL CALL:** By Deputy City Recorder Marshall.

3. **ONEKINGSPORT SUMMIT FOCUS AREA REPORTS.**

Downtown Revitalization. John and Beverly Perdue gave details on their post-summit meetings thus far, the planning process they have adopted, and their next steps.

Destination City Investments. Assistant City Manager for Administration gave a presentation on the progress of this post-summit group.

At this time there was discussion about cancelling the first work session and business meeting in January on the 4th and 5th. Vice-Mayor McIntire pointed out it would push the post-summit updates scheduled for that work session to the next work when more updates are scheduled. The second work session is set for the same day as the second business meeting due to the Martin Luther King, Jr. holiday. It was proposed to have an additional called work session on the Thursday prior for the sake of time. City Manager Fleming stated staff would prepare a resolution to be added to the agenda tomorrow night to address this issue.

4. **REVIEW OF AGENDA ITEMS ON THE DECEMBER 15, 2015 REGULAR BUSINESS MEETING AGENDA.** City Manager Fleming and members of staff gave a summary or presentation for each item on the proposed agenda. There were no items the Board discussed at greater length or which received specific questions or concerns.

VIA.2 Public Hearing and Consideration of an Ordinance to Amend the Sign Ordinance by Adding Decorative Lighting Regulations (AF: 304-2015). City Planner Ken Weems gave a presentation on this item and answered questions from the board. Discussion followed. Alderman George pointed out this amendment did not address light size in regards to height. Mr. Weems stated that issue could be addressed later if that type of lighting becomes prevalent.

Minutes of the Regular Work Session of the Board of Mayor and Aldermen of Kingsport, Tennessee, Monday, December 14, 2015

VI.A.3 Public Hearing for Annexation Annual Plan of Services Report (AF: 306-2015). City Planner Corey Shepherd gave details on this item. Some discussion followed on getting the word out to the area residents that these plans are continually being worked on and completed.

VI.B.1 Amend the Fiscal Year Budget for the Addition of One (1) Position within the Engineering Division of the Public Works Department (AF: 291-2015). City Manager Flemming provided information on the necessity of this position as well as the cost benefit, pointing out it is unusual to present this during the middle of a budget year. Assistant City Manager for Operation Ryan McReynolds gave further details on this position. Discussion followed.

VI.D.3 Memorandum of Understanding between Bays Mountain Park and East Tennessee State University's Department of Biological Sciences (AF: 299-2015). Community Services Director Morris Baker gave information on this agreement and Ken Childress provided further details and answered questions from the board.

VII.6 Approve Issuance of Certificates of Compliance for Businesses to Sell Retail Alcoholic Beverages (AF: 311-2015). City Manager Fleming noted this was an annual process for the nine package stores. Development Services Director Tully confirmed the number of stores is based on population and Kingsport's limit it nine.

BOARD COMMENT. Alderman George commented on her recent experience where she is trying to relocate her business to a building downtown. She stated it has been a lengthy process that was not handled professionally and needs to be looked at. Discussion followed.

PUBLIC COMMENT. None.

7. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Clark adjourned the meeting at 6:20 p.m.

ANGELA MARSHALL
Deputy City Recorder

JOHN CLARK
Mayor

Minutes of the Regular Business Meeting of the
Board of Mayor and Aldermen of the City of Kingsport, Tennessee
Tuesday, December 15, 2015, 7:00 PM
Large Court Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor John Clark, Presiding
Vice Mayor Mike McIntire
Alderman Darrell Duncan
Alderman Colette George

Alderman Michele Mitchell
Alderman Tommy Olterman
Alderman Tom C. Parham

City Administration

Jeff Fleming, City Manager
J. Michael Billingsley, City Attorney
James Demming, City Recorder/Chief Financial Officer

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor John Clark.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Skip Morrell.
- II.B. **INVOCATION:** Pastor Bryan Moore, Fordtown Baptist Church.
- III. **ROLL CALL:** By City Recorder Demming. All Present.
- IV. **RECOGNITIONS AND PRESENTATIONS.**
 1. TN Parks and Recreation Four Star Individual Service Award – Zellie Earnest (Alderman Parham).
 2. Gene Still – Remembering the Legacy of a Kingsport Man (Mayor Clark/Jeff Fleming).
 3. United Way Recognition – Chad Austin (Mayor Clark).
- V. **APPROVAL OF MINUTES.**

Motion/Second: Parham/McIntire, to approve minutes for the following meetings:

- A. November 16, 2015 Regular Work Session
- B. November 17, 2015 Regular Business Meeting

Approved: All present voting “aye.”

VI. **COMMUNITY INTEREST ITEMS.**

A. **PUBLIC HEARINGS.**

1. **Amend Zoning of the Armory Property Located Adjacent to the Intersection of West Stone Drive and Netherland Inn Road (AF: 303-2015) (Ken Weems).**

PUBLIC COMMENT ON ITEM VI.A.1. None.

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Motion/Second: McIntire/George, to pass:

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO WEST STONE DRIVE FROM M-1R, LIGHT MANUFACTURING RESTRICTED DISTRICT TO B-3, HIGHWAY ORIENTED BUSINESS DISTRICT IN THE 7TH CIVIL DISTRICT OF HAWKINS COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

2. Public Hearing and Consideration of an Ordinance to Amend the Sign Ordinance by Adding Decorative Lighting Regulations (AF: 304-2015) (Ken Weems).

PUBLIC COMMENT ON ITEM VI.A.2. None.

Motion/Second: McIntire/Parham, to pass:

AN ORDINANCE AMENDING THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, SECTION 114-536 BY ADDING THE REQUIREMENT THAT DECORATIVE LIGHTING IS ONLY ALLOWED IN B-2, B-3, AND B-4P ZONES; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

3. Public Hearing for Annexation Annual Plan of Services Report (AF: 306-2015) (Corey Shepherd). City Planner Corey Shepherd gave a brief presentation on this item.

PUBLIC COMMENT ON ITEM VI.A.3. None.

PUBLIC COMMENT. Mayor Clark invited citizens in attendance to speak about any of the remaining agenda items. There being no one coming forward to speak, the Mayor closed the public comment segment.

B. BUSINESS MATTERS REQUIRING FIRST READING.

1. Amend the Fiscal Year Budget for the Addition of One (1) Position within the Engineering Division of the Public Works Department (AF: 291-2015) (Ryan McReynolds).

Motion/Second: Mitchell/McIntire, to pass:

AN ORDINANCE TO AMEND THE GENERAL FUND BUDGET BY ADDING A SENIOR PROJECT MANAGER POSITION FOR THE ENGINEERING DIVISION OF PUBLIC WORKS FOR THE FISCAL YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

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2. Appropriate Funds Received from Coca-Cola Bottling Company for Pouring Rights at Brickyard Park, Domtar Park and Eastman Park at Horse Creek (AF: 282-2015) (Morris Baker).

Motion/Second: George/Duncan, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT-SPECIAL REVENUE FUND BUDGET BY APPROPRIATING FUNDS RECEIVED FROM COCA-COLA BOTTLING COMPANY FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

3. Accept a \$1,000 Grant from Swimming Saves Lives Foundation of U.S. Masters Swimming and Appropriate Funds (AF: 310-2015) (Chris McCartt).

Motion/Second: Olterman/McIntire, to pass:

Resolution No. 2016-090, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO RECEIVE AN ADULT LEARN TO SWIM PROGRAM GRANT FROM THE SWIMMING SAVES LIVES FOUNDATION

Passed: All present voting "aye."

Motion/Second: Olterman/Parham, to pass:

AN ORDINANCE TO AMEND THE AQUATIC CENTER FUND BUDGET BY APPROPRIATING GRANT FUNDS FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.

1. Ordinance to Increase Retiree Health Insurance (AF: 289-2015) (Chris McCartt).

Motion/Second: McIntire/George, to pass:

ORDINANCE NO. 6531, AN ORDINANCE TO AMEND THE RETIREE HEALTH INSURANCE FUND BUDGET BY INCREASING THE RETIREE HEALTH INSURANCE FOR FISCAL YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Clark, Duncan, George, McIntire, Mitchell, Olterman and Parham voting "aye."

D. OTHER BUSINESS.

1. Approve Offer for the Greenbelt Walkway Project (AF: 309-2015) (Michael Thompson).

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Motion/Second: Parham/McIntire, to pass:

Resolution No. 2016-091, A RESOLUTION APPROVING AN OFFER FOR THE PURCHASE OF REAL PROPERTY FOR THE GREENBELT EXTENSION PROJECT; AUTHORIZING THE MAYOR TO MAKE CERTAIN CHANGES TO THE AGREEMENT, IF NECESSARY; AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

Passed: All present voting "aye."

2. Accept Bid for Bays Mountain Park Barge (AF: 287-2015)
(Ken Childress, Morris Baker)

Motion/Second: McIntire/Mitchell, to pass:

Resolution No. 2016-092, A RESOLUTION AWARDED THE BID FOR THE PURCHASE OF A PONTOON BOAT FOR BAYS MOUNTAIN PARK TO THE BOAT DOCTORS AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

Passed: All present voting "aye."

3. Memorandum of Understanding between Bays Mountain Park and East Tennessee State University's Department of Biological Sciences (AF: 299-2015) (Morris Baker/Fred Hilton).

Motion/Second: McIntire/Parham, to pass:

Resolution No. 2016-093, A RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH EAST TENNESSEE STATE UNIVERSITY DEPARTMENT OF BIOLOGICAL SCIENCES, AND AUTHORIZING THE MAYOR TO EXECUTE THE MEMORANDUM OF UNDERSTANDING AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE MEMORANDUM OF UNDERSTANDING

Passed: All present voting "aye."

4. Cancelling the January 4, 2016, Work Session and the January 5, 2016, Business Meeting and Setting a Work Session on January 14, 2016 of the Board of Mayor and Aldermen (AF: 312-2015) (Jeff Fleming). It was noted the scheduled work session on January 19, 2016 at 4:00 pm would still be held before the business meeting scheduled at 7:00 pm.

Motion/Second: McIntire/Mitchell, to pass:

Resolution No. 2016-098, A RESOLUTION CANCELLING THE JANUARY 4, 2016, WORK SESSION AND THE JANUARY 5, 2016, REGULAR MEETING OF THE BOARD OF MAYOR AND ALDERMAN BUSINESS MEETING, AND ADDING A WORK SESSION ON JANUARY 14, 2016, IN ACCORDANCE WITH ARTICLE III, SEC. 7 OF THE CHARTER OF THE CITY OF KINGSPORT, TENNESSEE

Passed: All present voting "aye."

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E. APPOINTMENTS/REAPPOINTMENTS.

Motion/Second: George/McIntire, to approve:

1. Reappointments to the Emergency Communications District/ E-911 Board (AF: 308-2015) (Mayor Clark).

Approve:

REAPPOINTMENT OF MR. CONNER CALDWELL, REV. KENNETH CALVERT AND MR. HUNTER WRIGHT TO SERVE ANOTHER FOUR-YEAR TERM ON THE **EMERGENCY COMMUNICATIONS DISTRICT/E-911 BOARD** EFFECTIVE IMMEDIATELY AND EXPIRING ON DECEMBER 31, 2019.

Passed: All present voting "aye."

VII. CONSENT AGENDA. (These items are considered under one motion, except for Item #3, which was pulled for discussion and voted on separately.)

Motion/Second: McIntire/Parham, to adopt:

1. Renew the Workers Compensation Excess Insurance Coverage through Safety National Insurance Company (AF: 300-2015) (Terri Evans).

Pass:

Resolution No. 2016-094, A RESOLUTION APPROVING THE RENEWAL OF THE AGREEMENT WITH SAFETY NATIONAL INSURANCE CORPORATION FOR WORKERS' COMPENSATION REINSURANCE AND AUTHORIZING THE MAYOR TO EXECUTE THE RENEWAL OF THE POLICY AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE RENEWAL

Passed: All present voting "aye."

2. Renew the Self-Funded Health Insurance Program Excess Insurance Coverage through HCC Life Insurance Company (AF: 301-2015) (Terri Evans).

Pass:

Resolution No. 2016-095, A RESOLUTION AUTHORIZING RENEWAL OF THE POLICY WITH HCC LIFE INSURANCE COMPANY FOR STOP LOSS REINSURANCE COVERAGE AND AUTHORIZING THE MAYOR TO EXECUTE THE RENEWAL OF THE POLICY AND ALL AGREEMENTS AND OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE RENEWAL

Passed: All present voting "aye."

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3. Adoption of the 2016 Joint Tri-Cities Legislative Policy (AF: 302-2015) (Jeff Fleming). This item was pulled from the consent agenda for further discussion at the request of Alderman Parham.

Pass: McIntire/Duncan

ADOPTION OF THE 2016 JOINT TRI-CITIES LEGISLATIVE POLICY

Passed: All present voting "aye."

4. Right-of-Way Easement with Kingsport Power Company (AF: 305-2015) (Ryan McReynolds).

Pass:

Resolution No. 2016-096, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A RIGHT-OF-WAY EASEMENT WITH KINGSFORT POWER COMPANY

Passed: All present voting "aye."

5. Renewal of Agreement with Aetna Life Insurance Company for Stop Loss Insurance for Kingsport City Schools (AF: 307-2015) (David Frye).

Pass:

Resolution No. 2016-097, A RESOLUTION AUTHORIZING THE RENEWAL OF THE AGREEMENT WITH AETNA LIFE INSURANCE COMPANY FOR STOP LOSS INSURANCE FOR THE KINGSFORT CITY SCHOOLS AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

6. Approve Issuance of Certificates of Compliance for Businesses to Sell Retail Alcoholic Beverages (AF: 311-2015) (Jim Demming).

Approve:

APPROVE ISSUANCE OF CERTIFICATES OF COMPLIANCE FOR BUSINESSES TO SELL RETAIL ALCOHOLIC BEVERAGES

Passed: All present voting "aye."

VIII. COMMUNICATIONS.

A. CITY MANAGER. Mr. Fleming commented on the ribbon cutting on the new burn building for the fire department. He provided a brief history on the spending for the fire department over the last five years.

B. MAYOR AND BOARD MEMBERS. Alderman Duncan stated his tie was signed by city employees. He also wished everyone a Merry Christmas and Happy New Year. Alderman Mitchell made comments on the PEAK organization and also encouraged everyone to shop downtown for Christmas.

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Alderman Parham recognized the life and service of Steve Ward who served 30 years as an animal control officer. Alderman Olterman commented his grandkids were watching at home and wished everyone a Merry Christmas. Alderman George also wished everyone a Merry Christmas and asking everyone not to forget the true meaning of this holiday. Vice-Mayor McIntire recognized Leland Davis, a World War II hero who celebrated a birthday last week. He wished everyone a blessed Christmas and, Happy New Year, everyone to be safe. Mayor Clark talked about the Post-Summit groups, noting he is excited and looking forward to their feedback. The mayor also pointed out there were many local events to participate in during this time of the year, including the Kingsport Theatre Guild, the Lamplight Theatre, the Nutcracker ballet performance and the Speedway in Lights.

C. VISITORS. None.

IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Clark adjourned the meeting at 8:00 p.m.

ANGELA MARSHALL
Deputy City Recorder

JOHN CLARK
Mayor



AGENDA ACTION FORM

Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Childress Ferry Road 2015 Annexation and Consideration of a Resolution Adopting the Plan of Services

To: Board of Mayor and Aldermen
 From: Jeff Fleming, City Manager

Action Form No.: AF-05-2016
 Work Session: January 19, 2019
 First Reading: January 19, 2016

Final Adoption: February 2, 2016
 Staff Work By: Curtis Montgomery
 Presentation By: Curtis Montgomery

Recommendation:

- Hold public hearing
- Approve resolution for the Childress Ferry Road 2015 annexation
- Approve ordinance amending the zoning ordinance for the Childress Ferry Road 2015 annexation
- Approve resolution adopting a plan of services for the annexation area

Executive Summary:

This is the Childress Ferry Road 2015 annexation of 1 parcel consisting of approximately 7.82 acres. The annexation area contains one single-family home. The current county zoning of the area is A-1 (Agriculture District). The proposed city zoning for the annexation area is R-1B (Residential District). The purpose of this owner-requested annexation is to ensure availability of city schools for their child. This annexation meets the criteria of the current Board of Mayor and Aldermen annexation policy. During their December 2015 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen for this annexation. The Notice of Public Hearing was published on January 4, 2016.

Attachments:

1. Notice of Public Hearing
2. Annexation Resolution
3. Zoning Ordinance
4. Plan of Services Resolution
5. Staff Report

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on Tuesday, January 5, 2015, to consider the annexation, zoning, and plan of services for the Childress Ferry Road annexation. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

The property proposed for annexation is generally described as follows:

BEGINNING at a point, said point being the northwest corner of parcel 24.6, Tax Map 78H; thence in a northeasterly direction, approximately 405 feet to a point; said point being the northeastern corner of parcel 24.6; thence in a southeasterly direction, approximately 842 feet to a point; said point being the southeastern corner of parcel 24.6 being in common with the northern boundary of Childress Ferry Road; thence in a southerly direction crossing Childress Ferry Road, approximately 30 feet to a point; said point being on the southern boundary of the right-of-way of Childress Ferry Road; thence in southwesterly direction following the southern boundary of Childress Ferry Road, approximately 414 feet to a point, said point being on the southern boundary of the right-of-way of Childress Ferry Road; thence in a northerly direction crossing Childress Ferry Road, approximately 30 feet to a point; said point being the southwestern corner of parcel 24.6 being in common with the northern boundary of Childress Ferry Road; thence in a northwesterly direction, approximately 851 feet to a point; said point being the point of *BEGINNING*, and being all of parcel 24.6, Tax Map 78H of the Sullivan County April 2008 Tax Maps.

All interested persons are invited to attend this meeting and public hearing. A detailed map, description, and plan of services document is on file in the offices of the City Manager, Planning Manager, and Kingsport Library for inspection. Additional information concerning this proposal may be obtained by contacting the Kingsport Planning Division of the Development Services Department, telephone 423-229-9485.

CITY OF KINGSPORT
James H. Demming, City Recorder
P1T: 09/21/15

RESOLUTION NO. _____

A RESOLUTION TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 7th CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE CHILDRESS FERRY ROAD 2015 ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS RESOLUTION

WHEREAS, a public hearing before the board of mayor and aldermen of the City of Kingsport, Tennessee, was held on the 19th day of January 2016, and notice thereof published in the Kingsport Times-News on the 4th day of January 2016; and

WHEREAS, the board of mayor and aldermen finds that the annexation will materially benefit the health, safety, and welfare of the citizens and property owners of the city and the territory annexed; and

WHEREAS, the annexation of such property is deemed necessary for the welfare of the residents and property owners thereof and the city as a whole; and

WHEREAS, pursuant to *Tenn. Code Ann. § 6-51-104(a)* the property owners of the affected territory have requested annexation of their property by the City of Kingsport by submitting written consent signed by the property owners to the city; and

WHEREAS, a plan of services for this area was adopted by resolution on the 19th day of January 2016, as required by *Tenn. Code Ann. § 6-51-102, et seq.*

BE IT ORDAINED BY THE CITY OF KINGSPORT, AS FOLLOWS:

SECTION I. Pursuant to the authority conferred by Tennessee Code Annotated §6-51-102 *et seq.* and upon written consent signed by the property owners in the affected territory submitted to the city there is here-by annexed to the City of Kingsport, Tennessee, and incorporated within the corporate boundaries thereof, the following described territory adjoining the present corporate boundaries: embracing that certain part of Civil District No. 7 of Sullivan County, Tennessee, and more fully described to-wit:

BEGINNING at a point, said point being the northwest corner of parcel 24.6, Tax Map 78H; thence in a northeasterly direction, approximately 405 feet to a point; said point being the northeastern corner of parcel 24.6; thence in a southeasterly direction, approximately 842 feet to a point; said point being the southeastern corner of parcel 24.6 being in common with the northern boundary of Childress Ferry Road; thence in a southerly direction crossing Childress Ferry Road, approximately 30 feet to a point; said point being on the southern boundary of the right-of-way of Childress Ferry Road; thence in southwesterly direction following the southern boundary of Childress Ferry Road, approximately 414 feet to a point, said point being on the

southern boundary of the right-of-way of Childress Ferry Road; thence in a northerly direction crossing Childress Ferry Road, approximately 30 feet to a point; said point being the southwestern corner of parcel 24.6 being in common with the northern boundary of Childress Ferry Road; thence in a northwesterly direction, approximately 851 feet to a point; said point being the point of BEGINNING, and being all of parcel 24.6, Tax Map 78H of the Sullivan County April 2008 Tax Maps.

SECTION II. That this resolution shall take effect thirty (30) days from and after the date of its adoption, the public welfare of the citizens of Kingsport, Tennessee requiring it.

ADOPTED this the 2nd day of February 2016.

JOHN CLARK, Mayor

ATTEST:

JAMES H. DEMMING, City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO CHILDRESS FERRY ROAD FROM A-1, AGRICULTURE DISTRICT TO R-1B, RESIDENTIAL DISTRICT IN THE 7TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, AS FOLLOWS:

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property adjacent to Childress Ferry Road from County A-1, Agriculture District to City R-1B, Residential District in the 7th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

BEGINNING at a point, said point being the northwest corner of parcel 24.6, Tax Map 78H; thence in a northeasterly direction, approximately 405 feet to a point; said point being the northeastern corner of parcel 24.6; thence in a southeasterly direction, approximately 842 feet to a point; said point being the southeastern corner of parcel 24.6 being in common with the northern boundary of Childress Ferry Road; thence in a southerly direction crossing Childress Ferry Road, approximately 30 feet to a point; said point being on the southern boundary of the right-of-way of Childress Ferry Road; thence in southwesterly direction following the southern boundary of Childress Ferry Road, approximately 414 feet to a point, said point being on the southern boundary of the right-of-way of Childress Ferry Road; thence in a northerly direction crossing Childress Ferry Road, approximately 30 feet to a point; said point being the southwestern corner of parcel 24.6 being in common with the northern boundary of Childress Ferry Road; thence in a northwesterly direction, approximately 851 feet to a point; said point being the point of BEGINNING, and being all of parcel 24.6, Tax Map 78H of the Sullivan County April 2008 Tax Maps.

SECTION II. Any person violating any provisions of this ordinance shall be guilty of an offense and upon conviction shall pay a penalty of FIFTY DOLLARS (\$50.00) for each offense. Each occurrence shall constitute a separate offense.

SECTION III. That this ordinance shall take effect from and after the date of its passage and publication, as the law directs, the public welfare of the City of Kingsport, Tennessee requiring it.

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

PASSED ON 1ST READING _____
PASSED ON 2ND READING _____

RESOLUTION NO.

A RESOLUTION ADOPTING A PLAN OF SERVICES FOR THE CHILDRESS FERRY ROAD 2015 ANNEXATION OF THE CITY OF KINGSPORT, TENNESSEE

WHEREAS, before any territories may be annexed under Tennessee Code Annotated §6-51-102, the governing body shall have previously adopted a plan of services setting forth the identification and timing of municipal services; and

WHEREAS, before any such plan of services shall have been adopted, it must have been submitted to the local planning commission for study and a written report; and

WHEREAS, a plan of services for the proposed Childress Ferry Road 2015 annexation was submitted to the Kingsport Regional Planning Commission on December 17, 2015 for its consideration and a written report; and

WHEREAS, prior to the adoption of a plan of services, the City shall hold a public hearing; and

WHEREAS, a public hearing was held January 19, 2016; and

WHEREAS, notice of the time and place of the public hearing shall be published in a newspaper of general circulation in the municipality a minimum of seven (7) days prior to the hearing; and

WHEREAS, notice of the time and place of the public hearing was published in the Kingsport Times-News on January 4, 2016; and

WHEREAS, the City of Kingsport, pursuant to the provisions of Tennessee Code Annotated, §6-51-102 has endeavored to annex a portion of the 7th Civil District of Sullivan County, Tennessee, commonly known as the Childress Ferry Road 2015 Annexation, said area being bounded and further described as follows:

BEGINNING at a point, said point being the northwest corner of parcel 24.6, Tax Map 78H; thence in a northeasterly direction, approximately 405 feet to a point; said point being the northeastern corner of parcel 24.6; thence in a southeasterly direction, approximately 842 feet to a point; said point being the southeastern corner of parcel 24.6 being in common with the northern boundary of Childress Ferry Road; thence in a southerly direction crossing Childress Ferry Road, approximately 30 feet to a point; said point being on the southern boundary of the right-of-way of Childress Ferry Road; thence in southwesterly direction following the southern boundary of Childress Ferry Road, approximately 414 feet to a point, said point being on the southern boundary of the right-of-way of Childress Ferry Road; thence in a northerly direction crossing Childress Ferry Road,

approximately 30 feet to a point; said point being the southwestern corner of parcel 24.6 being in common with the northern boundary of Childress Ferry Road; thence in a northwesterly direction, approximately 851 feet to a point; said point being the point of BEGINNING, and being all of parcel 24.6, Tax Map 78H of the Sullivan County April 2008 Tax Maps.

AND WHEREAS, the City of Kingsport deems it advisable to adopt a Plan of Services for the proposed annexation area. Now, therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF KINGSFORT, TENNESSEE, AS FOLLOWS:

SECTION I. That a Plan of Services for the Childress Ferry Road 2015 Annexation as bounded and described above is hereby adopted, subject to an enactment of an annexation ordinance for the annexation area, the said Plan of Services to be as follows:

**Childress Ferry Road 2015 Annexation
Plan of Services**

1. Police Protection

- A. On the date of annexation the Kingsport Police Department will respond to all calls for service for police protection, including criminal calls, traffic accidents and traffic related occurrences, and other prevention and interdiction calls for service.
- B. Effective with annexation, all resources currently available within the Kingsport Police Department will become available to the citizens of the area. The Kingsport Police Department has an authorized accredited force of 116 police officers and approximately 60 civilian personnel to provide services 24-hours per day, 365 days a year.
- C. The Kingsport Police Department is accredited with the Commission on Accreditation for Law Enforcement Agencies and has met 358 mandatory and 72 other-than mandatory standards in order to attain this status. Kingsport Police Department was only the third accredited department in the State of Tennessee and the first in northeast Tennessee.
- D. Upon annexation, existing police department personnel will be utilized to provide services by expanding the contiguous patrol sections to include the newly incorporated area. Existing police personnel and equipment will be shifted to provide needed coverage of the area. Each section will be patrolled by units of the Kingsport Police Department and will be augmented by other departments and units such as investigators, specialized assigned details etc.
- E. When needed, the Kingsport Police Department will hire additional police officers to provide more response to annexed areas. The officers will undergo 450 hours of basic recruit training before being certified as a police officer. Upon completion of the classroom training, the officers will undergo 480 hours of field officer training where they will work and be trained by designated training officers.

- F. The Kingsport Police Department will provide upon request crime prevention programs, traffic safety education programs, drug education/awareness programs including D.A.R.E. to the citizens of the area. Additional programs include department personnel to address groups on law enforcement topics or concerns, home and business security checks and establishing and maintaining neighborhood watch programs.
- G. The Kingsport Police Department currently maintains an approximate 5 minute average response time to emergency and urgent calls within the corporate limits.

2. Fire Protection

- A. On the operative date of annexation, the City of Kingsport will answer all calls for service for fire, disaster, hazardous materials, special rescue and medical first responder. The Kingsport Fire Department goes beyond the basic fire services required of a City Government.
- B. The City of Kingsport Fire Department is an Internationally Accredited Agency, one of only four in the State of Tennessee. We operate 8 fire stations, housing fire suppression, hazardous materials, rescue and other emergency equipment. Staffed by 106 full-time professional firefighters, 24 hours a day, 365 days a year to provide service. The City of Kingsport maintains a Class 2 insurance rating saving its residents the most possible on their insurance rates. Our response time average is approximately 4 minutes, 53 seconds after we receive the call from our dispatch center.
- C. Free fire safety inspections will be available upon request on the effective date of annexation. Water lines will be upgraded within five (5) years after the effective date of annexation to provide needed fire flow to protect the properties.
- D. All structures must be brought into compliance with the City-wide smoke detector ordinance within thirty (30) days of the effective date of annexation. This is strictly to provide residents with the best fire protection service available.
- E. The City of Kingsport Fire Department has a Hazardous Materials Response Team, which has state-of-the-art equipment to handle all calls of an emergency nature dealing with incidents relating to hazardous chemicals. The department also has a Technical Rescue Team that has specialized rescue capabilities and equipment for all types of hazards.
- F. The City of Kingsport Fire Department provides First Responder emergency medical services to all life-threatening medical emergencies resulting from serious illness or injury. We provide advanced life support (paramedics) for victims until ambulance service arrives for transport.

3. Water

- A. Water will be billed at in City rates rather than out of City rates, which will result in a reduction in water rates for annexed citizens already receiving City water. Those not currently receiving City water will be required to obtain a water-tap in order to obtain City water.

- B. The City of Kingsport Water Department operates and maintains a 28 MGD water filtration plant, 22 water storage tanks, 15 water booster station and over 750 miles of waterlines. The water treatment plant is staffed by state certified operators 24 hours a day, 365 days a year to provide safe drinking water to our customers.
- C. The City of Kingsport Water Department meets or exceeds water quality standards set forth by the State of Tennessee and the United States Environmental Protection Agency. The plant was the recipient of the 2005 Julian Fleming Award for Outstanding Water Treatment Plants.
- D. The Kingsport Water Treatment Plant has a capacity of 28 MGD and an average daily demand of 15 MGD leaving a surplus capacity of approximately 18 MGD for increased demand.
- E. The Water Distribution Division is managed with a professional staff who are members of key professional organizations such as: American Water Works Association, Tennessee Association of Utility Districts, National Society of Professional Engineers, American Society of Civil Engineers. Several key members of the staff also hold certificates and licenses in the operations of a distribution system in the State of Tennessee.

4. Electricity

Electric service in this area is currently under the jurisdiction of American Electric Power and is currently available.

5. Sanitary Sewer

- A. City of Kingsport Sanitary sewer currently serves the annexation area.
- B. Sanitary sewer fees are based on usage of water and are direct reflection of the amount of water used by the resident.
- C. The City of Kingsport operates and maintains a 12.4 MGD wastewater treatment plant, 88 sewer lift stations and approximately 525 miles of sanitary sewer collection lines to provide sewer service to our customers.
- D. The City of Kingsport Wastewater Treatment Plant recently experienced over 21 million dollars of improvements to provide a reliable and dependable infrastructure.
- E. The wastewater treatment plant is staffed with State Certified Operators 24 hours a day, 365 days a year. Treatment plant operators exceed State of Tennessee training requirements.
- F. The Sewer Collection Division is managed with a professional staff who are members of key professional organizations such as: Water Environment Federation, Tennessee Association of Utility Districts, National Society of Professional Engineers, American Society of Civil Engineers. Several key members of the staff also hold certificates and licenses in the operations of a collection system in the State of Tennessee.

6. Solid Waste Disposal

Sanitation garbage (routine household refuse), trash (grass clippings, tree trimmings, bulky items), and recycling collection will be provided to the annexed area on the same basis as that received by properties located within the existing City Limits. Collection will begin within thirty (30) days following the effective date of annexation. Members of the collection crews receive ongoing training in their fields. The City of Kingsport also owns and operates a demolition landfill that residents can use for a fee. That landfill is supervised by a SWANA certified Manager of Landfill Operations. This supervisor also holds other certifications from SWANA and TDEC.

7. Public Road/Street Construction & Repair

- A. Emergency and routine maintenance of streets and street signs, pavement markings and other traffic control devices will begin on the operative date of annexation. Emergency pothole repairs are generally made within 24 hours of notification. Crews are available on a 24 hour basis for major emergency call-outs.
- B. Cleaning of streets of snow and ice clearing will begin on the operative date of annexation on the same basis as now provided within the present City limits. This includes major thoroughfares, State highways and emergency route to hospitals as first priority, with secondary/collector streets and finally residential streets in that order as priority II. Snow removal crews receive yearly training to help keep them up to date with changes in procedures and techniques. Snow removal crews also respond on a 24 hour emergency call in basis.
- C. Streets affected by utility construction will be repaired as soon as possible after the utility construction is completed.
- D. Routine Right of Way maintenance is also provided on the effective date of annexation. These crews include a certified Arborist, certified Pesticide Applicators, and other trained personnel to respond to emergencies and routine maintenance requests.
- E. The Streets and Sanitation Division is managed and supervised by a professional staff who are members in good standing of several Professional Organizations such as the Tennessee Chapter of the American Public Works Association, the national chapter of the American Public Works Association, the Volunteer Chapter of the Solid Waste Association of North America, the national chapter of the Solid Waste Association of North America, the Tennessee Urban Forestry Council, the Tennessee Nursery and Landscape Association, National Arbor Day Association, Tennessee Vegetation Management Association, and the Keep Kingsport Beautiful Council. The staff receives ongoing training through these Professional Organizations. Members of the staff are active in their respective organizations. Members of the staff also serve as trainers and instructors for various training venues.

8. Recreational Facilities

- A. Residents of the annexed area may use existing City recreational facilities, programs, parks, etc. on the effective date of annexation at City rates rather than out of City rates.
- B. Residents of the annexed area may use all existing library facilities and will be exempt from the non-residential fee on the effective date of annexation.
- C. Residents of the annexed area (50 years or older) will be eligible to use the Senior Citizens Center with no non-residential fees and with transportation provided on the effective date of annexation.
- D. The Department of Parks and Recreation has more than 4,800 acres of city-owned land to provide parks and recreation programs to all our citizens. The amenities and programs offered by many of the parks and recreation areas through the Leisure Services Department include playing fields for baseball and softball, basketball courts, play grounds, volley ball, tennis courts, a skate park and concession areas and restrooms to serve these facilities. Other amenities offered include General meeting areas, multi-function areas, Community Centers, senior programs, Theater and Cultural Arts programs. Many of the parks have walking and hiking trails and Bays Mountain, the City's largest park, includes animal habitats, a farm area, camping sites, and a Planetarium.

9. Street Lighting

Sufficient lighting adequately serves the annexation area.

10. Zoning Services

- A. The property is currently zoned A-1 and will be zoned R-1B.
- B. The Kingsport Regional Planning Commission is the comprehensive planning agency and administers zoning and land subdivision regulations for the City of Kingsport as provided in State law. The Kingsport Regional Planning Commission consists of nine (9) commissioners appointed by the Mayor of the City of Kingsport.
- C. The Kingsport Regional Planning Commission will exercise planning and zoning activities for the area being annexed upon the operative date of annexation.
- D. Appeals to the Zoning regulations are heard by the Board of Zoning Appeals and variances are granted if the request meets the criteria established for granting variances under Tennessee Code Annotated.

11. Schools

- A. Upon annexation, children currently attending County schools will be allowed to attend City of Kingsport schools or remain in County schools per the prevailing County policy at the time.
- B. Tuition paid by non-city residents now attending City schools will cease upon the effective date of annexation and those students may continue to attend City schools without charge until graduation.

- C. Children at all grade levels may attend City schools tuition-free. Transportation will be provided for students, whose homes are more than 1.5 miles from their designated school, beginning with the school year following annexation.

The previous sections are titled and listed in the order prescribed by Tennessee Code Annotated 6-51-102(b) (2). The following sections are provided by the City of Kingsport in addition to the minimum requirements.

12. Traffic Control

The City will verify all street name signs and traffic control devices in accordance with the Manual on Uniform Traffic Control Devices.

13. Inspection Services

All inspection services now provided by the City on a fee basis (building, electrical, plumbing, gas, housing, sanitation, etc.) will begin in the annexed area on the effective date of annexation. A free safety inspection of plumbing vents will be required at the time sewer connections are made to make sure that proper protection is available to prevent sewer gas from entering houses.

14. Animal Control

Animal control service equivalent to that presently provided within the City will be extended to the annexed area on the effective date of annexation.

15. Storm Sewers

The installation of any needed storm sewers will be accomplished in accordance with existing standards and engineering principles provided for by present City policies. Maintenance of existing storm sewer and drainage systems is also provided on an as needed basis. Response to emergency storm drainage calls is also provided on a 24 hour call in basis.

16. Leaf Removal

The City will collect loose leaves with the vacuum truck between October 15 and January 15, and it will be provided to the annexation area on the same basis as it is currently provided to other City residents beginning on the effective date of annexation. Bagged leaves are collected year round. Leaves are transported to the City's Demolition Landfill where they are composted and used as an amendment to existing dirt stockpiles. This enhanced dirt is then used on City Projects for backfill and topsoil applications.

17. Litter Control

The City's litter control program will be extended to the area on the effective date of annexation. It is provided on a regular schedule along major routes and on an "as needed" basis throughout the City.

18. Graffiti Control

The City's graffiti control program, which is aimed at eliminating graffiti on public rights-of-way such as bridge abutments, street signs, railroad underpasses, and the like, will be extended to the area on the effective date of annexation. It is provided on an "as needed/on call" basis. Response time for "offensive" graffiti removal is generally within 48 hours.

19. Other Services

All other services not classified under the foregoing headings such as Executive, Judicial, Legal, Personnel, Risk Management, Fleet Maintenance, Finance and Administration and other support services will be available upon the effective date of annexation.

SECTION II. This Resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 2nd day of February 2016.

ATTEST:

JOHN CLARK, Mayor

JAMES H. DEMMING
City Recorder

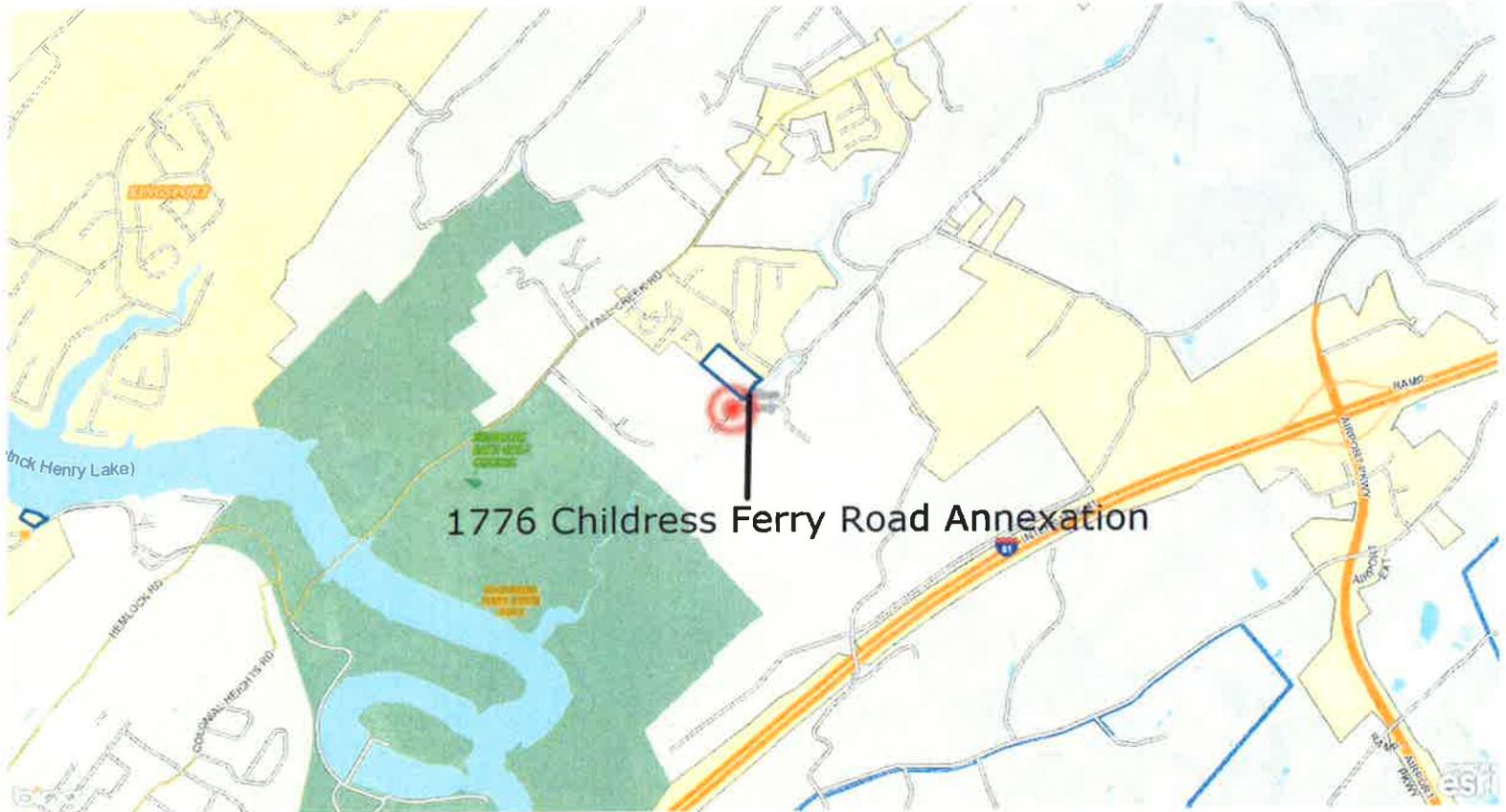
APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

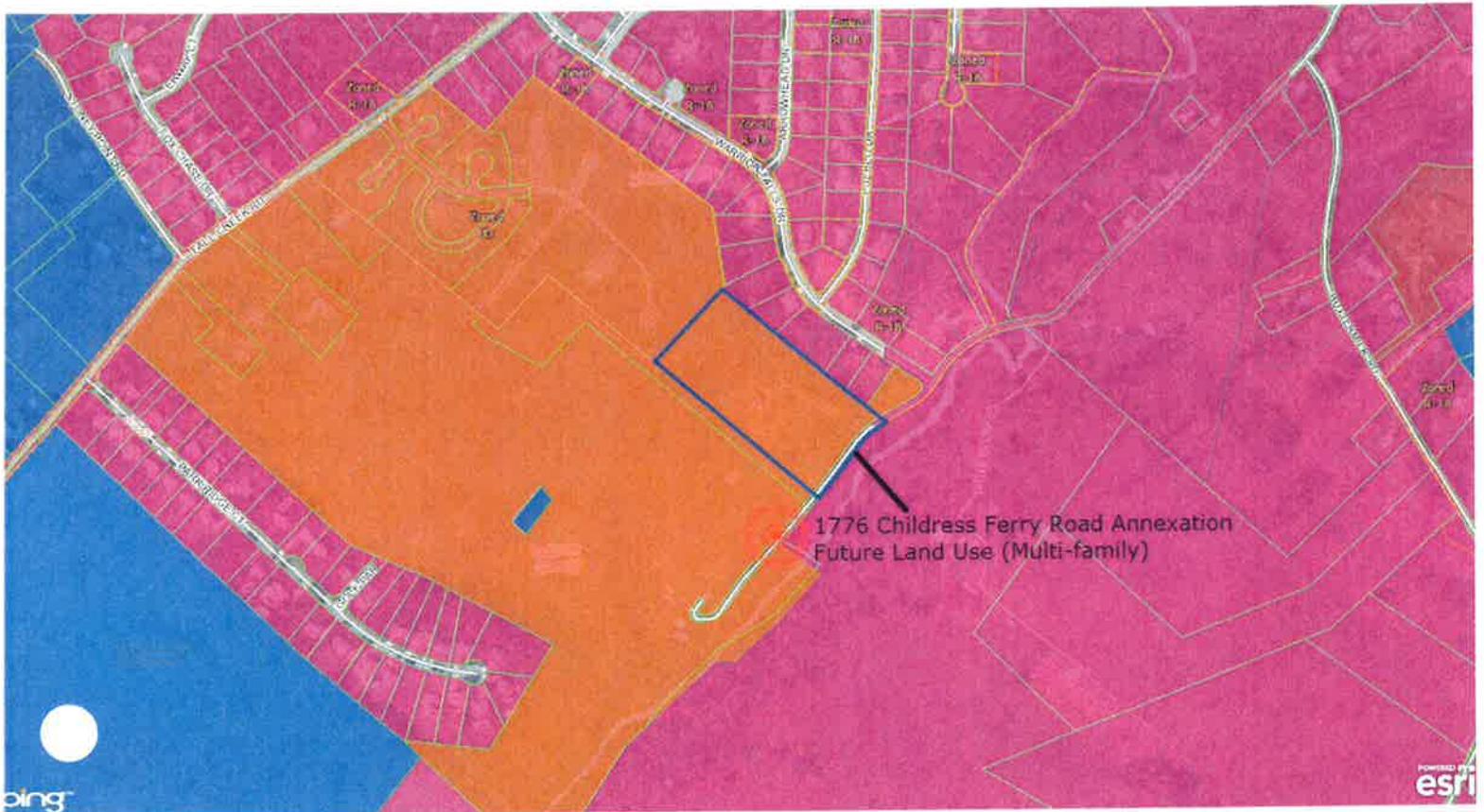
Childress Ferry Road 2015 Annexation

Property Information			
Address		1776 Childress Ferry Road	
Tax Map, Group, Parcel		78H, 24.6	
Civil District			
Overlay District		N/A	
Land Use Plan Designation		Residential	
Acres		7.82 +/-	
Existing Use	Residential	Existing Zoning	County A-1
Proposed Use	Residential	Proposed Zoning	City R-1B
Owner Information			
Name: Garnett E. Simmers Address: 1776 Childress Ferry Road City: Jonesborough State: TN Zip Code: 37659 Email: Phone Number:		Intent: <i>Annexation by request of a single-family home.</i>	
Planning Department Recommendation			
<p>RECOMMENDATION: APPROVAL to recommend the Annexation, Zoning, and Plan of Services to the BMA</p> <p>The Kingsport Planning Division recommends approval for the following reasons:</p> <ul style="list-style-type: none"> • <i>The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.</i> • <i>It is reasonably necessary for the welfare of the residents and property owners of the affected territory.</i> • <i>The City of Kingsport can provide services through its Plan of Services that the County cannot provide to the residents of the area.</i> • <i>Annexation spurs economic growth by providing basic services at a reasonable cost and allows those costs to be spread fairly to all who enjoy those services.</i> • <i>It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.</i> <p>Staff Field Notes and General Comments: This is a property owner-requested annexation submitted by Garnett Simmers. Mr. Simmers has requested annexation to guarantee availability of city schools for his child.</p> <p>Utilities: City of Kingsport water and sanitary sewer services are available to the property.</p>			
Planner:	Curtis Montgomery	Date:	November 25, 2015
Planning Commission Action		Meeting Date:	December 17, 2015
Approval:			
Denial:		Reason for Denial:	
Deferred:		Reason for Deferral:	

Vicinity Map



Future Land Use Plan



Cost

**Childress Ferry Road Annexation
Cost Estimate/ tax records as of 30 November
2015**

Revenues	One Time	Reoccurring (annual)	
Property Taxes	X	\$2,304.00	
State Shared	X	\$336.00	\$112 (estimated) for every person. The annexation contains three people.
Sewer Tap Fees	X	\$0.00	
Water Rev (Loss)	X	\$(348.00)	Average based upon converting from outside city rate to inside city rate
Total	\$0.00	\$2,292.00	

Expenses	One Time	Reoccurring (annual)	
Operating Budget			
Police & Fire Service	0.00	0.00	minimal extra area
Transit Service	0.00	0.00	
Street Lighting	1,297.00	297.00	2 new street lights
Traffic Controls	0.00	0.00	
Streets & Sanitation	0	891.00	
Subtotal	\$1,297.00	\$1,188.00	
Capital Budget			
Water	0.00	0.00	
Sewer	0.00	0.00	
Streets	1,326.00	0.00	
Stormwater	19,400.00	0.00	culvert replacement
Subtotal	\$20,726.00	0.00	
Grand Total	\$22,023.00	\$1,188.00	

Existing Surrounding Land Uses



Kingsport Regional Planning Commission

Annexation Report

File Number 15-301-00007

Location	Parcel / Zoning Petition	Zoning / Name	History Zoning Action Variance Action
North, East, Northwest	1	<u>Zone: City PD</u> Use: Chase Meadows Development	Annexed in 2007
Further North and Northwest	2	<u>Zone: City PD</u> Use: Chase Meadows Development	Annexed in 2007
East	3	<u>Zone: City R-1B</u> Use: Warrior Falls Development	Annexed in 2008
Further East	4	<u>Zone: County A-1</u> Use: Agricultural	n/a
Southeast and South	5	<u>Zone: County A-1</u> Use: Agricultural	n/a
Further South	6	<u>Zone: County A-1</u> Use: Agricultural	n/a
West	7	<u>Zone: County A-1</u> Use: Agricultural	n/a

CONCLUSION

The Kingsport Planning Division recommends approval for the following reasons:

- *The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.*
- *It is reasonably necessary for the welfare of the residents and property owners of the affected territory.*
- *The City of Kingsport can provide services through its Plan of Services that the County cannot provide to the residents of the area.*
- *Annexation spurs economic growth by providing basic services at a reasonable cost and allows those costs to be spread fairly to all who enjoy those services.*
- *It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.*

Aerial Photo



From Childress Ferry Rd.



Northern Portion of Property



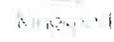
Facing East Beside the House.



Facing Chase Meadows near Northern Portion of Property.



ANNEXATION PETITION



PETITIONER INFORMATION:

Last Name: Simmons First: Garnett M.I.: E. Date: 11-4-15
 Street Address: 1776 Childress Ferry Road Apartment/Unit #: _____
 City: Blountville State: TN ZIP: 37617
 Phone: 423-323-1620 E-mail Address: msimmons@eastman.com
 # in Household and Ages: 3 - 41, 38, 5

PROPERTY INFORMATION:

Tax Map Information: _____ Parcel: _____ Lot: _____
 (if known) Tax map: _____ Group: _____
 Street Address: 1776 Childress Ferry Road Apartment/Unit #: _____
 Current Use: residential

OTHER INFORMATION:

DISCLAIMER AND SIGNATURE

By signing below, I state that I have read and understand the conditions of this annexation petition. I further state that I am/are the sole and legal owner(s) of the property described herein.

Signature: Garnett E. Simmons Date: 11/4/15

Signed before me on this 4th day of November, 2015,
 a Notary Public for the State of Tennessee,
 County of Sullivan
 Notary: Ashley Floyd
 My Commission Expires: Nov. 20th 2016



Staff recommends sending a **POSITIVE** recommendation to the Board of Mayor and Alderman for the annexation, zoning, and plan of services for the Childress Ferry Road annexation.



AGENDA ACTION FORM

Award Contract and Transfer Funds for Sanitary Sewer Facilities and Waterline Upgrades - Colonial Heights Phase 2 Project

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager 

Action Form No.: AF-07-2016
Work Session: January 19, 2016
First Reading: January 19, 2016
Final Adoption: February 2, 2016
Staff Work By: C. Austin, J. Smith
Presentation By: Ryan McReynolds

Recommendation: Approve the Resolution and Budget Ordinance.

Executive Summary:

Bids were opened for the Sanitary Sewer Facilities and Waterline Upgrades - Colonial Heights Phase 2 project on December 2, 2015. This project consists of construction of approximately 20,500 LF sanitary sewer infrastructure, including manholes and laterals; and approximately 3,400 LF of waterlines, including appurtenances. The allotted time for construction will be 360 calendar days.

Funding has been identified and allocated to various projects in the Water and Sewer Funds. To more accurately track expenses for individual projects, new project accounts need to be opened for each specific project. This ordinance will reallocate existing funds to the project; no new funds are being requested.

City staff reviewed the bids and recommends awarding the contract to the apparent low bidder, Merkel Brothers Construction as follows:

Base Bid	\$3,192,108.00
Engineering Fees 14%	493,100.00
Contingency 6%	191,600.00
Total Project Cost.....	\$3,876,808.00

A budget ordinance appropriating funds to SW1501 from SW1307 and to WA1501 from WA1402, WA1500, and WA1503 is requested.

Engineering estimate for the base bid of the referenced project was \$3,249,606.00.

Attachments:

1. Resolution
2. Budget Ordinance
3. Bid Opening Minutes
4. Map

Funding source appropriate and funds are available: 

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR THE SANITARY SEWER FACILITIES AND WATERLINE UPGRADES- COLONIAL HEIGHTS PHASE 2 PROJECT TO MERKEL BROTHERS CONSTRUCTION, INC. AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, bids were opened December 2, 2015, for the Sanitary Sewer Facilities and Waterline Upgrades - Colonial Heights Phase 2 project; and

WHEREAS, upon review of the bids, the board finds Merkel Brothers Construction, Inc. is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into a contract for construction of approximately 20,500 linear feet of sanitary sewer infrastructure, including manholes and laterals; and approximately 3,400 linear feet of waterlines, including appurtenances, from Merkel Brothers Construction, Inc. at an estimated construction cost of \$3,192,108.00; and

WHEREAS, funding is identified in project numbers SW1501 and WA1501.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the bid for the Sanitary Sewer Facilities and Waterline Upgrades - Colonial Heights Phase 2 project, consisting of construction of approximately 20,500 linear feet of sanitary sewer infrastructure, including manholes and laterals; and approximately 3,400 linear feet of waterlines, including appurtenances, at an estimated cost of \$3,192,108.00 is awarded to Merkel Brothers Construction, Inc., and the mayor is authorized to execute an agreement for same and all documents necessary and proper to effectuate the purpose of the agreement.

SECTION II. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the public.

SECTION III. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 19th day of January, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE WATER PROJECT AND SEWER PROJECT FUND BUDGETS BY TRANSFERRING FUNDS TO THE COLONIAL HEIGHTS PHASE 2 PROJECT FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the Water Project Fund budget be amended by transferring \$511,500 from the Colonial Heights System Upgrades project (WA1402), by transferring \$169,173 from the Beech Creek Area Water Line Improvement project(WA1503) and by transferring \$11,387 from the Cooks Valley Road Phase 2 Water project (WA1500) to the Colonial Height Phase 2 Water project (WA1501)in the amount of \$692,060.

SECTION II. That the Sewer Project Fund budget be amended by transferring \$355,948 from the Colonial Heights EF13-05 project (SW1307) to the Colonial Heights Phase 2 Sewer project(SW1501).

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 451: Water Fund			
Colonial HGTS System UPGR (WA1402)			
Revenues:			
451-0000-391-0529 2013B GO Pub Imp. Bonds	\$ 750,000	\$ (511,500)	\$ 238,500
Totals:	750,000	(511,500)	238,500
Expenditures:			
451-0000-605-2023 Arch/Eng/Landscaping	90,000	(60,400)	29,600
451-0000-605-9001 Land	10,000	(10,000)	0
451-0000-605-9003 Improvements	650,000	(441,100)	208,900
Totals:	750,000	(511,500)	238,500
Fund 451: Water Project Fund			
Beech Creek Area WL Imp. (WA1503)			
Revenues:			
451-00000-333-6600 Hawkins County CDBG Funds	500,000	0	500,000
451-0000-391-0526 Series 2011 GO Bonds	268,463	0	268,463
451-0000-391-0527 Series 2012C GO Pub Imp	126,294	0	126,294
451-0000-391-4500 From Water Fund	365,243	(169,173)	196,070
Totals:	1,260,000	(169,173)	1,090,827
Expenditures:			
451-0000-605-2020 Professional Consultant	31,500	0	31,500
451-0000-605-2023 Arch/Eng/Landscaping	130,500	(3,500)	127,000
451-0000-605-9003 Improvements	1,066,000	(155,100)	910,900
451-0000-605-9004 Equipment	32,000	(10,573)	21,427
Totals:	1,260,000	(169,173)	1,090,827
Fund 451: Water Project Fund			
Cooks Valley Rd Ph 2 Water (WA1500)			
Revenues:			
451-0000-391-0527 Series 2012C GO Pub Imp	\$ 92,400	\$ (11,387)	\$ 81,013
Totals:	92,400	(11,387)	81,013

Expenditures:

451-0000-605-2023 Arch/Eng/Landscaping
451-0000-605-9003 Improvements

Totals:

5,400	(814)	4,586
87,000	(10,573)	76,427
92,400	(11,387)	81,013

Fund 451: Water Project Fund
Colonial Heights Phase 2 (WA1501)

Revenues:

451-0000-391-0527 Series 2012C GO Pub Imp
451-0000-391-0529 2013B GO Pub Imp. Bonds
451-0000-391-4500 From Water Fund

Totals:

\$	\$	\$
0	11,387	11,387
0	511,500	511,500
0	169,173	169,173
0	692,060	692,060

Expenditures:

451-0000-605-2023 Arch/Eng/Landscaping
451-0000-605-9003 Improvements

Totals:

0	88,300	88,300
0	603,760	603,760
0	692,060	692,060

Fund 452 Sewer Fund
Colonial Hqts. EF13-5 (SW1307)

Revenues:

452-0000-391-0529 2013B GO Pub Imp. Bonds
452-0000-391-4200 From Sewer Fund

Totals:

\$	\$	\$
3,350,000	(335,948)	2,994,052
19,000	0	19,000
3,369,000	(355,948)	3,013,052

Expenditures:

452-0000-606-2023 Arch/Eng/Landscaping
452-0000-606-9001 Land
452-0000-606-9003 Improvements

Totals:

19,000	0	19,000
50,000	0	50,000
3,300,000	(355,948)	2,944,052
3,369,000	(335,948)	3,013,052

Fund 452 Sewer Fund
Colonial Hqts. Phase 2 (SW1501)

Revenues:

452-0000-391-0529 2013B GO Pub Imp. Bonds
452-0000-391-0531 2014 B GO Bonds
452-0000-391-4200 From Sewer Fund

Totals:

\$	\$	\$
100,000	335,948	435,948
2,850,000	0	2,850,000
100,000	0	100,000
3,050,000	335,948	3,385,948

Expenditures:

452-0000-606-2020 Professional Consultant
452-0000-606-2023 Arch/Eng/Landscaping
452-0000-606-9001 Land
452-0000-606-9003 Improvements

Totals:

45,000	0	45,000
350,500	56,000	406,500
154,500	0	154,500
2,500,000	279,948	2,779,948
3,050,000	335,948	3,385,948

SECTION III. That this Ordinance shall take effect from and after its date of passage, as the law direct, the welfare of the City of Kingsport, Tennessee requiring it.

JOHN CLARK, Mayor

ATTEST:

ANGELA L. MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

MINUTES
BID OPENING
December 2, 2015
4:00 P.M.

Present: Sandy Crawford, Procurement Manager; Darrell Sherer; and Mike Hickman, Engineering

The Bid Opening was held in the Council Room, City Hall.

The Procurement Manager opened with the following bids:

COLONIAL HEIGHTS PHASE II SANITARY SEWER FACILITIES AND WATERLINE UPGRADES		
Vendor:	Total Cost:	Comments:
ET TN Turf & Landscape DBA Nicholas Overbay	N/A	Incomplete bid. Bid signature sheet not in documents. Took bid back.
Summers Taylor, Inc.	\$4,791,895.75	N/A
Thomas Construction Co.	\$3,214,604.50	N/A
Merkel Bros. Construction, Inc.	\$3,192,108.00	N/A

The submitted bids will be evaluated and a recommendation made at a later date.

BID TABULATION FOR COLONIAL HEIGHTS PHASE 2

ITEM NO.	QUAN	UNIT	DESCRIPTION	MERKEL BROTHERS CONST.		THOMAS CONSTRUCTION		SUMMERS-TAYLOR, INC.	
				UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST
1	2,173	T	CRUSHED STONE FOR PAVEMENT MAINTENANCE AND SHOULDER REPLACEMENT (SECTION 31 23 33)	\$ 10.00	\$ 21,730.00	\$ 1.00	\$ 2,173.00	\$ 29.75	\$ 64,646.75
2	1	LS	MOBILIZATION, CLEARING AND GRUBBING (SECTION 31 11 00)	\$ 125,000.00	\$ 125,000.00	\$ 100,000.00	\$ 100,000.00	\$ 190,000.00	\$ 190,000.00
3	1	LS	PROTECTION OF LIVING SHRUBS AND TREES (SECTION 31 11 00)	\$ 5,000.00	\$ 5,000.00	\$ 1,350.00	\$ 1,350.00	\$ 5,000.00	\$ 5,000.00
4	14,280	T	CRUSHED STONE FOR BACKFILL @ ROAD & DRIVEWAY CROSSINGS (SECTION 31 23 33)	\$ 23.00	\$ 328,440.00	\$ 16.00	\$ 228,480.00	\$ 30.75	\$ 439,110.00
5	10,801	CY	SOLID ROCK EXCAVATION IN TRENCH (SECTION 31 23 33) ALLOWANCE	\$ 35.00	\$ 378,035.00	\$ 35.00	\$ 378,035.00	\$ 35.00	\$ 378,035.00
6	40	LF	18" RCP STORM SEWER IF REQ'D (SECTION 33 40 00)	\$ 30.00	\$ 1,200.00	\$ 20.00	\$ 800.00	\$ 100.00	\$ 4,000.00
7	40	LF	24" CMP STORM SEWER IF REQ'D (SECTION 33 40 00)	\$ 40.00	\$ 1,600.00	\$ 19.00	\$ 760.00	\$ 100.00	\$ 4,000.00
8	30	LF	15" CMP STORM SEWER IF REQ'D (SECTION 33 40 00)	\$ 30.00	\$ 900.00	\$ 12.00	\$ 360.00	\$ 125.00	\$ 3,750.00
9	10	LF	15" RCP STORM SEWER IF REQ'D (SECTION 33 40 00)	\$ 30.00	\$ 300.00	\$ 16.00	\$ 160.00	\$ 125.00	\$ 1,250.00
10	10	LF	12" RCP STORM SEWER IF REQ'D (SECTION 33 40 00)	\$ 30.00	\$ 300.00	\$ 16.00	\$ 160.00	\$ 150.00	\$ 1,500.00
11	2,265	LF	FENCE REPLACEMENT (MATCH EXIST) (IF NECESSARY)(SECTION 32 31 13)	\$ 5.00	\$ 11,325.00	\$ 12.00	\$ 27,180.00	\$ 18.00	\$ 40,770.00
12	1	LS	SEEDING WITH MULCH (SECTION 32 92 20)	\$ 100,000.00	\$ 100,000.00	\$ 36,000.00	\$ 36,000.00	\$ 93,000.00	\$ 93,000.00
	719	GA	TACK COAT (SECTION 32 12 16)	\$ 2.00	\$ 1,438.00	\$ 3.50	\$ 2,516.50	\$ 1.00	\$ 719.00
14	1,500	T	ASPHALT BINDER 4" IN TRENCH (SECTION 32 12 16)	\$ 86.00	\$ 129,000.00	\$ 100.00	\$ 150,000.00	\$ 155.00	\$ 232,500.00
15	1,400	T	ASPHALT TOPPING 1-1/4" : TDOT E-MIX (SECTION 32 12 16)	\$ 85.00	\$ 119,000.00	\$ 96.00	\$ 134,400.00	\$ 97.00	\$ 135,800.00
16	1,300	T	ASPHALT TOPPING 1-1/4" : TDOT D-MIX (SECTION 32 12 16)	\$ 110.00	\$ 143,000.00	\$ 102.00	\$ 132,600.00	\$ 105.00	\$ 136,500.00
17	80	LF	EXTRUDED CONCRETE CURB (SECTION 32 16 13)	\$ 30.00	\$ 2,400.00	\$ 15.00	\$ 1,200.00	\$ 8.00	\$ 640.00
18	19,220	LF	8" PVC GRAVITY SEWER PIPE (SECTION 33 30 00)	\$ 34.00	\$ 653,480.00	\$ 43.00	\$ 826,460.00	\$ 55.00	\$ 1,057,100.00
19	1,380	LF	8" HDPE GRAVITY SEWER PIPE (SECTION 33 05 15)	\$ 50.00	\$ 69,000.00	\$ 60.00	\$ 82,800.00	\$ 85.00	\$ 117,300.00
20	60	LF	6" HDPE GRAVITY SEWER PIPE (SECTION 33 05 15)	\$ 40.00	\$ 2,400.00	\$ 62.00	\$ 3,720.00	\$ 95.00	\$ 5,700.00
21	3,630	LF	6" PVC SEWER (SECTION 33 30 00)	\$ 25.00	\$ 90,750.00	\$ 29.50	\$ 107,085.00	\$ 79.00	\$ 286,770.00
22	130	LF	BORING AND JACKING 8" CARRIER IN 16" CASING SEE DETAIL A.2.4 (SECTION 33 05 23)	\$ 325.00	\$ 42,250.00	\$ 400.00	\$ 52,000.00	\$ 750.00	\$ 97,500.00
23	173	EA	SEWER LATERAL ASSEMBLIES (8x8x6 PVC TEES) (SECTION 33 30 00)	\$ 150.00	\$ 25,950.00	\$ 150.00	\$ 25,950.00	\$ 45.00	\$ 7,785.00
24	188	EA	CLEANOUT ASSEMBLIES @ LATERALS (SECTION 33 30 00)	\$ 350.00	\$ 65,800.00	\$ 420.00	\$ 78,960.00	\$ 200.00	\$ 37,600.00
25	122	EA	STANDARD SEWER MANHOLES (SECTION 33 30 00)	\$ 2,150.00	\$ 262,300.00	\$ 2,000.00	\$ 244,000.00	\$ 3,500.00	\$ 427,000.00
26	4	EA	ADJUST EXISTING MANHOLES (SECTION 33 30 00)	\$ 1,500.00	\$ 6,000.00	\$ 1,100.00	\$ 4,400.00	\$ 6,500.00	\$ 26,000.00
	3	EA	WATERTIGHT LIDS & CASTINGS (SECTION 33 30 00)	\$ 400.00	\$ 1,200.00	\$ 240.00	\$ 720.00	\$ 500.00	\$ 1,500.00

NO.	QUAN	UNIT	DESCRIPTION	MERKEL BROTHERS CONST.		THOMAS CONSTRUCTION		SUMMERS-TAYLOR, INC.	
				UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST
28	5	EA	MANHOLE INSIDE DROP CONNECTION (DOES NOT INCLUDE MANHOLE) (SECTION 33 30 00)	\$ 1,500.00	\$ 7,500.00	\$ 1,100.00	\$ 5,500.00	\$ 1,750.00	\$ 8,750.00
29	53	VF	EXTRA DEPTH MANHOLE (SECTION 33 30 00)	\$ 250.00	\$ 13,250.00	\$ 200.00	\$ 10,600.00	\$ 100.00	\$ 5,300.00
30	1	EA	PROJECT SIGN (SEE DETAIL)	\$ 1,500.00	\$ 1,500.00	\$ 600.00	\$ 600.00	\$ 1,500.00	\$ 1,500.00
31	1	EA	RELOCATE OR REPLACE (AFTER CONSTRUCTION) UTILITY BUILDING LOCATED ON LINE I	\$ 2,500.00	\$ 2,500.00	\$ 600.00	\$ 600.00	\$ 7,500.00	\$ 7,500.00
32	1	LS	LANDSCAPING ALLOWANCE (SEE GENERAL NOTES)	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
WATERLINE QUANTITIES									
33	665	CY	SOLID ROCK EXCAVATION IN TRENCH (SECTION 31 23 33) ALLOWANCE	\$ 35.00	\$ 23,275.00	\$ 35.00	\$ 23,275.00	\$ 35.00	\$ 23,275.00
34	700	T	CRUSHED STONE FOR BACKFILL @ ROAD & DRIVEWAY CROSSINGS (SECTION 31 23 33)	\$ 23.00	\$ 16,100.00	\$ 16.00	\$ 11,200.00	\$ 32.00	\$ 22,400.00
35	80	GA	TACK COAT (SECTION 32 12 16)	\$ 2.00	\$ 160.00	\$ 3.50	\$ 280.00	\$ 1.00	\$ 80.00
36	140	T	ASPHALT BINDER 4" IN TRENCH (SECTION 32 12 16)	\$ 100.00	\$ 14,000.00	\$ 100.00	\$ 14,000.00	\$ 175.00	\$ 24,500.00
37	275	T	ASPHALT TOPPING 1-1/4" : TDOT E-MIX (SECTION 32 12 16)	\$ 105.00	\$ 28,875.00	\$ 96.00	\$ 26,400.00	\$ 110.00	\$ 30,250.00
38	10	SY	6" CONCRETE DRIVEWAY REPAIR (SECTION 03 30 00)	\$ 100.00	\$ 1,000.00	\$ 165.00	\$ 1,650.00	\$ 200.00	\$ 2,000.00
39	4,000	LF	6" CEMENT LINED DUCTILE IRON WATER PIPE CLASS 350 (SECTION 33 11 00)	\$ 30.00	\$ 120,000.00	\$ 25.00	\$ 100,000.00	\$ 64.00	\$ 256,000.00
40	1	EA	CONNECT TO EXISTING METERS 3/4" & 1" COPPER SERVICE - SHORT SERVICE WITH METER BOX AND SETTER (33 11 00)	\$ 650.00	\$ 650.00	\$ 500.00	\$ 500.00	\$ 1,500.00	\$ 1,500.00
41	7	EA	CONNECT TO EXISTING METERS 3/4" & 1" COPPER SERVICE - LONG SERVICE WITH METER BOX AND SETTER (33 11 00)	\$ 1,000.00	\$ 7,000.00	\$ 1,700.00	\$ 11,900.00	\$ 1,500.00	\$ 10,500.00
42	3	EA	FIRE HYDRANT ASSEMBLY ON NEW 6" LINE (SECTION 33 11 00)	\$ 4,000.00	\$ 12,000.00	\$ 3,810.00	\$ 11,430.00	\$ 5,000.00	\$ 15,000.00
43	43	EA	FIRE HYDRANT ASSEMBLY ON EXISTING 6" LINE (SECTION 33 11 00)	\$ 5,000.00	\$ 215,000.00	\$ 5,000.00	\$ 215,000.00	\$ 8,500.00	\$ 365,500.00
44	6	EA	FIRE HYDRANT ASSEMBLY ON EXISTING 8" LINE (SECTION 33 11 00)	\$ 5,000.00	\$ 30,000.00	\$ 5,250.00	\$ 31,500.00	\$ 8,500.00	\$ 51,000.00
45	1	EA	FIRE HYDRANT ASSEMBLY ON EXISTING 10" LINE (SECTION 33 11 00)	\$ 5,000.00	\$ 5,000.00	\$ 6,000.00	\$ 6,000.00	\$ 8,500.00	\$ 8,500.00
46	15	EA	FIRE HYDRANT ASSEMBLY ON EXISTING 12" LINE (SECTION 33 11 00)	\$ 5,000.00	\$ 75,000.00	\$ 6,100.00	\$ 91,500.00	\$ 8,500.00	\$ 127,500.00
47	1	EA	FIRE HYDRANT ASSEMBLY ON EXISTING 16" LINE (SECTION 33 11 00)	\$ 7,000.00	\$ 7,000.00	\$ 10,500.00	\$ 10,500.00	\$ 8,500.00	\$ 8,500.00
48	4	EA	6" GATE VALVES & BOXES (SECTION 33 11 00)	\$ 1,000.00	\$ 4,000.00	\$ 700.00	\$ 2,800.00	\$ 950.00	\$ 3,800.00
49	2	EA	CONNECT NEW 6" DIP TO EXISTING 12" DIP WATERLINE WITH 6" WET TAP TAPPING SLEEVE & VALVE (SECTION 33 11 00)	\$ 4,500.00	\$ 9,000.00	\$ 2,700.00	\$ 5,400.00	\$ 5,500.00	\$ 11,000.00
50	1	EA	CONNECT NEW 6" DIP TO EXISTING 2" WATERLINES (SECTION 33 11 00)	\$ 1,500.00	\$ 1,500.00	\$ 1,700.00	\$ 1,700.00	\$ 2,065.00	\$ 2,065.00
PROJECT TOTAL:				\$ 3,192,108.00		\$ 3,214,604.50		\$ 4,791,895.75	



AGENDA ACTION FORM

Amending the FY 2016 CDBG Budget

To: Board of Mayor and Aldermen
 From: Jeff Fleming, City Manager

Action Form No.: AF-16-2016
 Work Session: January 19, 2016
 First Reading: January 19, 2016
 Final Adoption: February 2, 2016
 Staff Work By: Haga, Smith
 Presentation By: Lynn Tully

Recommendation:

Approve the Ordinance.

Executive Summary:

Periodically, the Community Development program requests that the Board approve budget amendments which allow for the closure of completed projects and the reallocation of unused funds to projects which are current and continue to advance the mission of the program. Attached is an ordinance which allows the program to close five existing projects, which currently have no activity, and reallocate fund balances to the current KAHR program which provides emergency repair and rehabilitation to low and moderate income, owner-occupied housing. KAHR continues to experience an uptick in emergency repair needs and these funds would assist in meeting current demands.

Attachments:

- 1. Budget Ordinance

Funding source appropriate and funds are available: js

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

PRE-FILED CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO AMEND VARIOUS COMMUNITY DEVELOPMENT BLOCK GRANT PROGJECTS FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the Community Development Block Grant budget be amended by transferring \$42,318 from the CDBG Administration project (CD1001), by transferring \$12,152 from the CDBG Administration project (CD1101), by transferring \$22,543 from the CDBG Administration project (CD1301), by transferring \$10,349 from the CDBG Administration project (CD1401) and by transferring \$5,306 from the CDBG Administration project (CD1501) to the KAHR Program project (CD1604) in the amount of \$92,668.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 124: Community Development Fund			
CDBG Administration (CD1001)			
Revenues:	\$	\$	\$
124-0000-331-1000 Community Development	123,370	(42,318)	81,052
Totals:	123,370	(42,318)	81,052
Expenditures:	\$	\$	\$
124-0000-603-1010 Salaries & Wages	79,674	(22,991)	56,683
124-0000-603-1020 Social Security	8,031	(3,904)	4,127
124-0000-603-1030 Group Health	230	240	470
124-0000-603-1040 Retirement	15,720	(6,756)	8,964
124-0000-603-1050 Life Ins.	233	(31)	202
124-0000-603-1052 Long Term Disability	183	(44)	139
124-0000-603-1060 Workmen's Comp	148	(85)	63
124-0000-603-1061 Unemployment	40	38	78
124-0000-603-2010 Advertising & Publication	1,500	58	1,558
124-0000-603-2021 Accounting and Auditing	4,765	(565)	4,200
124-0000-603-2022 Construction Contracts	825	0	825
	746	(746)	0
124-0000-603-2025 Public Relations			
124-0000-603-2034 Telephone	1,500	(888)	612
124-0000-603-2040 Travel	4,675	(3,615)	1,060
124-0000-603-2044 Literature/Subscriptions	1,800	(86)	1,714
124-0000-603-3010 Office Supplies	3,000	(2,643)	357
124-0000-603-3011 Postage	300	(300)	0
Totals:	123,370	(42,318)	81,052

**Fund 124: Community Development Fund
CDBG Administration (CD1101)**

Revenues:	\$	\$	\$
124-0000-331-1000 Community Development	70,000	(12,152)	57,848
Totals:	70,000	(12,152)	57,848

Expenditures:	\$	\$	\$
124-0000-603-1010 Salaries & Wages	43,867	(2,731)	41,136
124-0000-603-1020 Social Security	4,970	(1,545)	3,425
124-0000-603-1040 Retirement	9,721	(2,429)	7,292
124-0000-603-1050 Life Ins.	234	(58)	176
124-0000-603-1052 Long Term Disability	179	(53)	126
124-0000-603-1060 Workmen's Comp	98	(30)	68
124-0000-603-1061 Unemployment	55	(22)	33
124-0000-603-2010 Advertising & Publication	500	(370)	130
124-0000-603-2021 Accounting and Auditing	4,765	(3,265)	1,500
124-0000-603-2034 Telephone	1,000	(438)	562
124-0000-603-2040 Travel	3,100	(852)	2,248
124-0000-603-2044 Literature/Subscriptions	800	(86)	714
124-0000-603-3010 Office Supplies	500	(109)	391
124-0000-603-3011 Postage	211	(164)	47
Totals:	70,000	(12,152)	57,848

**Fund 124: Community Development Fund
CDBG Administration (CD1301)**

Revenues:	\$	\$	\$
124-0000-331-1000 Community Development	66,860	(22,543)	44,317
Totals:	66,860	(22,543)	44,317

Expenditures:	\$	\$	\$
124-0000-603-1010 Salaries & Wages	38,049	(12,570)	25,479
124-0000-603-1020 Social Security	5,205	(3,122)	2,083
124-0000-603-1040 Retirement	11,397	(6,996)	4,401
124-0000-603-1050 Life Ins.	286	(187)	99
124-0000-603-1052 Long Term Disability	205	(127)	78
124-0000-603-1060 Workmen's Comp	110	(64)	46
124-0000-603-1061 Unemployment	50	(26)	24
124-0000-603-2010 Advertising & Publication	500	(466)	34
124-0000-603-2021 Accounting and Auditing	4,500	(2,500)	2,000
124-0000-603-2034 Telephone	1,000	(394)	606
124-0000-603-2040 Travel	4000	3,819	7,819
124-0000-603-2041 Registration Fees/Tuition	0	55	55
124-0000-603-2043 Dues and Membership	575	0	575

124-0000-603-2044 Literature/Subscriptions	225	325	550
124-0000-603-3010 Office Supplies	500	(93)	407
124-0000-603-3011 Postage	258	(197)	61
Totals:	66,860	(22,543)	44,317

Fund 124: Community Development Fund
CDBG Administration (CD1401)

Revenues:	\$	\$	\$
124-0000-331-1000 Community Development	66,860	(10,349)	56,511
Totals:	66,860	(10,349)	56,511

Expenditures:	\$	\$	\$
124-0000-603-1010 Salaries & Wages	38,049	679	38,728
124-0000-603-1020 Social Security	5,205	(2,046)	3,159
124-0000-603-1030 Group Health Ins.	0	2,017	2,017
124-0000-603-1040 Retirement	11,397	(4,568)	6,829
124-0000-603-1050 Life Ins.	286	(141)	145
124-0000-603-1052 Long Term Disability	205	(136)	69
124-0000-603-1060 Workmen's Comp	110	(39)	71
124-0000-603-1061 Unemployment	50	(17)	33
124-0000-603-2010 Advertising & Publication	500	(475)	25
124-0000-603-2021 Accounting and Auditing	4,500	(3,400)	1,100
124-0000-603-2034 Telephone	1,000	(272)	728
124-0000-603-2040 Travel	4,000	(1,237)	2,763
124-0000-603-2041 Registration Fees/Tuition	0	327	327
124-0000-603-2044 Literature/Subscriptions	800	(800)	0
124-0000-603-3010 Office Supplies	500	(37)	463
124-0000-603-3011 Postage	258	(204)	54
Totals:	66,860	(10,349)	56,511

Fund 124: Community Development Fund
CDBG Administration (CD1501)

Revenues:	\$	\$	\$
124-0000-331-1000 Community Development	66,026	(5,306)	60,720
Totals:	66,026	(5,306)	60,720

Expenditures:	\$	\$	\$
124-0000-603-1010 Salaries & Wages	32,783	1,945	34,728
124-0000-603-1020 Social Security	5,451	(2,620)	2,831
124-0000-603-1030 Group Health Ins.	4,300	358	4,658
124-0000-603-1040 Retirement	11,323	(6,306)	5,017

124-0000-603-1050 Life Ins.	222	(106)	116
124-0000-603-1052 Long Term Disability	240	(190)	50
124-0000-603-1060 Workmen's Comp	113	(44)	69
124-0000-603-1061 Unemployment	44	18	62
124-0000-603-2010 Advertising & Publication	500	(447)	53
124-0000-603-2021 Accounting and Auditing	4,500	(3,300)	1,200
124-0000-603-2034 Telephone	1,000	(10)	990
124-0000-603-2040 Travel	3,860	4,794	8,654
124-0000-603-2043 Dues and Memberships	940	0	940
124-0000-603-2044 Literature/Subscriptions	0	0	0
124-0000-603-3010 Office Supplies	500	852	1,352
124-0000-603-3011 Postage	250	(250)	0
Totals:	66,026	(5,306)	60,720

Fund 124: Community Development Fund
KAHR Program (CD1604)

<u>Revenues:</u>	\$	\$	\$
124-0000-331-1000 Community Development	110,603	92,668	203,271
Totals:	110,603	92,668	203,271

<u>Expenditures:</u>	\$	\$	\$
124-0000-603-1010 Salaries & Wages	38,631	10,000	48,631
124-0000-603-1020 Social Security	0	1,881	1,881
124-0000-603-1030 Group Health Ins.	0	2,217	2,217
124-0000-603-1040 Retirement	0	3,000	3,000
124-0000-603-1050 Life Ins.	0	60	60
124-0000-603-1052 Long Term Disability	0	30	30
124-0000-603-1060 Workmen's Comp	0	34	34
124-0000-603-1061 Unemployment	0	10	10
124-0000-603-4023 Other Expenses/Grants	71,972	75,436	147,408
Totals:	110,603	92,668	203,271

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law direct, the welfare of the City of Kingsport, Tennessee requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING, City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING:
PASSED ON 2ND READING:



AGENDA ACTION FORM

Amend the FY 2016 General Project Fund Budget

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager *JF*

Action Form No.: AF-14-2016
Work Session: January 19, 2016
First Reading: January 19, 2015

Final Adoption: February 2, 2016
Staff Work By: David Frye
Presentation By: David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

The Board of Education approved fiscal year 2016 budget amendment number three at their meeting on January 7, 2016. This amendment closes 4 capital projects and transfers the balance of \$116,025 to a new capital project for school system property purchase. The 4 projects to be closed and their balances are; GP1233 School Improvements - \$23,466, GP1302 Jackson Secure Entrance - \$7,694, GP1303 RNR Parking Lot Improvements - \$7,025, and GP1411 School Improvements - \$77,840. The School Improvements projects accounted for several Projects including: Stadium Lighting, Legion Center Renovations, Wireless Installation, Dobyns-Bennett and Kennedy Library Improvements, Pridmore Theatre Improvements, Park St. Property Purchase, Lincoln Roof, Sevier Roof and Washington Cooling Tower Replacement. Please see the attached BOE Budget Amendment Number 3 for more detail. Funds placed the new project for property purchase will be used towards the acquisition of 2 properties. One property is located at Park and E Center St. and the other is located on Overlook Rd.

Attachments:

1. Ordinance
2. BOE Budget Amendment Number Three – FY 2016

Funding source appropriate and funds are available: *JF*

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL PROJECTS
FUND BUDGETS FOR THE FISCAL YEAR ENDING JUNE 30,
2016; AND TO FIX THE EFFECTIVE DATE OF THIS
ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the General Project Fund Budget be amended by decreasing the estimated revenue for the School Improvements Project (GP1233) – 2012C General Obligation Bonds by \$23,466 and by decreasing the appropriation for Construction Contracts by \$57,756 and by increasing the appropriations for Architect Fees by \$31,960 and Equipment by \$2,330; by decreasing the estimated revenue for the Jackson Secure Entrance Project (GP1302) - 2013B General Obligation Bonds by \$7,694 and by decreasing the appropriation for Construction Contracts by \$12,680 and by increasing the appropriation for Architect Fees by \$4,986; by decreasing the estimated revenue for the Robinson Parking Lot Improvement Project (GP1303) – Transfers from General Purpose School Fund by \$7,025 and decreasing the appropriations for Construction Contracts by \$5,130 and Architect Fees by \$1,895; by decreasing the estimated revenue for the School Improvements Project (GP1411) – 2013B General Obligation Bonds by \$137,424 and by increasing the estimated revenue for Premium form Bonds by \$73,697 and by increasing the appropriation for Construction Contracts by \$439,681, Bond Sale Expense by \$14,114, Land Acquisition by \$65,797, and Equipment by \$61,047 and by decreasing the appropriations for Architect Fees by \$71,981 and for Capital Improvements by \$572,385; by creating a new project for School System Property Purchase (GP1612) and establishing estimated revenue for 2012C General Obligations Bonds of \$23,466, 2013B General Obligations Bonds of \$85,534, and Transfers from General Purpose School Fund of \$7,025 and an appropriation for Land Purchase of \$116,025.

Fund 311: General Project Fund
School Improvements (GP1233)

<u>Revenues:</u>	\$	\$	\$
311-0000-368-1041 Series 2012 C GO PUB IMP	1,204,436	(23,466)	1,180,970
Total:	1,204,436	(23,466)	1,180,970

<u>Expenditures:</u>			
311-0000-601-2022 Construction Contracts	1,040,320	(57,756)	982,564
311-0000-601-2023 Arch/Eng/Landscaping Serv	67,270	31,960	99,230
311-0000-601-9004 Equipment	320,143	2,330	322,473
Total:	1,427,733	(23,466)	1,404,267

Jackson Secure Entrance (GP1302)

<u>Revenues:</u>	\$	\$	\$
311-0000-368-1046 Series 2013 B GO PUB IMP	183,923	(7,694)	176,229
Total:	183,923	(7,694)	176,229

Expenditures:

311-0000-601-2022	Construction Contracts	269,770	(12,680)	257,090
311-0000-601-2023	Arch/Eng/Landscaping Serv	27,750	4,986	32,736
	Total:	297,520	(7,694)	289,826

RNR Parking Lot Improvements (GP1303)**Revenues:**

		\$	\$	\$
311-0000-391-2100	General Purpose Schl Fund	16,836	(7,025)	9,811
	Total:	16,836	(7,025)	9,811

Expenditures:

311-0000-601-2022	Construction Contracts	178,500	(5,130)	173,370
311-0000-601-2023	Arch/Eng/Landscaping Serv	25,000	(1,895)	23,105
	Total:	203,500	(7,025)	196,475

School Improvements Project (GP1411)**Revenues:**

		\$	\$	\$
311-0000-368-1046	Series 2013 B GO PUB IMP	829,413	(137,424)	691,989
311-0000-368-2101	Premium from Bonds	0	73,697	73,697
	Total:	829,413	(63,727)	765,686

Expenditures:

311-0000-601-2022	Construction Contracts	129,413	439,681	569,094
311-0000-601-2023	Arch/Eng/Landscaping Serv	100,000	(71,981)	28,019
311-0000-601-4041	Bond Sale Expense	0	14,114	14,114
311-0000-601-9001	Land Acquisition	0	65,797	65,797
311-0000-601-9003	Capital Improvements	600,000	(572,385)	27,615
311-0000-601-9004	Equipment	0	61,047	61,047
	Total:	829,413	(63,727)	765,686

School system Property Acquisition (GP1612)**Revenues:**

		\$	\$	\$
311-0000-368-1041	Series 2012 C GO PUB IMP	0	23,466	23,466
311-0000-368-1046	Series 2013 B GO PUB IMP	0	85,534	85,534
311-0000-391-2100	Transfer from School Fund	0	7,025	7,025
	Total:	0	116,025	116,025

Expenditures:

311-0000-601-9001	Land Acquisition	0	116,025	116,025
	Total:	0	116,025	116,025

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law direct, the welfare of the City of Kingsport, Tennessee requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

January 7, 2016

**KINGSPORT CITY SCHOOLS
FISCAL YEAR 2015-2016
BUDGET AMENDMENT NUMBER THREE**

CAPITAL PROJECTS FUND

There are four open capital projects on the City's books that are now completed. These projects all have balances remaining that need to be appropriated to another capital project. The total amount of funds remaining is \$116,025. There is a current need for a couple of items that these funds can be used for.

1. Indian Highland Property Purchase – Funds were appropriated from the Fund Balance in FY 2015 for this purchase. As you now the purchase did not go through and the funds reverted back to the Fund Balance. The previously agreed upon sales price was \$35,000.
2. Overlook Road – There is one remaining property on Overlook Road, behind Jefferson School, that we do not own. The property owners recently contacted the City's Property Acquisition Agent and expressed an interest in selling. We have ordered an appraisal on the property. In January, 2012 this property appraised for \$63,000.

Below is the detail of the projects that need to be closed:

Project Number	Project Description	Budget	Expenses	Balance
GP1233	School Improvements	1,427,733	1,404,267	23,466
GP1302	Jackson Secure Entrance	297,520	289,826	7,694
GP1303	RNR Parking Lot Improvements	203,500	196,475	7,025
GP1411	School Improvements	829,413	751,573	77,840
	Totals	2,758,166	2,642,141	116,025

Below is more detail on the 2 projects with descriptions of School Improvements:

GP1233	Stadium Lighting	509,640	509,095	545
GP1233	Legion Center Renovations	660,000	652,075	7,925
GP1233	Wireless Installation	258,093	243,096	14,997
	Totals	1,427,733	1,404,267	23,466
GP1411	D-B Library Improvements	31,217	31,217	0
GP1411	Door Locks	51,390	0	51,390
GP1411	Pridmore Theatre Audio	29,831	29,831	0
GP1411	Park St. Property Purchase	65,797	65,797	0
GP1411	Kennedy Library Renovations	27,615	27,615	0
GP1411	Lincoln Roof	130,777	130,777	0
GP1411	Sevier Roof	362,736	336,286	26,450
GP1411	Washington Cooling Tower	130,050	130,050	0
	Totals	829,413	751,573	77,840

It is recommended that the four projects listed above be closed and the total balance of \$116,025 be transferred to a new project for School System Property Purchase.



AGENDA ACTION FORM

**Franchise Agreement with Kingsport Power Company (d.b.a American Electric Power),
an Ordinance Establishing the Franchise Fee**

To: Board of Mayor and Aldermen
 From: Jeff Fleming, City Manager *[Signature]*

Action Form No.: AF-20-2016
 Work Session: January 19, 2016
 First Reading: January 19, 2016
 Final Adoption: February 2, 2016
 Staff Work By: Ryan McReynolds
 Presentation By: Ryan McReynolds

Recommendation:

Approve the Ordinances.

Executive Summary:

The City of Kingsport and Kingsport Power Company (d.b.a AEP) have presented for the Board's consideration a franchise agreement that allows Kingsport Power the right to utilize the Right of Ways within the City of Kingsport and therefore the ability to serve the citizens of Kingsport. Since AEP is a privately held company and not a public utility and since they are serving the citizens with a necessary utility, their relationship with the City is defined through a Franchise Agreement.

The City and AEP have enjoyed a 99 year relationship through a long standing agreement that was a vital building block for the creation and expansion of Kingsport as an industrial, business and residential destination. The attached agreement extends this partnership and reflects the value each party provides each other. For the citizens of Kingsport, the agreement ensures a necessary service by a proven partner as well as a source for reinvestment into the community. For AEP, the agreement ensures a platform for partnership and confidence in their ability to meet their corporate objectives. Additionally, the corresponding fee resolution is a supplement to the agreement and mirrors similar agreements the City has with utility providers as well as is consistent with franchise agreements that have been in place the past few decades throughout the country.

Attachments:

1. Ordinance – Agreement
2. Ordinance – Franchise Fee

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

ORDINANCE NO. _____

AN ORDINANCE GRANTING KINGSPORT POWER COMPANY D/B/A AEP APPALACHIAN POWER AN ELECTRIC UTILITY FRANCHISE TO CONSTRUCT, MAINTAIN AND OPERATE A SYSTEM OF ELECTRICITY DISTRIBUTION AND TRANSMISSION LINES AND OTHER NECESSARY EQUIPMENT AND FACILITIES FOR THE PURPOSE OF TRANSMITTING AND DISTRIBUTING ELECTRICITY IN, UPON, ACROSS, ALONG AND UNDER THE HIGHWAYS, STREETS, AVENUES, ROADS, COURTS, ALLEYS, LANES, WAYS, UTILITY EASEMENTS, PARKWAYS AND PUBLIC GROUNDS OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

WHEREAS, Kingsport Power Company d/b/a AEP Appalachian Power (herein referred to collectively as the "Company"), is a regulated investor owned utility that provides electric power and energy to the citizens of the City of Kingsport (herein referred to as the "City") and other surrounding areas;

WHEREAS, providing electrical power and energy requires the installation, operation and maintenance of power poles and other related facilities to be located within the public ways of the City;

WHEREAS, the City desires to set forth the terms and conditions by which the Company shall use the public ways of the City;

WHEREAS, the City and the Company recognize that both parties benefit from economic development within the City;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I: DEFINITIONS.

That for the purposes of this ordinance, the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number and words in the singular include the plural number. The word "shall" is always mandatory and not merely directory.

a) Board of Mayor and Aldermen – the Board of Mayor and Aldermen of the City of Kingsport, Tennessee.

b) City – the City of Kingsport, Tennessee, and its respective successors and assigns.

c) City Manager – the City Manager of the City of Kingsport, Tennessee as duly appointed pursuant to Charter. The term "City Manager" also includes his designee.

d) Company – Kingsport Power Company d/b/a AEP Appalachian Power, a corporation organized under the laws of the Commonwealth of Virginia and its lawful successors and assigns.

e) Construction – the installation, laying, erection, renewal, repair, replacement, extension, or removal of an electric transmission and distribution system and such activity as may be necessary to construct, maintain and operate an electric system.

f) Electricity – electricity transmitted and distributed into the City by the Company.

g) Electric System – any lines for the transmission and distribution of electric energy, either by means of overhead or underground conductors, together with all necessary or desirable appurtenant equipment, to render public service and supply electric energy for heat, light, power or any other purpose or purposes for which electric energy is now or may hereafter be used.

h) Streets — the public streets, highways, avenues, roads, courts, alleys, lanes, ways, utility easements, parkways, public rights-of-way, or other public grounds, held or controlled by the City, in the City as they now exist or as they may be established at any time during the term of this franchise in the City, but only to the extent of the City's right, title, interest or authority to grant a license or franchise to occupy and use such streets and easements for the construction and operation of a public utility system.

i) T.R.A. — the Tennessee Regulatory Authority or any successor state agency having jurisdiction over the Company.

SECTION II. GRANT OF FRANCHISE.

The City hereby grants to the Company the non-exclusive right, privilege and authority to construct, maintain, operate, upgrade, and relocate its electrical distribution and transmission lines and related appurtenances, including underground conduits and structures, poles, towers, wires, guy anchors, vaults, transformers, transmission lines, and communication lines (collectively referred to herein as “Electric Facilities”) in the public streets, highways, avenues, roads, courts, alleys, lanes, ways, utility easements, parkways, public rights-of-way, or other public grounds, held or controlled by the City (collectively referred to herein as “Public Ways”), in the City as they now exist or as they may be established at any time during the term of this franchise in the City, but only to the extent of the City's right, title, interest or authority to grant a license or franchise to occupy and use such streets and easements for the construction and operation of a public utility system for the purpose of supplying and transmitting electric power and energy to the inhabitants of the City and persons and corporations beyond the limits thereof.

SECTION III. TERM.

The term of this Franchise is for a period of twenty (20) years from the date of the Company's acceptance hereof.

SECTION IV. ACCEPTANCE BY COMPANY.

Within sixty (60) days of the approval of this Franchise Ordinance, including the Franchise Fee discussed herein, by the TRA, the Company shall file an unqualified written

acceptance thereof with the City. Otherwise the ordinance and the rights granted herein shall be null and void.

SECTION V. NON-EXCLUSIVE FRANCHISE.

The right to use and occupy the Public Ways of the City shall be nonexclusive and the City reserves the right to use the Public Ways for itself or any other entity that provides service to City residences; provided, however, that such use shall not unreasonably interfere with the Company's Electric Facilities or rights as granted herein.

SECTION VI. CITY REGULATORY AUTHORITY.

The City and Company recognize that under the law of the State of Tennessee, the TRA is granted "...general supervisory and regulatory power, jurisdiction and control over public utilities, and also over their property, property rights, facilities and franchise..." T.C.A. § 65-4-104. However, to the extent not preempted by Tennessee state law, the City reserves the right to adopt such additional ordinances and exercise its regulatory powers as may be deemed necessary in the exercise of its police powers for the protection of the health, safety and welfare of its citizens and their properties.

SECTION VII. COMPLIANCE WITH APPLICABLE LAWS.

The Electrical Facilities shall be constructed, maintained and operated, in good and safe condition, in accordance with standard engineering practices, and in accordance with any applicable Federal Laws and Regulations, Statutes of the State of Tennessee, the Rules and Regulations of the T.R.A., and Ordinances of the City which do not conflict with any such federal or state laws, rule or regulation, as such practices and laws, statutes, ordinances, rules and regulations now exist or as they may be from time to time amended, changed or modified.

SECTION VIII. STANDARD OF CARE.

That the Company shall at all times employ a reasonable standard of care and shall install and maintain and use industry standard or other reasonable methods and devices for preventing failure or accidents which are likely to cause damages, injuries or nuisances to the public.

SECTION IX. LOCATION OF FACILITIES.

(A) The City and the Company agree that it is beneficial to both parties to this agreement and to the citizens of Kingsport that the City and the Company work together to plan the location of utility facilities as they relate to the City's infrastructure and community planning. Towards that end, the Company and the City commit to meet at least quarterly to review upcoming utility projects and the City's ongoing planning efforts. In addition, the Company and the City agrees to jointly plan new development and redevelopment efforts to configure utilities in a way that compliments those efforts while affecting economical solutions to those desires.

(B) The Company understands that the City reserves the right, by ordinance or resolution of the Board of Mayor and Aldermen, or otherwise through proper representatives of the City, to designate specifically the location of the Electric Facilities of the Company with references to municipal facilities, such as sewer and water mains, drainage facilities, fiber optic cable, signal poles and lines and similar services, other facilities, such as public telephone

utilities, public electric utilities, public cable television utilities, and railway communication and power lines, in such a manner as to protect the public safety and public and private property and to facilitate the creation of a convenient, attractive and harmonious community. Failure by the City to so designate does not relieve the Company of its responsibilities in matters of public safety as provided in this Ordinance. The Company shall construct, maintain and locate its Electric Facilities so as not to unreasonably interfere with the construction, location and maintenance of sewer, water, drainage, electrical, signal and fiber optic facilities owned or operated by the City.

The rights and privileges granted by this franchise shall not be in preference or hindrance to the rights of the City and any other lawful governmental authorities having jurisdiction to perform or carry out any public works or public improvements within the Public Ways.

SECTION X. USE OF PUBLIC WAYS.

(A) That the Company, in any opening it shall make in the Public Ways of the City, shall be subject to the provisions of this Ordinance and to all applicable ordinances, codes and regulations of the City. Specifically, in addition to the requirements contained herein, except in the cases of emergencies, the Company shall at all times comply with Chapter 90, Streets, Sidewalks and Other Public Places, of the Code of Ordinances, City of Kingsport, 2012, as amended, with respect to any opening it shall make in the Public Ways of the City. The proposed location of any part of the Electric Facilities to be constructed by the Company in, upon, across, under or over the Public Ways of the City shall not unreasonably interfere with:

- (1) the public safety or the convenience of persons using the Public Ways;
- (2) the use of Public Ways for purpose of travel;
- (3) with any use or contemplated use of Public Ways by the City either above or below the surface of the Public Ways for which plans have been prepared or for which plans are in the course of preparation, which plans have been authorized by the City, and of which the Company has been previously notified by the City; or
- (4) personal property lawfully in, upon, along, across, under or over the Public Ways.

(B) The Company's location, construction and maintenance shall not unduly burden regular maintenance procedures of the City and shall be coordinated with the City's annual paving program through the City Manager.

(C) The Company shall submit to the City Manager a drawing of all proposed street cuts prior to performing the work except in the case of an emergency excavation.

In the case of emergency excavations made in the Public Ways, the Company shall make a report of each such excavation to the City within two (2) working days. Any inspections related to repair of excavations shall be promptly acted upon by the City so as not to unreasonably delay the Company in discharging its public service obligation.

The Company shall use its best efforts to not interfere with or injure any utility or any other public improvement which the City has heretofore made or may hereinafter make in, upon, across, along or under any Public Ways and shall not unnecessarily obstruct or impede such Public Ways of the City.

The Company shall promptly remove or correct any obstruction, damage or defect in any Street which was caused by the Company in the installation, operation, maintenance or

extension of the Electric Facilities. Any such obstruction, damage, or defect which is not promptly removed, repaired or corrected by the Company after proper notice to do so, given by the City to the Company, may be removed or corrected by the City, and the cost thereof shall be charged against the Company. Any expense, cost, or damages incurred for repair, relocation, or replacement to City water, sanitary sewer, storm sewer, storm drainage, communication facilities or other property resulting from construction, operation, maintenance or extension of the Electric Facilities shall be borne by the Company and any and all expense and cost incurred in connection therewith by the City shall be fully reimbursed by the Company to the City.

D) If weather or other conditions do not permit the complete restoration required by this Section, the Company shall temporarily restore the affected Public Ways or property. Such temporary restoration shall be at the Company's sole expense and the Company shall promptly undertake and complete the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration.

(E) The Company shall not open, disturb or obstruct, at any one time, any more of the Public Ways than reasonably may be necessary to enable it to proceed in laying or repairing the Electric Facilities. Neither shall the Company permit any Street so opened, disturbed or obstructed by it in the installation, construction, repair or extension of its Electric Facilities to remain open or the Public Ways disturbed or obstructed for a longer period of time than reasonably shall be necessary.

(F) Whenever the City shall widen, reconstruct, realign, pave or repave, or otherwise work on any Public Ways, or shall change the grade or line of any Public Ways, or shall construct or reconstruct any water, sanitary sewer, storm sewer, drainage or communications facility of the City, it shall be the duty of the Company at the Company's cost and expense to move, alter or relocate its Electric Facilities originally constructed on a Public Way (that is not secured by a private easement) or any part thereof as reasonably requested by the City. Upon written notice by the City Manager of the City's intention to perform work as specified above, the Company shall within a reasonable period of time accomplish its obligation in accordance with and to conform to the plans of the City for such construction, reconstruction or improvements.

(G) All trees, landscaping and grounds removed, damaged or disturbed as a result of the construction, installation, maintenance, repair or replacement of underground Electric Facilities must, to the extent the landscaping does not interfere with the safe operation of the facilities, be replaced or restored as nearly as may be practicable, to the condition existing prior to performance of work. The City understands that vegetation growing in the vicinity of overhead power lines must be trimmed and maintained away from those lines to allow for safe operation of those lines.

(H) The Company shall give all required notices and comply with all laws, ordinances, rules and regulations bearing on the conduct of the construction being performed.

(I) Inspections during construction may be made by the City.

(J) Construction and repair shall be performed with the least practical hindrance of the Public Ways for the purpose of travel or any other public purpose. After any work has commenced by the Company, in, upon, along, across, under, or over the Public Ways of the City, the same shall be continued in good faith and with due diligence until completed. If, as determined by the City Manager, the Company refuses or fails to proceed in good faith, or any separable part thereof, with such diligence as will ensure its completion within a reasonable

period of time, the City Manager will issue notice to the Company of his findings and instructions and, if after three (3) days of receipt of such notice, the Company has not commenced to re-execute the work, the City Manager will cause the construction required in said notice to be performed and charge the Company the entire cost and expense plus ten (10%) percent of the construction.

(K) When any construction opening or excavation, disturbance, cut or damage is made in, along, upon, across, under or over the Public Ways for any purpose whatsoever by the Company, any portion of said Public Ways affected or damaged thereby shall be restored, as promptly as possible to as useful, safe, durable, in as good condition as existed prior to making of such opening or such excavation or such damage. If the company is unable to comply with the provisions of this section by reason of strikes, riots, acts of God, or acts of public enemies or other factors beyond its control, restorative work of a temporary nature allowing for such requirements as trench and backfill consolidation and fine grading and vegetative stabilization will be performed. The temporary restorative work shall be accomplished immediately in accordance with best acceptable construction procedures and shall be continuously maintained in a useful and safe condition pending permanent restoration, as per detail attached as Exhibit 1. Where a cut or disturbance is made in a section of sidewalk rather than replacing only the area actually cut, the Company shall replace the full width of the existing sidewalk as determined by the City Manager and the full length of the section or sections cut, a section being defined as that area marked by expansion joints or scoring. Where a cut or disturbance is made by the Company in a section of pavement, rather than repaving only the actual area cut the Company shall, if requested by the City Manager, repave the area between the street cuts when there are two or more street cuts made by the Company within twenty (20) feet of each other. The width of the repavement shall correspond to the width of the street cut made by the Company. If the Company fails to timely perform said restoration and repair within a reasonable time, the City Manager may issue notice to the Company of his findings and instructions and, if after three (3) days the Company has not commenced the restoration and/or repair, the City Manager will cause the work required in said notice to be done and performed and charge the Company the entire cost and expense of restoration or repair plus ten (10%) percent.

(L) After the work of restoring such portion of the Street has been completed as provided herein, the Company shall keep such portion of such Street repaired or restored in as useful, safe, durable, and good condition as it existed prior to the making of such opening, excavation or damage, ordinary wear and tear excepted, for a period of eighteen (18) months from the completion of repair or restoration, if the City Manager determines that such portion of the Street was affected or damaged by the work of the Company.

(M) When Public Ways are opened, excavated, disturbed, obstructed or any other construction activity is required in the Public Ways by the Company, said Company, or other person acting on its behalf, shall place and maintain all necessary safety devices, barriers, lights, and warnings to properly notify all persons of any dangers resulting from such construction entrances, and to prevent injury or damage to any person, vehicle or property by reason of such work in or affecting the Street and shall comply with all federal, state and local laws and regulations, including the Manual of Uniform Traffic Control Devices flagging requirements, the Manual for Streets and Highways, as approved by the Federal Highway Administrator and as may be amended from time to time shall be the standard used in determining the necessary placement of such devices, barrier, lights and warnings.

(N) The Company shall provide the City with a master set "as built" drawings and/or maps in an electronic form agreed to by City and the Company showing the location of all its

underground Electric Facilities within the City. To the extent City and the Company cannot agree on an appropriate electronic form for the above referenced map or maps, the Company agrees to provide City with such information in hard copy or paper format. The Company shall also provide the City with a list of Public Ways along which its above ground Electric Facilities is located. The Company shall provide updated maps in accordance with this Section on an annual basis if changes have occurred. The Company also agrees to cooperate with and participate in Tennessee One Call. On at least an annual basis the Company shall meet with the City Manager to discuss its plans for construction and/or maintenance of its Electric Facilities for the following year.

(O) In addition to the installation of underground electric distribution lines as provided by applicable state law and regulations, the Company, upon payment of all charges provided in its tariffs or their equivalent, place newly constructed electric distribution lines underground as may be required by City ordinance. The Company and the City agree to work together to jointly plan new facilities so the new facilities are operationally appropriate for the Company while providing the aesthetics desired by the City and accomplishing the desired goal at the least cost to the Company's customers and the City's citizens.

(P) The City shall have the right without cost to use all poles and suitable overhead structures owned by the Company within Public Ways for City wires used in connection with its governmental purposes; provided, however, any such uses shall be for activities owned, operated or used by the City for a public purpose. Provided, that the Company shall assume no liability nor shall it incur, directly or indirectly, any additional expense in connection therewith, and the use of said poles and structures by the City shall be in such a manner as to prevent safety hazards or interferences with the Company's use of the same. Nothing herein shall be construed to require the Company to increase pole size, or alter the manner in which the Company attaches its equipment to poles, or alter the manner in which it operates and maintains its Electric Facilities. City attachments shall be installed and maintained in accordance with the reasonable requirements of the Company and the current edition of the National Electrical Safety Code pertaining to such construction. Further, City attachments shall be attached or installed only after written approval by the Company in conjunction with the Company's standard pole attachment application process. The Company shall have the right to inspect such attachments to ensure compliance with this Section and to require the City to remedy any defective attachments.

(Q) If the Company is dissatisfied with any determination of the City Manager permitted by the foregoing sections thereof, it may petition the Board of Mayor and Aldermen within ten (10) days after such determination to review the same, which review shall be taken up by the Board of Mayor and Aldermen in the normal course of business.

SECTION XI. INSURANCE.

The Company hereby agrees, upon official request of the City, to furnish to the City evidence of insurance on such amounts as may be reasonably necessary to protect the City. However, the coverage shall, at a minimum, include Workers' Compensation insurance covering the Company's statutory obligation under the laws of the State of Tennessee and Employer's Liability insurance for all its employees engaged in work under the franchise. Minimum limits of liability for Employer's Liability insurance shall be \$100,000 bodily injury each occurrence; \$500,000 bodily injury by disease (policy limit); and \$100,000 bodily injury by disease (each employee).

SECTION XII. HAZARDOUS WASTE.

The Company shall not transport, dispose of or release any hazardous waste within the Streets. If utilizing any hazardous material in the ordinary course of its business, the Company shall comply with all federal, state, and local laws, rules, regulations, and ordinances controlling air, water, noise, solid wastes, and other pollution, and relating to the storage, transport, release, or disposal of hazardous material, substances or waste. Regardless of the City's acquiescence, the Company shall indemnify and hold City, its officers, agents, employees and volunteers harmless from all costs, claims, damages, causes of action, liabilities, fines or penalties, including reasonable attorney's fees, resulting from the Company's, its agents, assigns, violation of this paragraph and Company agrees to reimburse City for all costs and expenses incurred by City in eliminating or remedying such violations, including all remediation and cleanup costs. This provision shall survive the expiration, revocation or termination of this franchise.

SECTION XIII. INDEMNIFICATION.

(A) The Company shall at all times defend, indemnify and hold harmless the City and any of the City's representatives from and against all loss sustained by the City on account of any suit, judgment, execution, claim or demand whatsoever resulting fully or in part from the failure of the Company or its employees to exercise due care and diligence in the construction, operation, and maintenance of its Electric Facilities in the City provided the Company shall have been notified in writing of any claim against the City on account thereof and shall have been given ample opportunity to defend same. The Company shall indemnify, defend and hold harmless the City from any and all demands for fees, claims, suits, actions, causes of action, or judgments based on the alleged infringement or violation of any patent, invention, article, arrangement, or other apparatus that may be used in the performance of any work or activity arising out of the use of any Electric Facilities or the provision of electric service.

(B) The right of indemnification shall include and extend to reasonable attorney fees and trial preparation expenses and other litigation expenses reasonably incurred in defending a claim arising from the operation of the Electric Facilities by the Company, whether or not the claim be proved to be without merit. This provision shall survive the expiration, revocation or termination of this franchise.

SECTION XIV. ANNEXATION.

Upon the annexation of any territory to the City, the rights granted herein shall extend to the annexed territory to the extent the City has such authority. All Electrical Facilities owned, maintained, or operated by the Company located within any public ways of the annexed territory shall thereafter be subject to all of the terms hereof.

SECTION XV. VEGETATION MANAGEMENT.

The Company or its contractors may prune all trees and vegetation which encroach upon the Public Ways, whether such trees or vegetation originate within or outside the Public Ways to prevent the branches or limbs of other part of such trees or vegetation from interfering with the Company's Electrical Facilities. Such pruning shall comply with *the American National Standard for Tree Care Operation (ANSI A300)* and be conducted under the direction of an arborist certified with the International Society of Arboriculture. A growth inhibitor treatment may be used for trees and vegetation species that are fast-growing and / or problematic. Nothing

contained in this Section shall prevent the Company, when necessary and with the approval of the owner of the property on which they may be located, from cutting down and removing any trees which overhang Public Ways.

SECTION XVI. FRANCHISE FEE.

(A) The City may impose upon Company the requirement that Company pay a franchise fee to the City. The TRA, as with its jurisdictional obligation to approve this Franchise Ordinance, also must approve the amount of the franchise fee before its imposition. If approved by the TRA, Company shall pass the imposed franchise fee on to its customers for payment, with same being shown as a separate line item of the customer's electric bill from Company. Should the TRA approve the Franchise Agreement but not the amount of the franchise fee, the Agreement shall become effective and the parties may, thereafter, petition the TRA for approval of a different franchise fee. Any franchise fee will be collected by Company and distributed to the City on a monthly basis as soon as practical.

(B) The franchise fee shall be the maximum tax collected by the City other than ad valorem taxes on property and any other fees set forth in this document with respect to the Company's electric business or the exercise of this franchise within the corporate limits of the City and the amount due to the City under any such other license, occupation, franchise or excise taxes or other charges for corresponding periods shall be reduced by deducting therefrom the amount of said franchise fee paid hereunder.

(C) The City may inspect the Company books of account for the City of Kingsport at any time during business hours and may audit such books from time to time, provided that only franchise payments which occurred during a period of 36 months prior to the date the City notifies the Company of its intent to conduct an inspection shall be subject to such review. The City may also request the Company to provide an audit report of franchise fees calculated and remitted from the gross revenues derived from its sale of electricity within the city limits at the company's expense or an audit report prepared by an approved independent accounting firm at the City's expense, but not more than once per calendar year.

SECTION XVII: ABANDONMENT OF FACILITIES.

Upon abandonment of any of the facilities or equipment of the Company located above or below the surface of the Public Ways, the Company shall notify the City Manager in writing of such abandonment within a reasonable time thereafter and if such abandoned facilities or equipment will then interfere with the use of the Public Ways by the City, the City Manager shall give written notice thereof to the Company and the Company shall commence to remove the same within twenty (20) days following the date of the written notice and continue the work to completion with reasonable diligence and at its own cost and expense.

All rights and privileges granted hereby are subject to the lawful exercise of the police power of the City to adopt and enforce local laws, rules and regulations necessary to the health, safety and general welfare of the public. Expressly reserved to the City is the right to adopt such additional ordinances and regulations as are necessary for the lawful exercise of its police power for the benefit and safety of the public. Further the City hereby reserves:

(1) The right to grade, widen, relocate, sewer, pave, macadamize, lay conduits and pipe and to install manholes, poles or other structures therein, or to alter, repair or otherwise provide for the making of local improvements in the Street;

(2) The right to make and enforce all such local police, sanitary or other regulations by ordinance in the exercise of its police power;

(3) The right to make and provide for the making of local improvements by special assessment.

The enumeration herein of specific rights reserved shall not be taken as exclusive, or as limiting the reservation made herein.

SECTION XVIII. TRANSFER OF ASSETS.

In the event the Company desires to sell, transfer, or lease the entire assets of the Electric System, which is the subject of this Ordinance, the following conditions shall apply:

(A) A statutory merger, consolidation, recapitalization or sale and transfer of common stock of the Company does not constitute a sale or transfer of assets for purposes of this Section.

(B) Any transfer of assets, whether by sale, assignment or lease by the Company shall first be subject to approval by the TRA. Thereafter, same shall be subject to approval by the City.

(C) To effect the transfer of assets, the Company shall have duly executed a good and sufficient instrument making such sale, transfer, or lease; and, a duplicate original of said instrument shall be filed with the City.

(D) The purchaser, transferee, or leasee shall have duly executed a good and sufficient instrument accepting said purchase, transfer or lease and assuming all obligations of Company under this Ordinance; and, a duplicate original of the instrument shall be filed with the City.

SECTION XIX. T.R.A. RULES AND REGULATIONS.

(A) The City and the Company hereby agree that this Ordinance is subject to the approval of the T.R.A. and that the Ordinance shall also be subject to the rules and regulations of the State of Tennessee as they may from time to time be changed and that all such rules and regulations become part of this Ordinance to the same extent and with the same effect as if said rules and regulations were herein set out in full.

(B) The Company shall make every reasonable effort to furnish an ample and uninterrupted supply of electricity to all customers throughout its entire system within the City and on any enlargements and extensions thereof within the City. The Company shall not unreasonably or arbitrarily refuse to make an extension thereof within the City. At the time each and every annexation ordinance of the City becomes operative the City Planning Department shall provide the Company with a copy of the ordinance and its accompanying map precisely describing said annexed territory. The Company shall not unreasonably or arbitrarily refuse to make an extension for the purpose of giving Electric Service to the City, the inhabitants, institutions and businesses thereof. The Company shall also file with the City its extension policy and any changes as may from time to time be adopted, as filed with and approved by the T.R.A.

(C) The Company shall at all times keep the City Manager apprised of its current electrical rates, charges, and pricing policies charged to City residents and changes to such rates, charges, and pricing policies whether changes are initiated by the Company or by a third party. In the event the Company files a rate change request with the Tennessee regulatory authority, it shall provide the City Manager with a copy of the request at the time of filing.

SECTION XX. ANNUAL REPORT.

The Company shall, upon request by the City, file with the City Manager a duplicate original of the Annual Report of the Company's operations in the City filed with the T.R.A., as now required by the Public Utility Act, or as may be required by any other act of legislature of the State of Tennessee, as soon as practical after one duplicate original of said report has been filed with said authority or its successors.

SECTION XXI. OPTION TO PURCHASE.

During the term of this Franchise, and during any renewal period thereof, the City is granted the option to purchase the Company's entire system, including those portions of the system located outside the City's boundaries. The City must provide eighteen (18) months prior written notice of its decision to exercise its option and the City must pay Company the fair market value of the system, for both real and personal property, easements and all other property. "Fair Market Value" is the value which might be derived if one party is willing to sell but does not have to sell, and another party is willing to buy but does not have to buy. If the Company and the City are unable to arrive at an agreed upon price and the City still desires to exercise its option to purchase, the City shall file a declaratory judgment action in the Circuit Court for the Second Judicial District requesting the Court determine the fair market value to be paid to the Company for the Company's entire system.

SECTION XXII. RENEWAL.

At least 120 days prior to the expiration of this Franchise, the Company and the City either shall agree to extend the term of this Franchise for a mutually acceptable period of time or the parties shall use best faith efforts to renegotiate a replacement Franchise. The Company shall have the continued right to use the Public Ways of the City as set forth herein in the event an extension or replacement Franchise is not entered into upon expiration of this Franchise. The City shall continue to receive any and all fees and payments due in the event an extension or replacement Franchise is not entered into upon expiration of this Franchise.

SECTION XXIII. DEFAULT AND CURE.

Both the Company and the City recognize there may be circumstances whereby compliance with the provisions of this Ordinance is impossible or is delayed because of circumstances beyond the Company's control. In this instance, the Company shall use its best efforts to comply in a timely manner and to the extent possible. In the event of a substantial breach by Company of any material provision of this Ordinance, the City, acting by and through its Board of Mayor and Aldermen, may terminate the franchise and rights granted to Company hereunder, provided, however, that such termination shall not be effective unless and until the procedures described below have been followed:

(1) The City must deliver to Company, by certified or registered mail, a written notice. Such notice must (i) fairly and fully set forth in detail each of the alleged acts or omissions of Company that the City contends constitutes a substantial breach of any material provision hereof within 60 days of the alleged breach or within 60 days of the City's actual or constructive notice of the alleged breach whichever is later; and (ii) designate which of the terms and conditions hereof the City contends Company breached.

(2) The City shall permit Company the opportunity to substantially correct and cure all of the breaches hereof set forth in the written notice described in subsection (1) above within sixty (60) days after Company's receipt of such notice before termination may occur.

(3) If the Company objects and disagrees with the City's determination that a substantial breach of a material provision has occurred, the Company may submit the issue to the Board of Mayor and Aldermen for review within thirty (30) days of receipt of the written notice described in subsection (1) above. Termination of this Ordinance shall be stayed during the course of any such review or subsequent litigation on the issue until the matter is either resolved by agreement between the parties or upon entry of a final order of a court authorizing termination by the City.

In the event the Ordinance is properly terminated pursuant to the terms of this section prior to the expiration of the twenty five year period or any renewal period thereafter, the Company shall not be entitled to claim lost profits against the City for the balance of time remaining under the twenty five year period or any renewal period thereafter in a sale of assets to the City or any condemnation action. In the event of termination and/or expiration of this Ordinance, the Company may continue to operate on the same terms and conditions pending either a negotiated sale of its assets, negotiation of a new franchise or condemnation, whichever first occurs, with a minimum period of six months and a maximum period of 24 months, absent agreement of the parties.

SECTION XXIV. NO WAIVER.

Neither the City nor the Company shall be excused from complying with any of the terms and conditions of this Franchise by any failure of the other, or any of its officers, employees, or agents, upon any one or more occasions to insist upon or to seek compliance with any such terms and conditions.

SECTION XXV. AMENDMENT.

At any time during the term of this Franchise, the City through its Board of Mayor and Aldermen, or the Company may propose amendments to this Franchise by giving thirty (30) days written notice to the other party of the proposed amendment(s) desired, and both parties thereafter, through their designated representatives, will, within a reasonable time, negotiate in good faith in an effort to agree upon mutually satisfactory amendment(s). No amendment or amendments to this Franchise shall be effective until mutually agreed upon by the City and the Company and formally adopted as an ordinance amendment, which is accepted in writing by the Company and approval by T.R.A. Notwithstanding anything in this ordinance to the contrary this ordinance is subject to any ordinance that may be adopted by the City establishing reasonable uniform rules, procedures and obligations concerning the use of streets for construction and operation of utility systems.

SECTION XXVI. NOTICES.

Unless otherwise specified herein, all notices from the Company to the City pursuant to or concerning this Franchise shall be delivered to the City Manager with a copy to the City Attorney. Unless otherwise specified herein, all notices from the City to the Company pursuant to or concerning this Franchise shall be delivered to William K. Castle, Director, Regulatory Services VA/TN, Appalachian Power Company, Three James Center, Suite 1100 1051 E. Cary Street, Richmond, VA 23219-4029, with a copy to William C. Bovender/Joseph B. Harvey, Hunter, Smith & Davis, LLP, PO Box 3740, 1212 North Eastman Road, Kingsport, TN 37664, 423-378-8800.

SECTION XXVII. SEVERABILITY.

If any section, sentence, paragraph, term or provision hereof is for any reason determined to be illegal, invalid, or superseded by other lawful authority including any state or federal regulatory authority having jurisdiction thereof or unconstitutional, illegal or invalid by any court of common jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such determination shall have no effect on the validity of any other section, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise or any renewal or renewals thereof.

SECTION XXVIII. GOVERNING LAW.

The Agreement and the rights and obligations of the parties are governed by the laws of the State of Tennessee, without regard to its conflict of laws principles.

SECTION XXIX. NO ARBITRATION, JURISDICTION, WAIVER OF JURY TRIAL, VENUE.

Notwithstanding any other provision in the Agreement to the contrary, arbitration is not permitted and if a dispute arises between the parties concerning any aspect of the Agreement, and it cannot be resolved by mutual agreement, any party may resort to resolution of the dispute by litigation in the state or federal courts for Kingsport, Sullivan County, Tennessee. The parties waive their right to a jury trial. Mandatory and exclusive venue and jurisdiction for any disputes shall be in state courts or federal for Kingsport, Sullivan County, Tennessee.

SECTION XXX. EFFECTIVE DATE.

The franchise granted by this Ordinance shall become effective when the Company files its unqualified written acceptance thereof with the City, pursuant to the procedure set forth in SECTION IV hereinabove.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

Passed on first reading _____
Passed on second reading _____

ORDINANCE NO. _____

AN ORDINANCE ENACTING A FRANCHISE FEE FOR THE USE BY KINGSPORT POWER COMPANY D/B/A AEP APPALACHIAN POWER OF THE PUBLIC STREETS, ALLEYS, OTHER PUBLIC PLACES FOR ITS FRANCHISE FOR A SYSTEM OF ELECTRICITY DISTRIBUTION AND TRANSMISSION LINES AND OTHER NECESSARY EQUIPMENT AND FACILITIES FOR THE PURPOSE OF TRANSMITTING AND DISTRIBUTING ELECTRICITY IN, UPON, ACROSS, ALONG AND UNDER THE HIGHWAYS, STREETS, AVENUES, ROADS, COURTS, ALLEYS, LANES, WAYS, UTILITY EASEMENTS, PARKWAYS AND PUBLIC GROUNDS OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

WHEREAS, Kingsport Power Company d/b/a AEP Appalachian Power (the Company) is a regulated investor owned utility that provides electric power and energy to the citizens of the city of Kingsport and other surrounding areas;

WHEREAS, providing electrical power and energy requires the installation, operation and maintenance of power poles and other related facilities to be located within the public ways of the city;

WHEREAS, the parties are working to obtain approval of a new franchise to replace the franchise agreement that will expire this year;

WHEREAS, the franchise allows the city impose a franchise fee; and

WHEREAS, the city and the Company recognize that both parties benefit from economic development in the city.

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. The board makes the following findings:

1. That Kingsport Power d/b/a Appalachian Power, hereinafter Company, has a franchise with the city to sell electrical power in the corporate limits of the city.
2. That the Company uses the public streets, alleys, other public places and other real property owned or controlled by the city to transmit electrical power for sale and should remit a fee to the city for the use of the public streets, alleys or other public places and for the expenses for the administration of the franchise.
3. That industrial power customers of a grantee are determined by the kilowatt hours sold to such customers as set out in the then current tariff approved by the Tennessee Regulatory Authority; that such customers are very few, approximately 98 out of approximately 25,650 customers, requiring a use of only a small percentage of the public streets, alleys, other public places and other real property owned or controlled by the city; that as purchasers of large amounts of electricity if the fee imposed is the same as other customers, it will result in a

significantly higher percentage of all the fees paid, estimated to be more than one-half, when compared to the number of customers in all customer classes set out in the approved tariff; and accordingly, a lower percentage fee should be imposed on industrial power users.

SECTION II. That the Company for its use of the public streets, alleys, other public places and other real property owned or controlled by the city and for the expenses for the administration of the franchise shall pay to the city a fee equal to the aggregate of the following:

1. One and one-half percent (1 1/2%) of the company's gross receipts derived from the retail electrical power and energy sales within the corporate limits of the city to industrial power customers as determined by the then most recent tariff for the company approved by the Tennessee Regulatory Authority or its successor;
2. Five percent (5%) of company's gross receipts derived from retail electrical power and energy sales in the corporate limits of the city to all other classes of customers.

SECTION III. Such fee shall be paid monthly not later than 30 days after the last day of each month. The fee shall be in addition to any and all taxes which are now or may be required hereafter to be paid pursuant to any federal, state or local law. On a monthly basis the Company shall furnish to the city a report showing the monthly amount of gross revenues, and commodity volumes by rate class, for the Company's sale of electricity in the corporate limits of the city.

SECTION IV. Acceptance of payments of the fee shall not be construed as a release or as an accord and satisfaction of any claim the city may have for further or additional sums payable hereto.

SECTION V. As may be permitted by state law, the Company may show the fees paid to the city hereto as a line item charge on the bills of the Company's customers served by the Company within the corporate limits of the city. The Company shall pay to the city the fee from the gross receipts derived from the retail electrical power and energy sales. The Company shall use its usual collection procedures, including potential cessation of service, to collect the fee from customers who have not paid their bill in full, including the fee imposed herein.

SECTION VI. The city will promptly notify the Company in writing of any geographic areas annexed by the city. Any such notice will be sent to the Company by certified mail, return receipt request, and shall contain the effective date of the annexation, maps showing the annexed area and such other information as the Company may reasonably require in order to ascertain whether there exist any customers of the Company receiving electrical service in the annexed area. To the extent there are customers of the Company therein, the gross revenues of the Company derived from the sale and distribution of electrical power and energy to such customers shall become subject to the fee provisions hereof effective on the first day of the Company's billing cycle immediately following the Company's receipt of the notice.

SECTION VII. That this ordinance shall be effective from and after the date of its passage, as the law directs, approval by the Tennessee Regulatory Authority, as needed, the public welfare of the citizens of Kingsport requiring it.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

Passed on first reading _____
Passed on second reading _____



AGENDA ACTION FORM

Budget Cleanup Ordinance for FY16

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager

Action Form No.: AF-18-2016
Work Session: January 19, 2016
First Reading: January 19, 2016
Final Adoption: February 2, 2016
Staff Work By: Judy Smith
Presentation By: Jeff Fleming

Recommendation:

Approve the Ordinance.

Executive Summary:

The ordinance will transfer \$32,000 from the Library Improvement project to reimburse the Street Resurfacing project for funds used for the Library MOE. The Justice Center project will be closed out and \$30,000 will be transferred to the Marketing and Public Relations operating budget. A transfer in the amount of \$15,000 will be made from the Fire Department Generator project to fund a match for a grant to purchase Cardiac Monitors, \$26,000 will be transferred from the Land Acquisition project to the Police Storage project and \$44,000 will be transferred from the Cooks Valley Road project to the Reedy Creek Terrace Bridge project. A transfer of \$19,000 will be made from the Veterans Memorial project to the Brickyard Park Softball/Baseball Complex for additional electrical and site items needed to complete the project. A transfer of \$20,000 from the Granby/Lewis Lane/University Blvd. resurfacing project to the Lincoln/Cooks Valley resurfacing project will be made to complete the project. A transfer of \$37,512 will be made from the FY15 MPO Administration project to the FY16 MPO Administration project to fund a consultant for the Long Range Transportation plan.

The ordinance will appropriate funds received from the State of Tennessee for the Border Regions allocation of sales tax in the amount of \$76,103.

The ordinance will move money from old projects to newer projects in the Water and Sewer Funds by transferring \$78,684 from the Water Plant Improvements project (WA1200) to the Water Plant Improvements project (WA1505) and close WA1200 and transferring \$51,477 from the Lift Station Telemetry project (SW0902) to the Lift Station Telemetry (SW1603) and close SW0902.

Attachments:

- 1. Ordinance

Funding source appropriate and funds are available: [Signature]

Table with 3 columns: Name, Y, N, O. Rows include Duncan, George, McIntire, Mitchell, Oltzman, Parham, Clark.

ORDINANCE NO. _____

**AN ORDINANCE TO AMEND VARIOUS PROJECTS FOR
THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE
EFFECTIVE DATE OF THIS ORDINANCE**

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the General Project Fund and General Project Special Revenue Fund budgets be amended by transferring \$32,000 from the Library Improvements Project (GP1400) to the Street Resurfacing Project (GP1606), by transferring \$15,000 from the Generator Fire Station 5 project and \$30,000 from the Justice Center project (GP0915) to the Street Resurfacing project (GP1606), by transferring \$45,000 from the Street Resurfacing project (NC1600) to the Marketing and Public Relations operating budget in the amount of \$30,000 and \$15,000 to the Cardiac Monitors project (GP1541), by transferring \$26,000 from the Land Acquisition project (GP1515) to the Police Storage Lot Improvements project (GP1609), by transferring \$44,000 from the Cooks Valley Road project (GP1401) to the Reedy Creek Terrace Bridge project (GP1612), by transferring \$19,000 from the Veterans Memorial project (GP1540) to the Softball Baseball Complex project (GP1409), by transferring \$69,566 from the Lincoln Street Resurfacing project (GP1501) to the Rotherwood Greenbelt project (GP1013) and by appropriating funds received from the Douglas Alumni Association in the amount of \$250 to the Parks and Recreation operating budget and by appropriating State Sales Tax revenue in the amount of \$76,103 to the Border Regions project (GP1228).

SECTION II. That the MPO Fund budgets be amended by transferring \$20,000 from the Granby/Lewis Lane/University Blvd Resurfacing project (MPO11B) to the Lincoln/Cooks Valley Resurfacing project (MPO11A) and by transferring \$37,512 from the MPO Administration project (MPO015) to the MPO Administration project (MPO016).

SECTION III. That the Water Project Fund budgets be amended by transferring \$78,684 from the Water Plant Improvements project (WA1200) to the Water Plant Improvements project (WA1505) and to close project WA1200.

Section IV. That the Sewer Project Fund budgets be amended by transferring \$51,477 from the Lift Station Telemetry project (SW0902) to the Lift Station Telemetry project (SW1603).

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 311: General Project Fund			
Library Improvements (GP1400)			
Revenues:	\$	\$	\$
311-0000-368-1041 Series 2012C GO Pub Imp	46,170	0	46,170
311-0000-368-1046 Series 2013B GO Pub Imp	156,808	0	156,808
311-0000-368-1047 Series 2014A GO Bonds	97,000	0	97,000
311-0000-368-1051 Series 2015A (Oct) GP PI	252,971	(32,000)	220,971
311-0000-368-2101 Premium From Bond Sale	21,270	0	21,270

Totals:	574,219	(32,000)	542,219
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Expenditures:	\$	\$	\$
311-0000-601-2023 Arch/Eng/Landscaping	38,000	0	38,000
311-0000-601-4041 Bond Sale Exp.	6,757	0	6,757
311-0000-601-9003 Improvements	529,462	(32,000)	497,462
Totals:	574,219	(32,000)	542,219

Fund 311: General Project Fund
Street Resurfacing (GP1606)

Revenues:	\$	\$	\$
311-0000-368-1040 Series 2011 GP Pub Imp	0	30,000	30,000
311-0000-368-1046 Series 2013B GO Pub Imp	28,733		28,733
311-0000-368-1047 Series 2014A GO Bonds	20,148	0	20,148
311-0000-368-1051 Series 2015A (Oct) GP PI	0	47,000	47,000
Totals:	48,881	77,000	125,881

Expenditures:	\$	\$	\$
311-0000-601-2022 Construction Contracts	48,881	77,000	125,881
Totals:	48,881	77,000	125,881

Fund 111: General Project-Special Rev. Fund
Street Resurfacing (NC1600)

Revenues:	\$	\$	\$
111-0000-391-0100 From General Fund	711,920	(45,000)	666,920
Totals:	711,920	(45,000)	666,920

Expenditures:	\$	\$	\$
111-0000-601-2022 Construction Contracts	644,493	(45,000)	599,493
111-0000-601-2023 Arch/Eng/Landscaping	67,427	0	67,427
Totals:	711,920	(45,000)	666,920

Fund 311: General Project Fund
Justice Center (GP0915)

Revenues:	\$	\$	\$
311-0000-368-1035 Series 2009A GO Pub Imp	7,307	0	7,307
311-0000-368-1037 Series 2009D (BABS) GO	2,269	0	2,269
311-0000-368-1040 Series 2011 GP Pub Imp	30,000	(30,000)	0
311-0000-368-2101 Bond Premium	3,130	0	3,130
Totals:	42,706	(30,000)	12,706

Expenditures:	\$	\$	\$
311-0000-601-2023 Arch/Eng/Landscaping	35,083	(30,000)	5,083
311-0000-601-4041 Bond Sale Exp.	7,623	0	7,623

Totals:	42,706	(30,000)	12,706
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Fund 311: General Project Fund			
Generator Fire Station 5 (GP1604)			
Revenues:			
	\$	\$	\$
311-0000-368-1051 Series 2015A (Oct) GP PI	29,534	(15,000)	14,534
311-0000-368-2101 Bond Premium	1,028	0	1,028
Totals:	30,562	(15,000)	15,562
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Expenditures:			
	\$	\$	\$
311-0000-601-4041 Bond Sale Expense	562	0	562
311-0000-601-9006 Purchases Over \$5,000	30,000	(15,000)	15,000
Totals:	30,562	(15,000)	15,562
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Fund 311: General Project Fund			
Cardiac Monitors (GP1541)			
Revenues:			
	\$	\$	\$
311-0000-391-0100 From General Fund	100,000	15,000	115,000
Totals:	100,000	15,000	115,000
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Expenditures:			
	\$	\$	\$
311-0000-601-9006 Purchases Over \$5,000	100,000	15,000	115,000
Totals:	100,000	15,000	115,000
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Fund 110: General Fund			
Revenues:			
	\$	\$	\$
110-0000-341-1080 Com Center Bldg. Rental	11,000	250	11,250
Totals:	11,000	250	11,250
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Expenditures:			
	\$	\$	\$
110-4804-481-7035 General Proj.-Special Rev	701,651	(30,000)	671,651
110-1007-407-2020 Professional Consultant	35,824	20,000	55,824
110-1007-407-2025 Public Relations	7,385	10,000	17,385
110-4502-471-3012 Food	800	250	1050
Totals:	745,660	250	745,910
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Fund 311: General Project Fund			
Border Regions Road Improvements (GP1228)			
Revenues:			
	\$	\$	\$
311-0000-332-1015 State Rev. Sales Tax	0	76,103	76,103
311-0000-368-1041 Series 2012C GO Bonds	292,234	0	292,234
311-0000-368-2101 Bond Premium	19,633	0	19,633
Totals:	311,867	76,103	387,970
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Expenditures:

311-0000-601-2020 Professional Consultant	\$ 60,258	\$ 10,000	\$ 70,258
311-0000-601-2023 Arch/Eng/Landscaping	104,066	0	104,066
311-0000-601-4041 Bond Sale Expense	11,867	0	11,867
311-0000-601-9001 Land	110,000	0	110,000
311-0000-601-9003 Improvements	25,676	66,103	91,779
Totals:	311,867	76,103	387,970

Fund 311: General Project Fund

Land Acquisitions (GP1515)

Revenues:

311-0000-368-1047 Series 2014A GO Bonds	\$ 30,965	\$ (16,346)	\$ 14,619
311-0000-368-2101 Premium From Bond Sale	11,096	(9,654)	1,442
Totals:	42,061	(26,000)	16,061

Expenditures:

311-0000-601-4041 Bond Sale Exp.	\$ 1,442	\$ 0	\$ 1,442
311-0000-601-9001 Land	40,619	(26,000)	14,619
Totals:	42,061	(26,000)	16,061

Fund 311: General Project Fund

Police Storage Lot Imp. (1609)

Revenues:

311-0000-368-1047 Series 2014A GO Bonds	\$ 23,500	\$ 16,346	\$ 39,846
311-0000-368-2101 Premium From Bond Sale	0	9,654	9,654
311-0000-391-0100 From General Fund	26,500	0	26,500
Totals:	50,000	26,000	76,000

Expenditures:

311-0000-601-9003 Improvements	\$ 50,000	\$ 26,000	\$ 76,000
Totals:	50,000	26,000	76,000

Fund 311: General Project Fund

Cooks Valley Road (GP1401)

Revenues:

311-0000-368-1040 Series 2011 GO Pub Imp	\$ 459,694	\$ 0	\$ 7,307
311-0000-368-1046 Series 2013BGO Pub Imp	938,586	(44,000)	894,586
311-0000-368-2101 Bond Premium	61,414	0	3,130
Totals:	1,459,694	(44,000)	905,023

Expenditures:

311-0000-601-2023 Arch/Eng/Landscaping	\$ 160,000	\$ 0	\$ 160,000
311-0000-601-2097 State Reviews & Permits	2,000	0	2,000

311-0000-601-4041 Bond Sale Exp.	11,762	0	11,762
311-0000-601-9001 Land	6,238	0	6,238
311-0000-601-9003 Improvements	1,279,694	(44,000)	1,235,694
Totals:	1,459,694	(44,000)	1,415,694

Fund 311: General Project Fund
Reedy Creek Terrace Bridge (GP1612)

Revenues:	\$	\$	\$
311-0000-368-1046 Series 2013BGO Pub Imp	0	44,000	44,000
Totals:	0	44,000	44,000

Expenditures:	\$	\$	\$
311-0000-601-9003 Improvements	0	44,000	44,000
Totals:	0	44,000	44,000

Fund 311: General Project Fund
Veterans Memorial (GP1540)

Revenues:	\$	\$	\$
311-0000-364-1000 Contributions/Individual	34,859	0	34,859
311-0000-364-1020 From Corporations	10,000	0	10,000
311-0000-364-3000 From Non-Profits	183,315	0	183,315
311-0000-368-1047 2014 A GO Bonds	75,000	0	75,000
311-0000-391-0100 From General Fund	79,800	(19,000)	60,800
311-0000-391-6900 Visitor's Enhancement Fund	3,510	0	3,510
Totals:	386,484	(19,000)	367,484

Expenditures:	\$	\$	\$
311-0000-601-2022 Construction Contracts	335,609	0	335,609
311-0000-601-2023 Arch/Eng/Landscaping	45,375	(18,263)	27,112
311-0000-601-2075 Temporary Employees	5,000	(737)	4,263
311-0000-601-3010 Office Supplies	26	0	26
311-0000-601-3022 Maintenance Supplies	474	0	474
Totals:	386,484	(19,000)	367,484

Fund 311: General Project Fund
Softball Baseball Complex (GP1409)

Revenues:	\$	\$	\$
311-0000-334-0945 Other Agencies/IDBK(KEDB)	3,829	0	3,829
311-0000-368-1046 Series 2013B GO Pub Imp	2,721,899	0	2,721,899
311-0000-368-1047 Series 2014A GO	3,591,008	0	3,591,008
311-0000-391-0100 From General Fund	0	19,000	19,000
311-0000-368-2101 Bond Premium	561,986	0	561,986
Totals:	6,878,722	19,000	6,897,722

<u>Expenditures:</u>	\$	\$	\$
311-0000-601-2020 Professional Consultant	14,600	0	14,600
311-0000-601-2022 Construction Contracts	186,686	0	186,686
311-0000-601-2023 Arch/Eng/Landscaping	98,874	0	98,874
311-0000-601-2095 Public Art Contracts	35,000	0	35,000
311-0000-601-4041 Bond Sale Exp	84,002	0	84,002
311-0000-601-9001 Land	2,500	0	2,500
311-0000-601-9003 Improvements	6,457,060	19,000	6,476,060
Totals:	6,878,722	19,000	6,897,722

Fund 311: General Project Fund
Lincoln Street Resurfacing (GP1501)

<u>Revenues:</u>	\$	\$	\$
311-0000-368-1040 Series 2011 GO Pub Imp	69,566	(69,566)	0
Totals:	69,566	(69,566)	0

<u>Expenditures:</u>	\$	\$	\$
311-0000-601-2022 Construction Contracts	69,566	(69,566)	0
Totals:	69,566	(69,566)	0

Fund 311: General Project Fund
Rotherwood Greenbelt (GP1013)

<u>Revenues:</u>	\$	\$	\$
311-0000-337-5210 FHWA/TNFWA 80%	652,577	0	652,577
311-0000-368-1037 Series 2009D BABS	277,269	0	277,269
311-0000-368-1040 Series 2011 GO Pub Imp	0	69,566	69,566
311-0000-368-2101 Bond Premium	285	0	285
Totals:	930,131	69,566	999,697

<u>Expenditures:</u>	\$	\$	\$
311-0000-601-2010 Advertising & Publication	2,000	0	2,000
311-0000-601-2020 Professional Consultant	21,441	0	21,441
311-0000-601-2023 Arch/Eng/Landscaping	143,068	0	143,068
311-0000-601-4041 Bond Sale Expense	2,554	0	2,554
311-0000-601-9001 Land	74,183	0	74,183
311-0000-601-9003 Improvements	686,885	69,566	756,451
Totals:	930,131	69,566	999,697

Fund 122: MPO Fund
RESRF Granby/Lewln/Unibvd (MPO11B)

<u>Revenues:</u>	\$	\$	\$
122-0000-367-5210 FHWA/TN FHWA 80%	1,175,423	0	1,175,423
122-0000-391-0100 From General Fund	418,972	(20,000)	398,972
Totals:	1,594,395	(20,000)	1,574,395

Expenditures:

122-0000-609-2010 Advertising & Publications
122-0000-609-2022 Construction Contracts
122-0000-609-2023 Arch/Eng/Landscaping

Totals:

	\$	\$	\$
	303	0	303
	1,506,250	0	1,506,250
	87,842	(20,000)	67,842
	1,594,395	(20,000)	1,574,395

Fund 122: MPO Fund

RESRF Lincoln/Cooks Vily (MPO11A)

Revenues:

122-0000-367-5210 FHWA/TN FHWA 80%
122-0000-391-0100 From General Fund

Totals:

	\$	\$	\$
	973,714	0	973,714
	139,090	20,000	159,090
	1,112,804	20,000	1,132,804

Expenditures:

122-0000-609-2010 Advertising & Publications
122-0000-609-2022 Construction Contracts
122-0000-609-2023 Arch/Eng/Landscaping

Totals:

	\$	\$	\$
	301	0	301
	995,703	20,000	1,015,703
	116,800	0	116,800
	1,112,804	20,000	1,132,804

Fund 122: MPO Fund

MPO Administration (MPO015)

Revenues:

122-0000-367-5210 FHWA/TN FHWA 80%
122-0000-367-5225 FHWA/VA FHWA 100%
122-0000-391-0100 From General Fund

Totals:

	\$	\$	\$
	202,306	(30,010)	172,296
	630	0	630
	50,576	(7,502)	43,074
	253,512	(37,512)	216,000

Expenditures:

122-0000-609-1010 Salaries & Wages
122-0000-609-1020 Social Security
122-0000-609-1030 Group Health Ins.
122-0000-609-1040 Retirement
122-0000-609-1050 Life Ins.
122-0000-609-1052 Long Term Disability
122-0000-609-1060 Workmen's Comp
122-0000-609-1061 Unemployment
122-0000-609-2010 Advertising & Publications
122-0000-609-2011 Printing and Binding
122-0000-609-2020 Professional Consultant
122-0000-609-2021 Accounting and Auditing
122-0000-609-2034 Telephone
122-0000-609-2040 Travel

	\$	\$	\$
	145,200	(438)	144,762
	11,000	0	11,000
	16,500	0	16,500
	12,200	417	12,617
	350	3	353
	80	18	98
	590	(11)	579
	150	11	161
	1,450	0	1,450
	500	0	500
	37,512	(37,512)	0
	1,200	0	1,200
	400	0	400
	7,250	(224)	7,026

122-0000-609-2041	Registration Fees/Tuition	1,000	224	1,224
122-0000-609-2042	Personal Vehicle Reimb	1,000	0	1,000
122-0000-609-2043	Dues & Membership	550	0	550
122-0000-609-2044	Literature/Subscriptions	700	0	700
122-0000-609-2054	Machinery/Equipment Rental	5,500	0	5,500
122-0000-609-2099	Miscellaneous	500	0	500
122-0000-609-3010	Office Supplies	3,900	0	3,900
122-0000-609-3011	Postage	500	0	500
122-0000-609-3012	Food	630	0	630
122-0000-609-3044	Motor Pool Charges	1,750	0	1,750
122-0000-609-5012	Liability Ins.	100	0	100
122-0000-609-9004	Equipment	3,000	0	3,000
Totals:		253,512	(37,512)	216,000

Fund 122: MPO Fund

MPO Administration (MPO016)

Revenues:

	\$	\$	\$	
122-0000-367-5210	FHWA/TN FHWA 80%	217,904	30,010	247,914
122-0000-367-5225	FHWA/VA FHWA 100%	21,111	0	21,111
122-0000-391-0100	From General Fund	54,476	7,502	61,978
Totals:		293,491	37,512	331,003

Expenditures:

	\$	\$	\$	
122-0000-609-1010	Salaries & Wages	151,400	0	151,400
122-0000-609-1020	Social Security	11,600	0	11,600
122-0000-609-1030	Group Health Ins.	17,300	0	17,300
122-0000-609-1040	Retirement	14,900	0	14,900
122-0000-609-1050	Life Ins.	370	0	370
122-0000-609-1052	Long Term Disability	240	0	240
122-0000-609-1060	Workmen's Comp	550	0	550
122-0000-609-1061	Unemployment	160	0	160
122-0000-609-2010	Advertising & Publications	1,000	0	1,000
122-0000-609-2011	Printing and Binding	500	0	500
122-0000-609-2020	Professional Consultant	46,010	37,512	83,522
122-0000-609-2021	Accounting and Auditing	1,200	0	1,200
122-0000-609-2034	Telephone	600	0	600
122-0000-609-2040	Travel	8000	0	8000
122-0000-609-2041	Registration Fees/Tuition	1,000	0	1,000
122-0000-609-2042	Personal Vehicle Reimb	800	0	800
122-0000-609-2043	Dues & Membership	800	0	800
122-0000-609-2044	Literature/Subscriptions	350	0	350
122-0000-609-2054	Machinery/Equipment Rental	5,500	0	5,500
122-0000-609-2099	Miscellaneous	500	0	500
122-0000-609-3010	Office Supplies	3,500	0	3,500
122-0000-609-3011	Postage	500	0	500

122-0000-609-3012	Food	1,370	0	1,370
122-0000-609-3020	Operating Supplies & Tools	19,741	0	19,741
122-0000-609-3044	Motor Pool Charges	2,500	0	2,500
122-0000-609-5012	Liability Ins.	100	0	100
122-0000-609-9004	Equipment	3,000	0	3,000
Totals:		293,491	37,512	331,003

Fund 451: Water Project Fund
Water Plant Improvements (WA1200)

Revenues:		\$	\$	\$
451-0000-391-0526	Series 2011 GO Bonds	800,000	0	800,000
451-0000-391-4500	From Water Fund	381,991	(78,684)	303,307
Totals:		1,181,991	(78,684)	1,103,307

Expenditures:		\$	\$	\$
451-0000-605-2023	Arch/Eng/Landscaping	1,049,382	5,419	1,054,801
451-0000-605-9001	Land	100,000	(62,174)	37,826
451-0000-605-9003	Improvements	32,609	(21,929)	10,680
Totals:		1,181,991	(78,684)	1,103,307

Fund 451: Water Project Fund
Water Plant Improvements (WA1505)

Revenues:		\$	\$	\$
451-0000-391-0531	Series 2014B GO Bonds	1,200,000	0	1,200,000
451-0000-391-4500	From Water Fund	0	78,684	78,684
Totals:		1,200,000	78,684	1,278,684

Expenditures:		\$	\$	\$
451-0000-605-2023	Arch/Eng/Landscaping	1,200,000	0	1,200,000
451-0000-605-9003	Improvements	0	78,684	78,684
Totals:		1,200,000	78,684	1,278,684

Fund 452: Sewer Project Fund
Lift Station Telemetry (SW0902)

Revenues:		\$	\$	\$
452-0000-391-4200	From Sewer Fund	490,000	(51,477)	438,523
Totals:		490,000	(51,477)	438,523

Expenditures:		\$	\$	\$
452-0000-606-2022	Construction	490,000	(51,477)	438,523
Totals:		490,000	(51,477)	438,523

Fund 452: Sewer Project Fund
Lift Station Telemetry (SW1603)

Revenues:	\$	\$	\$
452-0000-391-4200 From Sewer Fund	630,000	51,477	681,477
Totals:	630,000	51,477	681,477

Expenditures:	\$	\$	\$
452-0000-606-2023 Arch/Eng/Landscaping	243,078	0	243,078
452-0000-606-9006 Equipment	386,922	51,477	438,399
Totals:	630,000	51,477	681,477

SECTION V. That this Ordinance shall take effect from and after its date of passage, as the law direct, the welfare of the City of Kingsport, Tennessee requiring it.

 JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

 JAMES H. DEMMING, City Recorder

 J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING:
 PASSED ON 2ND READING:



AGENDA ACTION FORM

Amend Zoning of the Armory Property, Located Adjacent to the Intersection of West Stone Drive and Netherland Inn Road

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager

Action Form No.: AF-303-2015
Work Session: December 14, 2015
First Reading: December 15, 2015

Final Adoption: January 19, 2016
Staff Work By: Ken Weems
Presentation By: Ken Weems

Recommendation:

- Hold public hearing
- Approve Ordinance amending the zoning ordinance to rezone parcel 66 from M-1R, Light Manufacturing Restricted District to B-3, Highway Oriented Business District.

Executive Summary:

This is a City-initiated rezoning of approximately 14.5 acres located adjacent to the intersection of West Stone Drive and Netherland Inn Road from M-1R to B-3. The purpose of the rezoning is to accommodate future commercial use on the property. As of December 1, 2015, the Planning Department has not received any public comment on the rezoning proposal. During their November 2015 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation for the rezoning to the Board of Mayor and Aldermen. The Notice of Public Hearing was published on November 30, 2015.

Attachments:

1. Notice of Public Hearing
2. Zoning Ordinance
3. Staff Report

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—



AGENDA ACTION FORM

Amend Zoning of the Armory Property, Located Adjacent to the Intersection of West Stone Drive and Netherland Inn Road

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager

Action Form No.: AF-303-2015
Work Session: December 14, 2015
First Reading: December 15, 2015

Final Adoption: January 5, 2016
Staff Work By: Ken Weems
Presentation By: Ken Weems

Recommendation:

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Executive Summary:

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Attachments:

1. Notice of Public Hearing
2. Zoning Ordinance
3. Staff Report

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on December 15, 2015 to consider the rezoning for parcel 66 of tax map 22 located along West Stone Drive from M-1R District to B-3 District. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

BEGINNING at a point, said point being the northeast corner of parcel 66, Tax Map 22 in common with the southern right-of-way of West Stone Drive; thence in a southwesterly direction, approximately 764 feet to a point, said point being the southeast corner of parcel 66; thence in a northwesterly direction, approximately 736 feet to a point, said point being the southwest corner of parcel 66; thence in a northeasterly direction, approximately 673 feet to a point, said point being the northwest corner of parcel 66 in common with the southern right-of-way of West Stone Drive; thence in an easterly direction, following the southern right-of-way of West Stone Drive, approximately 896 feet to the point of BEGINNING, and being all of parcel 66, Tax Map 22 as shown on the May 2011 Hawkins County Tax Maps.

All interested persons are invited to attend this meeting and public hearing. A detailed map and description is on file in the offices of the City Manager, Kingsport Library, and Planning Manager for inspection. Additional information concerning this proposal may be obtained by contacting the Kingsport Planning Division of the Development Services Department, telephone 423-229-9485.

CITY OF KINGSPORT
Angie Marshall, Deputy City Clerk
PIT: 11/30/2015

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO WEST STONE DRIVE FROM M-1R, LIGHT MANUFACTURING RESTRICTED DISTRICT TO B-3, HIGHWAY ORIENTED BUSINESS DISTRICT IN THE 7TH CIVIL DISTRICT OF HAWKINS COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, AS FOLLOWS:

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property adjacent to West Stone Drive from M-1R, Light Manufacturing Restricted District to B-3, Highway Oriented Business District in the 7th Civil District of Hawkins County; said area to be rezoned being further and more particularly described as follows:

BEGINNING at a point, said point being the northeast corner of parcel 66, Tax Map 22 in common with the southern right-of-way of West Stone Drive; thence in a southwesterly direction, approximately 764 feet to a point, said point being the southeast corner of parcel 66; thence in a northwesterly direction, approximately 736 feet to a point, said point being the southwest corner of parcel 66; thence in a northeasterly direction, approximately 673 feet to a point, said point being the northwest corner of parcel 66 in common with the southern right-of-way of West Stone Drive; thence in an easterly direction, following the southern right-of-way of West Stone Drive, approximately 896 feet to the point of BEGINNING, and being all of parcel 66, Tax Map 22 as shown on the May 2011 Hawkins County Tax Maps.

SECTION II. Any person violating any provisions of this ordinance shall be guilty of an offense and upon conviction shall pay a penalty of FIFTY DOLLARS (\$50.00) for each offense. Each occurrence shall constitute a separate offense.

SECTION III. That this ordinance shall take effect from and after the date of its passage and publication, as the law directs, the public welfare of the City of Kingsport, Tennessee requiring it.

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

PASSED ON 1ST READING _____
PASSED ON 2ND READING _____

PROPERTY INFORMATION

ADDRESS	4401 W. Stone Dr., Kingsport, TN 37660
DISTRICT	7
OVERLAY DISTRICT	n/a
EXISTING ZONING	M-1R (Light Manufacturing Restricted)
PROPOSED ZONING	B-3 (Highway Oriented Business District)
ACRES	14.5 +/-
EXISTING USE	vacant armory
PROPOSED USE	future commercial

PETITIONER

ADDRESS 225 W. Center St., Kingsport, TN 37660

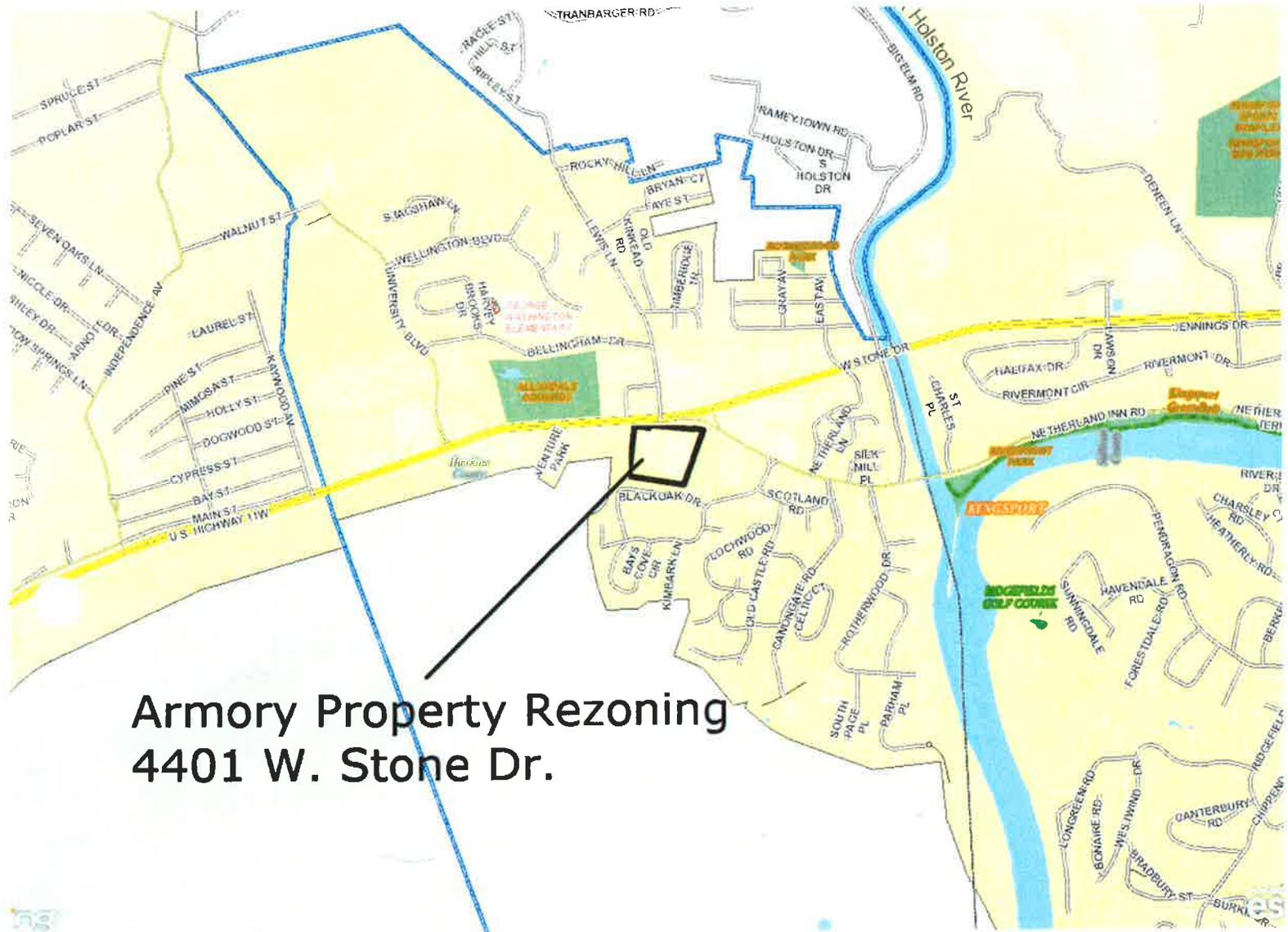
REPRESENTATIVE

PHONE (423) 229-9485

INTENT

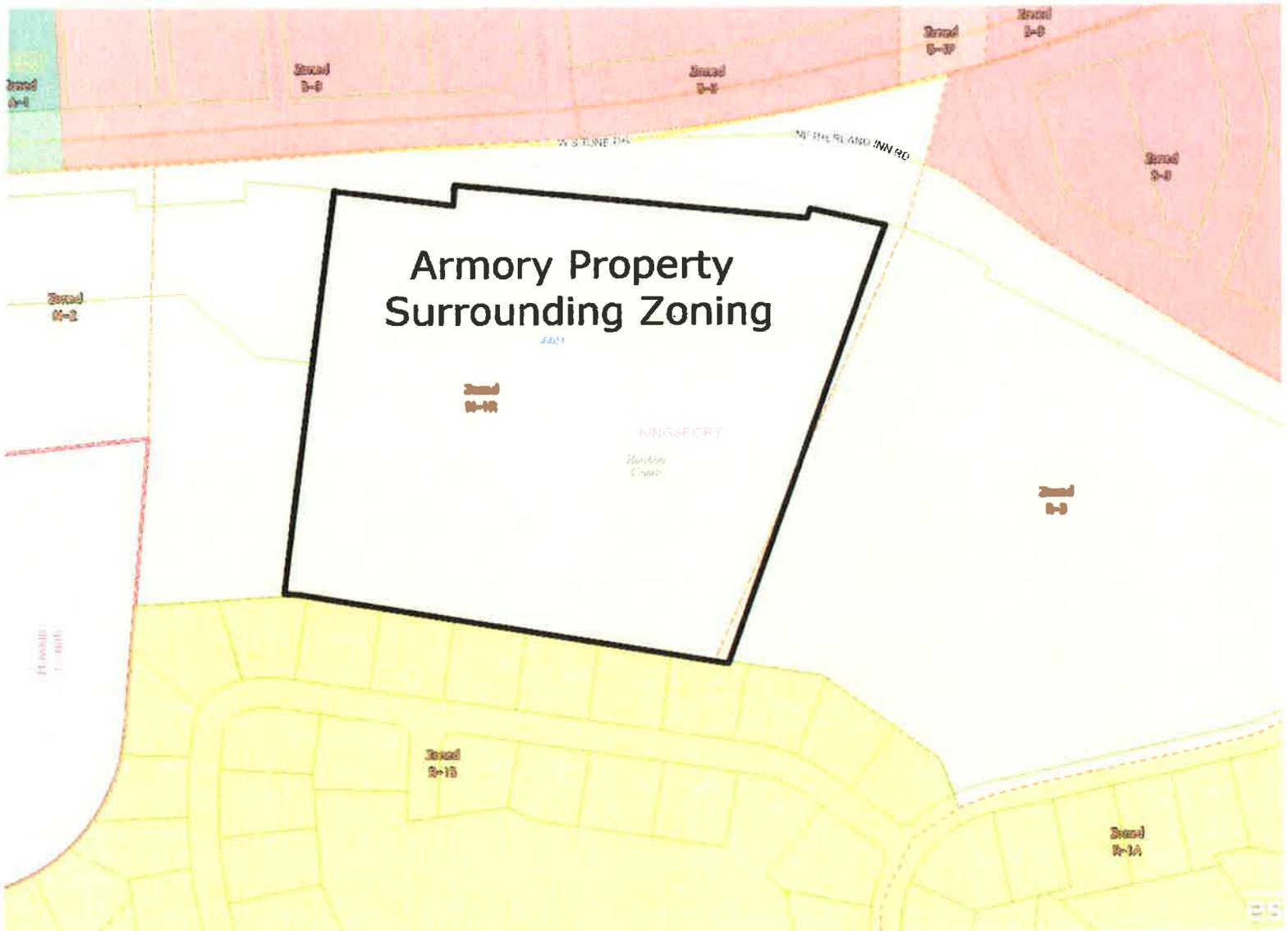
To rezone from M-1R (Light Manufacturing Restricted) to B-3 (Highway Oriented Business District) to accommodate future commercial use.

Vicinity Map



Armory Property Rezoning
4401 W. Stone Dr.

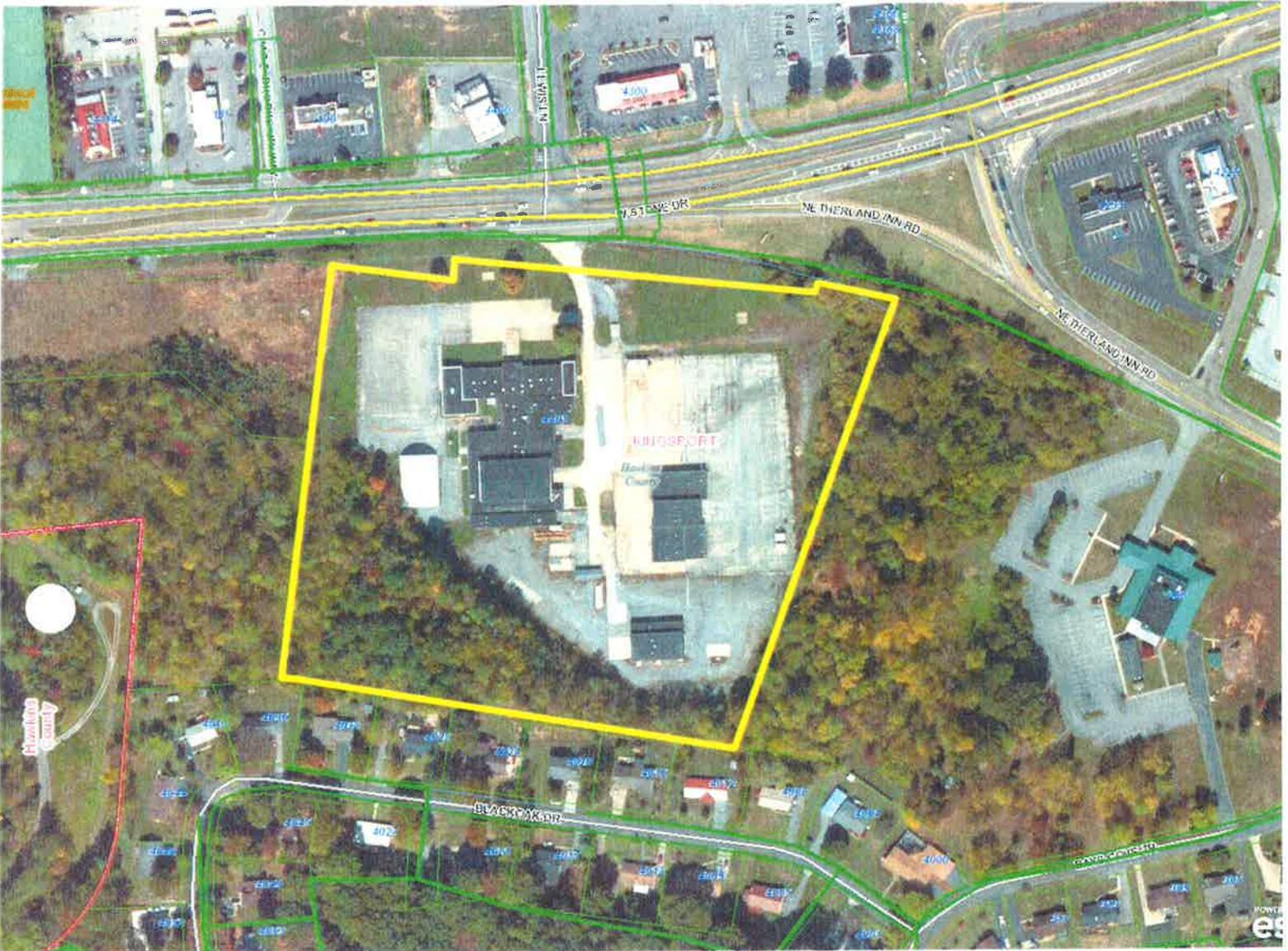
Surrounding Zoning Map



Future Land Use Plan 2030



Aerial



West View



South View



North View (Toward W. Stone Dr.)



East View



Kingsport Regional Planning Commission

Rezoning Report

File Number 15-101-00006

Location	Parcel / Zoning Petition	Zoning / Name	History Zoning Action Variance Action
North, East, Northwest	1	<u>Zone: City B-3</u> Use: McDonald's Restaurant	
Further North and Northwest	2	<u>Zone: City B-3</u> Use: CVS Pharmacy	Newly constructed CVS in 2015
East	3	<u>Zone: City R-3</u> Use: Crossroads Church Property	n/a
Further East	4	<u>Zone: City B-3</u> Use: Suntrust Bank	n/a
Southeast and South	5	<u>Zone: City R-1B</u> Use: Single Family along Black Oak Dr.	n/a
Further South	6	<u>Zone: City R-1B</u> Use: Single Family along Black Oak Dr.	n/a
West	7	<u>Zone: City M-2</u> Use: vacant	Property utilized as part of HAAP

EXISTING USES LOCATION MAP



Standards of Review

Planning Staff shall, with respect to each zoning application, investigate and make a recommendation with respect to factors 1 through 10, below, as well as any other factors it may find relevant.

1. **Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** The proposal will permit a use that is suitable with adjacent property as commercial use adjacent to a major transportation network.
2. **Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** The adjacent and nearby property will not be adversely affected by the proposal. The tree line contained on the property acts as a natural buffer.
3. **Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** The property has a reasonable economic use as currently zoned. There is also a reasonable economic use for the proposed zone as a commercial development adjacent to a major transportation network.
4. **Whether the proposal will result in a use which will or could cause an excessive or burdensome use of existing streets, transportation facilities, utilities or schools?** Future commercial development of the property will require a traffic impact analysis based upon the proposed future use.
5. **Whether the proposal is in conformity with the policies and intent of the land use plan?**

Proposed use: future commercial

The Future Land Use Plan Map recommends Retail use

6. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** The existing conditions support approval of the proposed rezoning.
7. **Whether the zoning proposal will permit a use which can be considered environmentally adverse to the natural resources, environment and citizens of the**

City of Kingsport? There are no adverse uses proposed. Any future commercial proposals will be evaluated for the potential of adverse environmental issues.

8. **Whether the change will create an isolated district unrelated to similar districts:** The proposed rezoning is adjacent to an existing B-3 zone to the north and east.
9. **Whether the present district boundaries are illogically drawn in relation to existing conditions?** The present district boundaries are better suited for commercial use in the context of close proximity to Stone Drive.
10. **Whether the change will constitute a grant of special privilege to an individual as contrasted to the general welfare?** The change will not allow a special privilege to an individual as contrasted to the general welfare. The B-3 zone is the most common zone found along the entirety of Stone Drive to include the portion inside Sullivan County.

CONCLUSION

Staff recommends APPROVAL to rezone from M-1R to B-3. The proposed B-3 zone is consistent with the future land use plan as a retail use.



AGENDA ACTION FORM

Public Hearing and Consideration of Ordinance to Amend the Sign Ordinance by Adding Decorative Lighting Regulations

To: Board of Mayor and Aldermen
 From: Jeff Fleming, City Manager

Action Form No.: AF-304-2015
 Work Session: December 14, 2015
 First Reading: December 15, 2015

Final Adoption: **January 19, 2016**
 Staff Work By: Ken Weems
 Presentation By: Ken Weems

Recommendation:

- Hold public hearing
- Approve ordinance amending the zoning ordinance to add decorative lighting regulations.

Executive Summary:

A previous version of this zoning text amendment (ZTA) came before the BMA in April 2015. At the time, this ZTA addressed window and door border lighting only. The Board made a decision to send the ZTA back to the Planning Commission for consideration of changing the regulation to accommodate all types of decorative lighting during the traditional holiday retail season (November 15 through January 5). Prior to taking the ZTA back to Planning Commission, staff worked with our Vice Mayor to expand the scope of the regulations to address property as a whole as opposed to window and door borders only. Additionally, a provision was added to the ZTA that allows a specified amount of decorative lighting for businesses based upon building ground coverage. During their November 2015 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation to approve this ZTA to the Board of Mayor and Aldermen. The Notice of Public Hearing was published on November 30, 2015.

Attachments:

1. Notice of Public Hearing
2. Zoning Text Amendment in Ordinance Format
3. Staff Report

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—



AGENDA ACTION FORM

Public Hearing and Consideration of Ordinance to Amend the Sign Ordinance by Adding Decorative Lighting Regulations

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager

Action Form No.: AF-304-2015
Work Session: December 14, 2015
First Reading: December 15, 2015

Final Adoption: January 5, 2016
Staff Work By: Ken Weems
Presentation By: Ken Weems

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1. Notice of Public Hearing
2. Zoning Text Amendment in Ordinance Format
3. Staff Report

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Oiterman	—	—	—
Parham	—	—	—
Clark	—	—	—

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on December 15, 2015 to consider amending the Code of Ordinances to add decorative lighting requirements to Article IV of the zoning code. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

All interested persons are invited to attend this meeting and public hearing. A detailed description of the zoning text amendment is on file in the offices of the City Manager, City Library, and Planning Manager for inspection. Additional information concerning this proposal may be obtained by contacting the Kingsport Planning Division of the Development Services Department, telephone 423-229-9485.

CITY OF KINGSPORT
Angie Marshall, Deputy City Clerk
P1T: 11/30/2015

PRE-FILED CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, SECTION 114-536 BY ADDING THE REQUIREMENT THAT DECORATIVE LIGHTING IS ONLY ALLOWED IN B-2, B-3, AND B-4P ZONES; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE.

BE IT ORDAINED BY THE CITY OF KINGSPORT, AS FOLLOWS:

SECTION I. That Sec. 114-1. Definitions of the Code of Ordinances, City of Kingsport, Tennessee is amended by adding the following definition:

Sec. 114-1. Definitions:

Decorative Lighting means any lighting that is intended to attract attention to a business as does signage. Decorative lighting is different from illuminating lighting whose purpose is to provide visibility, safety and security on the premises of a business. Decorative lighting is deemed to be an accessory usage to the building and property which it decorates and it is intended that such decorative lighting be appropriate, but not excessive in performing its function. Decorative lighting can be neon lighting, incandescent lighting, LED lighting, string of lights, and any other form of lighting that serves to attract attention to a business.

SECTION II. That Sec 114-530. Applicability to all Zoning Districts, City of Kingsport, Tennessee is amended by deleting subsection (4) *Lighting*. and substituting in its place the following:

(4) *Lighting*. Neon-type signs are permitted only in B-2, B-3, and B-4P zones. Any sign or illumination shall be prohibited that causes direct glare upon an unrelated building, as determined by the zoning administrator. Signs indicating time, temperature, and barometric pressure shall be permitted if they do not interfere with public safety or create a traffic hazard.

SECTION III. That the Code of Ordinances of the City of Kingsport Tennessee is hereby amended by adding a section to be numbered 114-536, which said section reads as follows:

Sec. 114-536. Decorative Lighting

Decorative Lighting is only allowed in the following zoning districts: B-2, Central Business District, B-3, Highway Oriented Business District, and B-4P, Planned Business District. In addition from November 15th through January 5th, which is generally recognized as the traditional retail holiday season, there is no restriction on decorative lighting.

(1) Decorative lighting where permitted shall be one color, preferably white, and it cannot blink, run or simulate movement or animation of any kind. Cautionary colors of blue, red, green or yellow cannot be used. If a color is other than white is used, all lights must be the same color. If decorative lighting is within 500 feet of a residential area, it must be turned off between the hours of 10:00 p.m. to 6:00 a.m.

(2) If the building ground coverage of a business is 30,000 square feet or more, the maximum linear feet of decorative lighting is 150 linear feet. If the building ground coverage of a business is 8,000 square feet or less, the maximum linear feet of decorative lighting is 40 linear feet. For businesses with intermediate ground coverage, the linear feet of decorative lighting is one-half of one percent of the building ground coverage.

SECTION IV. That this ordinance shall take effect from and after the date of its passage and publication, as the law directs, the public welfare of the City of Kingsport, Tennessee requiring it.

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

PASSED ON 1ST READING _____
PASSED ON 2ND READING _____

Introduction:

This zoning text amendment will assist the City in managing decorative lighting in commercial districts by ensuring that such lighting is not excessive in performing its function. Decorative lighting can be neon lighting, incandescent lighting, LED lighting, string of lights, and any other form of lighting that serves to attract attention to a business. It is important to note that this text amendment will not apply to any residential zones or uses inside the City.

Presentation:

The proposed code change will only apply to businesses in B-2, B-3, and B-4P commercial zones. Lighting arrangements to include neon and light strings will still be displays available to commercial developments. This text change proposal will restrict the amount of decorative lighting available to a business based upon building ground coverage as follows:

If the building ground coverage of a business is 30,000 square feet or more, the maximum linear feet of decorative lighting is 150 linear feet. If the building ground coverage of a business is 8,000 square feet or less, the maximum linear feet of decorative lighting is 40 linear feet. For businesses with intermediate ground coverage, the linear feet of decorative lighting is one-half of one percent of the building ground coverage.

History: A previous version of this text amendment originally received a positive recommendation from the Planning Commission (4-3) during their March 2015 regular meeting. During the Board of Mayor and Alderman work session prior to the scheduled first reading/ public hearing, the Board recommended further Planning Commission review of a proposal which would remove the ordinance restrictions from November 15th through January 5th. This request from the Board would accommodate such lighting techniques for the date range that is generally recognized as the traditional retail holiday season. The current version of this text amendment (November 2015 Planning Commission) accommodates the traditional holiday season.

Staff recommends the following change in the form of an addition to the definitions section of the code as well as Article IV Signs of the zoning code:

SECTION I. That Sec. 114-1. Definitions of the Code of Ordinances, City of Kingsport, Tennessee is amended by adding the following definition:

Sec. 114-1. Definitions:

Decorative Lighting means any lighting that is intended to attract attention to a business as does signage. Decorative lighting is different from illuminating lighting whose purpose is to provide visibility, safety and security on the premises of a business. Decorative lighting is deemed to be an accessory usage to the building and property which it decorates and it is intended that such decorative lighting be appropriate, but not excessive in performing its function. Decorative lighting can be neon lighting,

incandescent lighting, LED lighting, string of lights, and any other form of lighting that serves to attract attention to a business.

SECTION II. That Sec 114-530. Applicability to all Zoning Districts, City of Kingsport, Tennessee is amended by deleting subsection (4) *Lighting*. and substituting in its place the following:

(4) *Lighting*. Neon-type signs are permitted only in B-2, B-3, and B-4P zones. Any sign or illumination shall be prohibited that causes direct glare upon an unrelated building, as determined by the zoning administrator. Signs indicating time, temperature, and barometric pressure shall be permitted if they do not interfere with public safety or create a traffic hazard.

SECTION III. That the Code of Ordinances of the City of Kingsport Tennessee is hereby amended by adding a section to be numbered 114-536, which said section reads as follows:

Sec. 114-536. Decorative Lighting

Decorative Lighting is only allowed in the following zoning districts: B-2, Central Business District, B-3, Highway Oriented Business District, and B-4P, Planned Business District. In addition from November 15th through January 5th, which is generally recognized as the traditional retail holiday season, decorative lighting and holiday lighting is permitted in all zones.

(1) Decorative lighting where permitted shall be one color, preferably white, and it cannot blink, run or simulate movement or animation of any kind. Cautionary colors of blue, red, green or yellow cannot be used. If a color other than white is used, all lights must be the same color. If decorative lighting is within 500 feet of a residential area, it must be turned off when the business is closed.

(2) If the building ground coverage of a business is 30,000 square feet or more, the maximum linear feet of decorative lighting is 150 linear feet. If the building ground coverage of a business is 8,000 square feet or less, the maximum linear feet of decorative lighting is 40 linear feet. For businesses with intermediate ground coverage, the linear feet of decorative lighting is one-half of one percent of the building ground coverage.

Staff recommends sending a positive recommendation to the Board of Mayor and Aldermen to approve this zoning text amendment.



AGENDA ACTION FORM

Amend the Fiscal Year Budget for the Addition of One (1) Position within the Engineering Division of the Public Works Department

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager *[Signature]*

Action Form No.: AF-291-2015
Work Session: December 14, 2015
First Reading: December 15, 2015

Final Adoption: **January 19, 2016**
Staff Work By: J. Smith / R. McReynolds
Presentation By: Ryan McReynolds

Recommendation:

Approve the Ordinance.

Executive Summary:

In an effort to ensure community confidence in project management, the City of Kingsport, began utilizing the services of a contracted project manager for various large building projects as the City built the Academic Village. Throughout the past few years, the project manager has assisted in delivering many successful projects for the City of Kingsport. As an increased emphasis has been given to project management throughout the organization, the project manager's role has expanded as he has assisted in all division/departments of the city's operations. Forecasting forward, the City is able to provide this service more effectively and efficiently by transitioning the contracted project manager into full-time employment. The Senior Project Manager will be housed within the City Engineering Division as they are tasked with project delivery. This move will align all contractor construction related activities to the Engineering Division.

Attachments:

- 1. Ordinance
- 2. Memo

Funding source appropriate and funds are available: *[Signature]*

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—



AGENDA ACTION FORM

Amend the Fiscal Year Budget for the Addition of One (1) Position within the Engineering Division of the Public Works Department

To: Board of Mayor and Aldermen
 From: Jeff Fleming, City Manager 

Action Form No.: AF-291-2015
 Work Session: December 14, 2015
 First Reading: December 15, 2015

Final Adoption: January 5, 2016
 Staff Work By: J. Smith / R. McReynolds
 Presentation By: Ryan McReynolds

Recommendation:

Approve the Ordinance.

Executive Summary:

In an effort to ensure community confidence in project management, the City of Kingsport, began utilizing the services of a contracted project manager for various large building projects as the City built the Academic Village. Throughout the past few years, the project manager has assisted in delivering many successful projects for the City of Kingsport. As an increased emphasis has been given to project management throughout the organization, the project manager's role has expanded as he has assisted in all division/departments of the city's operations. Forecasting forward, the City is able to provide this service more effectively and efficiently by transitioning the contracted project manager into full-time employment. The Senior Project Manager will be housed within the City Engineering Division as they are tasked with project delivery. This move will align all contractor construction related activities to the Engineering Division.

Attachments:

- 1. Ordinance
- 2. Memo

Funding source appropriate and funds are available: 

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL FUND BUDGET BY ADDING A SENIOR PROJECT MANAGER POSITION FOR THE ENGINEERING DIVISION OF PUBLIC WORKS FOR THE FISCAL YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the General Fund budget be amended by amending the authorized positions in the Engineering budget 110-2504 by adding a Senior Project Manager position at a pay grade 49 for Fiscal Year 2015-2016.

SECTION II. That this ordinance shall take effect from and after the date of its passage, as the law directs, the public welfare of the City of Kingsport, Tennessee requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING, City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

Passed on 1st reading: _____

Passed on 2nd reading: _____



To: Jeff Fleming, City Manager
From: Ryan McReynolds, P.E., M.B.A., Assistant City Manager
CC: George DeCroes, Human Resources Director
Date: 12/9/2015
Re: Senior Project Manager

In support of City Management's effort to ensure public confidence and proper use of public funds we have placed an increased emphasis on the need for proper project management of all contracted City projects. Specifically, we have guided various functional managers and their assigned designees through the process of preparing for their capital needs and proper project scoping to the final construction and use of those projects. A vital component of this effort has been the increased utilization of a Senior Project Manager.

The City has historically utilized the contracted Senior Project Manager since the construction of the Academic Village for all large construction projects including V.O Dobbins, J. Fred Johnson Stadium, the Aquatic Center, Meadowview Executive Expansion, Brickyard Park as well as many others. To date, if project management services were added to the architectural or engineering contracts, the City would have paid an additional \$1.5 million or 2% of the projects costs plus hourly on-site inspection charges that would have equated to 1%-2% of the total project (\$750k - \$1.5 million).

For the purposes listed above plus the potential of utilizing the Senior Project Manager throughout the Kingsport City Schools upcoming projects, we recommend the board approve the position that will be housed within the Engineering Division and have an annual cost of approximately \$75,000. The position, like many other services provided by the Engineering Division, will be funded through the capital projects, but with a large discount to the cost we would pay for these services to be acquired via an engineering/architectural contract.

Calendar Year	Estimated Annual Contracted Cost	Actual Cost
2008 - 2015	\$280,000 - \$375,000	\$75,000



AGENDA ACTION FORM

Appropriate Funds Received From Coca-Cola Bottling Company for Pouring Rights at Brickyard Park, Domtar Park and Eastman Park at Horse Creek

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager *JF*

Action Form No.: AF-282-2015
Work Session: December 14, 2015
First Reading: December 15, 2015

Final Adoption: January 19, 2016
Staff Work By: M. Elkins, A. Sigwalt, K. Frazier
Presentation By: Morris Baker

Recommendation:

Approve the Ordinance.

Executive Summary:

The BMA approved AF60-2015 to enter into a ten year contract with Coca-Cola Bottling Company for pouring rights at Brickyard Park, Domtar Park and Eastman Park at Horse Creek. As part of the agreement, Coca-Cola will pay sponsorship fees of \$23,000 for the first year and \$3,000 per year for the remaining nine years to the City of Kingsport. A few potential items that could be purchased with the money received include: repair/replace scoreboards at Domtar Park, PA systems for ball fields, shade structures for Brickyard Park, kiosk/tournament bracket boards, additional picnic tables, batting cages for Brickyard Park, and hiring professional consultants to run clinics for youth athletic activities.

This ordinance will appropriate the funds received for the first year.

Attachments:

- 1. Ordinance

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Parham	—	—	—
Olterman	—	—	—
Clark	—	—	—



AGENDA ACTION FORM

Appropriate Funds Received From Coca-Cola Bottling Company for Pouring Rights at Brickyard Park, Domtar Park and Eastman Park at Horse Creek

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager 

Action Form No.: AF-282-2015
Work Session: December 14, 2015
First Reading: December 15, 2015

Final Adoption: January 5, 2016
Staff Work By: M. Elkins, A. Sigwalt, K. Frazier
Presentation By: Morris Baker

Recommendation:

Approve the Ordinance.

Executive Summary:

The BMA approved AF60-2015 to enter into a ten year contract with Coca-Cola Bottling Company for pouring rights at Brickyard Park, Domtar Park and Eastman Park at Horse Creek. As part of the agreement, Coca-Cola will pay sponsorship fees of \$23,000 for the first year and \$3,000 per year for the remaining nine years to the City of Kingsport. A few potential items that could be purchased with the money received include: repair/replace scoreboards at Domtar Park, PA systems for ball fields, shade structures for Brickyard Park, kiosk/tournament bracket boards, additional picnic tables, batting cages for Brickyard Park, and hiring professional consultants to run clinics for youth athletic activities.

This ordinance will appropriate the funds received for the first year.

Attachments:

- 1. Ordinance

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Parham	—	—	—
Olterman	—	—	—
Clark	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL PROJECT-SPECIAL REVENUE FUND BUDGET BY APPROPRIATING FUNDS RECEIVED FROM COCA-COLA BOTTLING COMPANY FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the General Project-Special Revenue Fund budget be amended by appropriating funds received from the Coca-Cola Bottling Company to the Coca-Cola Appropriation project (NC1604) in the amount of \$23,000 for pouring rights at Brickyard Park, Domtar Park and Eastman Park at Horse Creek.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 111: General Project-Special Revenue			
Coca-Cola Appropriation (NC1604)			
Revenues:	\$	\$	\$
111-0000-364-2000 From Corporations	0	23,000	23,000
Totals:	0	23,000	23,000
Expenditures:			
111-0000-601-2020 Professional Consultant	0	5,000	5,000
111-0000-601-3020 Operating Supplies & Tools	0	10,000	10,000
111-0000-601-9004 Equipment	0	8,000	8000
Totals:	0	23,000	23,000

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law direct, the welfare of the City of Kingsport, Tennessee requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Accepting a \$1000 Grant from Swimming Saves Lives Foundation of U.S. Masters Swimming and Appropriate Funds

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager 

Action Form No.: AF-310-2015
Work Session: December 14, 2015
First Reading: December 15, 2015
Final Adoption: January 5, 2016
Staff Work By: Kari Matheney
Presentation By: Chris McCart

Recommendation:
Approve the Resolution and Ordinance.

Executive Summary:
The Kingsport Aquatic Center Viperfish, a U.S. Masters Swimming registered team, applied for a grant through the Swimming Saves Lives Foundation, and was awarded \$1000 to be used toward the implementation and operation of an adult swim lesson program in the 2016 calendar year. Currently, the Kingsport Aquatic Center offers American Red Cross Adult Learn to Swim classes, as well as, a U.S. Masters Swimming registered swim team. These grant funds will help to offset costs associated with operating the Adult swim lesson program and allowing participants to continue swimming in the masters swim team program.

It is staff's recommendation that the City accept the grant from the Swimming Saves Lives Foundation to aid in the operation of an Adult Learn to Swim Program.

Attachments:
1. Resolution
2. Ordinance

Funding source appropriate and funds are available: 

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Oltzman	—	—	—
Parham	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO RECEIVE AN ADULT LEARN TO SWIM PROGRAM GRANT FROM THE SWIMMING SAVES LIVES FOUNDATION

WHEREAS, the city, through the Kingsport Aquatic Center, would like to receive a grant from the Swimming Saves Lives Foundation to aid in the operation of the Adult Learn to Swim Program; and

WHEREAS, the grant was applied for through the Kingsport Aquatic Center Viperfish, which is a Unites States Masters Swimming registered team; and

WHEREAS, the maximum amount of the grant award is \$1,000.00, and requires no match.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to receive grant funds from the Swimming Saves Lives Foundation in the amount of \$1,000.00 to aid in the operation of the Adult Learn to Swim Program.

SECTION II. That the mayor is authorized to execute any and all documents including those necessary and proper to demonstrate the city's compliance with the grant requirements or its provisions necessary to effectuate the purpose of the grant or this resolution.

SECTION III. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the public.

SECTION IV. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15th day of December, 2015.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE AQUATIC CENTER FUND BUDGET BY APPROPRIATING GRANT FUNDS FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the Aquatic Center Fund budget be amended by appropriating funds received from the U.S. Masters Swimming, Inc. in the amount of \$1,000 to offset costs associated with the adult swim lesson program.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 419: Aquatic Center Fund			
Revenues:	\$	\$	\$
419-0000-364-3000 From Non-Profit Groups	10,000	1,000	11,000
Totals:	10,000	1,000	11,000
Expenditures:			
419-5019-501-3020 Operating Supplies & Tools	10,026	1,000	11,026
Totals:	10,026	1,000	11,026

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law direct, the welfare of the City of Kingsport, Tennessee requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Acceptance of FY2015 Comprehensive Annual Financial Report

To: Board of Mayor and Aldermen
 From: Jeff Fleming, City Manager 

Action Form No.: AF-22-2016
 Work Session: January 19, 2016
 First Reading: N/A
 Final Adoption: January 19, 2016
 Staff Work By: Lisa Winkle
 Presentation By: Demming/McIntire

Recommendation:

Accept the annual financial report for the fiscal year ending June 30, 2015.

Executive Summary:

Attached for your consideration is the comprehensive annual financial report (CAFR). The report contains management’s transmittal letter to the Board of Mayor and Aldermen, the Management’s Discussion of Analysis (MD&A) letter that summarizes significant financial changes and overview of the City’s financial condition at June 30, 2015, the auditor’s opinion letter, audited financial statements, stat tables, compliance reports and findings.

The audit for June 30, 2015 was conducted by Brown Edwards & Company, LLP. Richard Linnen was the partner in charge of our audit and will be at the work session for any questions. Other members of the audit team were Holly Rutherford, David Elkins, Jordon Owens and Ron Shadden.

Mike McIntire, the Chairman of the Audit Committee, will give a short presentation.

Mr. Mike McIntire discussed the 2015 CAFR and the results of the audit with Mr. Linnen and his audit team on December 29, 2015. The report was accepted and was filed with the state on December 30, 2015.

Attachments:

1. Comprehensive Annual Financial Report (For the report, go to www.kingsporttn.gov / City Hall / Financial Reports / 2015 Comprehensive Annual Financial Report
2. Audit Committee Letter
3. Comments on Internal Control

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—



REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

Honorable Mayor and Board of Aldermen
City of Kingsport, Tennessee
Kingsport, Tennessee 37660

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Kingsport, Tennessee, collectively hereafter referred to as the "City", for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 15, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Kingsport, Tennessee are described in Note 1 to the financial statements. As described in Note 5.J. to the financial statements, the City adopted a new accounting standard related to pensions, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, during 2015. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statements of Activities. We noted no transactions entered into by the City of Kingsport, Tennessee during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements are described below:

- Management's estimate of the allowance for doubtful accounts is based on historical loss levels and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the useful lives of capital assets. The useful lives were determined by Management, based on expected service periods. We evaluated Management's expected service periods and assumptions used in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the remaining useful life of the demolition landfill is based on an estimated percentage decrease in capacity each year until closure. The percentage decrease was estimated from changes in capacity used. We evaluated Management's estimate of useful life and assumptions used in determining the reasonableness in relation to the financial statements taken as a whole.

- Management's estimate of other post employment benefit obligations is based on an actuarial evaluation and analysis of benefits available. We evaluated the key factors and assumptions used to develop the obligations in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimates of workman's compensation and general liability obligation are based on an actuarial valuation and analysis of expected liability. Health insurance benefits obligation is estimated based on claims paid to date along with an estimate of unclaimed amounts. We evaluated the key factors and assumptions used to develop the obligations in determining the reasonableness in relation to the financial statements taken as a whole.
- The net pension liability is based on an actuarial study provided by actuaries engaged by the State of Tennessee.

We evaluated the key factors and assumptions used to develop these estimates in determining that the estimates are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- The disclosure of Other Post Employment Benefits (OPEB) in Note 5, Section D to the financial statements.
- The disclosure of Net Pension Liability in Note 5, Section D to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial both individually and in the aggregate, to the financial statements taken as a whole. The following material misstatements detected as a result of audit procedures were corrected by management.

- Capitalized interest was decreased \$2,525,173, and \$38,400, accumulated depreciation was increased \$3,206,429 and \$263,562, depreciation expense was increased \$1,011,804 and \$141,168, bond interest was increased \$921,592 and \$19,639 while fund balance was decreased \$3,798,206 and \$141,155 in the Sewer Fund and the Solid Waste Management Fund, respectively.
- Accumulated Depreciation was increased \$1,837,833 with an increase of \$204,209 to current year depreciation and a \$1,633,674 decrease to fund balance for governmental activities.
- Construction in progress was increased \$386,771 while accounts payable was increased in the same amount in the Industrial Development Board

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the attached management representation letter dated December 30, 2015, a copy of which is attached.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of Kingsport, Tennessee's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We applied certain limited procedures to management's discussion and analysis, the schedule of OPEB funding progress, the Schedules of Changes in Net Pension Liability and Related Ratios and the Schedules of Pension Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual non-major fund financial statements and schedules and supplementary information, including the schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Audit Committee, Mayor and Board of Aldermen and management of the City of Kingsport, Tennessee and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Brown, Edwards & Company, S. L. P.

CERTIFIED PUBLIC ACCOUNTANTS

Bristol, Virginia
December 30, 2015



CITY OF KINGSPORT, TENNESSEE

December 30, 2015

Brown, Edwards & Company, L.L.P.
Certified Public Accountants
1969 Lee Highway
Bristol, VA 24201

This representation letter is provided in connection with your audit of the financial statements of the City of Kingsport, Tennessee, which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of December 30, 2015, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 15, 2015, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter. In addition, you have proposed adjusting journal entries that we agree with and have posted.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been properly recorded or disclosed.
- 11) We have provided the planning communication letter to all members of those charged with governance as requested.

Information Provided

- 12) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Board of Mayor and Aldermen and the Board of Education of the City of Kingsport, Tennessee and the Industrial Development Board of Kingsport (IDBK) or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 13) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 15) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control,
 - c) Service organizations used by the entity, or
 - d) Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 17) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 18) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

19) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—Specific

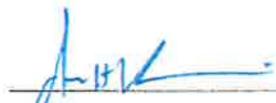
- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have taken timely and appropriate steps to remedy noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.
- 22) We have a process to track the status of audit findings and recommendations.
- 23) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 24) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 25) The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 27) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 28) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 29) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 30) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance, except as made known to you.
- 31) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 32) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 33) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 34) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.

- 35) All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 36) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 37) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 38) Provisions for uncollectible receivables have been properly identified and recorded.
- 39) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 40) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 41) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 42) Special and extraordinary items are appropriately classified and reported, if applicable.
- 43) Deposits and investment securities are properly classified as to risk and are properly disclosed.
- 44) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 45) Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility.
- 46) We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 47) We have not completed the process of evaluating the impact that will result from adopting new Governmental Accounting Standards Board (GASBS) Statements that are not yet effective, as discussed in the notes to financial statements. The entity is therefore unable to disclose the impact that adopting these Statements will have on its financial position and the results of its operations when the Statements are adopted.
- 48) We agree with the findings of specialists in evaluating the liability accrued by the City under Government-Wide statements for Other Post Employment Benefits as of June 30, 2015 and the liability accrued by the City related to our Self Insurance, and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
- 49) We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 50) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 51) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

- 52) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 53) With respect to the supplementary information on which an in-relation-to opinion is issued.
- a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 54) With respect to federal award programs:
- a) We are responsible for understanding and complying with and have complied with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, including requirements relating to preparation of the schedule of expenditures of federal awards.
 - b) We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of OMB Circular A-133 §310.b, and we believe the SEFA, including its form and content, is fairly presented in accordance with OMB Circular A-133 §310.b. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
 - c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
 - d) We have identified and disclosed to you all of our government programs and related activities subject to OMB Circular A-133 and included in the SEFA expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
 - e) We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
 - f) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.

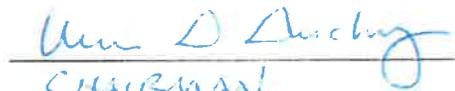
- g) We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.**
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.**
- i) We have complied with the direct and material compliance requirements including when applicable, those set forth in the *OMB Circular A-133 Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the requirements of federal awards.**
- j) We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.**
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.**
- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB Circular A-87, *Cost Principles for State, Local, and Tribal Governments*, and OMB's *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*.**
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.**
- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.**
- o) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.**
- p) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the date as of which compliance was audited.**
- q) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.**
- r) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.**
- s) We have monitored subrecipients to determine that they have expended pass-through assistance in accordance with applicable laws and regulations and have met the requirements of OMB Circular A-133, if applicable.**
- t) We have taken appropriate action, including issuing management decisions, on a timely basis after receipt of subrecipients' auditor's reports that identified noncompliance with laws, regulations, or the provisions of contracts or grant agreements and have ensured that subrecipients have taken the appropriate and timely corrective action on findings, if applicable.**

- u) We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records, if applicable.
 - v) We have charged costs to federal awards in accordance with applicable cost principles.
 - w) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by OMB Circular A-133 and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
 - x) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by OMB Circular A-133.
 - y) We are responsible for preparing and implementing a corrective action plan for each audit finding.
 - z) We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations, if applicable.
- 55) We reaffirm the representations made to you in our letter dated December 30, 2014 regarding your audit for the fiscal year ended June 30, 2014.

Signature: 
Title: City Recorder / CPU

Signature: 
Title: City Manager

Signing on behalf of the Industrial Development Board of Kingsport:

Signature: 
Title: CHAIRMAN

City of Kingsport, Tennessee
Passed Adjustments
June 30, 2015

Water Fund

Description	Type	Assets		Liabilities		Income statement					Equity	
		Current	Long-term	Current	Long-term	Revenue	C of Sales	G & A	Selling	Other		Income
Reversed opening R/E misstatements						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonreversed opening R/E misstatements:	KM		(36,763)		36,763							
Reversing misstatements:												
Totals		\$ -	\$ (36,763)	\$ -	\$ 36,763	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative misstatements errors												\$ -

Industrial Development Board of Kingsport

Description	Type	Assets		Liabilities		Income statement					Equity	
		Current	Long-term	Current	Long-term	Revenue	C of Sales	G & A	Selling	Other		Income
Reversed opening R/E misstatements						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonreversed opening R/E misstatements:	KM	(10,592)										10,592
Reversing misstatements:												
Totals		\$ (10,592)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,592
Cumulative misstatements errors												\$ 10,592

CITY OF KINGSPORT, TENNESSEE
COMMENTS ON INTERNAL CONTROL
AND OTHER SUGGESTIONS FOR YOUR
CONSIDERATION

JUNE 30, 2015

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INDEPENDENT AUDITOR'S REPORT
ON COMMENTS AND SUGGESTIONS

Board of Mayor and Aldermen and
Members of Management
City of Kingsport, Tennessee
Kingsport, Tennessee

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Kingsport, Tennessee (the City), as of and for the year ended June 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in circumstances for the purpose of expressing our opinion on the financial statements and to comply with any other applicable standards, such as *Government Auditing Standards* and the regulations set forth in OMB *Circular A-133*, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

If material weaknesses or significant deficiencies were identified during our procedures they are appropriately designated as such in this report. Additional information on material weaknesses or significant deficiencies and compliance and other matters is included in the ***Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*** which should be read in conjunction with this report.

Additionally, during our audit, we may have become aware of certain other matters that provide opportunities for improving your financial reporting system and/or operating efficiency. Such comments and suggestions regarding these matters, if any, are also included in the attached report, but are not designated as a material weakness or significant deficiency. Since our audit is not designed to include a detail review of all systems and procedures, these comments should not be considered as being all-inclusive of areas where improvements might be achieved. It is our hope that our suggestions will be taken in the constructive light in which they are offered.

We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Brown, Edwards & Company, S. L. P.

CERTIFIED PUBLIC ACCOUNTANTS

Bristol, Virginia
December 30, 2015

COMMENTS ON INTERNAL CONTROL AND OTHER SUGGESTIONS FOR YOUR CONSIDERATION

Paid Lunch Equity

During our examination of Child Nutrition it was noted that the paid lunch equity for school nutrition did not have date completed or reviewed documentation. We recommend that a copy of the paid lunch equity be printed, signed and dated by the preparer as well as documentation of review by a member of management.

New Legislation - Closing the Books

Section 9-2-102, *Tennessee Code Annotated*, was amended to require all local governments to close their official accounting records and to have those records available for audit no later than two (2) months after the close of their fiscal year end. The requirement is effective on July 1, 2015. For purposes of implementing the requirement of Section 9-2-102, *Tennessee Code Annotated*, "closing the books" refers to journal entries to close an accounting cycle and prepare the records for a new accounting cycle. These journal entries include, but are not limited to, entries to post amounts for year-end receivables, payables, deferred outflows, deferred inflows, capital assets, and accumulated depreciation; plus entries to rid or transfer the amounts from the temporary ledgers for revenues and expenditures/expenses to the permanent records for fund balances/net position. The term "closing the books" does not include some entries required to convert the fund accounting statements to the government-wide financial statements.

Internal Controls

Section 9-18-102(a), *Tennessee Code Annotated*, was amended to require all local governments to establish and maintain internal controls that would provide reasonable assurance that (1) obligations and costs are in compliance with applicable laws, (2) funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriations and (3) revenues and expenditures are properly recorded and accounted for to permit the preparation of accurate and reliable financial and statistical reports and to maintain accountability over the assets. *Standards for Internal Control in the Federal Government* (The "Green Book"), sets the standards for an effective internal control system for federal agencies and provided the overall framework for designing, implementing, and operating an effective internal control system. For Tennessee local governments, the principles of the Green Book will be incorporated into the internal control guide currently being developed and local governments must have written and placed into operation internal controls at June 30, 2016.

Annual CMFO Reporting Requirement for Municipalities

Municipalities will be required to complete an annual CMFO reporting form in the Contract and Reporting System (CARS). A notification will be emailed to all municipalities when the on-line report is ready. Municipalities will have sixty (60) days to complete the annual report.

STATUS OF PRIOR YEAR COMMENTS AND SUGGESTIONS

Monthly Closings

During our examination of internal control, we noted that closings of certain months earlier in the fiscal year appeared to have gotten behind due to the extended process of closing out the prior fiscal year and preparing the Comprehensive Annual Financial Report. While we realize that this is a time consuming process, we recommend that management assure that the closings and the related documentation be performed in a timely manner.

Current Status: Still applicable

Dormant Bond Cash & Liability Accounts

It was noted that the City has several bond liability and restricted cash accounts related to bonds that were issued in the 1960s and 1970s. The City assumed these accounts when taking over various utility districts in the 1980s. These accounts have not had any activity in several years. We recommend that the City investigate these old accounts and determine whether the liability exists and, if deemed not to exist, remove the items from the books.

Current Status: Still applicable

Teacher Quality Assurance

While performing compliance testing for the Title I grant, a sample of all newly hired Title I teachers was selected to ensure highly qualified status. Of the 8 teachers selected, 3 of the "Teacher Quality Assurance" reports could not be found. Although, alternative documentation was found to support highly qualified status, we recommend that the City complete the "Teacher Quality Assurance" reports on all newly hired teachers and retain this documentation properly in the files to meet procedural documentation requirements.

Current Status: Not noted in current year

Capital Asset Projects

During testing of capital assets we noted several projects in construction in progress that did not have any current year activity. Several of these projects relate to assets which have already been placed into service during the current or previous years. The City's current policy is to leave projects open as long as they still have funds allocated to the project and begin depreciating the assets when funds are exhausted and the project is closed. The current policy does not meet accounting requirements of depreciating capital assets when placed into service. We recommend, when identifiable portions of a project are placed into service, those items be moved out of construction in progress and begin depreciating the asset. A project "phase" methodology could be adopted allowing for allocated funding to continue to be identified with the remaining phase of a project. Additionally the City should attempt to

STATUS OF PRIOR YEAR COMMENTS AND SUGGESTIONS

Capital Asset Projects (Continued)

close out the entire project as soon as possible. If funds are still allocated to a project but it appears the project is complete, inquiries need to be made as to whether those funds are expected to be spent on the project, and if not, the funds should be allocated elsewhere.

Current Status: Still applicable

Industrial Development Board Receivables

Testing of accounts receivable for the Industrial Development Board revealed amounts booked that were not valid receivables. We recommend that the Industrial Development Board examine their receivables booked and write off any that are no longer valid. This should include an examination of the amount related to due to or from the City. Some of these are very old and need to be examined for validity.

Current Status: Still applicable

STATUS OF PRIOR YEAR COMMENTS ON INFORMATION TECHNOLOGY

City Information Technology Department

Small IT Departments

In small IT departments, having only a few employees with rights to root access or System Administrator's level across IT systems access poses several potential challenges relative to segregation of duties. Also, in leaner and smaller environments, access rights are many times not fully segregated. Often this prevents the organization from being able to further segregate the duties based on resource limitations and demands. We recommend the organization consider, based on current employees' experience and background, whether any changes would be cost beneficial that could improve segregation of duties controls. This may include items such as additional reviews of System Administrator's and other critical logs and periodic review of access rights. If logs are to be reviewed, often filters can be setup to reduce the burden of the review. Based on good control structures, an individual who would perform these types of reviews should not be in a position where they might be reviewing their own work.

Current Status: Still applicable

Disaster Recovery Plan

The City is currently in process of updating certain portions of its Disaster Recovery Plan. We recommend that once the plan has been updated, that this plan be appropriately tested to assist in ensuring its viability. Scenarios should include, but not be limited to, non-availability of key staff and assumed unavailability of certain key resources. We also recommend that the plan be reviewed annually to ensure that it is up to date if a disaster should occur.

Current Status: Still applicable

Schools Information Technology

Small IT Department

In small IT departments, having only a few employees with rights to root access or System Administrator's level across IT systems access poses several potential challenges relative to segregation of duties. Also, in leaner and smaller environments, access rights are many times not fully segregated. Often this prevents the organization from being able to further segregate the duties based on resource limitations and demands. We recommend the organization consider, based on current employees' experience and background, whether any changes would be cost beneficial that could improve segregation of duties controls. This may include items such as additional reviews of System Administrator's and other critical logs and periodic review of access rights. If logs are to be reviewed, often filters can be setup to reduce the burden of the review. Based on good control structures, an individual who would perform these types of reviews should not be in a position where they might be reviewing their own work.

Current Status: Still applicable

STATUS OF PRIOR YEAR COMMENTS ON INFORMATION TECHNOLOGY

Reliance on City Controls

The Schools rely on the City for certain functionality, including use of the AS400 system. If a City system were to be compromised that the Schools were using, it could also potentially compromise the School's information as well. We recommend that risks of this type be specifically documented and reviewed at least annually.

Current Status: Still applicable

Access to Systems

Password Change

Unless connected through a wireless means, there is no requirement for users to periodically change passwords when accessing the School's network. We recommend that requiring periodic password changes for users on the network be considered to strengthen overall password and user account controls.

Current Status: Still applicable

Disaster Recovery

The organization has an informal contingency plan. Currently, this has not been formalized into a written plan. We recommend the organization consider a written disaster recovery plan for IT that would list such things as vendors used along with their contact information, a call list for internal employees relative to IT recovery, and documentation as to the current setup of the systems and what software was installed on the critical systems. This plan should be written so that it considers non-availability of current key IT related employees during this recovery process to help ensure recoverability.

Current Status: Still applicable



AGENDA ACTION FORM

Reappointments to the Kingsport Economic Development Board

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager 

Action Form No.: AF-08-2016
Work Session: January 19, 2016
First Reading: N/A

Final Adoption: January 19, 2016
Staff Work By: Mayor Clark
Presentation By: Mayor Clark

Recommendation:

Approve reappointments.

Executive Summary:

Mr. Ken Frohlich, Mrs. CeeGee McCord and Mr. Keith Wilson have agreed to be reappointed for a second term to the Kingsport Economic Development Board (Industrial Development Board of the City of Kingsport) if approved by the Board of Mayor and Aldermen. These reappointments will be for a six-year term effective immediately and will expire January 1, 2023.

Attachments:

None

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—



AGENDA ACTION FORM

Apply for and Receive Grant Application for a Tennessee State Library and Archives Construction Grant

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager 

Action Form No.: AF-03-2016
Work Session: January 19, 2016
First Reading: N/A

Final Adoption: January 19, 2016
Staff Work By: Helen Whittaker
Presentation By: Morris Baker

Recommendation:

Approve the Resolution.

Executive Summary:

The Tennessee State Library and Archives, through the State budget, annually makes funds available for library construction grant dollars available for public library building projects. Public libraries are allowed to apply for a maximum of \$100,000 every ten years.

The request is for \$100,000 and requires a dollar for dollar match. This funding will assist with the remodeling of the children's area to make it a world-class area for the children in our community. The match is from GP1400.

Attachments:

1. Resolution
2. Grant Application
3. Grant Statement

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A TENNESSEE STATE LIVRARY AND ACRCHIVES CONSTRUCTION GRANT

WHEREAS, the city, through the library, would like to apply for a grant from the Tennessee State Library and Archives, for funds to assist with the remodeling of the children's area in the Kingsport Public Library; and

WHEREAS, the maximum amount of the grant award is \$100,000.00, and the grant requires a 1 to 1 match, which is available in project account GP1400;

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive a grant from the Tennessee State Library and Archives in the amount of \$100,000.00 for the library children's area, which will require a 1 to 1 match.

SECTION II. That the mayor is authorized to execute any and all documents including those necessary and proper to demonstrate the city's compliance with the grant requirements or its provisions necessary to effectuate the purpose of the grant or this resolution.

SECTION III. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the public.

SECTION IV. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 19th day of January, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



Department of State

Tennessee State Library and Archives
403 Seventh Avenue North
Nashville, Tennessee 37243-0312
(615) 741-7996

General Guidelines

Construction funds are granted to the deed holder of the construction project. The owner may be a City, County or Library Board and defined as the applicant. The applicant must have the legal authority to accept state grant funds and will be responsible for adhering to all applicable laws.

State funding will not exceed 50% of the project's budget or \$100,000, whichever is less. The project budget must include an appropriation by the city and/or county government.

Primary consideration will be given to new construction projects and significant expansions. When funds are available, projects for remodeling will be considered provided the purpose is to improve accessibility of the library and its collections to the public.

Grant funds will not be awarded solely for building maintenance projects (roof replacement, HVAC installation, etc.). Grant funds will not be awarded for planning, studies, architectural drawings or other pre-construction expenses.

Part I. Applicant Information

Applicant Name	City of Kingsport		
	<i>[City, County or Library Board applying for funds]</i>		
Mailing Address:			
	225 West Center St.		
	Kingsport, TN 27660		
Phone: 423-229-9400	Fax:	423-229-9350	
e-mail: carterj@ci.kingsport.tn.us			

Local Government Officials			
County Mayor	Richard Venable		
Mailing Address:	Sullivan County Courthouse		
	3411 Hwy 126, Suite 206		
	Blountville, TN 37617		
Phone: 423-279-2897	Fax:	423-279-2897	
e-mail:			

City Mayor	John Clark	
Mailing Address:	225 West Center St.	
	Kingsport, TN 37660	
Phone: 423-229-9412	Fax:	423-229-9350
e-mail: JohnClark@KingsportTN.gov		

Library Board Chair	John Demuth	
Mailing Address:	1321 Linville ST.	
	Kingsport, TN 37660	
Phone: 423-245-5171	Fax:	
e-mail: jdemuth@isionline.net		

Applicant Primary Contact For Grant Funding		
Name	Helen Whittaker	
Job Title	Library Manager	
Mailing Address:	400 Broad St.	
	Kingsport, TN 37660	
Phone: 423-229-9488	Fax:	423-224-2558
e-mail: whittaker@kingsporttn.gov		

Library Director	Helen Whittaker	
Mailing Address:	Kingsport Public Library	
	400 Broad St,	
	Kingsport, TN 37660	
Phone: 423-229-9488	Fax:	423-224-2558
e-mail: whittaker@kingsporttn.gov		

State Senator	Lt. Ron Ramsey
State Representative	Rep. Bud Hulseby
Regional Library Director	Nancy Roark

Project Architect/Firm	Cain Rash West Architects (local) and Dewberry (Illinois)	
Project Leader Contact	Dineen West	
Tennessee Registration Number	Cain Rash West TN100987 Dewberry 104283	
Mailing Address:	130 Regional Park Drive	
	Kingsport, TN 37660	
Phone: 423-349-7760	Fax:	423-349-7413
e-mail: Dineen@grcinc.com		

Revised: 4/21/2014

Part II. Summary of Construction Project

Type of Construction Project:		
New Building _____	Expansion _____	Remodel/Renovation <u>X</u>

Function of Proposed Building:		
Main Public Library <u>X</u> Branch of System _____	Special Purpose _____	Will this project replace an existing public library facility? Yes _____ No <u>X</u>

Property Address of Proposed Project: 400 Broad St. Kingsport, TN 37660
--

Project Scope Summary:
(see attached also) This project will remodel the entire children's area of approximately 3,000 square feet. The 53 year old shelving and the 20 year old furniture and carpet will be replaced with exciting woodland themed shelving, furniture, carpeting and graphics. An enclosed office for the youth services librarian will be replaced by transparent walls enclosing work space for staff. A separate room for the Read to a Dog program will be built that can also function as a study area/staff work space. A new office will be built for the youth services librarian and a ramp will be constructed leading to the upper level in this area. Technology will be replaced and improved. New and exciting and high quality interactive learning and play areas will be created.

Describe Service Enhancement/Community Impact:
(see attached also) The children in the community will have a fun, exciting and inviting area in which to select books, read books, participate in new digital learning and interactive learning and play. By having the Read to a Dog space be a transparent room within the children's area, this will increase participation in this important program. Parents will also be more likely to bring their children to a space that is actually inviting and that their children enjoy, so we anticipate more attendance and use of the children's area and more book reading! More people to the library would also bring more people to downtown Kingsport to possibly eat/shop.

Part III. Project Budget by Source of Funds

County	\$
City	\$250,000
Library Board	\$
Other (Specify source)	\$
Private and public fund raising	\$150,000
	\$
	\$
Federal:	\$
a. (Specify Source)	\$
b. (Specify Source)	\$
State: Public Library Construction	\$100,000
	\$
TOTAL*	\$500,000
*Must be equal to or greater than architect's project cost estimate.	

Part V. Checklist of Application Materials Submitted

Please submit application with the required documents as specified and confirm inclusion with this checklist.

1. Application for Construction Funds: Yes____ No____
2. Resolution by the applicant authorizing the project: Yes____ No____
3. Resolution by each contributing funding body confirming the amount, source and availability of local funds: Yes____ No____
4. Documentation that funds are available for project completion, i.e., copy of bank statement(s), promissory note(s), etc.: Yes____ No____
5. Copies of the library's two most recent operating budgets: Yes____ No____
6. Site Documentation:
 - a. Legal Description: Yes____ No____
 - b. Deed Proving Ownership: Yes____ No____
 - c. Site Survey: Yes____ No____
 - d. Vicinity Map: Yes____ No____
7. Documentation concerning flood hazards, environmental impact, and effect on historic properties:
 - a. Flood plain map Yes____ No____
 - b. Historic properties Yes____ No____ Not Applicable____
8. Library building program (if new construction or renovation); please ask your regional library director for assistance.) Yes____ No____
9. Preliminary Design Information (to be completed by a certified architect/licensed contractor):
 - a. Square foot summary Yes No____
 - b. Preliminary drawings Yes No____
 - c. Outline specifications Yes No____
 - d. Project cost estimate Yes No____
 - e. Floor plan of proposed project Yes____ No____

****Based on application submitted, additional documentation may be required, dependent on the scope of the project. A signed contract between the State and Applicant will require submittals of proof of legal adherence to applicable laws, including but not limited to, construction bidding requirements, local zoning and planning commission requirements, and Americans with Disabilities Act and prevailing wage requirements.**

PART VI. CERTIFICATION OF APPLICATION

The Applicant Assures and Certifies:

1. That it possesses legal authority to apply for the grant and to finance and construct the proposed facility; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the Application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the Applicant to act in connection with the Application and to provide additional information as may be required.

2. That the architectural plans for the project will be drawn by an architect licensed to practice in Tennessee; that the contractor engaged on the project will be licensed and bonded according to Tennessee law; that access will meet the requirements of the Americans with Disabilities Act; and that the project will be fully reviewed and approved by all relevant building codes authorities.

3. That it will comply with the regulations, policies, guidelines and requirements as they relate to the Application, acceptance and use of funds received from the State for this project.

4. That, if awarded, grant funds will be released only after a majority of the local funding for the project has been expended; that invoices will be submitted and the local agency will be promptly reimbursed by the state up to the amount of the grant.

5. That to the best of their knowledge and belief, all of the statements made in this Application for Construction Funds are true and correct, that the estimates made are as accurate as they can be at this date; that all funds received for the project will be expended solely for the purpose of such grant; and any such funds not so expended, including funds lost or diverted to other purposes, shall be repaid to the State of Tennessee.

Chief Executive of Applicant Government

Signature	Title	Date
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Library Board Chairman

Signature	Chairman Title	Date
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SUBMIT APPLICATION TO YOUR REGIONAL LIBRARY DIRECTOR

Regional Directors will review and forward to the State Librarian and Archivist and Secretary of State

Buffalo River Region

104 East Sixth Street
Columbia, TN 38401-3359
Marion Bryant, Director
(931) 388-9282
(800) 331-8487
FAX: (931) 388-1762

Marion.bryant@tn.gov

Counties Served:

- Giles
- Hickman
- Lawrence
- Lewis
- Lincoln
- Marshall
- Maury
- Perry
- Wayne
- Williamson

Clinch River Region

130 North Main Street, Suite 2
Clinton, TN 37716-3633
Susan Simmons Byrne, Director
(865) 457-0931
FAX: (865) 457-8546

Susan.simmons@tn.gov

Counties Served:

- Anderson
- Campbell
- Claiborne
- Grainger
- Jefferson
- Morgan
- Scott
- Sevier
- Union

Falling Water River Region

208 Minnear Street
Cookeville, TN 38501-3949
Faith Holdredge, Director
(931) 526-4016
(888) 920-4016
FAX: (931) 528-3311

Faith.holdredge@tn.gov

Counties Served:

- Bledsoe
- Clay
- Cumberland
- DeKalb
- Fentress
- Jackson
- Macon
- Overton
- Pickett
- Putnam
- Sequatchie
- Smith
- Van Buren
- White

Hatchie River Region

63 Executive Drive
Jackson, TN 38305-2901
Carla Jacobs, Director
(731) 668-0710
FAX: (731) 668-6663

Carla.jacobs@tn.gov

Counties Served:

- Chester
- Decatur
- Fayette
- Hardeman
- Hardin
- Haywood
- Henderson
- Lauderdale
- Madison
- McNairy
- Tipton

Holston River Region

2700 South Roan Street
Suite 435
Johnson City, TN 37601-7587
Nancy Roark, Director
(423) 926-2951
FAX: (423) 926-2956

nancy.roark@tn.gov

Counties Served:

- Carter
- Cocke
- Greene
- Hancock
- Hawkins
- Hamblen
- Johnson
- Sullivan
- Unicoi
- Washington

Obion River Region

542 N. Lindell
Martin, TN 38237
Mary Carpenter, Director
(731) 587-2347
(800) 628-5065
FAX: (731) 587-0027

Mary.carpenter@tn.gov

Counties Served:

- Benton
- Carroll
- Crockett
- Dyer
- Gibson
- Henry
- Lake
- Obion
- Weakley

Ocoee River Region

718 George Street, N.W.
Athens, TN 37303-2214
Beth A. Mercer, Director
(423) 745-5194
(800) 624-1982
FAX: (423) 745-8086

Beth.mercer@tn.gov

Counties Served:

- Blount
- Bradley
- Loudoun
- McMinn
- Meigs
- Monroe
- Polk
- Rhea
- Roane

Red River Region

1753 Alpine Drive Suite A
Clarksville, TN 37041
Becky Bailey, Director
(931) 645-9531
FAX: (931) 645-6695

Becky.bailey@tn.gov

Counties Served:

- Cheatham
- Dickson
- Houston
- Humphreys
- Montgomery
- Robertson
- Stewart
- Sumner

Stones River Region

2118 East Main Street
Murfreesboro, TN 37130-4009
Betty Jo Jarvis, Director
(615) 893-3380
(800) 257-7323
FAX: (615) 895-6727

Bettyjo.jarvis@tn.gov

Counties Served:

- Bedford
- Cannon
- Coffee
- Franklin
- Grundy
- Marion
- Moore
- Rutherford
- Trousdale
- Warren
- Wilson

KINGSPORT PUBLIC LIBRARY CHILDREN'S REMODEL

HISTORY

The Kingsport Public Library was started by the Kingsport Book Club in 1919 and ownership of the library was passed from private to municipal ownership by the City of Kingsport in 1929. For the next thirty plus years, the location of the library bounced around from the basement of the YMCA, the lobby of the YMCA, above a downtown store, in a downtown store front. Story times were held in a downtown hotel. In 1962, the library moved into a structure that was originally constructed as a post office in 1931 but had been renovated in 1961 to house the library. The children's area has been located in the same space within the library since 1962. In 1986, approximately 1,000 square feet was added to the children's area.

CURRENT SPACE, FURNITURE AND EQUIPMENT

All of the shelving in this area was purchased in 1962. The rest of the furniture (except the circulation desk and a few chairs) and the carpeting is over 20 years old. Last year the teen collection was moved out of this space, which created a small interactive play area. The library used monetary and in-kind donations to create this space which includes a play kitchen, Thomas the Train table, benches for adults and some interactive learning panels on the walls. The library has 9 volunteer therapy dogs for a Read to a Dog program which has been in place for seven years. The dogs and the children have to go upstairs to use the Friends of the Library office for their reading sessions. Library staff uses our multi-use auditorium for all our story times and children's programs because we also do not have a dedicated story time room. The youth services department head has an office of approximately 100 square feet and the other four people on staff live and work in a total of 90 square feet.

USE OF THE LIBRARY AND CHILDREN'S PROGRAMS

The Kingsport Public Library serves a population of over 53,000 and the surrounding area within a 50 mile radius. Our circulation last year was 233,778 and our library visits totaled 172,806. We have 36,161 registered card holders. The library has a staff of 19.2 FTE with three full time and two part time staff working in the children's area. (Our teen area is not staffed.) Last year, this energetic staff provided 317 programs and 209 Read to a Dog sessions. Almost 11,000 children and teens attended library programs. During the summer reading program, 534 children and teens read 12,651 books.

EXPANSION/RENOVATION PROJECT

Over 8 ½ years ago, the Kingsport Public Library began planning for an expansion and renovation project. We contracted with Library Planning Associates to conduct our program needs study. We worked with experienced public library architects Dewberry Architects out of Elgin, Illinois and their local partners, Cain Rash West in Kingsport for design and cost estimates.

This project called for relocation of the children's area, a separate story room, interactive play areas, study areas, larger technology area and staff workspace and offices. At one point, the City included \$8M in their Capital Improvement Projects (CIP) to go toward the, then, cost estimate of \$12M with the library expected to raise the additional funds. The library project kept being pushed forward in the CIP until the City then explained to the Library Commission that it did not have the funds to do this project and probably wouldn't have the funds until about 2020/2021. In the meantime, the City would provide approximately \$250,000 to the library over the next five years (2015-2020) to make improvements throughout the library.

The Library Commission decided that whatever remodeling the library did over the next five years, that we would make changes according to our original long-term plan so that the funds would be used responsibly and we would be able to keep most of the structural changes and all of the furniture and equipment in a future expansion/renovation project. The Commission wanted to make their first improvement to the children's area because those services are extremely important to the community, because that area was so dated and unappealing to children and parents, and because staff could barely function in the poor design. We worked with our local partner, Cain Rash West, for the initial design and cost estimates. Working within the \$250,000 budget, there were limitations as to what could be done to the children's area (no changes to the ceiling or lighting or restrooms, low-quality interactives for the children, no signage/graphics etc.) At that point, the Library Commission decided they would raise an additional \$250,000 to create a world-class children's area. The Cain Rash West design was then provided to Dewberry for interior design that would create a world-class space. Dewberry was told to work within a \$500,000 budget.

THE RENOVATED CHILDREN'S AREA

- Creates open spaces for state-of-the art interactive learning opportunities, interactive educational exhibits and creative play spaces
- Adds an AWE Literacy Learning Computer station for elementary school children. (We currently have 2 of these for children ages 2-8)
- Creates one multi-purpose room for the Read to a Dog program, quiet study and staff work space.
- Replace all flooring, ceiling, lights, shelving, furniture and equipment in keeping with the nature theme. Every student in Kingsport takes a field trip to our local Bays Mountain Park and sees the animals (wolves, deer, birds, raptors, otters, etc.) and rides the barge on the lake there. The new children's room will have a water area and a woodland area established by flooring, furniture, shelving and graphics.
- Create larger work space for library staff and maintain their visibility to the public.
- Create new office for the youth services librarian.
- Removes the existing wheelchair lift and creates a ramp up to the higher level in the area. This is in keeping with the ramp that will be built in the long-range plan.



AGENDA ACTION FORM

Approval of Easement and Right-of-Way for Tranbarger Drive Sewer Extension Project

To: Board of Mayor and Aldermen
 From: Jeff Fleming, City Manager 

Action Form No.: AF-01-2016
 Work Session: January 19, 2016
 First Reading: N/A

Final Adoption: January 19, 2016
 Staff Work By: R. Trent; H. Page
 Presentation By: R. McReynolds

Recommendation:
 Approve the offer.

Executive Summary:

In order to extend sanitary sewer services to 1326 Tranbarger Drive, the Public Works Department has requested right-of-way and easement across affected property. An appraisal has been prepared in accordance with the City of Kingsport's Real Property Acquisition Policies & Procedures and indicates the fair market value as per the below property owner.

<u>Tax Map & Parcel</u>	<u>Property Owner</u>	<u>Easement Area</u>	<u>Appraised Value</u>
#029L; B-038.40	Kingsport Residential Development Corporation c/o Central Appalachia Services 1570 Waverly Road Kingsport, TN 37660	Perm. 285 sq. ft.	\$60.00

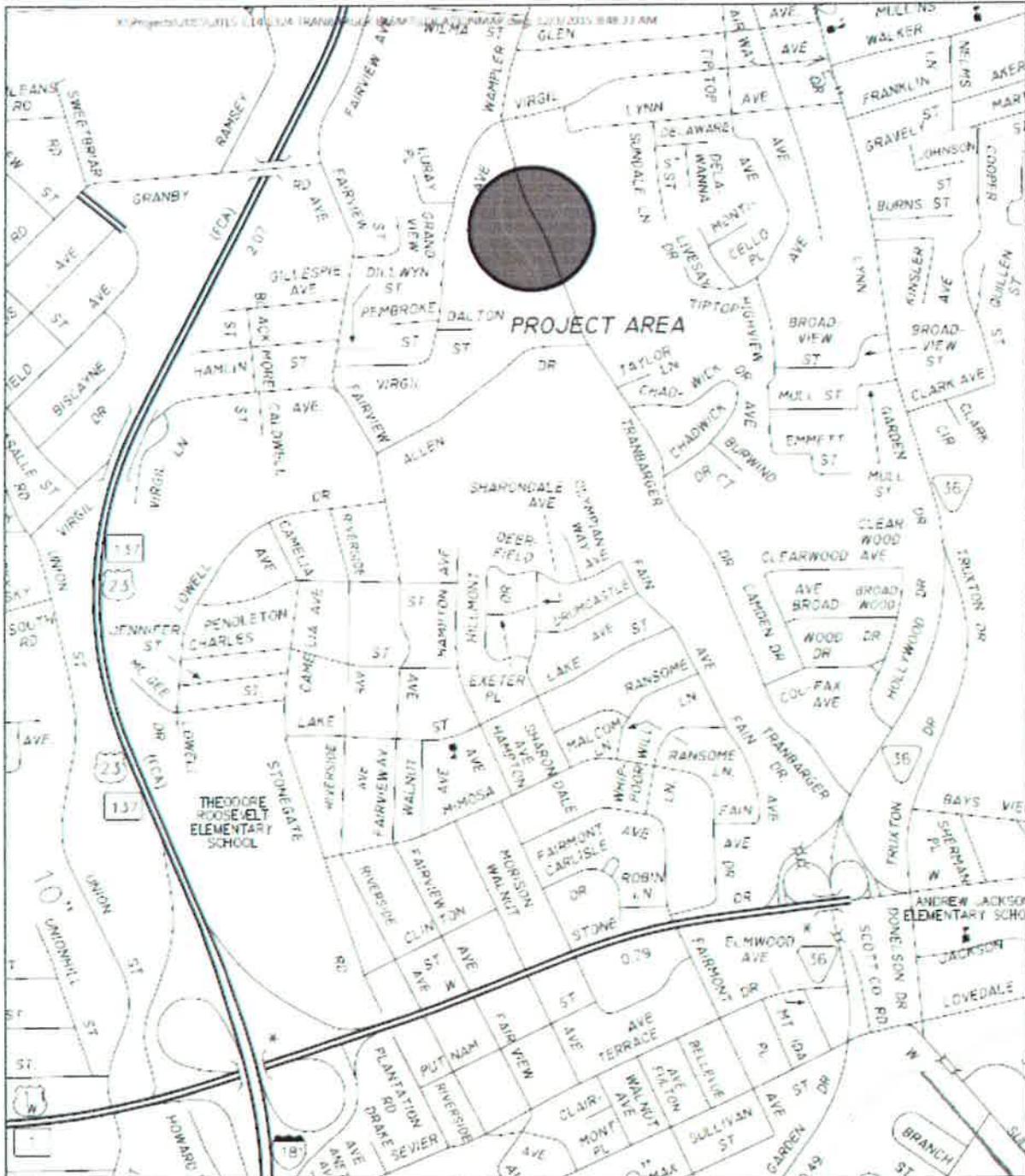
This project will be funded under #412-5004-501-9001.

Attachment:

1. Project Location Map

Funding source appropriate and funds are available: 

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olteman	—	—	—
Parham	—	—	—
Clark	—	—	—



**FIGURE I - PROJECT LOCATION MAP
 TRANBARGER DRIVE
 SANITARY SEWER EASEMENT**

NTS



AGENDA ACTION FORM

Approval of Easements and Rights-of-Way for Citywide Water Line System Improvements Project – Phase II

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager *JF*

Action Form No.: AF-06-2016
Work Session: January 19, 2016
First Reading: N/A

Final Adoption: January 19, 2016
Staff Work By: R. Trent; P. Gilmer
Presentation By: R. McReynolds

Recommendation:
Approve the offers.

Executive Summary:

In order to upgrade and improve water service in certain areas of the city, the Public Works Department has requested easements and rights-of-way across affected properties. Appraisals have been prepared in accordance with the City of Kingsport's Real Property Acquisition Policies & Procedures and indicate the fair market values as per the attached property owners.

This project will be funded under #WA1401.

Attachment:

- 1. Project Offers
- 2. Project Location Map

Funding source appropriate and funds are available: *JF*

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

<u>Tax Map & Parcel</u>	<u>Property Owner/s</u>	<u>Easement Area</u>	<u>Appraised Value</u>
#91; 082.00	Dencil & Gladeth Galloway 902 Rock Springs Road Kingsport, TN 37664	Perm. 2,649 sq. ft. Temp. 1,932 sq. ft.	\$96.00 \$53.00
#91; 094.00	Double T, LLC P.O. Box 4026 6617A West Main Street Wise, Virginia 24293	Perm. 19,183 sq. ft. Temp. 18,037 sq. ft.	\$9,208.00 \$6,493.00
#91; 095.00	Robert M. Cowen, Jr. 229 Melrose Lane Kingsport, TN 37664	Perm. 2,630 sq. ft. Temp. 2,496 sq. ft.	\$179.00 \$99.00
#92N; B-041.00	Homer Kyle Smith 344 Hidden Valley Road Kingsport, TN 37663	Perm. 3,983 sq. ft. Temp. 3,560 sq. ft.	\$1,195.00 \$801.00



**PROPOSED WATER FACILITIES
WATERLINE SYSTEM IMPROVEMENTS - PHASE II**





AGENDA ACTION FORM

Apply for Membership with Tennessee One-Call System, Inc.

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager

Action Form No.: AF-11-2016
Work Session: January 19, 2016
First Reading: N/A

Final Adoption: January 19, 2016
Staff Work By: Tim Elsea
Presentation By: Ryan McReynolds

Recommendation:

Approve the Resolution.

Executive Summary:

The Tennessee One-Call System, Inc. (Tennessee 811) is a non-profit corporation formed to reduce damage to underground facilities, and is established as a statewide notification center. There are many benefits for utilities being members of Tennessee 811 which include, but not limited to the following: notification a contractor is digging around your facilities; ability to protect underground facilities by locating promptly and accurately; allows member utilities to seek restitution for damages to facilities; and other services provided from Tennessee 811.

It is requested the Traffic Division apply for membership with Tennessee 811 as an extra layer of protection concerning the city's traffic signals and fiber network. In our efforts of maintaining traffic signals and underground fiber, we believe this membership to be most advantageous to the city's infrastructure.

Funding is available and identified in the Traffic Division's operating line items.

Attachments:

- 1. Resolution
- 2. Application

Funding source appropriate and funds are available:

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN APPLICATION WITH TENNESSEE ONE-CALL SYSTEM, INC. AND AUTHORIZING THE MAYOR TO EXECUTE THE APPLICATION AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE APPLICATION

WHEREAS, the city, through the traffic division, of the department of public works, would like to apply for membership with the Tennessee One-Call System, Inc. (Tennessee 811); and

WHEREAS, the Tennessee One-Call System, Inc. (Tennessee 811) is a non-profit corporation formed to reduce damage to underground facilities, and is established as a statewide notification center; and

WHEREAS, funding available and identified in the traffic division's operating line items.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That an application for membership with Tennessee One-Call System, Inc. (Tennessee 811) is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the application for membership with Tennessee One-Call System, Inc. (Tennessee 811) and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the application or this resolution, said application being as follows:

**TENNESSEE 811
APPLICATION FOR MEMBERSHIP**

WHEREAS, Tennessee One-Call System, Inc. (the "Corporation") (doing business as Tennessee 811), a Tennessee non-profit corporation, has been formed in an effort to reduce damage to the underground facilities of its members and to cause to be established a statewide notification center (the "Notification Center");

WHEREAS, the undersigned desires to be an General Member of the Corporation and hereby tenders with this application the applicable fee as specified by the Board of Directors of the Corporation.

NOW THEREFORE, the undersigned hereby applies for admission as a Member of the Corporation and in connection therewith covenants and agrees when accepted as a member as follows:

1. To abide by and comply with the requirements of the Underground Utility Damage Prevention Act [Acts 1978 (Adj. S.), ch. 692], Sec. 65-31-101 et,seq., Tennessee Code Annotated.
2. To abide by and comply with such rules and regulations as the Board of Directors may adopt, from time to time, for utilization of the statewide Notification Center by Members;
3. To abide by and comply with the By-laws of the Corporation
4. To pay promptly the fees prescribed by the Board of Directors of the Corporation.

[Acknowledgements Deleted for Inclusion in this Resolution]

A Member who is assessed a fee of \$1,000 or more in a calendar year is classified as a General Member

A Member who is assessed a fee of less than \$1,000 in a calendar year is classified as an Associate Member

SECTION III. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the application set out herein that do not substantially alter the material provisions of the application, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

SECTION IV. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

SECTION V. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 19th day of January, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER
APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



APPLICATION FOR MEMBERSHIP

WHEREAS, Tennessee One-Call System, Inc. (the "Corporation") (doing business as Tennessee 811), a Tennessee non-profit corporation, has been formed in an effort to reduce damage to the underground facilities of its members and to cause to be established a statewide notification center (the "Notification Center");

WHEREAS, the undersigned desires to be an General Member of the Corporation and hereby tenders with this application the applicable fee as specified by the Board of Directors of the Corporation.

NOW THEREFORE, the undersigned hereby applies for admission as a Member of the Corporation and in connection therewith covenants and agrees when accepted as a member as follows:

1. To abide by and comply with the requirements of the Underground Utility Damage Prevention Act [Acts 1978 (Adj. S.), ch. 692], Sec. 65-31-101 et,seq., Tennessee Code Annotated.
2. To abide by and comply with such rules and regulations as the Board of Directors may adopt, from time to time, for utilization of the statewide Notification Center by Members;
3. To abide by and comply with the By-laws of the Corporation
4. To pay promptly the fees prescribed by the Board of Directors of the Corporation.

Company Name _____

Name of Applicant _____

Title _____

Signature _____

Address _____

City _____ **State** _____ **Zip** _____

A Member who is assessed a fee of \$1,000 or more in a calendar year is classified as a General Member

A Member who is assessed a fee of less than \$1,000 in a calendar year is classified as an Associate Member



AGENDA ACTION FORM

Amend the Agreement with Prairie Farms Dairy to Renew for an Additional Year

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager 

Action Form No.:	AF-09-2016	Final Adoption:	January 19, 2016
Work Session:	January 19, 2016	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	Jennifer Walker

Recommendation:
Approve the Resolution.

Executive Summary:

At the Board of Mayor and Alderman meeting of November 5, 2013 a resolution was passed to execute an agreement with Prairie Farms Dairy. This agreement was to establish a continuous supply of dairy items for use by the City of Kingsport School Nutrition Services for the time period of January 7, 2014 – January 6, 2015. The agreement included an option to renew the agreement for up to three additional years, in one year increments, provided pricing and quality of services are acceptable to the City of Kingsport. At the Board of Mayor and Alderman meeting on March 17, 2015 a resolution was passed to execute an amendment to extend the original agreement for the January 7, 2015 – January 6, 2016 time period for \$250,000.00. It is now recommended to amend this agreement to extend it for the January 7, 2016 – January 6, 2017 time period for \$250,000.00.

Funding will be provided from School Nutrition Services.

Attachments:

1. Resolution
2. Letter of Intent to renew
3. Proposed Addendum
4. Memo to BOE

Funding source appropriate and funds are available: 

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN ADDENDUM TO THE AGREEMENT WITH PRAIRIE FARMS DAIRY FOR DAIRY ITEMS FOR THE KINGSPORT CITY SCHOOL NUTRITION SERVICES; AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE THE ADDENDUM; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE ADDENDUM

WHEREAS, on November 5, 2013, the board approved an agreement with Prairie Farms Dairy to provide dairy products to the Kingsport City School Nutrition Services for the period of January 7, 2014, to January 6, 2015, with the option to renew the agreement for an additional three years, in one year increments; and

WHEREAS, the Kingsport City School Nutrition Services would like to renew the agreement for the term of January 7, 2016, to January 6, 2017, for \$250,000.00.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That an addendum to the agreement with Prairie Farms Dairy for dairy products for the Kingsport City School Nutrition Services for the period of January 7, 2016, to January 6, 2017, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an addendum to the agreement with Prairie Farms Dairy for dairy products for the Kingsport City School Nutrition Services for the period of January 7, 2015, to January 6, 2016, and all other documents necessary and proper to effectuate the purpose of the amendment or this resolution, said amendment being generally as follows:

**ADDENDUM TO AGREEMENT
BETWEEN PRAIRIE FARMS DAIRY
AND CITY OF KINGSPORT, TENNESSEE FOR ITS KINGSPORT CITY SCHOOLS
MADE AND ENTERED INTO ON THE 20TH DAY OF JANUARY 2016**

SECTION 2. CONTRACT TERM. The work to be performed under this Contract shall be from JANUARY 7, 2016 to JANUARY 6, 2017. The Contract will be awarded for a period of one (1) year with a renewal option for one (1) additional year. Providing all terms, conditions and cost are acceptable to both parties. The City reserves the right to re-bid at the end of any contract period.

SECTION 3. THE CONTRACT PRICE. The City shall pay, in current fund, the Contractor for the performance of this Contract on the basis of the unit price cost per unit, as set forth in SECTION 1 above, and as set out and stipulated in the bid or proposal of said Contract, and the total cost of TWO HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$250,000.00) is an estimated total cost, based upon the number of units required for the performance of this Contract and in the event there is any variation in the units actually required in the performance of this Contract, and the estimate made above, then the unit price shall in all things control, so that the total estimated cost of TWO HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$250,000.00) is subject to being increased in the event the units required for this Contract are greater than that estimated, and is subject to being decreased in the event said units are less than that estimated; which said payment, based upon the unit costs mentioned above, shall be full compensation for all materials

and supplies furnished, and all labor done by the Contractor under and pursuant to this Agreement, and said sum shall also pay for all losses or damages of the Contractor arising out of the nature of the work, and for any and all expenses incurred in consequence of the work under this Contract, and for the well and faithful performance of said Contract.

Notwithstanding any other language to the contrary in the Agreement, the following terms shall be controlling:

1. This Agreement shall terminate at the end of the contract year, January 6, 2017. Additional annual term(s), each of which said term shall expire at the end of the then current contract year, shall be at the sole option of the City of Kingsport. If not renewed, for reason of Funding Out (which means school has insufficient funds to pay at June 30), City shall have no obligation to pay any additional costs and City shall surrender all rights and interest in any asset(s) which are not fully owned by City to Company. Except for the Maintenance Component and charges based upon the usage of the Equipment, the balance of the monthly payment owed by the City shall be consistent during the term(s) of the Agreement.

2. The Agreement shall be governed by the laws of the State of Tennessee. Any action brought in law or in equity to enforce any provision of the entire Agreement shall be filed in the appropriate state court in Sullivan County, Tennessee.

3. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney's fees.

By our signatures we have read the above terms of this Addendum and agree with the terms.

[Acknowledgements Deleted for Inclusion in this Resolution]

SECTION III. That the mayor is further authorized and directed to make such changes approved by the mayor and the city attorney to the addendum set out herein that do not substantially alter the material provisions of the agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

SECTION IV. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

SECTION V. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 19th day of January, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



December 22, 2015

Lisa Tallman
Procurement
Kingsport City Schools
225 W Center Street
Kingsport TN 37660

Dear Ms. Tallman,

Prairie Farms Dairy - Somerset Division agrees to renew the current bid with Kingsport City Schools for the contract period of January 7, 2016 through January 6, 2017.

Pricing will be adjusted for ½ pint flavored milk and sour cream due to increased cost. This will be an increase of .0075 per ½ pint chocolate, strawberry and vanilla fat free milk. Sour cream will be increased .05 per pound. 5 pound cottage cheese will decrease .40 per container. After these adjustments have been made, pricing will then be adjusted as usual each month based on the raw milk announcement.

Thank you for allowing Prairie Farms Dairy - Somerset Division the opportunity to serve you. If you need anything else, please let us know.

Sincerely,

Mike Chandler
General Manager

MC/cpd

PRAIRIE FARMS DAIRY, INC.

607 East Bourne Avenue, Somerset, KY42501 phone 606-679-1131

ADDENDUM TO AGREEMENT

BETWEEN PRAIRIE FARMS DAIRY

AND CITY OF KINGSPORT, TENNESSEE FOR ITS KINGSPORT CITY SCHOOLS

MADE AND ENTERED INTO ON THE 20TH DAY OF JANUARY 2016

SECTION 2. CONTRACT TERM. The work to be performed under this Contract shall be from JANUARY 7, 2016 to JANUARY 6, 2017. The Contract will be awarded for a period of one (1) year with a renewal option for one (1) additional year. Providing all terms, conditions and cost are acceptable to both parties. The City reserves the right to re-bid at the end of any contract period.

SECTION 3. THE CONTRACT PRICE. The City shall pay, in current fund, the Contractor for the performance of this Contract on the basis of the unit price cost per unit, as set forth in SECTION 1 above, and as set out and stipulated in the bid or proposal of said Contract, and the total cost of TWO HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$250,000.00) is an estimated total cost, based upon the number of units required for the performance of this Contract and in the event there is any variation in the units actually required in the performance of this Contract, and the estimate made above, then the unit price shall in all things control, so that the total estimated cost of TWO HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$250,000.00) is subject to being increased in the event the units required for this Contract are greater than that estimated, and is subject to being decreased in the event said units are less than that estimated; which said payment, based upon the unit costs mentioned above, shall be full compensation for all materials and supplies furnished, and all labor done by the Contractor under and pursuant to this Agreement, and said sum shall also pay for all losses or damages of the Contractor arising out of the nature of the work, and for any and all expenses incurred in consequence of the work under this Contract, and for the well and faithful performance of said Contract.

Notwithstanding any other language to the contrary in the Agreement, the following terms shall be controlling:

1. This Agreement shall terminate at the end of the contract year, January 6, 2017. Additional annual term(s), each of which said term shall expire at the end of the then current contract year, shall be at the sole option of the City of Kingsport. If not renewed, for reason of Funding Out (which means school has insufficient funds to pay at June 30), City shall have no obligation to pay any additional costs and City shall surrender all rights and interest in any asset(s) which are not fully owned by City to Company. Except for the Maintenance Component and charges based upon the usage of the Equipment, the balance of the monthly payment owed by the City shall be consistent during the term(s) of the Agreement.

2. The Agreement shall be governed by the laws of the State of Tennessee. Any action brought in law or in equity to enforce any provision of the entire Agreement shall be filed in the appropriate state court in Sullivan County, Tennessee.

3. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney's fees.

By our signatures we have read the above terms of this Addendum and agree with the terms.

PRAIRIE FARMS DAIRY

CITY OF KINGSPORT, TENNESSEE

BY: _____

BY: _____

Mayor

ATTEST:

Recorder

APPROVED AS TO FORM:

City Attorney

MEMORANDUM

TO: KCS Board of Education

FROM: Jennifer Walker

DATE: 12/21/15

RE: Renew Prairie Farms Dairy contract for an additional year

Recommendation: Approve renewal agreement to extend Prairie Farms Dairy contract for one year

Kingsport City entered into an agreement with Prairie Farms Dairy beginning January 7, 2014. This agreement was to establish a continuous supply of dairy items for use by the City of Kingsport School Nutrition Services. The agreement included an option to renew the contract for up to three additional years in one year increments, providing pricing and quality of services are acceptable to the City of Kingsport. The quality of service is very good and prices are in line with market value when compared to the Consumer Price Index for All Urban Consumers, U.S. Food and Beverages. It is now recommended to amend this agreement for an additional year and extend it for the January 6, 2016 – January 6, 2017 for \$250,000.00

Funding will be provided from Kingsport City School Nutrition budget.



AGENDA ACTION FORM

Amend the Agreement with Gordon Food Service to Renew for an Additional Year

To: Board of Mayor and Aldermen
 From: Jeff Fleming, City Manager 

Action Form No.: AF-10-2016
 Work Session: January 19, 2016
 First Reading: N/A
 Final Adoption: January 19, 2016
 Staff Work By: Committee
 Presentation By: Jennifer Walker

Recommendation:

Approve the Resolution.

Executive Summary:

At the Board of Mayor and Alderman meeting of February 17, 2015 a resolution was passed to execute an agreement with Gordon Food Service. This agreement was to establish a continuous supply of food and beverage items for use by the City of Kingsport School Nutrition Services for the time period of March 1, 2015 – February 29, 2016. The agreement included an option to renew the agreement for up to three additional years, in one year increments, provided pricing and quality of services are acceptable to the City of Kingsport. It is now recommended to amend this agreement to extend it for the March 1, 2016 – February 28, 2017 time period for \$1,300,000.00.

Funding will be provided from School Nutrition Services.

Attachments:

1. Resolution
2. Letter of Intent to renew
3. Recommendation Letter
4. Proposed Addendum

Funding source appropriate and funds are available: 

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN ADDENDUM TO THE AGREEMENT WITH GORDON FOODS FOR FOOD AND BEVERAGE ITEMS FOR THE KINGSPORT CITY SCHOOL NUTRITION SERVICES; AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE THE ADDENDUM; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE ADDENDUM

WHEREAS, on February 17, 2015, the board approved an agreement with Gordon Foods Dairy to provide food and beverage products to the Kingsport City School Nutrition Services for the period of March 1, 2015, to February 29, 2016, with the option to renew the agreement for an additional three years, in one year increments; and

WHEREAS, the Kingsport City School Nutrition Services would like to renew the agreement for the term of March 1, 2016, to February 28, 2017, for \$1,300,000.00.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That an addendum to the agreement with Gordon Foods for food and beverage products for the Kingsport City School Nutrition Services for the period of March 1, 2016 to February 28, 2017, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an addendum to the agreement with Gordon Foods for food and drink items for the Kingsport City School Nutrition Services for the period of March 1, 2016, to February 28, 2017, and all other documents necessary and proper to effectuate the purpose of the amendment or this resolution, said amendment being generally as follows:

**ADDENDUM TO AGREEMENT
BETWEEN GORDON FOOD SERVICE
AND CITY OF KINGSPORT
MADE AND ENTERED INTO ON THE 20TH DAY OF JANUARY 2016**

SECTION 2. CONTRACT TERM. The work to be performed under this Contract shall be from March 1, 2016 to February 28, 2017. The Contract will be awarded for a period of one (1) year with a renewal option on an annual basis in one year increments for up to two (2) additional years providing all terms, conditions and cost are acceptable to both parties.

SECTION 3. THE CONTRACT PRICE. The City shall pay, in current fund, the Contractor for the performance of this Contract on the basis of the unit price cost per unit, as set forth in SECTION 1 above, and as set out and stipulated in the bid or proposal of said Contract, and the total cost of ONE MILLION THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$1,300,000.00) is an estimated total cost, based upon the number of units required for the performance of this Contract and in the event there is any variation in the units actually required in the performance of this Contract, and the estimate made above, then the unit price shall in all things control, so that the total estimated cost of ONE MILLION THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$1,300,000.00) is subject to being increased in the event the units required for this Contract are greater than that estimated, and is subject to being decreased in the event said units are less than that estimated; which said payment, based upon the unit costs mentioned above, shall be full

compensation for all materials and supplies furnished, and all labor done by the Contractor under and pursuant to this Agreement, and said sum shall also pay for all losses or damages of the Contractor arising out of the nature of the work, and for any and all expenses incurred in consequence of the work under this Contract, and for the well and faithful performance of said Contract.

Notwithstanding any other language to the contrary in the Agreement, the following terms shall be controlling:

1. This Agreement shall terminate at the end of the contract year, February 28, 2017. Additional annual term(s), each of which said term shall expire at the end of the then current contract year, shall be at the sole option of the City of Kingsport. If not renewed, for reason of Funding Out (which means school has insufficient funds to pay at June 30), School shall have no obligation to pay any additional costs and School shall surrender all rights and interest in any asset(s) which are not fully owned by School to Company. Except for the Maintenance Component and charges based upon the usage of the Equipment, the balance of the monthly payment owed by the School shall be consistent during the term(s) of the Agreement.

2. The Agreement shall be governed by the laws of the State of Tennessee. Any action brought in law or in equity to enforce any provision of the entire Agreement shall be filed in the appropriate state court in Sullivan County, Tennessee.

3. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney's fees.

By our signatures we have read the above terms of this Addendum and agree with the terms.

[Acknowledgements Deleted for Inclusion in this Resolution]

SECTION III. That the mayor is further authorized and directed to make such changes approved by the mayor and the city attorney to the addendum set out herein that do not substantially alter the material provisions of the agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

SECTION IV. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

SECTION V. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 19th day of January, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



December 21, 2015

Lisa Tallman
Kingsport City Schools
Assistant Procurement Manager/Schools
400 Clinchfield Street, Ste. 200
Kingsport, TN 37660

RE: Agreement for Grocery Items for the City of Kingsport School Nutrition Program

Dear Ms. Tallman,

Per Section 2 of the reference contract dated March 1, 2015, Gordon Food Service agrees to extend the agreement through February 28, 2017.

Sincerely,

A handwritten signature in black ink that reads "Tim Reed". The signature is written in a cursive, slightly slanted style.

Tim Reed
Education Segment Specialist
Gordon Food Service

gfs.com 342 Gordon Industrial Drive
Shepherdsville, KY
40165
(502) 215-1250

MEMORANDUM

TO: KCS Board of Education

FROM: Jennifer Walker

DATE: 12/21/15

RE: Renew Gordon Food Services contract for an additional year

Recommendation: Approve renewal agreement to extend Gordon Food Services contract for one year

Kingsport City entered into an agreement with Gordon Food Services beginning March 1, 2015 thru February 29, 2016. In the agreement, KCS School Nutrition Services administers a contract for Grocery Items and Beverages to maintain a continual supply of items for the Kingsport City Schools. The agreement included an option to renew the contract for up to three additional years in one year increments, providing pricing and quality of services are acceptable to the City of Kingsport. The majority of food item prices have stayed the same since our bid was approved last year. It is now recommended to amend this agreement for an additional year and extend it for the March 1, 2016 – February 28, 2017 for the same not to exceed amount of \$1,300,000.00.

Funding will be provided from Kingsport City School Nutrition budget.

ADDENDUM TO AGREEMENT

BETWEEN GORDON FOOD SERVICE

AND CITY OF KINGSPORT

MADE AND ENTERED INTO ON THE 20TH DAY OF JANUARY 2016

SECTION 2. CONTRACT TERM. The work to be performed under this Contract shall be from March 1, 2016 to February 28, 2017. The Contract will be awarded for a period of one (1) year with a renewal option on an annual basis in one year increments for up to two (2) additional years providing all terms, conditions and cost are acceptable to both parties..

SECTION 3. THE CONTRACT PRICE. The City shall pay, in current fund, the Contractor for the performance of this Contract on the basis of the unit price cost per unit, as set forth in SECTION 1 above, and as set out and stipulated in the bid or proposal of said Contract, and the total cost of ONE MILLION THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$1,300,000.00) is an estimated total cost, based upon the number of units required for the performance of this Contract and in the event there is any variation in the units actually required in the performance of this Contract, and the estimate made above, then the unit price shall in all things control, so that the total estimated cost of ONE MILLION THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$1,300,000.00) is subject to being increased in the event the units required for this Contract are greater than that estimated, and is subject to being decreased in the event said units are less than that estimated; which said payment, based upon the unit costs mentioned above, shall be full compensation for all materials and supplies furnished, and all labor done by the Contractor under and pursuant to this Agreement, and said sum shall also pay for all losses or damages of the Contractor arising out of the nature of the work, and for any and all expenses incurred in consequence of the work under this Contract, and for the well and faithful performance of said Contract.

Notwithstanding any other language to the contrary in the Agreement, the following terms shall be controlling:

1. This Agreement shall terminate at the end of the contract year, February 28, 2017. Additional annual term(s), each of which said term shall expire at the end of the then current contract year, shall be at the sole option of the City of Kingsport. If not renewed, for reason of Funding Out (which means school has insufficient funds to pay at June 30), School shall have no obligation to pay any additional costs and School shall surrender all rights and interest in any asset(s) which are not fully owned by School to Company. Except for the Maintenance Component and charges based upon the usage of the Equipment, the balance of the monthly payment owed by the School shall be consistent during the term(s) of the Agreement.

2. The Agreement shall be governed by the laws of the State of Tennessee. Any action brought in law or in equity to enforce any provision of the entire Agreement shall be filed in the appropriate state court in Sullivan County, Tennessee.

3. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney's fees.

By our signatures we have read the above terms of this Addendum and agree with the terms.

GORDON FOOD SERVICE

CITY OF KINGSPORT, TENNESSEE

BY: _____

BY: _____
MAYOR

ATTEST:

Recorder

APPROVED AS TO FORM:

City Attorney



AGENDA ACTION FORM

Funding Agreement between the U.S Geological Survey, National Geospatial Technical Operations Center and the City of Kingsport, TN for LiDAR Data Collection Spring 2016

To: Board of Mayor and Aldermen
 From: Jeff Fleming, City Manager 

Action Form No.: AF-04-2016
 Work Session: January 19, 2016
 First Reading: N/A
 Final Adoption: January 19, 2016
 Staff Work By: Jake White
 Presentation By: Jake White

Recommendation:

Approve the Resolution.

Executive Summary:

The State of TN Department of Finance and Administration, OIR-GIS has been awarded a grant to support geospatial data development in Tennessee. Through the US Geologic Survey (USGS) and their 3D Elevation Program (3DEP), LiDAR (Light Detection and Ranging) data will be collected for Upper East Tennessee in spring of 2016. The City of Kingsport will receive a digital copy of LiDAR data containing elevation data along with building footprints. This data is used for various projects in many City departments including GIS, Engineering, Planning, Water, Sewer, and Storm Sewer. Economic Development also benefits as LiDAR elevation data is utilized during site selection, design, and development. The State of TN Department of Finance and Administration, OIR-GIS asked for a local contribution from the City of Kingsport of \$19,582.00. This money has already been approved by City of Kingsport Ordinance No. 6497, June 16, 2015 Ref: AF: 129-2015. The USGS needs the attached Joint Funding Agreement (JFA) and Statement of Work (SOW) signed by Mayor Clark

Attachments:

1. Resolution
2. Joint Funding Agreement (JFA) and Statement of Work (SOW)

Funding source appropriate and funds are available:  _____

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Parham	—	—	—
Olterman	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING A JOINT FUNDING AGREEMENT AND A STATEMENT OF WORK WITH THE UNITED STATES GEOLOGICAL SURVEY, NATIONAL GEOSPATIAL TECHNICAL OPERATIONS CENTER FOR LIDAR DATA COLLECTION, AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the State of Tennessee Department of Finance and Administration has received a grant to support geospatial data development in Tennessee; and

WHEREAS, the state requested the city, as well as other local municipalities, participate in the program, with the state being the administrator of the grant; and

WHEREAS, the United States Geological Survey needs the attached Joint Funding Agreement and Statement of Work to be executed by the city

WHEREAS, the local match for the grant is \$19,582.00 and has already been approved by City of Kingsport Ordinance No. 6497, June 16, 2015.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That a Joint Funding Agreement with the United States Geological Survey, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Joint Funding Agreement and a Statement of Work with the United States Geological Survey and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution, said agreement being as follows:

U.S. DEPARTMENT OF THE
INTERIOR
GEOLOGICAL SURVEY
JOINT FUNDING AGREEMENT

City of Kingsport - 2016 East Tennessee LiDAR Project QL-2

THIS AGREEMENT is entered into as of the ____ day of December, 2015, by the U.S. GEOLOGICAL SURVEY, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the City of Kingsport, Tennessee, party of the second part.

1. The parties hereto agree that subject to availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation a project to acquire and process lidar derived high-resolution elevation data to be collected over an area that includes seventeen counties in Tennessee and a portion of the area included in the Tennessee USGS Broad Agency Announcement (BAA) award. This project supports enhanced elevation requirements for the USGS 3 D Elevation Program (3 DEP) and will contribute valuable data to The National Map. The data is to be acquired and processed under the requirements identified in the Statement of Work. The total area of the AOI is approximately 8,042 square miles. (See attached Statement of Work) herein called the program. The USGS legal authority is 43 USC 36 C; 43 USC 50; and 43 USC 50b.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) includes In-Kind Services in the amount of \$0.00

(a) by the party of the first part during the period
Amount Date to Date
\$0.00 Date of last signature March 31, 2017

(b) by the party of the second part during the period
Amount Date to Date
\$19,582.00 Date of last signature March 31, 2017

City of Kingsport, Tennessee
(c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: \$0.00

Description of the USGS regional/national program:
The National Geospatial Program provides leadership for USGS geospatial coordination, production and service activities. The program engages partners to develop standards and produce consistent and accurate data through its National Map Liaisons.

(d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.
(e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.

- 3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.
- 4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized rep representative of the party of the first part.
- 5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.
- 6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.
- 7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.
- 8. The maps, records, or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records, or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program and, if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at costs, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records, or reports published by either party shall contain a statement of the cooperative relations between the parties.
- 9. USGS will issue billings utilizing Department of the Interior Bill for Collection (form DI-1040). Billing documents are to be rendered on a monthly basis based on actual expenses, independent of product delivery. Payments of bills are due within 60 days after the billing date. If not paid by the due date, interest will be charged at the current Treasury rate for each 30 day period, or portion thereof, that the payment is delayed beyond the due date. (31 USC 37 17; Comptroller General File B-212222, August 23, 1983).

[Acknowledgements Deleted for Inclusion in this Resolution]

**STATEMENT OF WORK
THE ACQUISITION OF
LIGHT DETECTION AND RANGING (LiDAR) DATA AND THE PRODUCTION OF DIGITAL
ELEVATION MODELS (DEMs)
City of Kingsport, TN - 2016 East Tennessee LiDAR Project QL2**

1) Purpose:
The City of Kingsport, TN has received funding to acquire and process lidar derived high-resolution elevation data to be collected over an area that includes seventeen counties in Tennessee and a portion of the area included in the 2016 Tennessee USGS Broad Agency Announcement (BAA) award. This project supports enhanced elevation requirements for the USGS 3D Elevation Program

(3DEP) and will contribute valuable data to The National Map. The data is to be acquired and processed under the requirements identified in this the Statement of Work. The total area of the AOI is approximately 8,042 square miles.

LiDAR, an acronym for Light Detection And Ranging, has emerged as an essential remote sensing technology needed to support high-value applications that rely on elevation data, to include flood risk management, water supply and quality, infrastructure and construction management, natural resources conservation, geologic resource assessment and hazard mitigation, and dozens of other applications. LiDAR supports the mapping of Earth surface characteristics such as built features and vegetation structure.

This project is scheduled for a Winter/Spring, 2016 leaf-off acquisition time frame of December 22, 2015 – March 15, 2016. The LiDAR will be acquired and processed to produce raw and classified point cloud data, tile-based bare earth Digital Elevation Models (DEMs), metadata, building footprints and breaklines. Resulting elevation products will be placed in the public domain and will be made available for viewing and free download through the USGS National Map. All resulting elevation products will also be provided directly to each of the partner organizations.

2) Statement of Work

USGS National Geospatial Technical Operations Center (NGTOC) will select a qualified vendor to perform the LiDAR acquisition and processing via the USGS NGTOC Geospatial Product and Service Contracts (GPSC). GPSC task orders are awarded to qualified vendors through the federal government solicitation. Current solicitation 09CR14-NoSolicitation was issued March 03, 2009. Qualified consultants are selected in accordance with Public Law 92-528 (Brooks Act) and FAR 36.6 – Architect-Engineering Services, which establishes a qualifications-based selection process, in which contracts for Architectural and Engineering services are negotiated on the basis of demonstrated competence and qualification for the type of professional services required at a fair and reasonable price. Vendor selection is based on the following 6 criteria (1) Professional qualifications necessary for satisfactory performance of required services; (2) Specialized experience and technical competence in the type of work required; (3) Capacity to accomplish the work in the required time; (4) Past performance on contracts with Government agencies and private industry in terms of cost control, quality of work, and compliance with performance schedules; (5) Location in the general geographical area of the project and knowledge of the locality of the project and (6) Acceptability under other appropriate evaluation criteria. This process is aligned with the Department's consultant RFP and selection process.

USGS NGTOC will administer data quality assurance and quality control (QA/QC), and manage all data deliverables. The Task Order issued by USGS NGTOC to the selected GPSC contractor provides full details regarding project collection requirements and resulting deliverables.

USGS NGTOC will:

- Prepare a Task Order for agreed upon products and services.
- Award the Task to a pre-qualified Contractor under the USGS-GPSC.
- Serve as Government Point of Contact during the full period of the Agreement.
- Receive and catalog all project deliverables.
- Inspect all deliverables.
- Prepare product Validation Summary Report(s) and distribute to relevant project Points of Contact.
- Return data to the contractor as needed for error correction/rework.

3) Specifications

Unless otherwise noted project specifications are based on the *USGS's LiDAR Base Specification Version 1.2 (Heideman, Hans Karl, 2012, Lidar base specification version 1.2: U.S. Geological Survey Techniques and Methods, book 11, chap. B4, 63 p)* this specification is online and may be viewed at <http://pubs.usgs.gov/tm/11b4/>. These LiDAR specifications are required baseline specification. For any item which is not specifically addressed, the reference Version 1.2 specification will be the required specification authority. The LiDAR is to be collected at a USGS QL2 (horizontal resolution 2 points/m², vertical accuracy 10 cm). The Spatial Reference System shall be: Tennessee State Plane Zone 4100 NAD_1983 NAVD88.

4) Schedule and Data Delivery

The LiDAR collection component of this project is planned for the Winter/Spring leaf-off period of December 22, 2015 - March 15, 2016. All processed data and derived products defined in the USGS project Task Order will be sent directly to USGS NGTOC by the GPSC Contractor for evaluation.

The schedule is incremental vendor deliveries of completed data to the USGS NGTOC for quality assurance extends to December 31, 2016 given a 60-day turnaround for acceptance, it is estimated that delivery of hard drive(s) to City of Kingsport, TN will occur around March 31, 2017. In the event of additional rounds of rejection/correction, the estimated delivery date could be 30 to 60 days later.

USGS NGTOC will evaluate project deliverables within 60 days of receipt. Substandard deliverables will be returned for correction/rework. The Vendor will remedy all discrepancies identified and return corrected deliverables to USGS NGTOC within 30 days of notification for subsequent inspection. Upon acceptance of project deliverables, the USGS NGTOC will provide a copy of all deliverables to the designated Points of Contact for each of the partner organizations. Project deliverables include:

- Raw point cloud data
- Classified point cloud
- Intensity images
- Bare earth surface (Raster DEM)
- Breaklines
- Survey Control Report
- Survey Checkpoints
- QA/QC Assessment Project Report
- Metadata
- Building Footprints

5) Financial Arrangements

City of Kingsport, TN will provide \$19,582.00 through a signed Joint Funding Agreement (JFA) by which billing will be specified.

The USGS NGTOC will provide Task Order development and contract for LiDAR acquisition based on pre-qualified vendors who will provide data processing, and product development. USGS NGTOC will also provide data inspection and supervise corrections, and data dissemination services for all deliverable products.

Financial commitment, as well as the authority for project billing is described on the signed, JFA between USGS NGTOC and City of Kingsport, TN attached to this SOW. The obligation of funds between Federal Agencies is accomplished under separate authority. The contributions amounts by each party are outlined above.

6) Billing

The amount billed to the partners will be based on the actual acquisition and production cost plus contract assessment fee. The partners will provide funding not to exceed the amount noted in section 5) above and specified in the JFA. Billing will be rendered on a monthly basis based on actual expenses independent of product delivery.

7) Termination

This agreement will terminate on March 31, 2017 but may be amended for extension at any time by mutual consent of the parties. Any party may terminate this agreement by providing 60 days written notice to the other party. In the event an accepted Agreement is cancelled by any partner, the USGS NGTOC is authorized to collect costs incurred prior to cancellation of the Agreement plus any termination costs.

8) Contacts

USGS Financial POC		USGS Technical POC
Jim Almekinder US Geological Survey	Name	George F Heleine US Geological Survey
1400 Independence Road, MS317 Rolla, MO 65401	Address	308 South Airport Road Jackson, MS 39208
573-308-3549	Telephone	601-933-2950
jalmekinder@usgs.gov	E-Mail	gheleine@usgs.gov

City of Kingsport, TN Financial POC		City of Kingsport, TN Technical POC
John Clark Mayor of Kingsport, TN	Name	Jake White GIS Manager
201 West Market St. Kingsport, TN 37660	Address	201 West Market St. Kingsport, TN 37660
423-229-9412	Telephone	423-224-2465
JohnClark@kingsporttn.gov	E-Mail	jakewhite@kingsporttn.gov

9) Other terms

The partner shall pay contract project costs plus applicable GPSC assessment fee which is calculated by USGS as 5% of the total contracted project cost, not to exceed the amount specified in the JFA.

Every effort will be made to award contract(s) to complete the work as described in this SOW. However, if the total funding amount is not sufficient to complete the work as described, then adjustments will be made to either obtain additional funding, or, the project will be re-scoped to the mutual satisfaction of all stakeholders.

If data acquisition cannot be completed during a single season due to unacceptable capture conditions, then it is possible that the remaining AOI would be acquired during the next suitable collection window which may or may not be in the same calendar year.

Data over military properties will be shared with partners and the public unless clearance is restricted by DOD. Should unexpected restrictions affect access to the data over military properties, then only federal funds will be applied to those areas.

Depending on the outcome of contract negotiation vs. the estimated cost described in this agreement, the technical details and/or the area of interest described in this Statement of Work may need to be re-scoped to the mutual satisfaction of all stakeholders prior to project execution

SECTION III. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the agreement set out herein that do not substantially alter the material provisions of the agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

SECTION IV. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

SECTION V. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 19th day of January, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER
APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Customer #:
Agreement #:
Project #:
TIN #:
Fixed Cost Agreement NO

JOINT FUNDING AGREEMENT

FOR

City of Kingsport - 2016 East Tennessee LiDAR Project QL-2

THIS AGREEMENT is entered into as of the, day of December, 2015 by the U.S. GEOLOGICAL SURVEY, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the City of Kingsport, Tennessee, party of the second part

1. The parties hereto agree that subject to availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation a project to acquire and process lidar derived high-resolution elevation data to be collected over an area that includes seventeen counties in Tennessee and a portion of the area included in the Tennessee USGS Broad Agency Announcement (BAA) award. This project supports enhanced elevation requirements for the USGS 3D Elevation Program (3DEP) and will contribute valuable data to The National Map. The data is to be acquired and processed under the requirements identified in the Statement of Work. The total area of the AOI is approximately 8,042 square miles. (See attached Statement of Work) herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50; and 43 USC 50b.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) includes In-Kind Services in the amount of \$0.00

(a) by the party of the first part during the period

Amount	Date	to	Date
\$0.00	Date of last signature		March 31, 2017

(b) by the party of the second part during the period

Amount	Date	to	Date
\$19,582.00	Date of last signature		March 31, 2017

City of Kingsport, Tennessee

(c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: \$0.00

Description of the USGS regional/national program:

The National Geospatial Program provides leadership for USGS geospatial coordination, production and service activities. The program engages partners to develop standards and produce consistent and accurate data through it's National Map Liaisons.

(d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.

(e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.

3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.

4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.

5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.
6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

9-1366 (Continuation)

Customer #:

Agreement #:

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.
8. The maps, records, or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records, or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program and, if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at costs, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records, or reports published by either party shall contain a statement of the cooperative relations between the parties.
9. USGS will issue billings utilizing Department of the Interior Bill for Collection (form DI-1040). Billing documents are to be rendered on a monthly basis based on actual expenses, independent of product delivery. Payments of bills are due within 60 days after the billing date. If not paid by the due date, interest will be charged at the current Treasury rate for each 30 day period, or portion thereof, that the payment is delayed beyond the due date. (31 USC 3717; Comptroller General File B-212222, August 23, 1983).

U.S. Geological Survey

City of Kingsport, TN

United States

Department of the Interior

USGS Point of Contact

Customer Point of Contact

Name: George F Heleine

Name: Jake White

Address: 308 South Airport Road, Jackson, MS 39208

Address: 201 West Market St., Kingsport, TN 37660

Telephone: 601-933-2950

Telephone: 423-224-2465

Email: gheleine@usgs.gov

Email: jakewhite@kingsporttn.gov

Signatures and Date

Signature: **KARI**

Digitally signed by KARI
CRAUN
DN: c=US, o=U.S. Government, ou=Department of the Interior, ou=Geological Survey, cn=KARI CRAUN,

Signature:

Date:

Name: **CRAUN**

0.9.2342.19200300.100.1.1#1
4001000295101
Date: 2015.12.11 07:27:48
-06'00'

Name: John Clark

Title: Director, USGS NGTOC

Title: Mayor of Kingsport, TN

STATEMENT OF WORK
THE ACQUISITION OF
LIGHT DETECTION AND RANGING (LiDAR) DATA AND THE PRODUCTION OF
DIGITAL ELEVATION MODELS (DEMs)

City of Kingsport, TN - 2016 East Tennessee LiDAR Project QL2

1) Purpose:

The City of Kingsport, TN has received funding to acquire and process lidar derived high-resolution elevation data to be collected over an area that includes seventeen counties in Tennessee and a portion of the area included in the 2016 Tennessee USGS Broad Agency Announcement (BAA) award. This project supports enhanced elevation requirements for the USGS 3D Elevation Program (3DEP) and will contribute valuable data to The National Map. The data is to be acquired and processed under the requirements identified in this the Statement of Work. The total area of the AOI is approximately 8,042 square miles.

LiDAR, an acronym for Light Detection And Ranging, has emerged as an essential remote sensing technology needed to support high-value applications that rely on elevation data, to include flood risk management, water supply and quality, infrastructure and construction management, natural resources conservation, geologic resource assessment and hazard mitigation, and dozens of other applications. LiDAR supports the mapping of Earth surface characteristics such as built features and vegetation structure.

This project is scheduled for a Winter/Spring, 2016 leaf-off acquisition time frame of December 22, 2015 – March 15, 2016. The LiDAR will be acquired and processed to produce raw and classified point cloud data, tile-based bare earth Digital Elevation Models (DEMs), metadata, building footprints and breaklines. Resulting elevation products will be placed in the public domain and will be made available for viewing and free download through the USGS National

Map. All resulting elevation products will also be provided directly to each of the partner organizations.

2) Statement of Work

USGS National Geospatial Technical Operations Center (NGTOC) will select a qualified vendor to perform the LiDAR acquisition and processing via the USGS NGTOC Geospatial Product and Service Contracts (GPSC). GPSC task orders are awarded to qualified vendors through the federal government solicitation. Current solicitation 09CR14-NoSolicitation was issued March 03, 2009. Qualified consultants are selected in accordance with Public Law 92-528 (Brooks Act) and FAR 36.6 – Architect-Engineering Services, which establishes a qualifications-based selection process, in which contracts for Architectural and Engineering services are negotiated on the basis of demonstrated competence and qualification for the type of professional services required at a fair and reasonable price. Vendor selection is based on the following 6 criteria (1) Professional qualifications necessary for satisfactory performance of required services; (2) Specialized experience and technical competence in the type of work required; (3) Capacity to accomplish the work in the required time; (4) Past performance on contracts with Government agencies and private industry in terms of cost control, quality of work, and compliance with performance schedules; (5) Location in the general geographical area of the project and knowledge of the locality of the project and (6) Acceptability under other appropriate evaluation criteria. This process is aligned with the Department's consultant RFP and selection process.

USGS NGTOC will administer data quality assurance and quality control (QA/QC), and manage all data deliverables. The Task Order issued by USGS NGTOC to the selected GPSC contractor provides full details regarding project collection requirements and resulting deliverables.

USGS NGTOC will:

- Prepare a Task Order for agreed upon products and services.
- Award the Task to a pre-qualified Contractor under the USGS-GPSC.

- Serve as Government Point of Contact during the full period of the Agreement.
- Receive and catalog all project deliverables.
- Inspect all deliverables.
- Prepare product Validation Summary Report(s) and distribute to relevant project Points of Contact.
- Return data to the contractor as needed for error correction/rework.

3) Specifications

Unless otherwise noted project specifications are based on the *USGS's LiDAR Base Specification Version 1.2 (Heideman, Hans Karl, 2012, Lidar base specification version 1.2: U.S. Geological Survey Techniques and Methods, book 11, chap. B4, 63 p)* this specification is online and may be viewed at <http://pubs.usgs.gov/tm/11b4/>. These LiDAR specifications are required baseline specification. For any item which is not specifically addressed, the reference Version 1.2 specification will be the required specification authority. The LIDAR is to be collected at a USGS QL2 (horizontal resolution 2 points/m², vertical accuracy 10 cm). The Spatial Reference System shall be: Tennessee State Plane Zone 4100 NAD_1983 NAVD88.

4) Schedule and Data Delivery

The LIDAR collection component of this project is planned for the Winter/Spring leaf-off period of December 22, 2015- March 15, 2016. All processed data and derived products defined in the USGS project Task Order will be sent directly to USGS NGTOC by the GPSC Contractor for evaluation.

The schedule is incremental vendor deliveries of completed data to the USGS NGTOC for quality assurance extends to December 31, 2016 given a 60-day turnaround for acceptance, it is estimated that delivery of hard drive(s) to City of Kingsport, TN will occur around March 31, 2017. In the event of additional rounds of rejection/correction, the estimated delivery date could be 30 to 60 days later.

USGS NGTOC will evaluate project deliverables within 60 days of receipt. Substandard deliverables will be returned for correction/rework. The Vendor will remedy all discrepancies identified and return corrected deliverables to USGS NGTOC within 30 days of notification for subsequent inspection. Upon acceptance of project deliverables, the USGS NGTOC will provide a copy of all deliverables to the designated Points of Contact for each of the partner organizations. Project deliverables include:

- Raw point cloud data
- Classified point cloud
- Intensity images
- Bare earth surface (Raster DEM)
- Breaklines
- Survey Control Report
- Survey Checkpoints
- QA/QC Assessment Project Report
- Metadata
- Building Footprints

5) Financial Arrangements

City of Kingsport, TN will provide \$19,582.00 through a signed Joint Funding Agreement (JFA) by which billing will be specified.

The USGS NGTOC will provide Task Order development and contract for LiDAR acquisition based on pre-qualified vendors who will provide data processing, and product development. USGS NGTOC will also provide data inspection and supervise corrections, and data dissemination services for all deliverable products.

Financial commitment, as well as the authority for project billing is described on the signed, JFA between USGS NGTOC and City of Kingsport, TN attached to this SOW. The obligation of funds between Federal Agencies is accomplished

under separate authority. The contributions amounts by each party are outlined above.

6) Billing

The amount billed to the partners will be based on the actual acquisition and production cost plus contract assessment fee. The partners will provide funding not to exceed the amount noted in section 5) above and specified in the JFA. Billing will be rendered on a monthly basis based on actual expenses independent of product delivery.

7) Termination

This agreement will terminate on March 31, 2017 but may be amended for extension at any time by mutual consent of the parties. Any party may terminate this agreement by providing 60 days written notice to the other party. In the event an accepted Agreement is cancelled by any partner, the USGS NGTOC is authorized to collect costs incurred prior to cancellation of the Agreement plus any termination costs.

8) Contacts

USGS Financial POC		USGS Technical POC
Jim Almekinder US Geological Survey	Name	George F Heleine US Geological Survey
1400 Independence Road, MS317 Rolla, MO 65401	Address	308 South Airport Road Jackson, MS 39208
573-308-3549	Telephone	601-933-2950
jalmekinder@usgs.gov	E-Mail	gheleine@usgs.gov

City of Kingsport, TN Financial POC		City of Kingsport, TN Technical POC
John Clark Mayor of Kingsport, TN	Name	Jake White GIS Manager
201 West Market St. Kingsport, TN 37660	Address	201 West Market St. Kingsport, TN 37660
423-229-9412	Telephone	423-224-2465
JohnClark@kingsporttn.gov	E-Mail	jakewhite@kingsporttn.gov

9) Other terms

The partner shall pay contract project costs plus applicable GPSC assessment fee which is calculated by USGS as 5% of the total contracted project cost, not to exceed the amount specified in the JFA.

Every effort will be made to award contract(s) to complete the work as described in this SOW. However, if the total funding amount is not sufficient to complete the work as described, then adjustments will be made to either obtain additional funding, or, the project will be re-scoped to the mutual satisfaction of all stakeholders.

If data acquisition cannot be completed during a single season due to unacceptable capture conditions, then it is possible that the remaining AOI would be acquired during the next suitable collection window which may or may not be in the same calendar year.

Data over military properties will be shared with partners and the public unless clearance is restricted by DOD. Should unexpected restrictions affect access to the data over military properties, then only federal funds will be applied to those areas.

Depending on the outcome of contract negotiation vs. the estimated cost described in this agreement, the technical details and/or the area of interest described in this Statement of Work may need to be re-scoped to the mutual satisfaction of all stakeholders prior to project execution.



AGENDA ACTION FORM

Apply and Receive the Assistance to Firefighters (AFG) Grant through the U.S. Fire Administration of the Federal Emergency Management Administration (FEMA) Division of the Department of Homeland Security (DHS)

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager *JF*

Action Form No.: AF-02-2016
Work Session: January 19, 2016
First Reading: N/A

Final Adoption: January 19, 2016
Staff Work By: Scott Boyd, Ali Shaffer
Presentation By: Asst. Chief Scott Boyd

Recommendation:
Approve the Resolution.

Executive Summary:
The Kingsport Fire Department (KFD) is eligible to apply for a FEMA for Assistance to Firefighters Grant (AFG). This program is designed to meet the firefighting and emergency response needs of fire departments and nonaffiliated emergency medical services organizations. The Grant Programs directorate of the Federal Emergency Management Agency administers the grants in cooperation with the U.S. Fire Administration.

The grant will be for 4 cardiac monitors to replace the outdated monitors with an upgrade in technology and training, and interoperability with other agencies (EMS, Hospitals) at a cost of \$150,000. This shall be accomplished with a combination of a grant and funds from Project account #GP1541 for equipment. The grant will be for \$150,000 with ten percent (10%) of the matching funds of \$15,000.

Attachments:
1. Resolution

Funding source appropriate and funds are available::311-0000-601-9006 *JF*

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Oltman	—	—	—
Parham	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE AN ASSISTANCE TO FIREFIGHTERS GRANT FROM THE UNITED STATES FIRE ADMINISTRATION OF THE FEDERAL EMERGENCY MANAGEMENT ADMINISTRATION DIVISION OF THE DEPARTMENT OF HOMELAND SECURITY FOR THE KINGSPORT FIRE DEPARTMENT

WHEREAS, the Federal Emergency Management Administration (FEMA), a division of the U.S. Department of Homeland Security, has Assistance to Firefighters Grants available to the Kingsport Fire Department; and

WHEREAS, the grant is \$150,000.00 and would be used to purchase 4 cardiac monitors to replace the outdated monitors; and

WHEREAS, the grant will require a local match of ten (10%) percent (\$15,000.00), which funds are available in the GP1541.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive a grant from the United States Department of Homeland Security through the Federal Emergency Management Administration (FEMA) for an Assistance to Firefighter Grant to purchase 4 cardiac monitors at an approximate cost of \$150,000.00, and which will require a local match of ten (10%) percent, which funds are available in project account GP1541.

SECTION II. That the mayor is authorized to execute any and all documents including those necessary and proper to demonstrate the city's compliance with the grant requirements or its provisions necessary to effectuate the purpose of the grant or this resolution.

SECTION III. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the public.

SECTION IV. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 19th day of January, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Apply for and Receive Arts Project Support Grant from the Tennessee Arts Commission

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager 

Action Form No.: AF-24-2016
Work Session: January 19, 2016
First Reading: N/A

Final Adoption: January 19, 2016
Staff Work By: Bonnie Macdonald
Presentation By: Morris Baker

Recommendation:
Approve the Resolution.

Executive Summary:
The Tennessee Arts Commission annually calls for proposals for the Arts Project Support Grant. The Office of Cultural Arts has received this grant for the past 9 years. This application is for FY17 funding and will be used to enhance Kingsport's Public Art Program by hiring a consultant to help identify opportunities and establish policies for a mural arts program for the City's Public Art program. Maximum award is \$9,000. There is a 1:1 match. Matching funds are available through Cultural Arts general operating.

Attachments:
1. Resolution

Funding source appropriate and funds are available: 

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE AN ARTS PROJECT SUPPORT GRANT FROM THE TENNESSEE ARTS COMMISSION

WHEREAS, the city, through the cultural arts division, of the department of leisure services, would like to apply for a grant from the Tennessee Arts Commission, which will provide funds to enhance Kingsport's Public Art Program by hiring a consultant to help identify opportunities and establish policies for a mural arts program for the city's public art program; and

WHEREAS, the maximum amount of the grant award is \$9,000.00, and the grant requires a 1 to 1 match, which is available in the cultural arts general operating budget;

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive grant funds from the Tennessee Arts Commission in the amount of \$9,000.00, which will require a 1 to 1 match.

SECTION II. That the mayor is authorized to execute any and all documents including those necessary and proper to demonstrate the city's compliance with the grant requirements or its provisions necessary to effectuate the purpose of the grant or this resolution.

SECTION III. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the public.

SECTION IV. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 19th day of January, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Apply for and Receive a "Multi-Modal Access Fund" Grant from the Tennessee Department of Transportation

To: Board of Mayor and Aldermen
From: Jeff Fleming, City Manager 

Action Form No.: AF-17-2016
Work Session: January 19, 2016
First Reading: N/A
Final Adoption: January 19, 2016
Staff Work By: Troy Ebbert, Bill Albright
Presentation By: Mike Thompson, Troy Ebbert

Recommendation:
Approve the Resolution.

Executive Summary:

Three years ago the Tennessee Department of Transportation established a new "Multi-Modal Access Fund" grant program that focuses on the enhancement and interconnectivity of various modes of travel. More specifically, selected projects are funded for areas that will provide new or improved bicycle routes, transit stops, and ADA-compliant sidewalks, while supporting more efficient traffic flow (i.e. road diets) and intermodal linkages. For pedestrians in particular it was created in order to promote and support the development of facilities that enhance the walking environment primarily in urban settings, with an emphasis on safety and functionality. It is important to note that this new grant program is *not* funded through any federal program, i.e. "FAST" (Fixing America's Surface Transportation - the new federal transportation "Act" just recently passed) but, rather, all state and local dollars. Last year the City applied for, and received, a Multi-Modal grant to build new sidewalks along E. Stone Drive from American Way to Stonebrook Place. This year Staff is recommending we apply to continue the sidewalk westward along Stone Drive from Stonebrook Place to Lynn Garden Drive. The total cost of this new section, which is approximately 1.5 miles in length, is estimated to be \$992,000. The City's matching share will be 5% or \$49,600. The local portion will be obligated upon receipt and acceptance of the grant contract. Staff recommends approval of the grant application.

Attachments:

- 1. Resolution
- 2. Aerial Photo of Proposed Project Area

Funding source appropriate and funds are available: 

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A MULTI-MODAL ACCESS FUND GRANT FROM THE TENNESSEE DEPARTMENT OF TRANSPORTATION

WHEREAS, the Tennessee Department of Transportation has established a Multi-Modal Access Fund grant, focusing on the interconnectivity of various modes of travel, including pedestrian, bicycling, public transit (bus), and private automobile; and

WHEREAS, grant funds will be used to construct a continuous sidewalk along Stone Drive (State Route 1) westward through the heavily developed corridor between Stonebrook Place and Lynn Garden Drive; and

WHEREAS, the amount applied for will be \$992,000.00, and will require a 5% local cash match, which will be \$49,600.00, and the funds will be available in account GP1520;

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for a Multi-Modal Access Fund grant to be used to construct a continuous sidewalk along Stone Drive (State Route 1) through the heavily developed corridor between Stonebrook Place and Lynn Garden Drive.

SECTION II. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

SECTION III. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 19th day of January, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

2016 Multi-Modal Sidewalk Project: State Route 1 (Stone Drive)



1
Sidewalk Ends; Donelson Drive



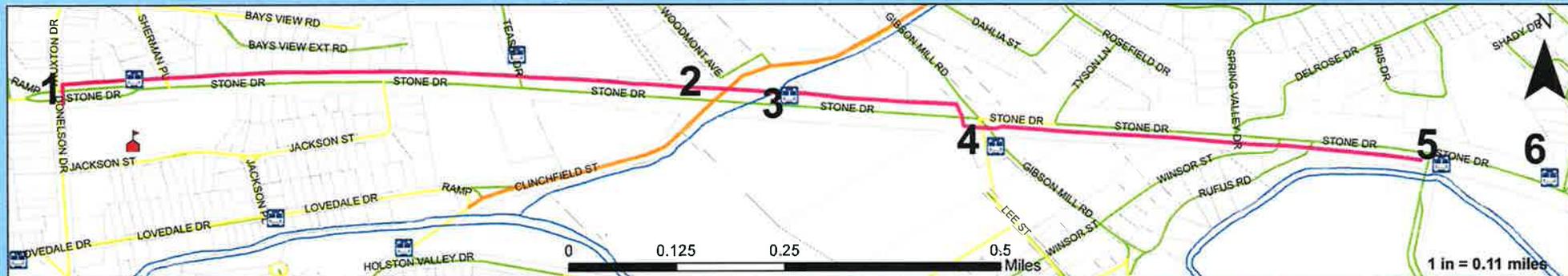
2
Stone Drive-Clinchfield Street Intersection



3
Bus Stop; 159 Stone Drive



Approximate Population Served: 7,000



— Proposed Sidewalk — Existing Sidewalks — New City Sidewalk Project — Streets — Parcels — Creeks — Andrew Jackson Elementary — KATS Bus Stops



4
Stone Drive-Gibson Mill Road Intersection



5
Stonebook Place; Terminus



6
Bus Stop; 512 Stone Drive



MTPO Project 50695
Michelle Bradburn



AGENDA ACTION FORM

Amending the Fees for Various Programs and Admissions at the Kingsport Aquatic Center

To: Board of Mayor and Aldermen
 From: Jeff Fleming, City Manager 

Action Form No.:	AF-15-2016	Final Adoption:	N/A
Work Session:	January 19, 2016	Staff Work By:	Kari Matheney
First Reading:	N/A	Presentation By:	Chris McCart

Recommendation:
 Approve the Resolution.

Executive Summary:
 The Kingsport Aquatic Center would like to amend the fees and fee structure regarding admissions, membership options, and program fees based on recommendations that Councilman-Hunsaker presented to the Aquatic Advisory Board on September 23, 2015, following their operations audit of the facility. These amendments to the current fee structure allow for more membership options and align the facility with industry standards regarding waterpark admissions. The presentation of these fees, outside of the normal Fee Resolution schedule, is necessary at this time in order to accommodate the waterpark operational season.

The Aquatic Advisory Board reviewed and approved these recommendations during its January meeting.

Attachments:
 1. Resolution

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Mitchell	—	—	—
Olterman	—	—	—
Parham	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION AMENDING RESOLUTION NO. 2015-201 TO PROVIDE FOR CHANGES IN THE CHARGES IN CHAPTER 66- PARKS AND RECREATION

WHEREAS, it is now deemed advisable to amend Resolution No. 2015-201 to add fees under Chapter 66 – Parks and Recreation; and

WHEREAS, various fees and charges provided for in the city's Code of Ordinances must be set and amended by resolution of the board of mayor and aldermen.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That Resolution No. 2015-201 is amended by amending the following to Chapter 66 – Parks and Recreation, as follows:

SECTION II. That this resolution shall become effective January 19, 2016, and remain in force and effect until such time as it is revoked, further amended, or superseded.

SECTION III. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

N. Kingsport Aquatic Center Events/Facilities

1. Daily Fees

(a) Ages 2 & under.....	Free w/ paying adult
(b) Under 48"	\$6.00
(c) 48" and above	\$8.00
(d) Ages 55 & over.....	\$6.00
(e) Family (2 adults in the same household and their dependents)	\$30.00
(f) Group (more than 10 people).....	\$4.00 each
(g) After 4pm on outdoor pool:	
(1) Under 48"	\$3.00
(2) 48" and above	\$4.00
(3) Ages 55 & over	\$3.00
(4) Family	\$15.00
(h) After 7pm on indoor pool during school year:	
(1) Under 48"	\$3.00
(2) 48" and above	\$4.00
(3) Ages 55 & over.....	\$3.00
(4) Family.....	\$15.00

2. **Waterpark** Passes (Summer operational season)

(a) Under 48"	\$75.00
(b) 48" and above	\$100.00
(c) Ages 55 & over.....	\$75.00
(d) Couple (2 individuals sharing same household)	\$150.00
(e) Family (2 adults and 2 youth).....	\$200.00
(1) Additional person	\$15.00

3. Annual Memberships (includes member rates on classes and a 10% discount on facility rentals and concessions)

(a) Under 48"	\$230.00
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	(b)	48" and above	\$300.00
	(c)	Ages 55 & over.....	\$230.00
	(d)	Couple (2 individuals sharing same household).....	\$360.00
	(e)	Family (2 adults and 2 youth).....	\$475.00
		Additional person.....	\$50.00
	(f)	City Pass (includes an annual Aquatic membership, one Cattails discount card and an individual or family Bays Mountain Park Association annual membership)	
		(1) Ages 22-54	\$425.00
		(2) Ages 55 & over.....	\$350.00
		(3) Family (2 adults and 2 youth).....	\$600.00
4.	Monthly Memberships		
	(a)	Under 48"	\$30.00
	(b)	48" and above	\$35.00
	(c)	Ages 55 & over.....	\$30.00
	(d)	Family (2 adults & 2 youth)	\$70.00
		(1) Additional person.....	\$5.00
5.	Rentals		
	(a)	Room- (includes tables and chairs).....	\$40.00/hr
	(b)	Indoor Facility (minimum of 2 hrs)	
		(1) 1-100 people.....	\$200.00/hr
		(2) 101-250 people.....	\$300.00/hr
		(3) 251-400 / Commercial	\$400.00/hr
	(c)	Outdoor Facility (minimum of 2 hrs)	
		(1) 1-100 people.....	\$300.00/hr
		(2) 101-250 people.....	\$400.00/hr
		(3) 251-400 / Commercial.....	\$500.00/hr
	(d)	Lap Lane	
		(1) Short course (maximum of 8 swimmers/lane).....	\$8.00/hr
		(2) Long course (maximum of 16 swimmers/lane).....	\$16.00/hr
	(e)	Swim meet	
		(1) Full day (up to 12 hrs with an additional charge of \$100/ hr if the meet lasts more than 12 hours).....	\$1000.00
		(2) Half day (5 hours or less)	\$600.00
6.	Swim lessons		
	(a)	Group (8 classes w/ sibling discount of \$5/additional child)	
		(1) Member.....	\$50.00/session
		(2) Non-member.....	\$60.00/session
	(b)	Private (1 x 30 minute class or 6 x 30 minute classes)	
		(1) Member.....	\$25.00/ \$140.00
		(2) Non-Member.....	\$35.00/ \$160.00
	(c)	Semiprivate (6 x 30 minute classes for 2 students)	
		(1) Member.....	\$170.00
		(2) Non-Member	\$185.00
7.	Water exercise classes (60 minutes in length)		
	(a)	Single Class	
		(1) Member.....	\$5.00
		(2) Non-Member.....	\$7.00
	(b)	Monthly Pass (unlimited exercise classes during month)	
		(1) Member.....	\$40.00
		(2) Non-Member.....	\$45.00
		(3)	
8.	Masters Swim Team		
	(a)	Member (monthly).....	\$25.00
	(b)	Non-member (monthly)	\$30.00
	(c)	Member (Quarterly).....	\$75.00

	(d) Non-Member (Quarterly).....	\$90.00
9.	Summer League Swim Team	
	(a) Member.....	\$125.00
	(b) Non-Member.....	\$175.00
10.	Training courses (instructional courses for certification)	
	(a) Lifeguard Training	
	(1) Member.....	\$175.00
	(2) Non-member.....	\$200.00
	(b) Water Safety Instructor	
	(1) Member.....	\$175.00
	(2) Non-member.....	\$200.00
	(c) Instructional classes lasting less than 5 hours	
	(1) Member.....	\$25.00
	(2) Non-member.....	\$30.00
11.	Special events (varies by event).....	\$3.00-\$10.00
12.	Birthday Party packages (party packages include admission for up to 15 guests, party room rental for 2 hours, a party host, and a birthday child favor bag.)	
	(a) Package A (basic package).....	\$175.00
	(b) Package B (includes package A plus ¼ sheet cake, drinks, and 15 party favor bags).....	\$235.00
	(c) Package C (includes B plus 2 Large 1 topping pizzas).....	\$260.00
13.	Members of the Kingsport Senior Center receive a discount of 20% for all aquatic classes	
14.	Seasonal Fees – Memorial Day Weekend thru Labor Day	
	(a) Ages 2 & under.....	Free w/ paying adult
	(b) Under 48".....	8.00
	(c) 48" and above.....	\$10.00
	(d) Ages 55 and over.....	\$8.00
	(e) Family (2 adults in the same household and their dependents).....	\$34.00
	(f) Group (more than 10 people).....	(each) \$4.00
	(g) After 4pm on outdoor pool:	
	(1) Under 48".....	\$4.00
	(2) 48" and above.....	\$5.00
	(3) Ages 55 and over.....	\$4.00
	(4) Family.....	\$17.00
	(5) Group (more than 10 people).....	(each) \$2.00

Facility fees for the Kingsport Aquatic Center will be discounted by fifty percent (50%) for activities sponsored by the following:

- Kingsport Boys and Girls Club
- Kingsport Girls Incorporated
- Kingsport Chamber of Commerce
- Kingsport Convention and Visitor's Bureau
- Kingsport Economic Development Board
- Downtown Kingsport Association
- Kingsport Housing Authority
- Kingsport City Schools

The City Manager or his designee has the authority to reduce any of the above fees for special promotions or events.

The renter will pay for costs incurred as a result of any damage to the facility, furnishings, equipment or grounds rising out of use of the Kingsport Aquatic Center.

ADOPTED this 19th day of January, 2016.

ATTEST:

JOHN CLARK, Mayor

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney