



AGENDA

BOARD OF MAYOR AND ALDERMEN REGULAR WORK SESSION

Monday, July 6, 2009
Council Room — 2nd Floor, City Hall
4:30 p.m.

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding

Alderman Valerie Joh
Vice Mayor Benjamin K. Mallicote
Alderman Charles K. Marsh, Jr.

Alderman Larry Munsey
Alderman Patrick W. Shull
Alderman Jantry Shupe

Leadership Team

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney
Jim Demming, City Recorder/CFO
Craig Dye, Fire Chief
Jeff Fleming, Asst. City Manager, Development Services

Chris McCart, Assistant to the City Manager
Ryan McReynolds, Public Works Director
Gale Osborne, Police Chief
Tim Whaley, Community and Gov't Relations Director

1. Call to Order
2. Roll Call
3. Work Session Tickler
4. Riverwalk Update – Chris McCart
5. Roads Update – Ryan McReynolds/Michael Thompson
6. Review of Items on July 6, 2009 Regular Business Agenda
7. 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.



Work Session Tickler *July 6, 2009*

Special Projects

Higher Education Center

Jeff Fleming

June 10, 2009

Interior finishes, ceiling grid, ceiling tile, and light installation are underway. Sheetrock installation and sheetrock finishing are nearly complete. Elevator installation is underway. The skylight has been installed and the front entrance glass wall installation is in progress. The exterior brick masonry and window installation continues.

Netherland Inn Road Boat Ramp

Chris McCartt

June 12, 2009

We are still waiting on approval from TDEC for the ARAP permit however we anticipate that at anytime. Additionally, TWRA has expressed an interest in providing some financial assistance towards the construction of the new boat ramp and staff will be submitting the necessary paperwork to them by the end of June. Baker Construction Company was the low bidder for this project and they are awaiting authorization from us before they proceed.

City Departments

Police Department

DA/VisionAir Project

Gale Osborne

June 29, 2009

VisionAir has presented us with a revised schedule of installation and implementation strategies. They include the following:

1. Hardware and Network Ready by – June 30, 2009
Delivery occurred June 29th
2. Computer Aided Dispatch Live– August 13-14 (2 Days)
3. Records Management System Live – November 4 (1 Day)
4. JAIL Live – November 5 (1 Day)
5. MOBILE Live – November 12 (1 Day)
6. FIRE Live – December 11 (1 Day)
7. PDA/Redfly mobile companion distribution planned to occur in July
Scheduled for July 1st and 2nd for all personnel; troubleshooting distribution occurring last week.

Included in this timeline are multiple training modules that are web based and classroom based. PDA and RedFly Mobile Companion planned distribution is to occur in July. We will continue to have team meetings; Information Services is coordinating with Infranet for hardware/network install.

Fire Department

Fire Station Seven

Craig Dye

June 29, 2009

The station is taking shape now and the steel frame and roof are complete. Everything is back close to the schedule. Some of the block is going up and the floor should be poured by the time you read this. We are looking at any way to save money on this project. The station is still on track for opening the first part of October.

Anyone wishing to visit the project site please schedule a time with the Fire Department. HELMETS ARE NOW REQUIRED.

Finance Department

Sewer Tap Fees

Jim Demming

***No new updates
June 9, 2009***

Approximately 50 notification letters were mailed to property owners in the Rock Springs area informing them of the availability of sanitary sewers and the requirements for connecting to the system. The letter also provided information regarding the applicable fees and available financing option for the tap fee. Through June 9th four affected property owners have paid the tap fee to proceed forward with connecting to the system. In addition, five property owners in the Bloomingdale area have opted to utilize the financing option to fund the tap fee.

Engineering

Gibson Mill Road Realignment:

Hank Clabaugh,

July 1, 2009

Thomas has completed the final road grading and subgrade compaction on all road beds.

The curb and gutter and sidewalk are 95% complete on Ravine Drive. The asphalt binder has been installed on Ravine Road.

Work is proceeding on the curb, gutter, and sidewalks on Cassel Drive.

The installation of all the steel work for the bridge deck is complete. Pouring of the concrete deck will start next week. This work is for Contract 1.

The Greenbelt pedestrian bridge is 95% complete. The only thing that remains is completion of the wood hand rails.

The existing/old Ravine Drive will be permanently closed with a cul-de-sac in the next several weeks.

Thomas Construction Co. is the contractor for both contracts (Contract 1 – Wellmont; Contract 2 – City).

The notice to proceed date for both contracts was November 3, 2008 and the original final completion for both projects is September 4, 2009.

Netherland Inn Bridge

Gary Dault

June 29, 2009

The bridge is complete and traffic is transferred to it; the old bridge is closed to traffic. Work left at this point includes installing the light poles on the bridge, replacing the guardrail (wrong color was installed), seeding and sodding, and signage. The construction project should be complete within 3-4 weeks, which is 5 months ahead of schedule.

Water/Sewer

Automated Meter Reading

Chad Austin

July 1, 2009

Approximately 23,500 (of approx. 35,000) meters have been changed out thus far. There was a manufacturing issue with the leak detectors that were being installed. The company has fixed the issue and will begin shipments of the new detectors in late July. They will be incurring all costs related to replacing those detectors already installed.

Starting July 6, we will be reading portions of the system using the Radio Read System. This will allow us to read meters with only three employees, as mentioned during the budget process.

During a recent meeting with Johnson Controls, they advised us of their efficiency results so far. According to their calculations, we should have additional revenues of approximately \$14,000 per month because of the increased accuracy of the meters installed thus far. This will increase greatly as the project goes along, especially after they rehabilitate the larger meters.

***Rock Springs Area
Waterline Upgrades***

Chad Austin

July 1, 2009

There have been some issues with testing of the newly installed lines, but those issues seem to have been fixed. Services and tie-ins to existing lines should be complete within the next two weeks.

Peppertree Sewer Line Extension

Chad Austin

July 1, 2009

The construction of the new sewer line was set to begin in mid June. The issues with the waterline installation have delayed the construction. Construction should begin within the month.

Elmhurst Waterline Replacement

Chad Austin

July 1, 2009

The waterline on Elmhurst Dr. in Colonial Heights has been replaced. The services will be installed in the next few weeks. The existing waterline had a history of breaks and needed to be replaced.

***Riverview Area
Water/Sewer Improvements***

Chad Austin

July 1, 2009

Water and Sewer improvements in the Riverview area are nearing completion. The waterlines on Carver and Louis Streets were replaced to ensure that maintenance

Riverview Area Water/Sewer Improvements (continued)

would not disturb the new housing project. The existing sewer line was replaced to serve the development. Clean up has been done and driveway headers replaced in the area. The only work remaining is the waterline on Louis St from Douglas to Dunbar. We should be installing that section within the next few months.

Airport Parkway Water Tank Rehab. Chad Austin July 1, 2009

We have received bids and plan to start construction on the water tank on Airport Parkway near the interstate in early August. The paint scheme will make it look like a hot air balloon, with a Move to Kingsport logo included. We are still working on the exact logo, so that is not included at this time. If you would like to see the scheme once finalized, please email me (austinc@ci.kingsport.tn.us) and I will forward to you.

Transportation (Traffic)

***Indian Trail / Stone Drive
Signal & Median Michael Thompson July 1, 2009***

Work was completed by TDOT's contractor on July 2nd. City Crews plan on adding the landscaping and brick print to the median in the near future.

Stone Drive at Union Flasher Michael Thompson July 1, 2009

Work is complete

Development Services

Cook's Point Rack Cross July 1, 2009

Cook's Point was visited by staff for the purpose of general observation and photographs. The staff Storm Water Engineer will visit the site for follow-up on continued progress on *Notice of Violation* which was issued in May of this year. Construction continues on existing unfinished units.

Leisure Services

***Parks & Recreation
Dog Park Chris McCartt July 2, 2009***

Construction on the bathrooms at the dog park was completed earlier last month and will become operational as soon as AEP installs a new power line from Granby Road to the bathrooms. I anticipate this work to be completed within the next two weeks. Additionally, the bathroom facility will be outfitted with a special external faucet to provide water for the dogs. Ultimately there will be fountains inside the park fence to provide water for the dogs.

Greenbelt

Kitty Frazier

June 30, 2009

Construction continues on schedule. Multiple meetings have been held with TDOT representatives, Vaughn and Melton Engineering, Ducco Construction, and Spoden and Wilson Engineering.

Kingsport Public Library

Helen Whittaker

***No new update
June 5, 2009***

The library's architectural review committee has hired the team of PSA-Dewberry/GRC/Cain Rash West to do the library's feasibility study. PSA-Dewberry has designed 250 libraries, including new construction, additions, renovations, adaptive reuse and historic restoration. They have LEED accredited design teams and also have a team of architects dedicated exclusively to the design of public libraries.

PSA-Dewberry is located in Elgin, Illinois and they have worked with the library's building program consultant, Anders Dahlgren, for the past ten years on library projects. The Principal-in-charge, Rick McCarthy, has been a library trustee for 20 years. He has authored, "Designing Better Libraries," one of the standard texts in the world of library construction, and "Managing Your Library Construction Project."

Their scope of work includes several public meetings, meetings with the library's consultant and library staff and presentation to the BMA.



AGENDA

BOARD OF MAYOR AND ALDERMEN

REGULAR BUSINESS MEETING

Tuesday, July 7, 2009

Large Court Room – 2nd Floor, City Hall

7:00 p.m.

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding

Alderman Valerie Joh
Vice Mayor Benjamin K. Mallicote
Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey
Alderman Patrick W. Shull
Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager
J. Michael Billingsley, City Attorney
James Demming, City Recorder

- I. CALL TO ORDER**
- II.A. PLEDGE OF ALLEGIANCE TO THE FLAG**
- II.B. INVOCATION –Richard Dice, Pastor – The King’s Highway Temple**
- III.A. SWEARING-IN OF ELECTED BOARD MEMBER OFFICIALS**
- III.B. ROLL CALL**
- IV. RECOGNITIONS AND PRESENTATIONS**
- V.A. APPROVAL OF MINUTES**
 - 1. June 16, 2009 Regular Work Session
 - 2. June 16, 2009 Regular Business Meeting
- V.B. SELECTION OF VICE-MAYOR**

VI. COMMUNITY INTEREST ITEMS**AA. PUBLIC HEARINGS**

1. Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Eastern Star Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 213-2009)
 - Public Hearing
 - Ordinance (Annexation)– First Reading
 - Ordinance (Zoning) – First Reading
 - Resolution

2. Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the RS2 Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 212-2009)
 - Public Hearing
 - Ordinance (Annexation)– First Reading
 - Ordinance (Zoning) – First Reading
 - Resolution

3. Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Flanders Street Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 224-2009)
 - Public Hearing
 - Ordinance (Annexation)– First Reading
 - Ordinance (Zoning) – First Reading
 - Resolution

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. Consideration of a Budget Ordinance to Appropriate Grant Funds Received from the State of Tennessee Department of Environment and Conservation for the Local Parks and Recreation Grant (LPRF) to Implement Phase III Enhancements at Domtar Park and Eastman Park and the Recreation Trails Program Grant (RTP) for the Construction of a Walking Trail Around the Perimeter of Eastman Park at Horse Creek (AF:210 -2009)
 - Ordinance – First Reading

2. Consideration of a Resolution Authorizing the Mayor to Execute an Agreement and a Budget Ordinance to Accept and Appropriate Funds from the Emergency Communication District of Kingsport for the Purchase of Centracom Elite Radio Dispatch Control Center Consoles (AF:227 -2009)
 - Resolution
 - Ordinance – First Reading
3. Consideration of an Ordinance Re-Appointing Valerie Joh as the Designated Alderman for Disposal or Sale of Real Property (AF:233 -2009)
 - Ordinance – First Reading
4. Consideration of an Ordinance Authorizing the Collection of Delinquent Real Property Taxes (AF:235 -2009)
 - Ordinance – First Reading
5. Consideration of an Ordinance to Amend the FY 2010 General Purpose School Fund Budget (AF:243 -2009)
 - Ordinance – First Reading

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION

D. OTHER BUSINESS

1. Consideration of a Resolution Authorizing the Mayor to Execute an Amendment to the Contract Between the City of Kingsport and the Tennessee Department of Environment and Conservation (TDEC) (AF:191 -2009)
 - Resolution
2. Consideration of a Resolution Accepting the Amendment to the Sungard Agreement and Authorizing the Mayor to Sign all Applicable Documents (AF:222 -2009)
 - Resolution
3. Consideration of a Resolution Authorizing the Mayor to Execute a Letter to Sullivan County for Business Personal Property Tax Review Services (AF:225 -2009)
 - Resolution
4. Consideration of a Resolution Authorizing the Mayor to Apply for and Receive the Recovery Act – Energy Efficiency and Conservation Block Grant (AF:226 -2009)
 - Resolution
5. Consideration of a Resolution Authorizing the Mayor to Execute a Release Agreement and Power of Attorney for Homer Ryans and Audrey Ryans, and Tennessee Farmers Mutual Insurance Company (AF:151 -2009)
 - Resolution

6. Consideration of a Resolution Awarding the Bid for the Purchase of Various Janitorial Supplies to Janpak Paper Supply Company for FY10 (AF:228 - 2009)
 - Resolution
7. Consideration of a Resolution Authorizing the Mayor to Execute a Lease Agreement with Regions Bank for Use of the Parking Lot Located at the Corner of West New Street and Clay Street (AF:236 -2009)
 - Resolution
8. Consideration of a Resolution Authorizing the Mayor to Execute a Right-of-Way Easement with Kingsport Power Company (AF:237 -2009)
 - Resolution
9. Consideration of a Resolution Authorizing Change Orders to the Contract with, and Final Payment to, C&T Construction Company for the V.O. Dobbins Demolition Phase and Authorizing the Mayor to Execute all Documents Necessary for the Change Orders and Final Payment (AF:238 -2009)
 - Resolution
10. Consideration of a Resolution Authorizing the Mayor to Execute all Necessary and Proper Documents to Establish a Retiree Health Saving Plan for the Employees of the City of Kingsport (AF:216 -2009)
 - Resolution
11. Consideration of a Resolution Awarding the Bid for the Purchase of Asphalt for Use by all City Departments to A & J Asphalt, Inc. for FY10 (AF:241 - 2009)
 - Resolution
12. Consideration of a Resolution Awarding the Bid for the Purchase of Crushed Stone for Use by all City Departments to Vulcan Construction Materials, LP for FY10 (AF:240 -2009)
 - Resolution
13. Consideration of a Resolution Endorsing the King College Medical School Initiative (AF:244 -2009)
 - Resolution
14. Consideration of a Resolution to Offer a Retirement Incentive to Eligible Employees (AF:242 -2009)
 - Resolution
15. Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with the Kingsport Chamber Foundation for the Downtown Concert Series (AF:246 -2009)
 - Resolution

16. Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with Greater Kingsport Area Chamber of commerce for the Move To Kingsport Program for Services in Fiscal Year 2009-2010 (AF:247 -2009)
 - Resolution

E. APPOINTMENTS

1. Consideration of Re-Appointment to the Board of Mechanical, Plumbing, and Gas (AF: 218 -2009)
 - Approve Re-Appointment
2. Consideration of Appointment to the Kingsport Beverage Board (AF: 234 -2009)
 - Approve Appointment
3. Consideration of Appointments to the Employee Dependent Scholarship Program Board of Directors(AF: 223 -2009)
 - Approve Appointments
4. Consideration of Appointment and Reappointments to the Kingsport Public Art Committee (AF: 208 -2009)
 - Approve Appointment and Reappointments

VII. CONSENT AGENDA

All matters listed under the Consent Agenda are considered in the ordinary course of business by the Board of Mayor and Aldermen and will be enacted on by one motion in the form listed. If discussion is desired by either the Board or the audience, the item in question will be removed from the Consent Agenda and considered separately.

1. Consideration of Ordinance Designating the Qualified Depositories of the City of Kingsport (AF:207 -2009)
 - Ordinance – Second Reading and Final Adoption
2. Consideration of an Approval of Offers for Easements and Right-of Ways for the Barnett Drive Water Line Extension Project (AF:217 -2009)
 - Approval of Offers
3. Consideration of Authorization for City Recorder to Reconcile and Adjust Uncollectible Property Tax for Year 1998 (AF:229 -2009)
 - Authorize City Recorder to reconcile/adjust delinquent property tax FY09
4. Consideration of Approval of Offers for Easements and Right-of-Ways for the Center Street/Clinchfield Street Intersection Improvement Project (AF:221 -2009)
 - Approval of Offers

VIII. COMMUNICATIONS

- A. CITY MANAGER
- B. MAYOR AND BOARD MEMBERS
- C. VISITORS

Citizens may speak on issue-oriented 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.

IX. ADJOURN

**WORKSESSION
MINUTES
WILL BE
EMAILED
AND
PLACED
AT THE TABLE
ON
JULY 6, 2009**

Minutes of the Regular Business Meeting of the
Board of Mayor and Aldermen of the City of Kingsport, Tennessee
Tuesday, June 16, 2009, 7:00 PM
Large Court Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding
Alderman Valerie Joh
Vice-Mayor Benjamin K. Mallicote
Alderman Charles K. Marsh, Jr.

Alderman Patrick W. Shull
Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager
J. Michael Billingsley, City Attorney
James H. Demming, City Recorder

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor Dennis R. Phillips.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Led by Mr. Chris Campbell, Kingsport MPO Coordinator.
- II.B. **INVOCATION:** by Pastor Carl Strickler of the Fall Branch First Baptist Church.
- III. **ROLL CALL:** By City Recorder Jim Demming. Absent: Alderman Larry A. Munsey.
- IV. **RECOGNITIONS AND PRESENTATIONS.** None.

A. PROCLAMATION PRESENTED TO CHARLES NEAL. Mayor Dennis R. Phillips read a proclamation and presented a key to the City to Mr. Neal, who opened his first business in Kingsport in 1945. The proclamation lauded Mr. Neal for his commitment to customer service and community commitment shown through his participation in various memberships, such as the Civitan Club, Eastern Star, as well as serving as president of the Dobyns-Bennett High School PTA. The proclamation named June 16, 2009 as *Charles Emerson Neal Day* in the City of Kingsport and Mayor Phillips asked all to thank Mr. Neal for his 65 years of faithful service to the community. Mr. Neal shared stories from his many years in business in Kingsport with the audience and expressed his delight in being able to serve the community.

B. KEEP KINGSFORT BEAUTIFUL JUNE BEAUTIFICATION AWARDS. Ms. Stacey Beverly presented and narrated a pictorial slide presentation of landscapes showing several residences, a business, a redevelopment area and a church selected to receive Keep Kingsport Beautiful Award honors sponsored by Blue Ridge Properties for June 2009. Alderman Joh commended the award winners on their contributions to the attractive surroundings of Kingsport and presented award certificates to those honorees in attendance.

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C. REBUILD TENNESSEE AWARD – THE TOP INFRASTRUCTURE OR BUILDING PROJECT IN NORTHEAST TENNESSEE. Mr. Ken Rea, Deputy Director of Economic and Community Development with First Tennessee Development District, presented the *Rebuild Tennessee Award* to the Mayor, who accepted on behalf of the BMA and the City. Mr. Rea described the excellent partnership the Development District has with the City and explained the Kingsport Higher Education Center project garnered this award due to the innovative manner in which the project progressively addresses the region's higher education needs.

V. APPROVAL OF MINUTES.

Motion/Second: Mallicote/Joh, to approve minutes for the following meetings:

- A. June 1, 2009 Regular Work Session
- B. June 2, 2009 Regular Business Meeting

Approved: All present voting "aye."

VI. COMMUNITY INTEREST ITEMS.

AA. PUBLIC HEARINGS. None.

A. PUBLIC COMMENT. Mayor Phillips 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. Consideration of Ordinance Designating the Qualified Depositories of the City of Kingsport (AF: 207-2009).

Motion/Second: Joh/Shupe, to pass:

AN ORDINANCE TO AMEND ORDINANCE NO. 5552 DESIGNATING QUALIFIED DEPOSITORIES FOR MUNICIPAL FUNDS FOR THE CITY OF KINGSPORT, SUBJECT TO COMPLIANCE WITH THE STATUTORY QUALIFICATIONS OF THE STATE OF TENNESSEE; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.

1. Consideration of an Ordinance to Adopt the FY09-10 Water Fund Budget (AF: 167-2009).

Motion/Second: Mallicote/Marsh, to pass:

ORDINANCE NO. 5843, AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL WATER FUND BUDGET AND APPROPRIATING

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FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2009 AND ENDING JUNE 30, 2010, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

2. Consideration of an Ordinance to Adopt the FY09-10 Sewer Fund Budget (AF: 168-2009). Alderman Marsh motioned, seconded by Vice-Mayor Mallicote, to amend Section VIII of this ordinance by replacing the 10% outside sewer rate increase with an 8% outside sewer rate increase and amending the revenue therefrom accordingly shown in 412 – *Sewer Fund* under Section I. The motion to amend passed 6-0, with all present voting "aye."

Motion/Second: Mallicote/Joh, to pass, as amended:

ORDINANCE NO. 5844, AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL SEWER BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2009 AND ENDING JUNE 30, 2010, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

3. Consideration of an Ordinance to Adopt the FY09-10 Budget (AF: 169-2009).

Motion/Second: Mallicote/Marsh, to pass:

ORDINANCE NO. 5845, AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2009 AND ENDING JUNE 30, 2010, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

D. OTHER BUSINESS.

1. Consideration of a Resolution Adopting an Employment Policy for City Employees (AF: 123-2009).

Motion/Second: Mallicote/Joh, to pass:

Resolution No. 2009-256, A RESOLUTION ADOPTING AN EMPLOYMENT POLICY FOR CITY EMPLOYEES

Passed: All present voting "aye."

2. Consideration of a Resolution Adopting Wage and Salary, Employee Training and Development, Employee Occupational Safety and Health, and General Provisions Policies for City Employees (AF: 159-2009).

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Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-257, A RESOLUTION ADOPTING A WAGE AND SALARY POLICY, AN EMPLOYEE TRAINING AND DEVELOPMENT POLICY, AN EMPLOYEE OCCUPATIONAL SAFETY AND HEALTH POLICY AND A GENERAL PROVISIONS POLICY FOR CITY EMPLOYEES AND INCORPORATING POLICIES INTO A POLICIES AND PROCEDURES MANUAL FOR THE CITY OF KINGSFORT

Passed: All present voting "aye."

3. Consideration of a Resolution Awarding the Bid for the Purchase of a Fire Pumper Apparatus to Premier Equipment, LLC (AF: 181-2009).

Motion/Second: Shupe/Joh, to pass:

Resolution No. 2009-258, A RESOLUTION AWARDDING THE BID FOR PURCHASE OF A FIRE PUMPER APPARATUS FOR USE BY THE KINGSFORT FIRE DEPARTMENT TO PREMIER EQUIPMENT, LLC

Passed: All present voting "aye."

4. Consideration of a Resolution Awarding the Bid for the Purchase of Biodiesel Fuel to Pilot Travel Centers, LLC for FY10 and Authorizing the Mayor to Sign All Applicable Documents (AF: 183-2009).

Motion/Second: Joh/Mallicote, to pass:

Resolution No. 2009-259, A RESOLUTION AWARDDING THE BID FOR PURCHASE OF BIODIESEL FUEL FOR USE IN CITY EQUIPMENT AND VEHICLES TO PILOT TRAVEL CENTERS, LLC AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURCHASE

Passed: All present voting "aye."

5. Consideration of a Resolution Awarding the Bid for the Purchase of Unleaded Gasoline for Use by All City Departments and Schools to Pioneer Petroleum Company for FY10 (AF: 184-2009).

Motion/Second: Shull/Mallicote, to pass:

Resolution No. 2009-260, A RESOLUTION AWARDDING THE BID FOR PURCHASE OF UNLEADED GASOLINE FOR USE IN CITY EQUIPMENT AND VEHICLES TO PIONEER PETROLEUM COMPANY FOR FISCAL YEAR 2010

Passed: All present voting "aye."

6. Consideration of a Resolution Awarding the Bid for the Purchase of 8.5" x 11", 20-Lb. Copier Paper and 1 Part Green Bar Paper to Xpedx, Inc. for FY10 (AF: 187-2009).

Motion/Second: Joh/Mallicote, to pass:

Resolution No. 2009-261, A RESOLUTION AWARDDING THE BID FOR PURCHASE OF COPIER AND GREEN BAR PAPER FOR USE BY THE CITY AND KINGSFORT CITY SCHOOLS TO XPEDX, INC. FOR FISCAL YEAR 2010

Passed: All present voting "aye."

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7. Consideration of a Resolution Awarding the Bid for Beverage Items for the City of Kingsport School Food and Nutrition Program to Pepsi Bottling Group and Authorizing the Mayor to Sign All Applicable Documents (AF: 188-2009).

Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-262, A RESOLUTION AWARDED THE BID FOR THE SUPPLY OF BEVERAGE ITEMS FOR USE BY THE KINGSFORT CITY SCHOOL SYSTEM SCHOOL NUTRITION PROGRAM TO PEPSI BOTTLING GROUP AND AUTHORIZING THE MAYOR TO EXECUTE ALL APPLICABLE DOCUMENTS

Passed: All present voting "aye."

8. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Apply and Accept Section 5307, Federal Transit Administration Grant, from the U.S. Department of Transportation (AF: 110-2009).

Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-263, A RESOLUTION AWARDED THE BID FOR THE DESIGN, CREATION, AND SUPERVISION OF INSTALLATION OF PUBLIC ART AT THE KINGSFORT HIGHER EDUCATION CENTER TO LYNN BASA AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT, AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT, WITH LYNN BASA

Passed: All present voting "aye."

9. Consideration of a Resolution Amending Certain 2008-2009 Agreements with the Greater Kingsport Area Chamber of Commerce, the Kingsport Chamber Foundation, and the Downtown Kingsport Association to Extend the Terms of the Agreements to August 1, 2009 (AF: 190-2009). Alderman Shull explained that he will abstain from voting on this action because he will no longer be on the Board in August when the final FY2010 agreements are considered. He recommended the Board consider, discuss and vote on these agreements individually.

Motion/Second: Mallicote/Shupe, to pass:

Resolution No. 2009-264, A RESOLUTION AMENDING CERTAIN FISCAL YEAR 2008-2009 AGREEMENTS WITH THE GREATER KINGSFORT AREA CHAMBER OF COMMERCE, INC., THE KINGSFORT CHAMBER FOUNDATION, AND THE DOWNTOWN KINGSFORT ASSOCIATION TO EXTEND THE TERMS OF THE AGREEMENTS TO AUGUST 1, 2009 AND TO STATE THE TERMS AND CONDITIONS UPON WHICH FINANCIAL ASSISTANCE WILL BE PROVIDED

Passed: All present voting "aye," except Shull abstaining from the vote.

10. Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Apply and Receive a Brooklawn Foundation Grant for

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Startup of an Alzheimer's Respite Program to be Offered Through the Kingsport Senior Center (AF: 173-2009). Alderman Shull expressed his support of this program but opposed the City's involvement in providing staff at the public's expense. He believes this should be provided on a volunteer basis, without the use of public funds.

Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-265, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE BROOKLAWN FOUNDATION GRANT FUNDS FOR AN ALZHEIMER'S RESPITE PROGRAM TO BE OFFERED THROUGH THE KINGSFORT SENIOR CENTER

Passed: All present voting "aye," except Shull voting "nay."

11. Consideration of a Resolution to Approve the Offer and Authorize the Mayor to Execute All Documents Necessary for the Acquisition of Property Located at 1300 Summer Street for the Kingsport City School System (AF: 186-2009).

Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-266, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER FOR THE PURCHASE OF PROPERTY LOCATED AT 1300 SUMMER STREET

Passed: All present voting "aye."

12. Consideration of a Resolution Approving an Offer to Purchase Property from Tri-Cities Christian School and Authorizing the Mayor to Execute the Purchase Agreement (AF: 198-2009).

Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-267, A RESOLUTION AUTHORIZING THE OFFER TO PURCHASE REAL PROPERTY FROM TRI-CITIES CHRISTIAN SCHOOL ON WALKER STREET AND AUTHORIZING THE MAYOR TO EXECUTE A PURCHASE AGREEMENT AND ALL DOCUMENTS NECESSARY AND PROPER FOR THE PURCHASE OF THE SAME

Passed: All present voting "aye."

13. Consideration of a Resolution to Authorize Withdrawal from the Tennessee Consolidated Retirement System (AF: 196-2009).

Motion/Second: Shull/Joh, to pass:

Resolution No. 2009-268, A RESOLUTION TO VOLUNTARILY WITHDRAW PARTICIPATION FROM THE TENNESSEE CONSOLIDATED RETIREMENT SYSTEM PURSUANT TO TENNESSEE CODE ANNOTATED SECTION 8-35-218

Passed in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

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14. Consideration of a Resolution Authorizing the Reimbursement of Materials Agreement Funds to Jim Nottingham for Riverwatch Development (AF: 192-2009).

Motion/Second: Mallicote/Joh, to pass:

Resolution No. 2009-269, A RESOLUTION AUTHORIZING REIMBURSEMENT OF MATERIALS AGREEMENT FUNDS TO JIM NOTTINGHAM FOR THE RIVERWATCH DEVELOPMENT

Passed: All present voting "aye."

15. Consideration of a Resolution Authorizing the Reimbursement of Materials Agreement Funds to Ken Bates for Chase Meadows Development Phase I and Phase II (AF: 193-2009).

Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-270, A RESOLUTION AUTHORIZING REIMBURSEMENT OF MATERIALS AGREEMENT FUNDS TO KEN BATES FOR CHASE MEADOWS DEVELOPMENT PHASES I AND II

Passed: All present voting "aye."

16. Consideration of a Resolution Authorizing the Mayor to Execute a Contract Between the City of Kingsport and the Tennessee Department of Transportation for Maintenance Activities Performed on Designated State Highways and for Mowing and Litter on J.B. Dennis (AF: 194-2009).

Motion/Second: Mallicote/Marsh, to pass:

Resolution No. 2009-271, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR FISCAL YEAR 2010 BETWEEN THE CITY OF KINGSFORT AND THE STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION FOR REIMBURSEMENT OF MAINTENANCE ACTIVITIES PERFORMED ON DESIGNATED STATE HIGHWAY ROUTES LOCATED INSIDE KINGSFORT CITY LIMITS

Passed: All present voting "aye."

17. Consideration of Resolutions Authorizing Change Orders #1 and #2 to the Contract with J.A. Street & Associates for the Kingsport Center for Higher Education Project (KCHE) and Authorizing the Mayor to Execute All Documents Necessary for the Change Orders (AF: 200-2009).

Motion/Second: Joh/Marsh, to pass:

Resolution No. 2009-272, A RESOLUTION APPROVING CHANGE ORDER #1 TO THE CONTRACT WITH J.A. STREET & ASSOCIATES, INC. FOR THE KINGSFORT CENTER FOR HIGHER EDUCATION (KCHE) AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

Passed: All present voting "aye."

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Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-273, A RESOLUTION APPROVING CHANGE ORDER #2 TO THE CONTRACT WITH J.A. STREET & ASSOCIATES, INC. FOR THE KINGSPORT CENTER FOR HIGHER EDUCATION (KCHE) AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

Passed: All present voting "aye."

18. Consideration of a Resolution Awarding the Bid for Milk, Dairy, and Ice Cream Items for the City of Kingsport School Food and Nutrition Program to Pet Dairy and Authorizing the Mayor to Sign All Applicable Documents (AF: 202-2009).

Motion/Second: Mallicote/Marsh, to pass:

Resolution No. 2009-274, A RESOLUTION AWARDED THE BID FOR THE SUPPLY OF MILK, DAIRY, AND ICE CREAM ITEMS FOR USE BY THE KINGSPORT CITY SCHOOL SYSTEM SCHOOL NUTRITION PROGRAM TO PET DAIRY AND AUTHORIZING THE MAYOR TO EXECUTE ALL APPLICABLE DOCUMENTS

Passed: All present voting "aye."

19. Consideration of a Resolution Authorizing the Mayor to Sign a Contract with the Virginia Department of Transportation Accepting Federal and State Transportation Planning Funds on Behalf of the Kingsport MPO (AF: 204-2009).

Motion/Second: Shull/Marsh, to pass:

Resolution No. 2009-275, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT BETWEEN THE CITY OF KINGSPORT AND THE VIRGINIA DEPARTMENT OF TRANSPORTATION TO RECEIVE FEDERAL HIGHWAY ADMINISTRATION PL-112 PLANNING FUNDS FOR USE BY THE KINGSPORT AREA METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION FOR THE FISCAL YEAR 2010

Passed: All present voting "aye."

20. Consideration of a Resolution Authorizing the Mayor to Sign a Contract with the Tennessee Department of Transportation Accepting Federal and State Transportation Planning Funds on Behalf of the Kingsport MPO (AF: 205-2009).

Motion/Second: Marsh/Shull, to pass:

Resolution No. 2009-276, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AMENDMENT THREE TO GRANT # Z-07-036296-00 OF THE 2007 CONTRACT BETWEEN THE CITY OF KINGSPORT AND THE TENNESSEE DEPARTMENT OF TRANSPORTATION TO RECEIVE FEDERAL HIGHWAY

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ADMINISTRATION PL-112 PLANNING FUNDS FOR THE KINGSPORT
METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION (MPO) FOR
FISCAL YEAR 2010

Passed: All present voting "aye."

~~21. Consideration of a Resolution to Enter into a Lease Agreement
for Property located at 2437 Sherwood Road (AF: 197-2009).~~ This item was
deferred to allow further exploration into potential use of Pet Dairy property that may
now be available and more compatible for City use.

**22. Consideration of a Resolution to Authorize the Mayor to Sign All
Documents Necessary to Apply and Receive the Assistance to Firefighters Fire
Station Construction Grant (ARRA) Through the U.S. Fire Administration (FEMA)
Division of the Department of Homeland Security (DHS) (AF: 203-2009).** Alderman
Marsh requested that City staff come forward with a recommendation involving the
previous site slated for location of Fire Station No. 8 on East Stone Drive.

Motion/Second: Shupe/Joh, to pass:

**Resolution No. 2009-277, A RESOLUTION AUTHORIZING THE MAYOR TO
EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND
RECEIVE ASSISTANCE TO FIREFIGHTERS FIRE STATION CONSTRUCTION
GRANT FUNDS THROUGH THE U.S. FIRE ADMINISTRATION OF THE FEDERAL
EMERGENCY MANAGEMENT ADMINISTRATION DIVISION OF THE DEPARTMENT
OF HOMELAND SECURITY**

Passed: All present voting "aye."

**23. Consideration of a Resolution Awarding the Bid for Public Art at
the Kingsport Higher Education Center to Lynn Basa and Authorizing the Mayor
to Execute All Documents Necessary and Proper (AF: 209-2009).**

Motion/Second: Joh/Mallicote, to pass:

**Resolution No. 2009-278, A RESOLUTION AWARDING THE BID FOR THE DESIGN,
CREATION, AND SUPERVISION OF INSTALLATION OF PUBLIC ART AT THE
KINGSPORT HIGHER EDUCATION CENTER TO LYNN BASA AND AUTHORIZING
THE MAYOR TO EXECUTE AN AGREEMENT, AND ALL OTHER DOCUMENTS
NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE
AGREEMENT, WITH LYNN BASA**

Passed: All present voting "aye."

**24. Consideration of Resolutions Designating the Authorized
Official Signatures Approved to Execute Transactions at the Approved
Depositories/Broker Dealer on Behalf of the City of Kingsport (AF: 206-2009).**

Motion/Second: Mallicote/Shupe, to pass the following resolutions (No. 2009-279
through 2009-291) under one motion:

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Resolution No. 2009-279, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH REGIONS BANK

Resolution No. 2009-280, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH BB&T BANK

Resolution No. 2009-281, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH THE BANK OF TENNESSEE

Resolution No. 2009-282, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH CITIZENS BANK

Resolution No. 2009-283, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH THE STATE OF TENNESSEE LOCAL GOVERNMENT INVESTMENT POOL

Resolution No. 2009-284, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH STATE OF FRANKLIN SAVINGS BANK

Resolution No. 2009-285, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH BANK OF AMERICA

Resolution No. 2009-286, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH FIRST TENNESSEE BANK NATIONAL ASSOCIATION

Resolution No. 2009-287, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH SUNTRUST BANK

Resolution No. 2009-288, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH GREENE BANK

Resolution No. 2009-289, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH FIRST COMMUNITY BANK

Resolution No. 2009-290, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH FIRST TENNESSEE BANK NATIONAL ASSOCIATION

Resolution No. 2009-291, A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR ACCOUNTS ON DEPOSIT WITH TRISUMMIT BANK

Passed Resolution No. 2009-279 through 2009-291: All present voting "aye."

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25. Consideration of a Resolution Requesting the Kingsport Board of Education to Waive City School Tuition for Areas of Rock Springs Projected to be Annexed by July 2011 (AF: 201-2009).

Motion/Second: Joh/Marsh, to pass:

Resolution No. 2009-292, A RESOLUTION REQUESTING THAT THE BOARD OF EDUCATION ADOPT A POLICY PERMITTING SCHOOL AGE CHILDREN OF RESIDENTS OF THE ROCK SPRINGS COMMUNITY PROPOSED TO BE ANNEXED ON OR BEFORE JULY 2011 TO ATTEND WITHOUT PAYMENT OF TUITION

Passed: All present voting "aye."

26. Consideration of a Resolution Setting FY10 Fees and Charges Provided for in the City Code (AF: 195-2009).

Motion/Second: Joh/Mallicote, to pass:

Resolution No. 2009-293, A RESOLUTION SETTING THE RATES, FEES AND CHARGES AS PROVIDED BY THE CITY OF KINGSPORT CODE OF ORDINANCES

Passed: All present voting "aye."

27. Consideration of a Resolution to Purchase Property Located on Netherland Inn Road, Kingsport, Tennessee from Mr. Eddie Welch (AF: 199-2009). Assistant to the City Manager, Chris McCartt, provided background on this action item and the benefit to the City of acquiring this property in connection with the Netherland Inn Road boat ramp and development of that area. Board members discussed the need to look at a map outlining the correct flood plain/way designation of the property, the wisdom of paying a premium price for flood plain/way property and the source of funds allocated for this property.

Mayor Phillips mentioned several negative aspects of approving this purchase, including the investment in time and money already made by the City in moving forward to build a public boat ramp. Alderman Joh expressed concern that, if the City does not control that piece of property, both the Riverwalk development and the Greenbelt could be adversely affected. Vice-Mayor Mallicote suggested that this action be deferred to allow for further review and discussion of the issues involved.

Mayor Phillips called for the question

Motion/Second: Joh/Shull, to pass:

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER FOR THE PURCHASE OF PROPERTY FROM EDDIE WELCH LOCATED ON NETHERLAND INN ROAD

Failed in a 4-2 roll call vote: Joh and Shull voting "aye" and Mallicote, Marsh, Shupe and Phillips voting "nay."

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E. APPOINTMENTS/REAPPOINTMENTS.

Motion/Second: Marsh/Shull, to approve the following reappointments:

- REAPPOINT *GEORGE COLEMAN, HOYT DENTON, JIM LEWIS AND DENNIS WARD* TO ADDITIONAL FOUR-YEAR TERMS ON THE **KINGSPORT REGIONAL PLANNING COMMISSION**, EFFECTIVE JULY 1, 2009 AND EXPIRING JUNE 30, 2013 (AF: 156-2009)
- REAPPOINT *MARY CUNNINGHAM, COLLINS CHEW AND TOM ODOM* TO ADDITIONAL THREE-YEAR TERMS ON THE **BAYS MOUNTAIN PARK COMMISSION**, EFFECTIVE IMMEDIATELY AND EXPIRING APRIL 30, 2012 (AF: 154-2009)
- REAPPOINT *JIM WRIGHT AND HAL SPODEN* TO ADDITIONAL FOUR-YEAR TERMS ON THE **CONSTRUCTION BOARD OF ADJUSTMENTS AND APPEALS**, EFFECTIVE JULY 1, 2009 AND EXPIRING JUNE 30, 2013 (AF: 153-2009)
- REAPPOINT *TOM MORGAN AND TIVIS RATLIFF* TO ADDITIONAL TWO-YEAR TERMS ON THE **BOARD OF MECHANICAL, PLUMBING AND GAS**, EFFECTIVE JULY 1, 2009 AND EXPIRING JUNE 30, 2011 (AF: 157-2009)
- REAPPOINT *JIM HAUN AND BROWNIE PHIPPS* TO ADDITIONAL TWO-YEAR TERMS ON THE **ELECTRICAL BOARD OF EXAMINERS**, EFFECTIVE JULY 1, 2009 AND EXPIRING JUNE 30, 2011 (AF: 157-2009)

Passed: All present voting "aye."

VII. CONSENT AGENDA.

Consent Agenda items are considered under one motion.

Motion/Second: Joh/Mallicote, to adopt:

1. Consideration of a Budget Ordinance to Appropriate Funds for a Contract with the Virginia Department of Transportation Accepting Federal and State Transportation Planning Funds on Behalf of the Kingsport MPO (AF: 146-2009).

Adopt:

Ordinance No. 5846, AN ORDINANCE TO AMEND THE METROPOLITAN PLANNING BUDGET BY APPROPRIATING ADDITIONAL FUNDS RECEIVED FROM THE VIRGINIA DEPARTMENT OF TRANSPORTATION TO THE URBAN MASS TRANSIT PROJECT (UMV809); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

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**2. Consideration of an Ordinance Providing for the FY10
Community Development Block Grant Budget (AF: 176-2009).**

Adopt:

Ordinance No. 5847, AN ORDINANCE TO APPROPRIATE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR THE FISCAL YEAR ENDING JUNE 30, 2010; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

**3. Consideration of an Ordinance Providing for the FY10
Emergency Shelter Grant Budget (AF: 177-2009).**

Adopt:

Ordinance No. 5848, AN ORDINANCE TO APPROPRIATE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT EMERGENCY SHELTER GRANT FUNDS FOR THE FISCAL YEAR ENDING JUNE 30, 2010; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

**4. Consideration of an Ordinance to Adopt the FY09-10 School
Public Law 93-380 Grant Project Fund Budget (AF: 163-2009).**

Adopt:

Ordinance No. 5849, AN ORDINANCE TO AN ORDINANCE TO ESTABLISH PL93-380 GRANT PROJECT FUND FOR THE PL93-380 GRANT, TO APPROPRIATE SUCH FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

**5. Consideration of an Ordinance to Adopt the FY09-10 Special
Schools Projects Grant Fund Budget (AF: 164-2009).**

Adopt:

Ordinance No. 5850, AN ORDINANCE AN ORDINANCE TO ESTABLISH SPECIAL SCHOOL GRANT PROJECT FUND 145 FOR SPECIAL SCHOOL PROJECTS GRANT, TO APPROPRIATE SUCH FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

**6. Consideration of an Ordinance to Adopt the FY09-10
Metropolitan Planning Project Grant Budget (AF: 165-2009).**

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Adopt:

Ordinance No. 5851, AN ORDINANCE TO APPROPRIATE METROPOLITAN PLANNING GRANT PROJECT FUNDS; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

7. Consideration of an Ordinance to Adopt the FY09-10 Urban Mass Transit Budget (AF: 166-2009).

Adopt:

Ordinance No. 5852, AN ORDINANCE TO APPROPRIATE URBAN MASS TRANSIT GRANT PROJECT FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

8. Consideration of a Budget Ordinance to Appropriate the Funds Received from Old Dominion Freight Line, Inc. and Authorize the Mayor to Sign All Applicable Documents (AF: 182-2009).

Adopt:

Ordinance No. 5853, AN ORDINANCE TO AMEND THE GENERAL FUND AND THE GENERAL PROJECT FUND BUDGETS BY APPROPRIATING FUNDS RECEIVED FROM OLD DOMINION FREIGHT LINE, INC. FOR THE FISCAL YEAR ENDING JUNE 30, 2009; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

9. Consideration of an Ordinance to Amend the General Fund, General Project Fund, Debt Service Fund, Eastman Annex Fund, Criminal Forfeiture Fund, Risk Insurance Reserve Fund, MeadowView Project Fund and General Project Special Revenue Fund Budgets (AF: 170-2009).

Adopt:

Ordinance No. 5854, AN ORDINANCE TO AMEND THE GENERAL FUND, GENERAL PROJECT FUND, DEBT SERVICE FUND, EASTMAN ANNEX FUND, CRIMINAL FORFEITURE FUND, RISK INSURANCE RESERVE FUND, MEADOWVIEW PROJECT FUND AND GENERAL PROJECT-SPECIAL REVENUE FUND BUDGETS FOR THE FISCAL YEAR ENDING JUNE 30, 2009; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

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10. Consideration of an Ordinance to Amend the General Fund by Appropriating Funds from Fund Balance to Purchase Property at 257 Walker Street (Lynn View Middle School) (AF: 172-2009).

Adopt:

Ordinance No. 5855, AN ORDINANCE TO AMEND THE GENERAL FUND AND THE GENERAL PROJECT FUND BY APPROPRIATING FUNDS FROM THE GENERAL FUND UNDESIGNATED FUND BALANCE TO PURCHASE PROPERTY AT 257 WALKER STREET (LYNN VIEW MIDDLE SCHOOL) FOR THE FISCAL YEAR ENDING JUNE 30, 2009; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE
Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

11. Consideration of Approval of Offers for Additional Easements and Right-of-Ways for the Project 3-1 Lynn Garden Area Sewer Rehabilitation Project (AF: 185-2009).

Approve:

Passed in a roll call vote: Joh, Mallicote, Marsh, Shull, Shupe and Phillips voting "aye."

12. Consideration of Approval of Offers for Easements and Right-of-Ways for Phase I of the Cooks Valley/Harbor Chapel Road Improvement Project (AF: 189-2009).

VIII. COMMUNICATIONS.

A. CITY MANAGER. City Manager Campbell recognized Alderman Shull for his service on the Board of Mayor and Alderman for the past four years and expressed appreciation for all the thoughtful consideration, detailed work and extra effort put into his tenure on the Board. Mayor Phillips presented a plaque to Alderman Shull along with a City watch to honor his retirement from the Board.

B. MAYOR AND BOARD MEMBERS. Alderman Shull thanked the BMA and City for allowing him to do his "duty" which he has taken seriously and he further urged Board members to begin reforming the City employee retirement system before it becomes unaffordable. He especially thanked Mr. Marsh for his support.

Vice-Mayor Mallicote mentioned the volunteer Trashbuster program during FunFEST and encouraged all to participate.

Alderman Joh mentioned her appreciation for the City's fire department and the invaluable services it provides, including numerous emergency services and fire protection.

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Alderman Marsh thanked Alderman Shull for his military service, as well as his service on this Board. He expressed his pleasure in serving with Alderman Shull and appreciation for his valuable contributions.

Mayor Phillips introduced newly elected alderman, Tom Parham, and announced there would be a reception to welcome him prior to the next regular business meeting on July 7, 2009.

The Mayor also reported on the recent TML meeting at which the City received the municipal award for Community Progress for the Kingsport Higher Education Center.

C. VISITORS. None.

IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Phillips adjourned the meeting at 9:40 p.m.

ELIZABETH A. GILBERT
Deputy City Recorder

DENNIS R. PHILLIPS
Mayor



AGENDA ACTION FORM

Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Eastern Star Annexation and Consideration of a Resolution Adopting the Plan of Services

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager *[Signature]*

Action Form No.: AF: 213-2009
Work Session: July 6, 2009
First Reading: July 7, 2009

Final Adoption: July 21, 2009
Staff Work By: K. Weems
Presentation By: K. Weems

Recommendation:

- Hold public hearing
- Approve ordinance for the Eastern Star annexation
- Approve ordinance amending the zoning ordinance for the Eastern Star annexation
- Approve resolution adopting a plan of services for the annexation area

Executive Summary:

This is the "Eastern Star" annexation of approximately 100 acres along Eastern Star Road, Mitchell Road, and Interstate 26, with a population of zero residents (commercial, industrial, and vacant land uses). This annexation has been initiated by the City of Kingsport. The current county zoning of the area is M-1 (Light Industrial) and PMD-2 (Planned Manufacturing District). The proposed city zoning for the area is M-1R (Light Industrial) and B-4P (Planned Business District). Both water and sanitary sewer currently serve the annexation area. During their May 2009 regular meeting, the Kingsport Regional Planning Commission voted (7-0 with one abstention) to send a positive recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen for this annexation. This item has received verbal opposition from two property owners during the Kingsport Regional Planning Commission meeting. The Notice of Public Hearing was published on June 22, 2009.

Attachments:

1. Staff Report
2. Notice of Public Hearing
3. Cost Analysis
4. Annexation Ordinance
5. Zoning Ordinance
6. Resolution
7. Map

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

**ANNEXATION REPORT
EASTERN STAR ANNEXATION, FILE: 09-301-00001**

TO: KINGSFORT REGIONAL PLANNING COMMISSION

FROM: Ken Weems, Planner

DATE: 26 March 2009

APPLICANT: City of Kingsport

REQUESTED ACTION: Annexation and zoning to an M-1R, Light Manufacturing District, and B-4P, Commercial District, of approximately 100 acres.

LOCATION: The property is located on the east and west side of Interstate 26, between the Eastern Star Exit and the I-26/ I-81 interchange; best identified as Tax Maps 120H & 120I, parcels 2, 27.15, 27.20, 27.10, 27.05, 27.02, 27, a portion of 29, 25.10, 25.05, & 32.25.

EXISTING LAND USE: commercial, industrial, and vacant

PROPOSED USE: Same

SURROUNDING ZONING DISTRICTS & LAND USES:

North: City R-3 (Multi-Family) & City B-3 (Commercial)/ vacant land

South: County A-1 (Agricultural) & City M-1 (Light Industrial)/ farm use and a trucking terminal

East: County A-1 / agricultural and single family residential uses

West: County A-1 & City B-3/ agricultural and single family residential uses

LAND USE PLAN (S):

The 2010 Land Use Plan addresses this area as Industrial & Single Family Residential. The Sullivan County Land Use Plan addresses this area's use as Light Industrial.

UTILITIES:

Both City of Kingsport sanitary sewer and water serve the entire annexation area. One upgrade requirement, the addition of two fire hydrants is necessary for adequate fire protection.

TRANSPORTATION:

A 10' section of Eastern Star Road, used to connect to the annexation area to the current City limits.

POPULATION:

Zero residents

PHYSICAL CHARACTERISTICS:

The physical characteristics of the property involved consist of mostly level terrain, gently rising to the north.

OPTIONS: The Planning Commission's options are the following:

1. Send a favorable recommendation for annexation to the Board of Mayor and Alderman.
2. Recommend disapproving the annexation, stating the reasons in writing.
3. Postpone action until additional information is presented.

STAFF RECOMMENDATION:

The Planning Division recommends option #1, the annexation of the parcel identified in this study to the Planning Commission and the Board of Mayor and Aldermen. The rationale for this recommendation is based on the following:

1. The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.
2. 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.
3. The City of Kingsport can provide services through its Plan of Services that the County cannot provide to the residents of the area.
4. It is reasonably necessary for the welfare of the residents and property owners of the affected territory.
5. It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.

Eastern Star Annexation: estimated annual City tax & water/sewer savings

<u>Business Name</u>	<u>address</u>	<u>parcel</u>	<u>City tax</u>	<u>water/sewer savings</u>
Phil's Dream Pit	534 Mitchell	32.35	\$859.28	\$650.00
Massey Electric	546 Eastern Star	25.05	\$5,698.48	\$272.00
Integra-Seal	552 Eastern Star	25.1	\$3,175.84	\$4,768.00 water only
vacant property/ Strickler	n/a	portion of 29	\$589.66	n/a
vacant property/ McKenzie	n/a	27	\$514.05	n/a
vacant property/ Slemp	n/a	27.02	\$646.87	n/a
United Rentals	612 Eastern Star	27.05	\$2,294.48	\$593.00 water only
Nortrax/ John Deere	632 Eastern Star	27.1	\$4,951.44	\$313.00 water only
S&ME Warehouse (TR1)	664/644 Eastern Star	27.2	\$7,825.52	
BKJ Park 23 Kingsport (TR2)	644-662 Eastern Star	27.15 (000)	\$3,709.44	
	(office complex)	27.15 (001)	\$4,209.00	
		27.15 (002)	\$504.16	
		27.15 (003)	<u>\$2,058.04</u>	
Total:			\$37,036.26	

\$1,670 for all shaded

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, July 7, 2009, to consider the annexation, zoning, and plan of services for the Eastern Star 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:

Tract 1:

BEGINNING at a point, said point being the southwestern corner of parcel 2, Tax Map 120; thence in a northeasterly direction, approximately 1,010 feet to a point; thence in an easterly direction, approximately 500 feet to a point; thence in a northerly direction, approximately 1,080 feet to a point, said point being in common with the southern right-of-way of Fordtown Road; thence in a northeasterly direction, in an arc, approximately 1,050 feet to a point, said point in common with the western right-of-way of Interstate 26; thence in a southerly direction, following the western right-of-way of Interstate 26, approximately 2,540 feet to a point, said point being the southeastern corner of parcel 2; thence in a westerly direction, approximately 1,010 feet to a point, said point being the northwestern corner of parcel 29; thence in a southerly direction, approximately 30 feet to a point; thence in a westerly direction, approximately 400 feet to the point of BEGINNING, and being all of parcel 2, Tax Map 120 as shown on the April 2008 Sullivan County Tax Maps.

Tract 2:

BEGINNING at a point, said point being the southern corner of parcel 27, Tax Map 120H; thence in a northeasterly direction, approximately 380 feet to a point, said point being the eastern corner of parcel 27; thence in a northeasterly direction, approximately 1,280 feet to a point, said point being the eastern corner of parcel 27.02; thence in a northwesterly direction, approximately 866 feet to a point, said point being the northeastern corner of parcel 27.15; thence in a westerly direction, approximately 290 feet to a point, said point being the northwestern corner of parcel 27.15 in common with the eastern right-of-way of Eastern Star Road; thence in a southerly direction, following the eastern right-of-way of Eastern Star Road, approximately 2,125 feet to a point, said point being the southern corner of parcel 29; thence in a northeasterly direction, approximately 333 feet to a point, said point being the northern corner of parcel 26.01; thence in a southeasterly direction, approximately 215 feet to the point of BEGINNING, and being all of parcels 27, 27.02, 27.05, 27.10, 27.15, 27.20, and 29, Tax Map 120H as shown on the April 2008 Sullivan County Tax Maps.

Tract 3:

BEGINNING at a point, said point being the eastern corner of parcel 25.05 in common with the northern right-of-way of Mitchell Road, Tax Map 120I; thence in a northwesterly direction, approximately 710 feet to a point, said point being the northern corner of parcel 25.10; thence in a southwesterly direction, approximately 540 feet to a point, said point being the western corner of parcel 25.10 in common with the eastern right-of-way of Eastern Star Road; thence in a southeasterly direction, following the eastern right-of-way of Eastern Star Road, approximately 300 feet to a point, said point being approximately 10 feet north of the northern right-of-way of Mitchell Road; thence in a westerly direction, crossing Eastern Star Road, approximately 50 feet to a point in common with the eastern border of parcel 32.25; thence in a southeasterly direction, approximately 10 feet to a point, said point being the eastern corner of parcel 32.25; thence in a northwesterly direction, approximately 1,080 feet to a point, said point being the

northern corner of parcel 29 in common with the eastern right-of-way of Interstate 26; thence in a southerly direction, following the eastern right-of-way of Interstate 26, approximately 880 feet to a point, said point being the intersection of the eastern right-of-way of Interstate 26 and northern right-of-way of Mitchell Road; thence in an easterly direction, following the northern right-of-way of Mitchell Road, approximately 1,475 feet to the point of BEGINNING, and being all of parcels 25.05 and 25.10, as well as a portion of parcel 29 as shown on the April 2008 Sullivan County 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
Liz Gilbert, City Clerk
P1T: 6/22/09

Eastern Star Annexation

COST/BENEFIT ANALYSIS (tax records as of 6 May 2009)

Revenues	One Time	Reoccurring	(LOSS from current)
Property Taxes	X	\$37,036.26	X
State Shared	X	X	X
Other: Water Taps	X	X	X
Sewer Tap Fees	X	X	X
Total	\$0.00	\$37,036.26	

Expenses	One Time	Reoccurring
Operating Budget		
Police	0.00	0.00
Fire	0.00	0.00
Street Lighting	0.00	0.00
Recreation	0.00	0.00
Zoning Services	0.00	0.00
Schools	0.00	0.00
Traffic Controls	0.00	0.00
Streets & Sanitation	0.00	0.00
Subtotal	0.00	0.00
Capital Budget		
Water	4,000.00	0.00
Sewer	0.00	0.00
Roads	0.00	0.00
Schools	0.00	0.00
Police - Car	0.00	0.00
Subtotal	4,000.00	0.00
Grand Total	4,000.00	0.00

two hydrants to be set

ORDINANCE NO. _____

AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 14th CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE EASTERN STAR 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 ORDINANCE

WHEREAS, a public hearing before the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, was held on the 7th day of July, 2009, and notice thereof published in the Kingsport Times-News on the 22nd day of June, 2009; and

WHEREAS, the City of Kingsport, under the authority granted it by Tenn. Code Ann., 6-51-102, initiated the annexation of territory herein described to the City of Kingsport; 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, a plan of services for this area was adopted by Resolution the 7th day of July, 2009 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. 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. 14 of Sullivan County, Tennessee, and more fully described to-wit:

Tract 1

BEGINNING at a point, said point being the southwestern corner of parcel 2, Tax Map 120; thence in a northeasterly direction, approximately 1,010 feet to a point; thence in an easterly direction, approximately 500 feet to a point; thence in a northerly direction, approximately 1,080 feet to a point, said point being in common with the southern right-of-way of Fordtown Road; thence in a northeasterly direction, in an arc, approximately 1,050 feet to a point, said point in common with the western right-of-way of Interstate 26; thence in a southerly direction, following the western right-of-way of Interstate 26, approximately 2,540 feet to a point, said point being the southeastern

corner of parcel 2; thence in a westerly direction, approximately 1,010 feet to a point, said point being the northwestern corner of parcel 29; thence in a southerly direction, approximately 30 feet to a point; thence in a westerly direction, approximately 400 feet to the point of BEGINNING, and being all of parcel 2, Tax Map 120 as shown on the April 2008 Sullivan County Tax Maps.

Tract 2

BEGINNING at a point, said point being the southern corner of parcel 27, Tax Map 120H; thence in a northeasterly direction, approximately 380 feet to a point, said point being the eastern corner of parcel 27; thence in a northeasterly direction, approximately 1,280 feet to a point, said point being the eastern corner of parcel 27.02; thence in a northwesterly direction, approximately 866 feet to a point, said point being the northeastern corner of parcel 27.15; thence in a westerly direction, approximately 290 feet to a point, said point being the northwestern corner of parcel 27.15 in common with the eastern right-of-way of Eastern Star Road; thence in a southerly direction, following the eastern right-of-way of Eastern Star Road, approximately 2,125 feet to a point, said point being the southern corner of parcel 29; thence in a northeasterly direction, approximately 333 feet to a point, said point being the northern corner of parcel 26.01; thence in a southeasterly direction, approximately 215 feet to the point of BEGINNING, and being all of parcels 27, 27.02, 27.05, 27.10, 27.15, 27.20, and 29, Tax Map 120H as shown on the April 2008 Sullivan County Tax Maps.

Tract 3

BEGINNING at a point, said point being the eastern corner of parcel 25.05 in common with the northern right-of-way of Mitchell Road, Tax Map 120I; thence in a northwesterly direction, approximately 710 feet to a point, said point being the northern corner of parcel 25.10; thence in a southwesterly direction, approximately 540 feet to a point, said point being the western corner of parcel 25.10 in common with the eastern right-of-way of Eastern Star Road; thence in a southeasterly direction, following the eastern right-of-way of Eastern Star Road, approximately 300 feet to a point, said point being approximately 10 feet north of the northern right-of-way of Mitchell Road; thence in a westerly direction, crossing Eastern Star Road, approximately 50 feet to a point in common with the eastern border of parcel 32.25; thence in a northwesterly direction, approximately 1,080 feet to a point, said point being the northern corner of parcel 29 in common with the eastern right-of-way of Interstate 26; thence in a southerly direction, following the eastern right-of-way of Interstate 26, approximately 880 feet to a point, said point being the intersection of the eastern right-of-way of Interstate 26 and northern right-of-way of Mitchell Road; thence in an easterly direction, following the northern right-of-way of Mitchell Road, approximately 1,475 feet to the point of BEGINNING,

and being all of parcels 25.05 and 25.10, as well as a portion of parcel 29 as shown on the April 2008 Sullivan County Tax Maps.

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 citizens of Kingsport, Tennessee, requiring it.

DENNIS R. PHILLIPS
Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. GILBERT
Deputy City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

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

PRE-FILED CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG EASTERN STAR ROAD, MITCHELL ROAD, AND INTERSTATE 26 TO M-1R LIGHT MANUFACTURING DISTRICT, AND B-4P, PLANNED BUSINESS DISTRICT IN THE 14th 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 along Eastern Star Road, Mitchell Road, and Interstate 26 to M-1R, Light Manufacturing District in the 14th Civil District of Sullivan County; said property to be rezoned being further and more particularly described as follows:

Tract 1

BEGINNING at a point, said point being the southwestern corner of parcel 2, Tax Map 120; thence in a northeasterly direction, approximately 1,010 feet to a point; thence in an easterly direction, approximately 500 feet to a point; thence in a northerly direction, approximately 1,080 feet to a point, said point being in common with the southern right-of-way of Fordtown Road; thence in a northeasterly direction, in an arc, approximately 1,050 feet to a point, said point in common with the western right-of-way of Interstate 26; thence in a southerly direction, following the western right-of-way of Interstate 26, approximately 2,540 feet to a point, said point being the southeastern corner of parcel 2; thence in a westerly direction, approximately 1,010 feet to a point, said point being the northwestern corner of parcel 29; thence in a southerly direction, approximately 30 feet to a point; thence in a westerly direction, approximately 400 feet to the point of BEGINNING, and being all of parcel 2, Tax Map 120 as shown on the April 2008 Sullivan County Tax Maps.

Tract 2

BEGINNING at a point, said point being the southern corner of parcel 27, Tax Map 120H; thence in a northeasterly direction, approximately 380 feet to a point, said point being the eastern corner of parcel 27; thence in a northeasterly direction, approximately 1,280 feet to a point, said point being the eastern corner of parcel 27.02; thence in a northwesterly direction, approximately 866 feet to a point, said point being the northeastern corner of parcel 27.15; thence in a westerly direction, approximately 290 feet to a point, said point being the northwestern corner of parcel 27.15 in common with the eastern right-of-way of Eastern Star Road; thence in a southerly direction, following the eastern right-of-way of Eastern Star Road,

approximately 2,125 feet to a point, said point being the southern corner of parcel 29; thence in a northeasterly direction, approximately 333 feet to a point, said point being the northern corner of parcel 26.01; thence in a southeasterly direction, approximately 215 feet to the point of BEGINNING, and being all of parcels 27, 27.02, 27.05, 27.10, 27.15, 27.20, and 29, Tax Map 120H as shown on the April 2008 Sullivan County Tax Maps.

Tract 3A

BEGINNING at a point, said point being the eastern corner of parcel 25.05 in common with the northern right-of-way of Mitchell Road, Tax Map 120I; thence in a northwesterly direction, approximately 710 feet to a point, said point being the northern corner of parcel 25.10; thence in a southwesterly direction, approximately 540 feet to a point, said point being the western corner of parcel 25.10 in common with the eastern right-of-way of Eastern Star Road; thence in a southeasterly direction, following the eastern right-of-way of Eastern Star Road, approximately 300 feet to a point, said point being approximately 10 feet north of the northern right-of-way of Mitchell Road; thence in a westerly direction, crossing Eastern Star Road, approximately 50 feet to a point in common with the eastern border of parcel 32.25; thence in a southeasterly direction, approximately 10 feet to a point, said point being the eastern corner of parcel 32.25; thence in an easterly direction, following the northern right-of-way of Mitchell Road, approximately 750 feet to the point of BEGINNING, and being all of parcels 25.10 and 25.05, as well as a portion of Eastern Star Road, approximately 10 feet in length as shown on the April 2008 Sullivan County Tax Maps.

Tract 3B

BEGINNING at a point, said point being the northern corner of parcel 29, Tax Map 120I, in common with the eastern right-of-way of Interstate 26; thence in a southerly direction, following the eastern right-of-way of Interstate 26, approximately 880 feet to a point, said point being the intersection of the eastern right-of-way of Interstate 26 and northern right-of-way of Mitchell Road; thence in an easterly direction, following the northern right-of-way of Mitchell Road, approximately 540 feet to a point, said point being the southeast corner of parcel 29; thence in a northerly direction, approximately 230 feet to a point, said point being in common with the western right-of-way of Eastern Star Road; thence in a northwesterly direction, approximately 850 feet to the point of BEGINNING, and being all of parcel 29, Tax Map 120I, as shown on the April 2008 Sullivan County Tax Maps.

SECTION II. That the zoning code, text, and map, be and the same is hereby further amended to rezone property along Eastern Star Road and Mitchell Road to B-4P, Planned Business District in the 14th Civil District of Sullivan County; said property to be rezoned being further and more particularly described as follows:

BEGINNING at a point, said point being the northern corner of parcel 32.25, Tax Map 120I in common with the western right-of-way of Eastern Star Road; thence in a southerly direction, approximately 230 feet to a point, said point being the southwest corner of parcel 32.25 in common with the northern right-of-way of Mitchell Road; thence in an easterly direction, following the northern right-of-way of Mitchell Road, approximately 190 feet to a point, said point being the southwest corner of parcel 32.25; thence in a northwesterly direction, following the western right-of-way of Eastern Star Road, approximately 270 feet to the point of BEGINNING, and being all of parcel 32.25 as shown on the April 2008 Sullivan County Tax Maps.

SECTION III. 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 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.

DENNIS R. PHILLIPS
Mayor

ATTEST:

ELIZABETH A. GILBERT
Deputy 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 EASTERN STAR 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 Eastern Star annexation was submitted to the Kingsport Regional Planning Commission on May 21, 2009, 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 July 7, 2009; 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 June 22, 2009; 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 14th Civil District of Sullivan County, Tennessee, commonly known as the Eastern Star Annexation, said area being bounded and further described as follows:

Tract 1:

BEGINNING at a point, said point being the southwestern corner of parcel 2, Tax Map 120; thence in a northeasterly direction, approximately 1,010 feet to a point; thence in an easterly direction, approximately 500 feet to a point; thence in a northerly direction, approximately 1,080 feet to a point, said point being in common with the southern right-of-way of Fordtown Road; thence in a northeasterly direction, in an arc, approximately 1,050 feet to a point, said point in common with the western right-of-way of Interstate 26; thence in a southerly direction, following the western right-of-way of Interstate 26, approximately 2,540 feet to a point, said point being the southeastern corner of parcel 2; thence in a westerly direction, approximately 1,010 feet to a point, said point being the northwestern corner of parcel 29; thence in a southerly direction, approximately 30 feet to a point;

thence in a westerly direction, approximately 400 feet to the point of BEGINNING, and being all of parcel 2, Tax Map 120 as shown on the April 2008 Sullivan County Tax Maps.

Tract 2:

BEGINNING at a point, said point being the southern corner of parcel 27, Tax Map 120H; thence in a northeasterly direction, approximately 380 feet to a point, said point being the eastern corner of parcel 27; thence in a northeasterly direction, approximately 1,280 feet to a point, said point being the eastern corner of parcel 27.02; thence in a northwesterly direction, approximately 866 feet to a point, said point being the northeastern corner of parcel 27.15; thence in a westerly direction, approximately 290 feet to a point, said point being the northwestern corner of parcel 27.15 in common with the eastern right-of-way of Eastern Star Road; thence in a southerly direction, following the eastern right-of-way of Eastern Star Road, approximately 2,125 feet to a point, said point being the southern corner of parcel 29; thence in a northeasterly direction, approximately 333 feet to a point, said point being the northern corner of parcel 26.01; thence in a southeasterly direction, approximately 215 feet to the point of BEGINNING, and being all of parcels 27, 27.02, 27.05, 27.10, 27.15, 27.20, and 29, Tax Map 120H as shown on the April 2008 Sullivan County Tax Maps.

Tract 3:

BEGINNING at a point, said point being the eastern corner of parcel 25.05 in common with the northern right-of-way of Mitchell Road, Tax Map 120I; thence in a northwesterly direction, approximately 710 feet to a point, said point being the northern corner of parcel 25.10; thence in a southwesterly direction, approximately 540 feet to a point, said point being the western corner of parcel 25.10 in common with the eastern right-of-way of Eastern Star Road; thence in a southeasterly direction, following the eastern right-of-way of Eastern Star Road, approximately 300 feet to a point, said point being approximately 10 feet north of the northern right-of-way of Mitchell Road; thence in a westerly direction, crossing Eastern Star Road, approximately 50 feet to a point in common with the eastern border of parcel 32.25; thence in a southeasterly direction, approximately 10 feet to a point, said point being the eastern corner of parcel 32.25; thence in a northwesterly direction, approximately 1,080 feet to a point, said point being the northern corner of parcel 29 in common with the eastern right-of-way of Interstate 26; thence in a southerly direction, following the eastern right-of-way of Interstate 26, approximately 880 feet to a point, said point being the intersection of the eastern right-of-way of Interstate 26 and northern right-of-way of Mitchell Road; thence in an easterly

direction, following the northern right-of-way of Mitchell Road, approximately 1,475 feet to the point of BEGINNING, and being all of parcels 25.05 and 25.10, as well as a portion of parcel 29 as shown on the April 2008 Sullivan County 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 Eastern Star 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:

**Eastern Star 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 103 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 312 mandatory and 100 optional 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 seven hundred twenty (720) hours of basic recruit training before being certified as a police officer. Upon completion of the classroom training, the officers will undergo six hundred forty (640) hours of field office 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 a 4.5-minute response time to all incidents 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 two in the State of Tennessee. We operate 6 fire stations, housing fire suppression, hazardous materials, rescue and other emergency equipment. Staffed by 94 full-time professional firefighters, 24 hours a day, 365 days a year to provide service. The City of Kingsport maintains a Class 3 insurance rating saving its residents the most possible on their insurance rates. Our response time average is approximately 4 minutes, 15 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. Water line upgrades and the installation of fire hydrants will commence for adequate fire protection and will be completed within five (5) years after the effective date of annexation.
- C. 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.
- D. 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.
- E. 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.
- F. 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 AEP and is currently available. Street lighting will be provided generally within five years of the City of Kingsport's request for such service.

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 in to provide sewer service to our customers.
- D. The City of Kingsport Wastewater Treatment Plant will experience 20 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. The Sanitation Division supervisor is certified through SWANA as a Certified MSW Management Manager, and Certified Transfer Station Manager. 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

Within five years of the operative date of annexation the City will take over responsibility (including payment) for dusk-to-dawn lights presently in place that meet City standards. The City will request that AEP install additional streetlights on collector-class and lower streets in accordance with the policy on roadway lighting within five (5) years of the effective date of annexation. Lighting on minor and major arterials will be installed per prevailing city policy.

10. Zoning Services

- A. The area will be zoned M-1R (Light Manufacturing District) and B-4P (Planned Business District).
- 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. The area will be incorporated into the city limits of the City as part of the five-year long-

range annexation plan adopted by the Kingsport Regional Planning Commission for this area.

- D. Appeals the to 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 1 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 biweekly along major commercial routes and on an "as needed/on call" basis in other areas.

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 7th day of July 2009.

ATTEST:

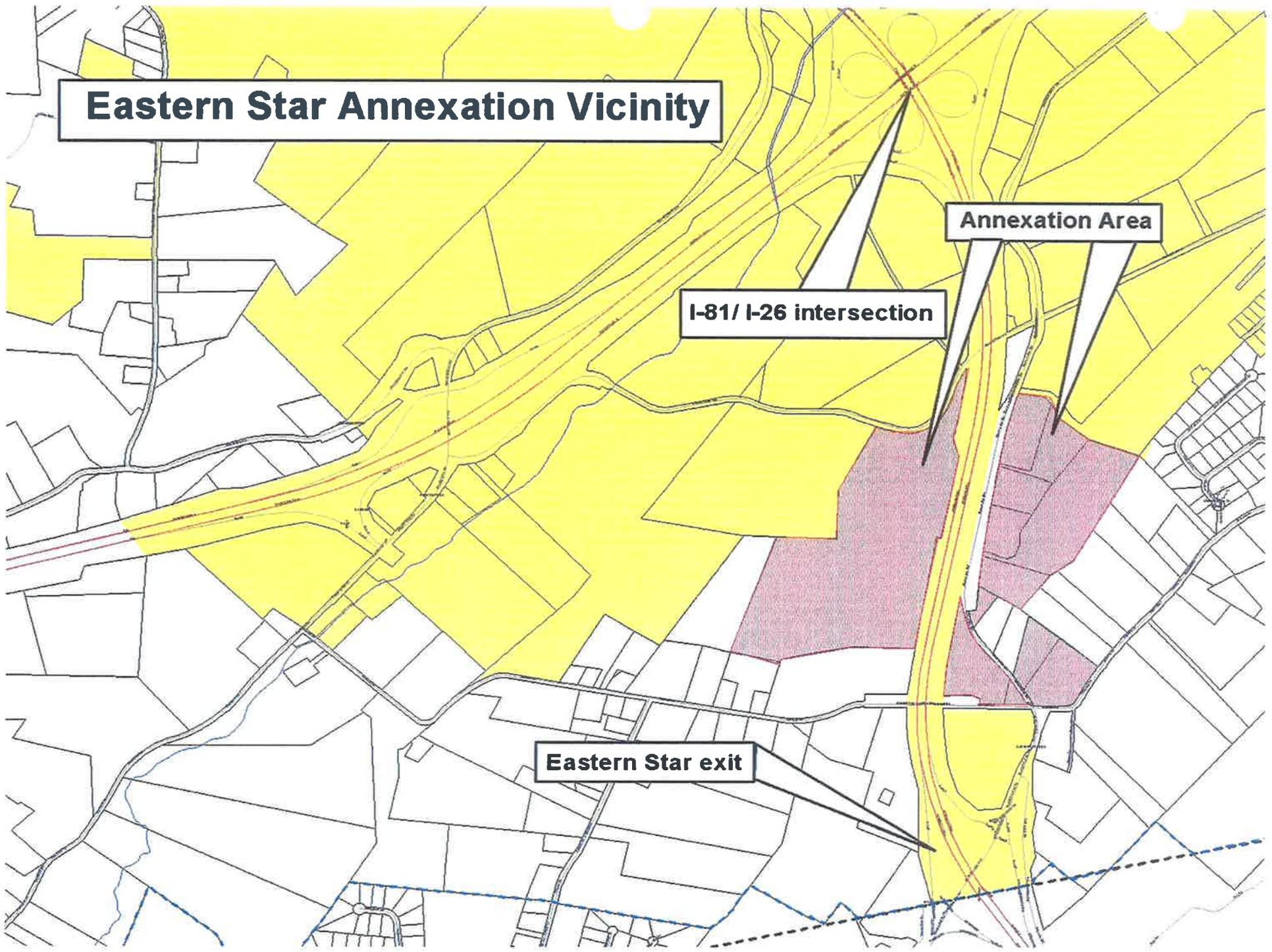
DENNIS R. PHILLIPS, Mayor

ELIZABETH A. GILBERT
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

Eastern Star Annexation Vicinity



Annexation Area

I-81/ I-26 intersection

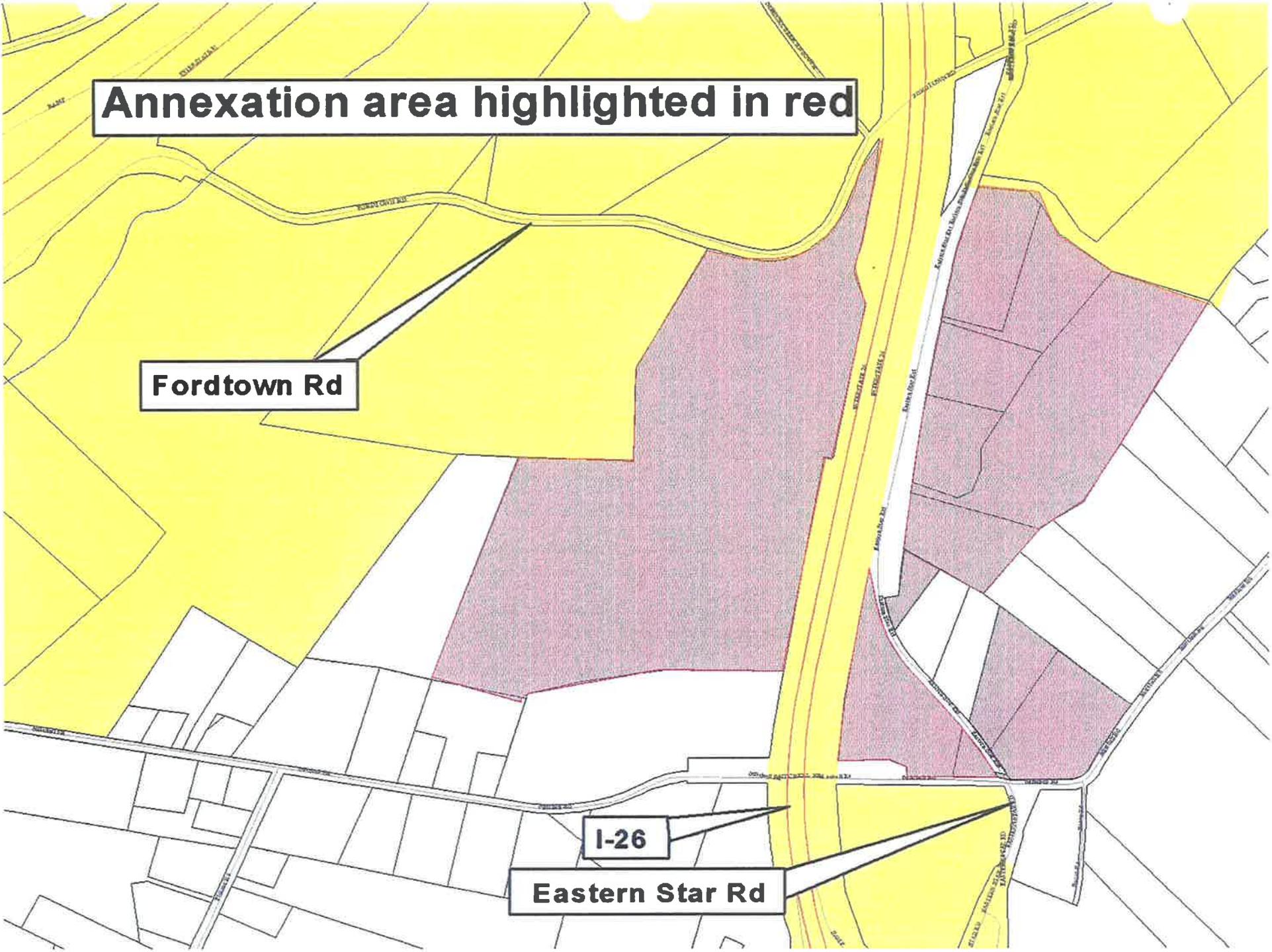
Eastern Star exit

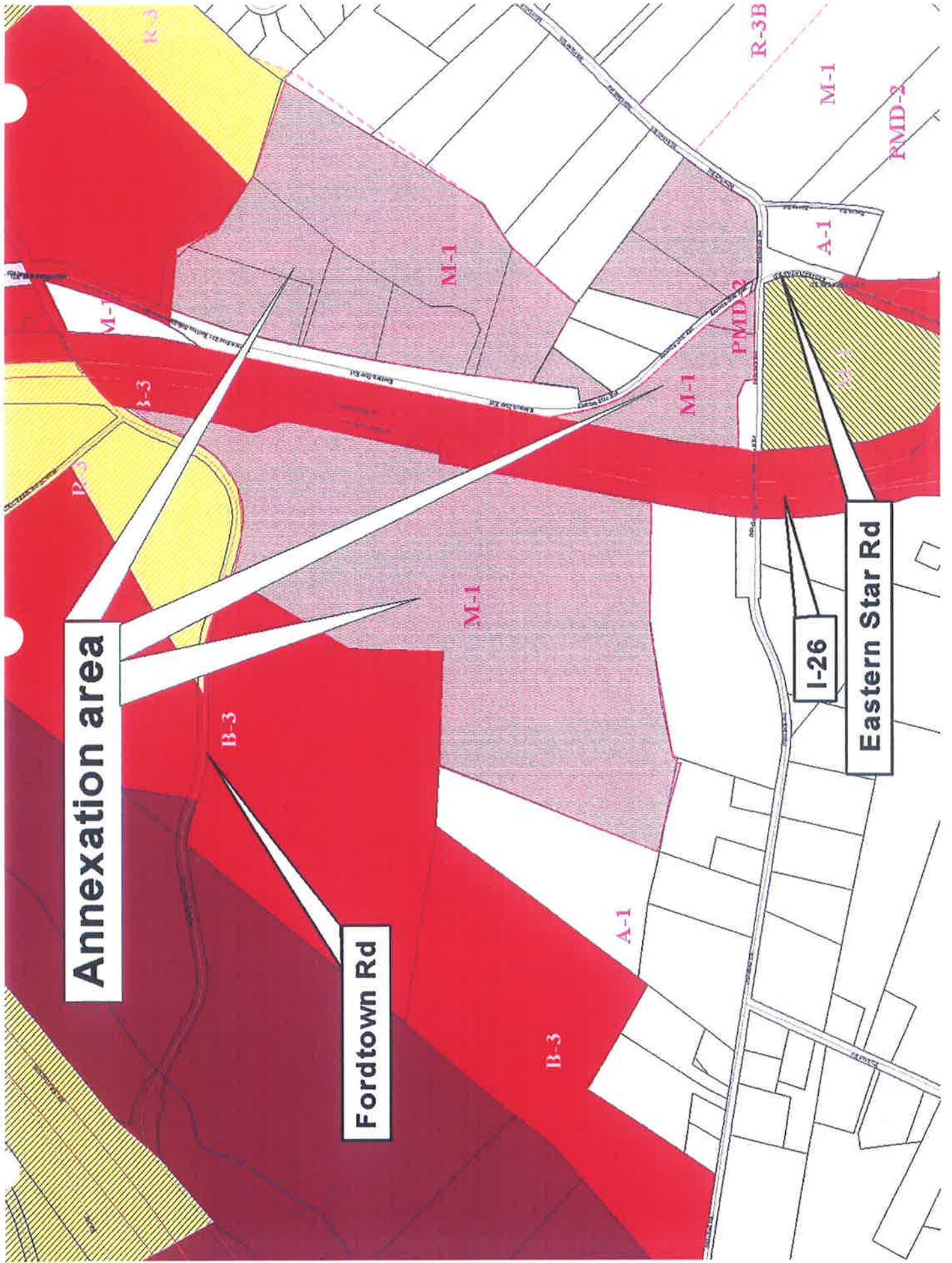
Annexation area highlighted in red

Fordtown Rd

I-26

Eastern Star Rd





Annexation area

Fordtown Rd

I-26

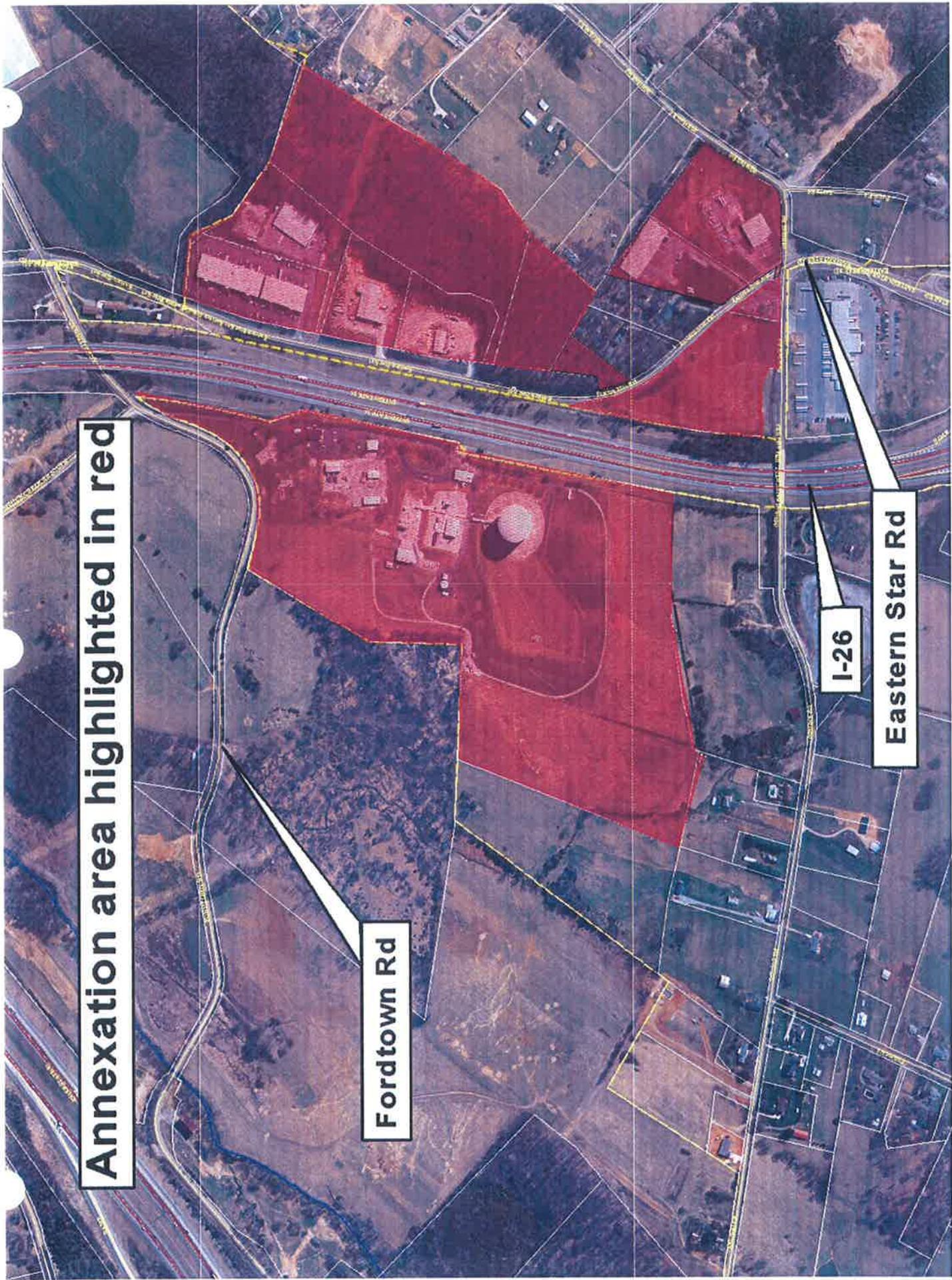
Eastern Star Rd

Annexation area highlighted in red

Fordtown Rd

I-26

Eastern Star Rd





AGENDA ACTION FORM

Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the RS2 Annexation and Consideration of a Resolution Adopting the Plan of Services

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager

Action Form No.: AF: 212-2009
Work Session: July 6, 2009
First Reading: July 7, 2009

Final Adoption: July 21, 2009
Staff Work By: K. Weems
Presentation By: K. Weems

Recommendation:

- Hold public hearing
- Approve ordinance for the RS2 annexation
- Approve ordinance amending the zoning ordinance for the RS2 annexation
- Approve resolution adopting a plan of services for the annexation area

Executive Summary:

This is the "RS2" annexation of approximately 12 acres along Rock Springs Road, Snapps Ferry Road, Peppertree Drive and Peppertree Court, with a population of fifteen residents (vacant land single family uses). The property contained in this annexation has been petitioned for. The current county zoning of the area is A-1 (Agricultural & Residential). The proposed city zoning for the area is R-1B (Single Family) and B-4P (Planned Business District). Both water and sanitary sewer require an upgrade for this annexation. During their May 2009 regular meeting, the Kingsport Regional Planning Commission voted (7-1) to send a positive recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen for this annexation. This item has received zero opposition as of June 24, 2009. The Notice of Public Hearing was published on June 22, 2009.

Attachments:

1. Staff Report
2. Notice of Public Hearing
3. Cost Analysis
4. Annexation Ordinance
5. Zoning Ordinance
6. Resolution
7. Map

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

ANNEXATION REPORT
RS2 ANNEXATION, FILE: 09-301-00006

TO: KINGSFORT REGIONAL PLANNING COMMISSION

FROM: Ken Weems, Planner

DATE: 5 May 2009

APPLICANT: City of Kingsport

REQUESTED ACTION: Owner petitioned annexation and zoning to an R-1B, Single Family District, and B-4P (Planned Business District), of approximately 12 acres.

LOCATION: The property is located on Peppertree Court and the south side of Rock Springs Road, best described as Tax Map 119, Parcels 6, 11, 16, 23.40, 23.30, 23.20, and a portion of 21.

EXISTING LAND USE: Single Family Residential and vacant land

PROPOSED USE: Single family & commercial use

SURROUNDING ZONING DISTRICTS & LAND USES:

General: The annexation area is surrounded by County A-1 (Agricultural), County R-1 (Single Family), and City PD (future Single Family) zoning, with like uses. Additionally, a portion of the annexation area consists of the existing Peppertree Subdivision.

LAND USE PLAN (S): The 2010 Land Use Plan does not address the annexation area. The new Kingsport 2030 Land Use Plan (pending Planning Commission approval) describes this area as single family residential, with commercial uses identified between I-81 and Rock Springs Road.

UTILITIES: Both City of Kingsport sanitary sewer and water service require an upgrade for this annexation.

TRANSPORTATION: The streets included in this annexation area consist of: Peppertree Court (approx 1,088 ft)

POPULATION: The annexation area contains 15 residents (6 lots in the Peppertree Subdivision).

OPTIONS: The Planning Commission's options are the following:

1. Send a favorable recommendation for annexation to the Board of Mayor and Alderman.
2. Recommend disapproving the annexation, stating the reasons in writing.
3. Postpone action until additional information is presented.

STAFF RECOMMENDATION:

The Planning Division recommends option #1, the annexation of the parcel identified in this study to the Planning Commission and the Board of Mayor and Aldermen. The rationale for this recommendation is based on the following:

1. The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.
2. 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.
3. The City of Kingsport can provide services through its Plan of Services that the County cannot provide to the residents of the area.
4. It is reasonably necessary for the welfare of the residents and property owners of the affected territory.
5. It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.

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, July 7, 2009, to consider the annexation, zoning, and plan of services for the RS2 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:

Tract 1

BEGINNING at a point, said point being the southern corner of parcel 14, Tax Map 119I; thence in a northeasterly direction, following the western right-of-way of Peppertree Drive, approximately 500 feet to a point, said point being the eastern corner of parcel 16 in common with the western right-of-way of Peppertree Drive; thence in a southwesterly direction, approximately 232 feet to a point, said point being the southern corner of parcel 16; thence in a northwesterly direction, approximately 124 feet to a point, said point being the western corner of parcel 16; thence in a northeastern direction, approximately 265 feet to a point, said point being the northern corner of parcel 16; thence in a northerly direction, in an arc, following the western right-of-way of Peppertree Drive, approximately 460 feet to a point, said point being the southern corner of parcel 11; thence in a northwesterly direction, approximately 251 feet to a point, said point being the western corner of parcel 11; thence in a northeasterly direction, approximately 120 feet to a point, said point being the northern corner of parcel 11; thence in a southeasterly direction, crossing the right-of-way of Peppertree Drive, approximately 301 feet to a point, said point located on the eastern right-of-way of Peppertree Drive; thence in a southwesterly direction, following the eastern right-of-way of Peppertree Drive, approximately 670 feet to a point, crossing Peppertree Drive, said point located on the southern right-of-way of Peppertree Drive; thence in a southwesterly direction, approximately 440 feet to a point, said point being the western corner of parcel 17 in common with the eastern right-of-way of Rock Springs Road; thence in a northwesterly direction, approximately 80 feet to the point of BEGINNING, and being all of parcels 16 and 11, Tax Map 119, as well as a portion of Peppertree Drive, approximately 1,100 feet in distance as shown on the April 2008 Sullivan County Tax Maps.

Tract 2

BEGINNING at a point, said point being the northern corner of parcel 23.40, Tax Map 119G; thence in a southeasterly direction, approximately 252 feet to a point, said point being the eastern corner of parcel 23.40; thence in a southwestern direction, approximately 435 feet to a point, said point being the western corner of parcel 4.10; thence in a western direction, approximately 30 feet to a point, said point being the northern corner of parcel 6; thence in southerly direction, approximately 208 feet to a point, said point being the southeast corner of parcel 6; thence in a westerly direction, following the northern right-of-way of Snapps Ferry Road, approximately 125 feet to a point, said point being the southwestern corner of parcel 6; thence in a northerly direction, approximately 200 feet to a point, said point being the northwestern corner of parcel 6; thence in an easterly direction, approximately 60 feet to a point, said point being the southwestern corner of parcel 23.20; thence in a northerly direction, approximately 256 feet to a point, said point being the northern corner of parcel 23.20; thence in a southeastern direction, in an arc, following the southern right-of-way of Peppertree Court, approximately 192 feet to a point, said point being the western corner of parcel 23.40; thence in an northeastern direction, approximately 160 feet to the point of BEGINNING, and being all of parcels 6, 23.20, 23.30, and 23.40 as shown on the April 2008 Sullivan County Tax Maps.

Tract 3

BEGINNING at a point, said point being the southern corner of parcel 21, Tax Map 119P; thence in a northwesterly direction, approximately 300 feet to a point in common with the southern right-of-way of Rock Springs Road; thence in a northeasterly direction, following the southern right-of-way of Rock Springs Road, approximately 833 feet to a point, said point being the northwestern corner of parcel 85; thence in a southeasterly direction, approximately 430 feet to a point, said point being the southeastern corner of parcel 21 in common with the northern right-of-way of Interstate 81; thence in a southwesterly direction, approximately 865 feet to the point of BEGINNING, and being a portion of parcel 21 as shown on the April 2008 Sullivan County 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
Liz Gilbert, City Clerk
P1T: 6/22/09

Rock Springs 2009 Annexation Area

COST/BENEFIT ANALYSIS (tax records as of 2 April 2009)

Revenues	One Time	Reoccurring	
Property Taxes	X	\$193,225.00	
State Shared	X	\$61,050.00	550 res x 111 (estimated)
Sewer Tap Fees	\$430,950.00	X	221 homes total
Total	\$430,950.00	\$254,275.00	

Expenses	One Time	Reoccurring
Operating Budget		
Street Lighting	172,867.00	22,867.00
Traffic Controls	7,350.00	0.00
Streets & Sanitation	0.00	72,310.00
Subtotal	180,217.00	95,177.00
Capital Budget		
Water	889,875.00	0.00
Sewer	4,650,000.00	0.00
Roads	100,133.00	0.00
Subtotal	5,640,008.00	0.00
Grand Total	5,820,225.00	95,177.00

vacant land in the annexation area, once subdivided and built out=
 57 acres x 4 units per acre= 228 units @ 250K assessed value
 translates to property tax of \$1,437.5 x 228 units = **\$327,750/ yr (future potential)**

PRE-FILED CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 13TH and 14TH CIVIL DISTRICTS OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE RS2 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 ORDINANCE

WHEREAS, a public hearing before the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, was held on the 7th day of July, 2009, and notice thereof published in the Kingsport Times-News on the 22nd day of June, 2009; and

WHEREAS, the property owners initiated the annexation of the territory herein described to the City of Kingsport; 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, a plan of services for this area was adopted by Resolution the 7th day of July, 2009 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. 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. 13 and No. 14 of Sullivan County, Tennessee, and more fully described to-wit:

Tract 1

BEGINNING at a point, said point being the southern corner of parcel 14, Tax Map 119I; thence in a northeasterly direction, following the western right-of-way of Peppertree Drive, approximately 500 feet to a point, said point being the eastern corner of parcel 16 in common with the western right-of-way of Peppertree Drive; thence in a southwesternly direction, approximately 232 feet to a point, said point being the southern corner of parcel 16; thence in a northwesterly direction, approximately 124 feet to a point, said point being the western corner of parcel 16; thence in a northeastern direction, approximately 265 feet to a point, said point being the northern corner of parcel 16; thence in a northerly direction, in an arc, following the

western right-of-way of Peppertree Drive, approximately 460 feet to a point, said point being the southern corner of parcel 11; thence in a northwesterly direction, approximately 251 feet to a point, said point being the western corner of parcel 11; thence in a northeasterly direction, approximately 120 feet to a point, said point being the northern corner of parcel 11; thence in a southeasterly direction, crossing the right-of-way of Peppertree Drive, approximately 301 feet to a point, said point located on the eastern right-of-way of Peppertree Drive; thence in a southwesterly direction, following the eastern right-of-way of Peppertree Drive, approximately 670 feet to a point, crossing Peppertree Drive, said point located on the southern right-of-way of Peppertree Drive; thence in a southwesterly direction, approximately 440 feet to a point, said point being the western corner of parcel 17 in common with the eastern right-of-way of Rock Springs Road; thence in a northwesterly direction, approximately 80 feet to the point of BEGINNING, and being all of parcels 16 and 11, Tax Map 119, as well as a portion of Peppertree Drive, approximately 1,100 feet in distance as shown on the April 2008 Sullivan County Tax Maps.

Tract 2

BEGINNING at a point, said point being the northern corner of parcel 23.40, Tax Map 119G; thence in a southeasterly direction, approximately 252 feet to a point, said point being the eastern corner of parcel 23.40; thence in a southwestern direction, approximately 435 feet to a point, said point being the western corner of parcel 4.10; thence in a western direction, approximately 30 feet to a point, said point being the northern corner of parcel 6; thence in southerly direction, approximately 208 feet to a point, said point being the southeast corner of parcel 6; thence in a westerly direction, following the northern right-of-way of Snapps Ferry Road, approximately 125 feet to a point, said point being the southwestern corner of parcel 6; thence in a northerly direction, approximately 200 feet to a point, said point being the northwestern corner of parcel 6; thence in an easterly direction, approximately 60 feet to a point, said point being the southwestern corner of parcel 23.20; thence in a northerly direction, approximately 256 feet to a point, said point being the northern corner of parcel 23.20; thence in a southeastern direction, in an arc, following the southern right-of-way of Peppertree Court, approximately 192 feet to a point, said point being the western corner of parcel 23.40; thence in an northeastern direction, approximately 160 feet to the point of BEGINNING, and being all of parcels 6, 23.20, 23.30, and 23.40 as shown on the April 2008 Sullivan County Tax Maps.

Tract 3

BEGINNING at a point, said point being the southern corner of parcel 21, Tax Map 119P; thence in a northwesterly direction, approximately 300 feet to a point in common with the southern right-of-way of Rock Springs Road; thence in a northeasterly direction, following the

southern right-of-way of Rock Springs Road, approximately 833 feet to a point, said point being the northwestern corner of parcel 85; thence in a southeasterly direction, approximately 430 feet to a point, said point being the southeastern corner of parcel 21 in common with the northern right-of-way of Interstate 81; thence in a southwesterly direction, approximately 865 feet to the point of BEGINNING, and being a portion of parcel 21 as shown on the April 2008 Sullivan County Tax Maps.

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 citizens of Kingsport, Tennessee, requiring it.

DENNIS R. PHILLIPS
Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. GILBERT
Deputy City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

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

PRE-FILED

ORDINANCE NO. _____ CITY RECORDER

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG ROCK SPRINGS ROAD, PEPPERTREE DRIVE, PEPPERTREE COURT, AND SNAPPS FERRY ROAD TO R-1B, RESIDENTIAL DISTRICT, AND B-4P, PLANNED BUSINESS DISTRICT IN THE 13th and 14th CIVIL DISTRICTS 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 along Rock Springs Road, Peppertree Drive, and Peppertree Court to R-1B, Residential District in the 13th Civil District of Sullivan County; said property to be rezoned being further and more particularly described as follows:

Tract 1

BEGINNING at a point, said point being the southern corner of parcel 14, Tax Map 119I; thence in a northeasterly direction, following the western right-of-way of Peppertree Drive, approximately 500 feet to a point, said point being the eastern corner of parcel 16 in common with the western right-of-way of Peppertree Drive; thence in a southwesterly direction, approximately 232 feet to a point, said point being the southern corner of parcel 16; thence in a northwesterly direction, approximately 124 feet to a point, said point being the western corner of parcel 16; thence in a northeastern direction, approximately 265 feet to a point, said point being the northern corner of parcel 16; thence in a northerly direction, in an arc, following the western right-of-way of Peppertree Drive, approximately 460 feet to a point, said point being the southern corner of parcel 11; thence in a northwesterly direction, approximately 251 feet to a point, said point being the western corner of parcel 11; thence in a northeasterly direction, approximately 120 feet to a point, said point being the northern corner of parcel 11; thence in a southeasterly direction, crossing the right-of-way of Peppertree Drive, approximately 301 feet to a point, said point located on the eastern right-of-way of Peppertree Drive; thence in a southwesterly direction, following the eastern right-of-way of Peppertree Drive, approximately 670 feet to a point, crossing Peppertree Drive, said point located on the southern right-of-way of Peppertree Drive; thence in a southwesterly direction, approximately 440 feet to a point, said point being the western corner of parcel 17 in common with the eastern right-of-way of Rock Springs Road; thence in a northwesterly direction, approximately 80 feet to the point of BEGINNING, and being all of parcels 16 and 11, Tax Map 119, as well as a portion of Peppertree Drive, approximately 1,100 feet in distance as shown on the April 2008 Sullivan County Tax Maps.

Tract 2

BEGINNING at a point, said point being the northern corner of parcel 23.40, Tax Map 119G; thence in a southeasterly direction, approximately 252 feet to a point, said point being the eastern corner of parcel 23.40; thence in a southwestern direction, approximately 435 feet to a point, said point being the western corner of parcel 4.10; thence in a western direction, approximately 30 feet to a point, said point being the northern corner of parcel 6; thence in southerly direction, approximately 208 feet to a point, said point being the southeast corner of parcel 6; thence in a westerly direction, following the northern right-of-way of Snapps Ferry Road, approximately 125 feet to a point, said point being the southwestern corner of parcel 6; thence in a northerly direction, approximately 200 feet to a point, said point being the northwestern corner of parcel 6; thence in an easterly direction, approximately 60 feet to a point, said point being the southwestern corner of parcel 23.20; thence in a northerly direction, approximately 256 feet to a point, said point being the northern corner of parcel 23.20; thence in a southeastern direction, in an arc, following the southern right-of-way of Peppertree Court, approximately 192 feet to a point, said point being the western corner of parcel 23.40; thence in an northeastern direction, approximately 160 feet to the point of BEGINNING, and being all of parcels 6, 23.20, 23.30, and 23.40 as shown on the April 2008 Sullivan County Tax Maps.

SECTION II. That the zoning code, text, and map, be and the same is hereby further amended to rezone property along Rock Springs Road to B-4P, Planned Business District in the 14th Civil District of Sullivan County; said property to be rezoned being further and more particularly described as follows:

BEGINNING at a point, said point being the southern corner of parcel 21, Tax Map 119P; thence in a northwesterly direction, approximately 300 feet to a point in common with the southern right-of-way of Rock Springs Road; thence in a northeasterly direction, following the southern right-of-way of Rock Springs Road, approximately 833 feet to a point, said point being the northwestern corner of parcel 85; thence in a southeasterly direction, approximately 430 feet to a point, said point being the southeastern corner of parcel 21 in common with the northern right-of-way of Interstate 81; thence in a southwesterly direction, approximately 865 feet to the point of BEGINNING, and being a portion of parcel 21 as shown on the April 2008 Sullivan County Tax Maps.

SECTION III. 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 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.

DENNIS R. PHILLIPS
Mayor

ATTEST:

ELIZABETH A. GILBERT
Deputy 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 RS2 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 RS2 annexation was submitted to the Kingsport Regional Planning Commission on May 21, 2009, 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 July 7, 2009; 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 June 22, 2009; 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 13th and 14th Civil Districts of Sullivan County, Tennessee, commonly known as the RS2 Annexation, said area being bounded and further described as follows:

Tract 1:

BEGINNING at a point, said point being the southern corner of parcel 14, Tax Map 119I; thence in a northeasterly direction, following the western right-of-way of Peppertree Drive, approximately 500 feet to a point, said point being the eastern corner of parcel 16 in common with the western right-of-way of Peppertree Drive; thence in a southwesterly direction, approximately 232 feet to a point, said point being the southern corner of parcel 16; thence in a northwesterly direction, approximately 124 feet to a point, said point being the western corner of parcel 16; thence in a northeastern direction, approximately 265 feet to a point, said point being the northern corner of parcel 16; thence in a northerly direction, in an arc, following the western right-of-way of Peppertree Drive, approximately 460 feet to a point, said point being the southern

corner of parcel 11; thence in a northwesterly direction, approximately 251 feet to a point, said point being the western corner of parcel 11; thence in a northeasterly direction, approximately 120 feet to a point, said point being the northern corner of parcel 11; thence in a southeasterly direction, crossing the right-of-way of Peppertree Drive, approximately 301 feet to a point, said point located on the eastern right-of-way of Peppertree Drive; thence in a southwesterly direction, following the eastern right-of-way of Peppertree Drive, approximately 670 feet to a point, crossing Peppertree Drive, said point located on the southern right-of-way of Peppertree Drive; thence in a southwesterly direction, approximately 440 feet to a point, said point being the western corner of parcel 17 in common with the eastern right-of-way of Rock Springs Road; thence in a northwesterly direction, approximately 80 feet to the point of BEGINNING, and being all of parcels 16 and 11, Tax Map 119, as well as a portion of Peppertree Drive, approximately 1,100 feet in distance as shown on the April 2008 Sullivan County Tax Maps.

Tract 2:

BEGINNING at a point, said point being the northern corner of parcel 23.40, Tax Map 119G; thence in a southeasterly direction, approximately 252 feet to a point, said point being the eastern corner of parcel 23.40; thence in a southwestern direction, approximately 435 feet to a point, said point being the western corner of parcel 4.10; thence in a western direction, approximately 30 feet to a point, said point being the northern corner of parcel 6; thence in southerly direction, approximately 208 feet to a point, said point being the southeast corner of parcel 6; thence in a westerly direction, following the northern right-of-way of Snapps Ferry Road, approximately 125 feet to a point, said point being the southwestern corner of parcel 6; thence in a northerly direction, approximately 200 feet to a point, said point being the northwestern corner of parcel 6; thence in an easterly direction, approximately 60 feet to a point, said point being the southwestern corner of parcel 23.20; thence in a northerly direction, approximately 256 feet to a point, said point being the northern corner of parcel 23.20; thence in a southeastern direction, in an arc, following the southern right-of-way of Peppertree Court, approximately 192 feet to a point, said point being the western corner of parcel 23.40; thence in an northeastern direction, approximately 160 feet to the point of BEGINNING, and being all of parcels 6, 23.20, 23.30, and 23.40 as shown on the April 2008 Sullivan County Tax Maps.

Tract 3 :

BEGINNING at a point, said point being the southern corner of parcel 21, Tax Map 119P; thence in a northwesterly direction,

approximately 300 feet to a point in common with the southern right-of-way of Rock Springs Road; thence in a northeasterly direction, following the southern right-of-way of Rock Springs Road, approximately 833 feet to a point, said point being the northwestern corner of parcel 85; thence in a southeasterly direction, approximately 430 feet to a point, said point being the southeastern corner of parcel 21 in common with the northern right-of-way of Interstate 81; thence in a southwesterly direction, approximately 865 feet to the point of BEGINNING, and being a portion of parcel 21 as shown on the April 2008 Sullivan County 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 KINGSPORT, TENNESSEE, AS FOLLOWS:

SECTION I. That a Plan of Services for the RS2 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:

**RS2 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 103 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 312 mandatory and 100 optional 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 seven hundred twenty (720) hours of basic recruit training before being certified as a police officer. Upon completion of the classroom training, the officers will undergo six hundred forty (640) hours of field office 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 a 4.5-minute response time to all incidents 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 two in the State of Tennessee. We operate 6 fire stations, housing fire suppression, hazardous materials, rescue and other emergency equipment. Staffed by 94 full-time professional firefighters, 24 hours a day, 365 days a year to provide service. The City of Kingsport maintains a Class 3 insurance rating saving its residents the most possible on their insurance rates. Our response time average is approximately 4 minutes, 15 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. Water line upgrades and the installation of fire hydrants will commence for adequate fire protection and will be completed within five (5) years after the effective date of annexation.
- C. 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.
- D. 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.
- E. 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.
- F. 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 AEP and is currently available. Street lighting will be provided generally within five years of the City of Kingsport's request for such service.

5. Sanitary Sewer

- A. City of Kingsport sanitary sewer will be installed and extended to the property within five (5) years after the effective date of annexation. Citizens in the annexed territory will be responsible and required to obtain a sewer-tap from the City of Kingsport before connection to the sanitary sewer system.
- 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 in to provide sewer service to our customers.

- D. The City of Kingsport Wastewater Treatment Plant will experience 20 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. The Sanitation Division supervisor is certified through SWANA as a Certified MSW Management Manager, and Certified Transfer Station Manager. 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

Within five years of the operative date of annexation the City will take over responsibility (including payment) for dusk-to-dawn lights presently in place that meet City standards. The City will request that AEP install additional streetlights on collector-class and lower streets in accordance with the policy on roadway lighting within five (5) years of the effective date of annexation. Lighting on minor and major arterials will be installed per prevailing city policy.

10. Zoning Services

- A. The area will be zoned R-1B (Residential District) and B-4P (Planned Business District).

- 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. The area will be incorporated into the city limits of the City as part of the five-year long-range annexation plan adopted by the Kingsport Regional Planning Commission for this area.
- D. Appeals the to 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 1 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 biweekly along major commercial routes and on an "as needed/on call" basis in other areas.

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 7th day of July 2009.

ATTEST:

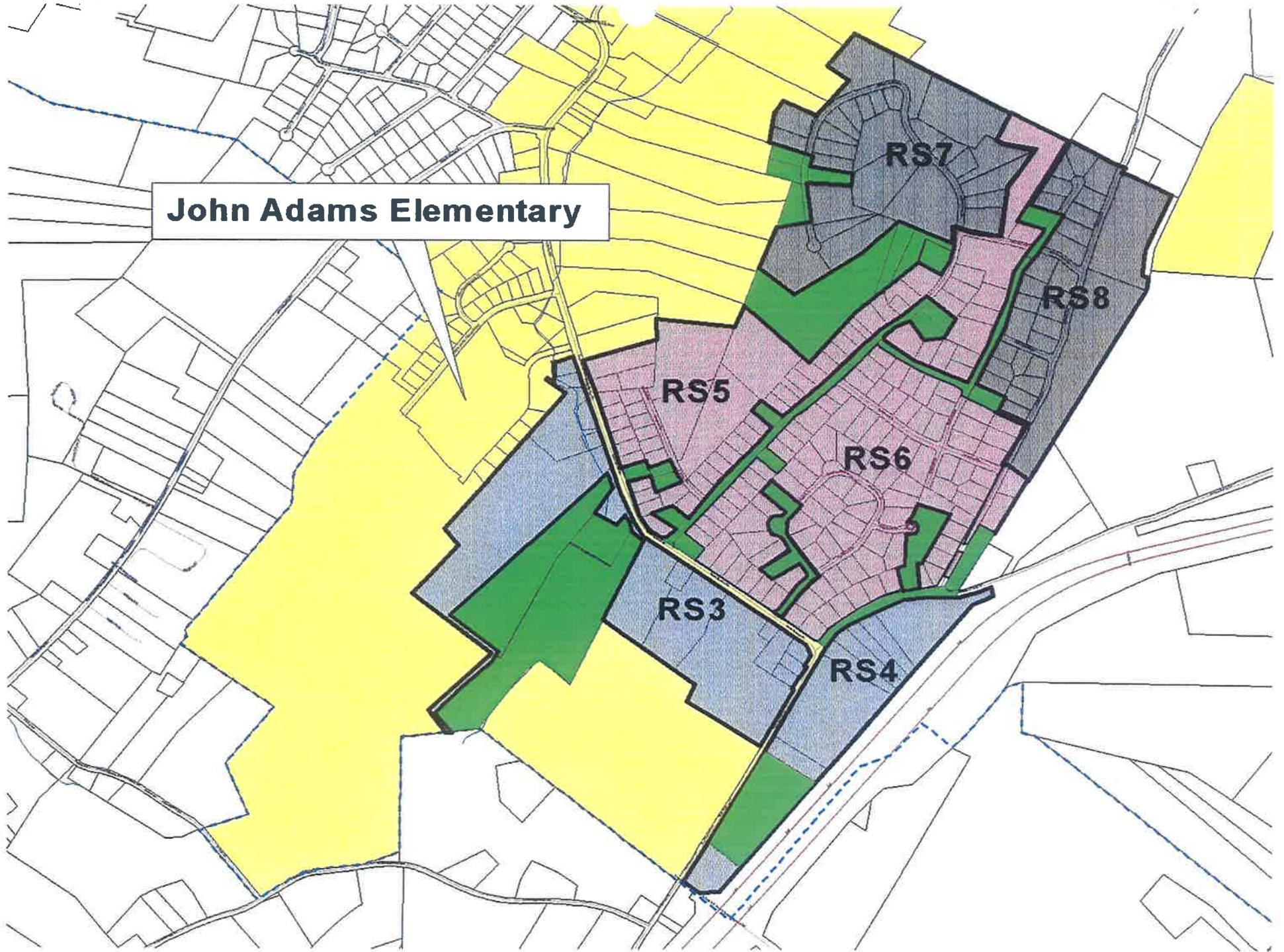
DENNIS R. PHILLIPS, Mayor

ELIZABETH A. GILBERT
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

John Adams Elementary



Rationale

1. The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.
2. 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.
3. The City of Kingsport can provide services through its Plan of Services that the County cannot provide to the residents of the area.
4. It is reasonably necessary for the welfare of the residents and property owners of the affected territory.
5. It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.



AGENDA ACTION FORM

Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Flanders Street Annexation and Consideration of a Resolution Adopting the Plan of Services

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF: 224-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 21, 2009
 Staff Work By: J. Meredith
 Presentation By: J. Meredith

Recommendation:

- Hold public hearing
- Approve ordinance for the Flanders Street annexation
- Approve ordinance amending the zoning ordinance for the Flanders Street annexation
- Approve resolution adopting a plan of services for the annexation area

Executive Summary:

This is the "Flanders Street" annexation of approximately 2 acres along Flanders Street with a population of twenty residents (single family uses). The property contained in this annexation has been partially petitioned r by a property owner. The current county zoning of the area is R-3A (High-Density/Multi-Family). The proposed city zoning for the area is R-1B (Single Family). Both water and sanitary sewer currently serve this annexation area. During their May 2009 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a positive recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen. This item has received zero opposition as of June 24, 2009. The Notice of Public Hearing was published on June 22, 2009.

Attachments:

1. Staff Report
2. Notice of Public Hearing
3. Cost Analysis
4. Annexation Ordinance
5. Zoning Ordinance
6. Resolution
7. Map

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

**ANNEXATION REPORT
FLANDERS STREET ANNEXATION, FILE: 09-301-00004**

TO: KINGSPORT REGIONAL PLANNING COMMISSION

FROM: Jason Meredith, Planner

DATE: 27 March 2009

APPLICANT: partially property owner petitioned (petition attached)

REQUESTED ACTION: Partially owner-petitioned annexation to an R-1B, residential district of approximately 2 acres.

LOCATION: The property is located directly south of W. Carter's Valley Road and west of State Line Baptist Church; best identified as Tax Map 12, parcels 13-19 as shown on the 2008 Sullivan County Tax Maps. The property is located in the 12th Civil District of Sullivan County.

EXISTING LAND USE: single family

PROPOSED USE: single family

SURROUNDING ZONING DISTRICTS & LAND USES:

North: zoned: R-1B; use: single family, W. Carters Valley Road

South: zoned: County R-3A; use: Cedar View Christian School

East: zoned: R-1B; use: State Line Baptist Church

West: zoned: County R-3A; use: single family, vacant

LAND USE PLAN:

The 2010 Land Use Plan addresses this area as Single Family Residential.

The proposed 2030 Land Use Plan addresses this area as Single Family Residential

UTILITIES:

Both water and sanitary sewer already serve the annexation area.

TRANSPORTATION:

The annexation area fronts approximately 600 ft of Flanders Street (already within city limits).

POPULATION:

This annexation area contains approximately 20 residents.

PHYSICAL CHARACTERISTICS:

The physical characteristics of the property involved consist of mostly level terrain.

OPTIONS: The Planning Commission's options are the following:

1. Send a favorable recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen.
2. Recommend disapproving the annexation, stating the reasons in writing.
3. Postpone action until additional information is presented.

STAFF RECOMMENDATION:

The Planning Division recommends option #1, recommendation for annexation of the parcels identified in this study to the Board of Mayor and Aldermen. The rationale for this recommendation is based on the following:

1. The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.
2. 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.
3. The City of Kingsport can provide services through its Plan of Services that the County cannot provide to the residents of the area.
4. It is reasonably necessary for the welfare of the residents and property owners of the affected territory.
5. It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.

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, July 7, 2009, to consider the annexation, zoning, and plan of services for the Flanders Street 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 southwestern corner of parcel 19, Tax Map 12N, thence in a northerly direction, approximately 466 feet to a point, said point being the southwestern corner of parcel 12, thence in an easterly direction, approximately 75 feet to a point, said point being the southeastern corner of parcel 12, thence in a northerly direction, approximately 145 feet to a point, said point being the northeastern corner of parcel 12, thence in an easterly direction, approximately 70 feet to a point, said point being the northeastern corner of parcel 13, thence in a southerly direction, along the western right-of-way of Flanders Street, approximately 595 feet to a point, said point being the southeastern corner of parcel 19, thence in a southwesterly direction, approximately 137 feet to the point of BEGINNING, and being of all parcels 13, 14, 15, 16, 17, 18, 19, Tax Map 12N, as shown on April 2008 Sullivan County 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
Liz Gilbert, City Clerk
P1T: 6/22/09

Flanders Street Annexation

COST/BENEFIT ANALYSIS (tax records as of 12 May 2009)

Revenues	One Time	Reoccurring
Property Taxes	X	\$2,175.82
State Shared	X	\$2,220.00
Other: Water Taps	X	X
Sewer Tap Fees	X	X
Total	\$0.00	\$4,395.82

(~20 residents)

Expenses	One Time	Reoccurring
Operating Budget		
Police	0.00	0.00
Fire	0.00	0.00
Street Lighting	0.00	0.00
Recreation	0.00	0.00
Zoning Services	0.00	0.00
Schools	0.00	0.00
Traffic Controls	0.00	0.00
Streets & Sanitation	0.00	1,529.00
Subtotal	0.00	1,529.00
Capital Budget		
Water	0.00	0.00
Sewer	0.00	0.00
Roads	1,507.00	0.00
Schools	0.00	0.00
Police - Car	0.00	0.00
Subtotal	1,507.00	0.00
Grand Total	1,507.00	1,529.00

PRE-FILED CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 12TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE FLANDERS STREET 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 ORDINANCE

WHEREAS, a public hearing before the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, was held on the 7th day of July, 2009, and notice thereof published in the Kingsport Times-News on the 22nd day of June, 2009; and

WHEREAS, a property has owner petitioned for the annexation of the territory herein described to the City of Kingsport; 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, a plan of services for this area was adopted by Resolution the 7th day of July, 2009 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. 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. 12 of Sullivan County, Tennessee, and more fully described to-wit:

BEGINNING at a point, said point being the southwestern corner of parcel 19, Tax Map 12N, thence in a northerly direction, approximately 466 feet to a point, said point being the southwestern corner of parcel 12, thence in an easterly direction, approximately 75 feet to a point, said point being the southeastern corner of parcel 12, thence in a northerly direction, approximately 145 feet to a point, said point being the northeastern corner of parcel 12, thence in an easterly direction, approximately 70 feet to a point, said point being the

northeastern corner of parcel 13, thence in a southerly direction, along the western right-of-way of Flanders Street, approximately 595 feet to a point, said point being the southeastern corner of parcel 19, thence in a southwesterly direction, approximately 137 feet to the point of BEGINNING, and being of all parcels 13, 14, 15, 16, 17, 18, 19, Tax Map 12N, as shown on April 2008 Sullivan County Tax Maps.

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 citizens of Kingsport, Tennessee, requiring it.

DENNIS R. PHILLIPS
Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. GILBERT
Deputy City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

READING _____
PASSED ON 2ND READING _____

PASSED ON 1ST

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG FLANDERS STREET TO R-1B, RESIDENTIAL DISTRICT IN THE 12th 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 along Flanders Street to R-1B, Residential District in the 12th Civil District of Sullivan County; said property to be rezoned being further and more particularly described as follows:

BEGINNING at a point, said point being the southwestern corner of parcel 19, Tax Map 12N, thence in a northerly direction, approximately 466 feet to a point, said point being the southwestern corner of parcel 12, thence in an easterly direction, approximately 75 feet to a point, said point being the southeastern corner of parcel 12, thence in a northerly direction, approximately 145 feet to a point, said point being the northeastern corner of parcel 12, thence in an easterly direction, approximately 70 feet to a point, said point being the northeastern corner of parcel 13, thence in a southerly direction, along the western right-of-way of Flanders Street, approximately 595 feet to a point, said point being the southeastern corner of parcel 19, thence in a southwesterly direction, approximately 137 feet to the point of BEGINNING, and being of all parcels 13, 14, 15, 16, 17, 18, 19, Tax Map 12N, as shown on April 2008 Sullivan 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.

DENNIS R. PHILLIPS
Mayor

ATTEST:

ELIZABETH A. GILBERT
Deputy 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 FLANDERS STREET 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 Flanders Street annexation was submitted to the Kingsport Regional Planning Commission on May 21, 2009, 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 July 7, 2009; 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 June 22, 2009; 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 12th Civil District of Sullivan County, Tennessee, commonly known as the Flanders Street Annexation, said area being bounded and further described as follows:

BEGINNING at a point, said point being the southwestern corner of parcel 19, Tax Map 12N, thence in a northerly direction, approximately 466 feet to a point, said point being the southwestern corner of parcel 12, thence in an easterly direction, approximately 75 feet to a point, said point being the southeastern corner of parcel 12, thence in a northerly direction, approximately 145 feet to a point, said point being the northeastern corner of parcel 12, thence in an easterly direction, approximately 70 feet to a point, said point being the northeastern corner of parcel 13, thence in a southerly direction, along the western right-of-way of Flanders Street, approximately 595 feet to a point, said point being the southeastern corner of parcel 19, thence in a southwesterly direction, approximately 137 feet to the

point of BEGINNING, and being of all parcels 13, 14, 15, 16, 17, 18, 19, Tax Map 12N, as shown on April 2008 Sullivan County 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 KINGSPORT, TENNESSEE, AS FOLLOWS:

SECTION I. That a Plan of Services for the Flanders Street 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:

**Flanders Street 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 103 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 312 mandatory and 100 optional 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 seven hundred twenty (720) hours of basic recruit training before being certified as a police officer. Upon completion of the classroom training, the officers will undergo six hundred forty (640) hours of field office 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 a 4.5-minute response time to all incidents 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 two in the State of Tennessee. We operate 6 fire stations, housing fire suppression, hazardous materials, rescue and other emergency equipment. Staffed by 94 full-time professional firefighters, 24 hours a day, 365 days a year to provide service. The City of Kingsport maintains a Class 3 insurance rating saving its residents the most possible on their insurance rates. Our response time average is approximately 4 minutes, 15 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. Water line upgrades and the installation of fire hydrants will commence for adequate fire protection and will be completed within five (5) years after the effective date of annexation.
- C. 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.
- D. 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.
- E. 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.
- F. 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 AEP and is currently available. Street lighting will be provided generally within five years of the City of Kingsport's request for such service.

5. Sanitary Sewer

- A. City of Kingsport sanitary sewer currently serves the 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 in to provide sewer service to our customers.
- D. The City of Kingsport Wastewater Treatment Plant will experience 20 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. The Sanitation Division supervisor is certified through SWANA as a Certified MSW Management Manager, and Certified Transfer Station Manager. 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

Within five years of the operative date of annexation the City will take over responsibility (including payment) for dusk-to-dawn lights presently in place that meet City standards. The City will request that AEP install additional streetlights on collector-class and lower streets in accordance with the policy on roadway lighting within five (5) years of the effective date of annexation. Lighting on minor and major arterials will be installed per prevailing city policy.

10. Zoning Services

- A. The area will be zoned R-1B (Residential District).

- 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. The area will be incorporated into the city limits of the City as part of the five-year long-range annexation plan adopted by the Kingsport Regional Planning Commission for this area.
- D. Appeals the to 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 1 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 biweekly along major commercial routes and on an "as needed/on call" basis in other areas.

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 7th day of July 2009.

ATTEST:

DENNIS R. PHILLIPS, Mayor

ELIZABETH A. GILBERT
Deputy City Recorder

APPROVED AS TO FORM:

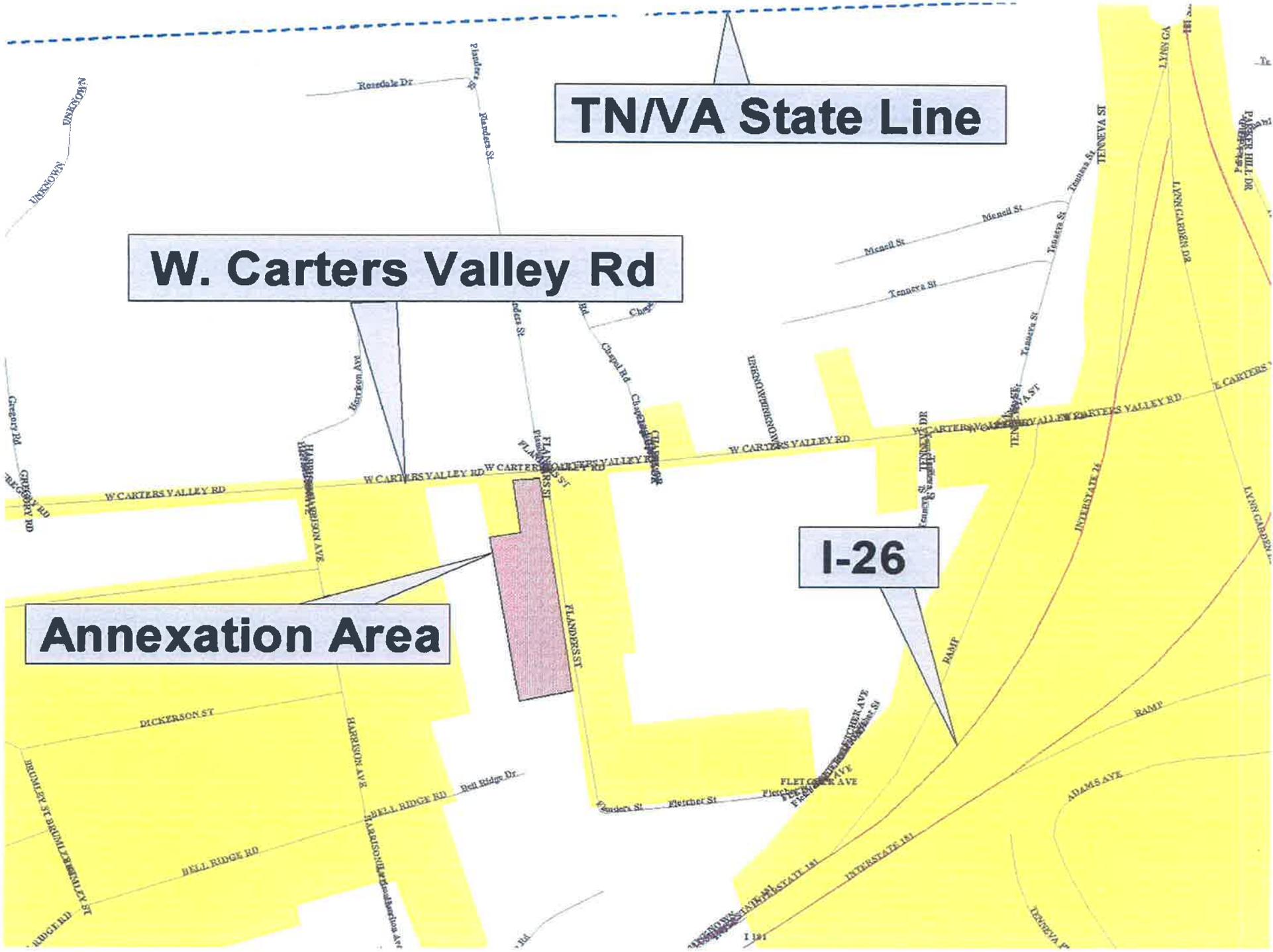
J. MICHAEL BILLINGSLEY, City Attorney

TN/VA State Line

W. Carters Valley Rd

Annexation Area

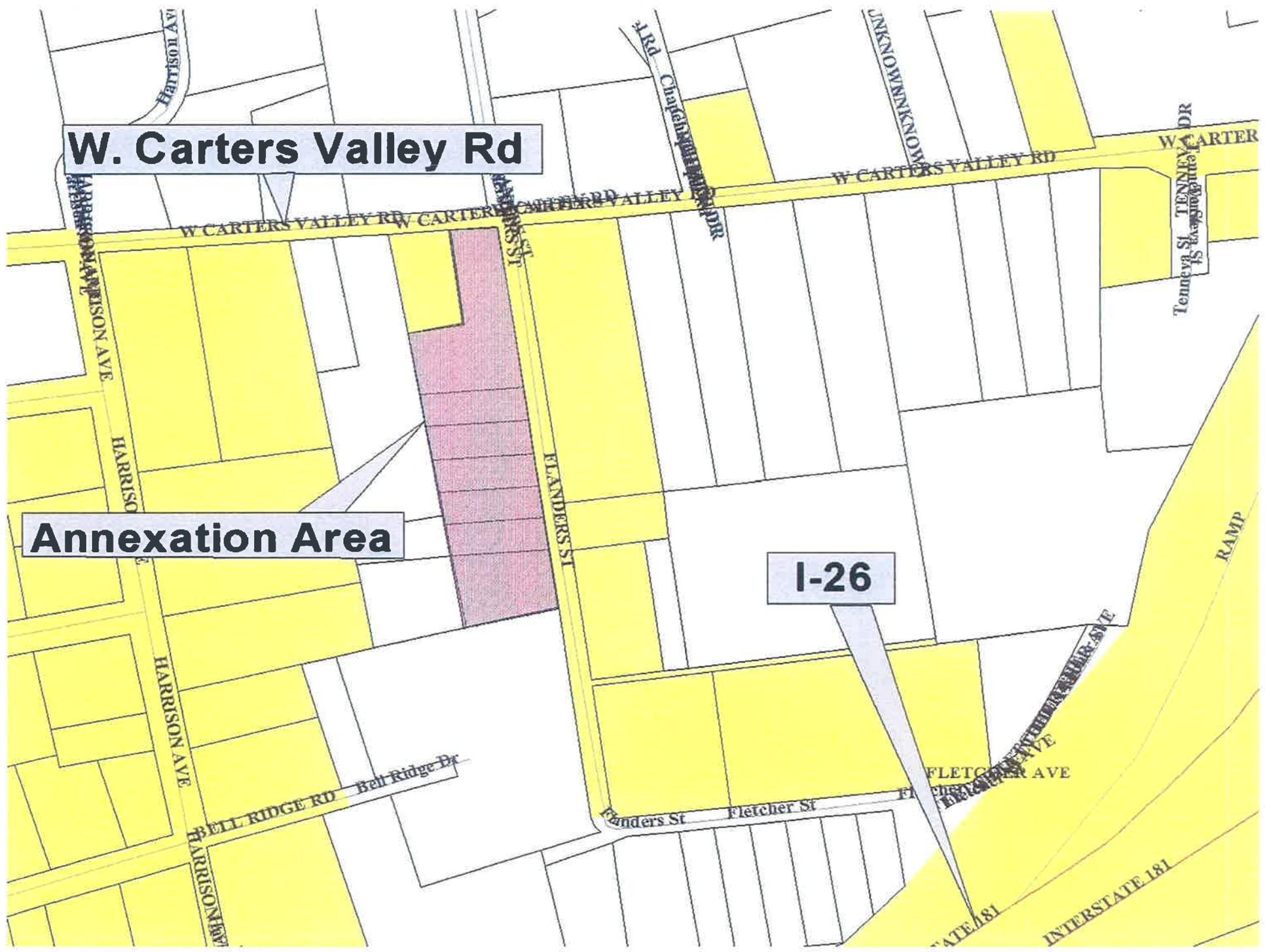
I-26



W. Carters Valley Rd

Annexation Area

I-26





W. Carters Valley Rd

Annexation Area

I-26

Tenners St TENNERS DR

W. CARTERS VALLEY RD

UNKNOWN RD

Church Hill Rd

FLANDERS ST

PLETCHER AVE

Flanders St

HARRISON AVE

BALL RIDGE RD

HARRISON AVE

RAMP

INTERSTATE 181

Rationale

- 1. The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.
- 2. 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.
- 3. The City of Kingsport can provide services through its Plan of Services that the County cannot provide to the residents of the area.
- 4. It is reasonably necessary for the welfare of the residents and property owners of the affected territory.
- 5. It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.



AGENDA ACTION FORM

Consideration of a Budget Ordinance to Appropriate Grant Funds Received from the State of Tennessee Department of Environment and Conservation for the Local Parks and Recreation Grant (LPRF) to Implement Phase III Enhancements at Domtar Park and Eastman Park and the Recreation Trails Program Grant (RTP) for the Construction of a Walking Trail Around The Perimeter of Eastman Park at Horse Creek.

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-210-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 21, 2009
 Staff Work By: Phyllis Phillips/Kitty Frazier,
 Morris Baker
 Presentation By: Kitty Frazier

Recommendation: Approve the ordinance.

Executive Summary: The City received funds from the State of Tennessee Department of Environment and Conservation for the Local Parks and Recreation grant and the Recreation Trails Program Grant. The Local Parks and Recreation Grant (LPRF) requires a 50/50 match and the Recreation Trails Program Grant (RTP) requires an 80/20 match. The matching funds for both grants were provided for through the FY08-09 CIP budget.

This ordinance will appropriate those funds to the K-Play project (GP0911).

Attachments:

1. Ordinance

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

PRE-FILED CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET BY APPROPRIATING GRANT FUNDS FROM STATE OF TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION TO THE K-PLAY PROJECT(GP0911); 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 appropriating grant funds in the amount of \$300,000 received from the State of Tennessee Department of Environment and Conservation for the Local Park and Recreation Fund grant (LPRF) to implement Phase III Enhancements at Domtar Park and Eastman Park and by appropriating grant funds in the amount of \$70,000 from the Recreational Trails Program grant (RTP) for the construction of a walking trail around Eastman Park at Horse Creek. The Local Park and Recreation Fund grant (LPRF) requires a 50/50 match and the Recreational Trails Program grant (RTP) requires an 80/20 match. These matching funds were appropriated through the FY08-09 CIP budget in the K-Play project (GP0911).

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 311: General Project Fund			
<u>K-Play (GP0911)</u>			
<u>Revenues:</u>			
	\$	\$	\$
311-0000-332-7201 Dept. of Conservation/LPRF	0	300,000	300,000
311-0000-332-7202 Dept. of Conservation/RTP	0	70,000	70,000
311-0000-368-10-35 Series 2009 A GO PUB IMP	403,421	0	403,421
311-0000-368-21-01 Prem. From Bond Sale	4,377	0	4,377
Totals:	407,798	370,000	777,798
<u>Expenditures:</u>			
	\$	\$	\$
311-0000-601-2022 Construction Contracts	400,000	335,600	735,600
311-0000-601-2023 Arch/Eng/Landscaping	0	34,400	34,400
311-0000-601-4041 Other Exp/Bond Sale Exp	7,798	0	7,798
Totals:	407,798	370,000	777,798

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.

DENNIS R. PHILLIPS, 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

Consideration of a Resolution Authorizing the Mayor to Execute an Agreement and a Budget Ordinance to Accept and Appropriate Funds from the Emergency Communication District of Kingsport for the Purchase of Centracom Elite Radio Dispatch Control Center Consoles

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

A handwritten signature in blue ink, appearing to read "John G. Campbell", is written over the printed name of the City Manager.

Action Form No.: AF-227-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 21, 2009
 Staff Work By: Deputy Chief Phipps
 Presentation By: Chief Osborne

Recommendation: Approve the resolution and ordinance.

Executive Summary:

The city currently operates four (4) control center consoles as part of a total of twelve (12) distributed between Sullivan County, Bristol and Kingsport Central Dispatches. An upgrade of all consoles, county and cities wide, are needed to replace outdated and discontinued equipment. Pursuant to the Interlocal agreement, a copy of a draft of which is attached, with the Emergency Communications District of Kingsport and the City of Kingsport, the ECD and the City will share in the cost of the Kingsport portion of the upgrade with the ECD paying \$36,410.94 and the City paying \$13,467.06 for a total of \$49,878.00. Sullivan County and Bristol will incur the proportional cost of the upgrade according to the number of consoles they operate. The total cost of the upgrade, cities and county wide, is \$149,632.00. The purchase of the consoles will be through Sullivan County.

Approval of the resolution will authorize the receipt of the funds from the Kingsport ECD, approve the purchase of the consoles through Sullivan County and authorize the mayor to sign the Interlocal agreement and all other documents necessary and proper to acquire the consoles. The ordinance will appropriate the funds to be received and the additional funds to complete the purchase.

Attachments:

1. Resolution
2. Ordinance
3. Draft of Interlocal Agreement

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN INTER-LOCAL COOPERATION AGREEMENT WITH SULLIVAN COUNTY AND OTHERS TO PURCHASE CENTRACOM ELITE RADIO DISPATCH CONTROL CENTER CONSOLES; ACCEPTING PAYMENT FROM THE EMERGENCY COMMUNICATIONS DISTRICT OF THE CITY OF KINGSPORT TOWARD THE COST OF THE CONSOLES; AUTHORIZING PURCHASE OF THE CONSOLES THROUGH SULLIVAN COUNTY, TENNESSEE; AND AUTHORIZING THE MAYOR TO EXECUTE ALL OTHER DOCUMENTS NECESSARY AND PROPER TO PURCHASE THE CONSOLES

WHEREAS, the city currently operates four (4) radio dispatch control center consoles as part of a total of twelve consoles distributed between central dispatch operations located in Sullivan County, Tennessee, Bristol, Tennessee and Kingsport, Tennessee; and

WHEREAS, an upgrade of all the consoles is needed to replace outdated and discontinued equipment; and

WHEREAS, the city desires to enter into an inter-local cooperation agreement between the County of Sullivan, Tennessee and the Sullivan County Emergency Communications District and the City of Kingsport, Tennessee and the Emergency Communications District of the City of Kingsport, Tennessee and Bristol, Tennessee Emergency Communications District to purchase Centracom Elite radio dispatch control center consoles to upgrade the old consoles; and

WHEREAS, pursuant to the inter-local agreement the city and the Emergency Communications District of the City of Kingsport will share four (4) Centracom Elite radio dispatch control center consoles for which they will pay a total sum of \$49,878.00 with the Emergency Communications District paying \$36,410.94 and the city paying \$13,467.06; and

WHEREAS, the consoles will be purchased through Sullivan County, Tennessee; and

WHEREAS, funding is provided in the Police Communications Department budget in the General Fund.

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, an inter-local cooperation agreement between the County of Sullivan, Tennessee and the Sullivan County Emergency Communications District and the City of Kingsport, Tennessee and the Emergency Communications District of the City of Kingsport, Tennessee and Bristol, Tennessee Emergency Communications District to purchase Centracom Elite radio dispatch control center consoles and all other documents necessary and proper to purchase the consoles.

SECTION II. That payment, in the amount of \$36,410.94, is accepted from the Emergency Communications District of the City of Kingsport for its share of total proportional cost, in the amount of \$49,878.00, incurred for purchase of four (4) Centracom Elite radio dispatch control center consoles to be shared by the city and the Emergency Communications District of the City of Kingsport.

SECTION III. That Sullivan County, Tennessee is authorized to purchase four (4) Centracom Elite radio dispatch control center consoles to be shared by the city and the Emergency Communications District of the City of Kingsport.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, 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 AMEND THE GENERAL PROJECT FUND BY APPROPRIATING FUNDS RECEIVED FROM THE EMERGENCY COMMUNICATION DISTRICT OF KINGSPORT AND BY TRANSFERRING FUNDS FROM THE POLICE DEPARTMENT COMMUNICATIONS OPERATING BUDGET TO PURCHASE CENTRACOM ELITE RADIO DISPATCH CONTROL CENTER CONSOLES FOR THE FISCAL YEAR ENDING JUNE 30, 2009; 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 and the General Project Fund budgets be amended by appropriating funds received from the Emergency Communication District of Kingsport in the amount of \$36,410 and by transferring funds from the Police Department Communications Division in the amount of \$13,468 to the Radio Dispatch Consoles project (GP0929) to purchase the Centracom Elite Radio Dispatch Control Center Consoles. The total cost of the Consoles is \$49,878.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 110: General Fund			
Revenues:			
110-0000-348-4000 E-911 Charges	\$ 266,500	\$ 36,410	\$ 302,910
Totals:	266,500	36,410	302,910
Expenditures:			
110-3060-446-9006 Purchases \$5,000 & Over	\$ 13,468	\$ (13,468)	\$ 0
110-4804-481-7036 Transf to General Proj Fund	1,088,629	49,878	1,138,507
Totals:	1,102,097	36,410	1,138,507
Fund 311: General Project Fund			
Radio Dispatch Consoles (GP0929)			
Revenues:			
311-0000-391-0100 From General Fund	\$ 0	\$ 49,878	\$ 49,878
Totals:	0	49,878	49,878
Expenditures:			
311-0000-601-9006 Purchases \$5,000 & Over	\$ 0	\$ 49,878	\$ 49,878
Totals:	0	49,878	49,878

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.

DENNIS R. PHILLIPS, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

AGREEMENT
BETWEEN
THE COUNTY OF SULLIVAN, TENNESSEE
AND
THE SULLIVAN COUNTY EMERGENCY COMMUNICATIONS DISTRICT
AND
THE CITY OF KINGSPORT, TENNESSEE
AND
THE EMERGENCY COMMUNICATIONS DISTRICT
OF THE CITY OF KINGSPORT, TENNESSEE
AND
BRISTOL TENNESSEE EMERGENCY COMMUNICATIONS DISTRICT
INTER-LOCAL COOPERATION AGREEMENT TO
PURCHASE CENTRACOM ELITE RADIO
DISPATCH CONTROL CENTER CONSOLES

DRAFT

DRAFT

THIS AGREEMENT made and entered into as of this 1st day of July, 2009, by and between The County of Sullivan, Tennessee, The Sullivan County Emergency Communications District, the Bristol Tennessee Emergency Communications District, the City of Kingsport and the Emergency Communications District of the City of Kingsport, Tennessee.

WITNESSETH

WHEREAS, each of the respective local governments herein has authorized, by appropriate action of its governing body, the joint purchase of Centracom Elite radio dispatch control center consoles for use in their respective facilities;

NOW, THEREFORE, the premises considered, the parties agree as follows:

1. **PURPOSE.** The Parties hereto have agreed to jointly purchase a total of twelve (12) Centracom Elite radio dispatch control center consoles at a total cost of One Hundred Forty-nine Thousand Six Hundred Thirty-two and 00/100's Dollars (\$149,632.00).
2. **KINGSPORT.** The Emergency Communications District of the City of Kingsport, Tennessee, and the City of Kingsport, Tennessee, shall share Four (4) Centracom Elite radio dispatch control center consoles for which they shall pay a total sum of Forty-nine Thousand Eight Hundred Seventy-eight and 00/100's Dollars (\$49,878.00).
3. **BRISTOL.** The Bristol Tennessee Emergency Communications District shall have Three (3) Centracom Elite radio dispatch control center consoles for which it shall pay a total sum of Thirty-seven Thousand Four Hundred Eight and 00/100's Dollars (\$37,408.00).

4. **SULLIVAN COUNTY.** The Sullivan County Emergency Communications District and the County of Sullivan, Tennessee, shall have Five (5) Centracom Elite radio dispatch control center consoles for which they shall pay a total sum of Sixty-two Thousand Three Hundred Forty-six and 00/100's Dollars (\$62,346.00).
5. **COOPERATION.** Each Party hereto recognizes and specifically acknowledges that the use of the Centracom Elite radio dispatch control center consoles by each of their respective emergency communications systems is inter-dependent upon the other. Therefore, any change to the Centracom Elite radio dispatch control center consoles that any of the parties hereto may wish to make in the future will affect the other parties hereto. Therefore, no party shall make any change to the Centracom Elite radio dispatch control center consoles which they shall purchase and use without the express consent of all the other parties.
6. **TERM.** This Agreement shall be for a continuing period of to extend until it is mutually agreed that it be terminated.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.



AGENDA ACTION FORM

Consideration of an Ordinance Re-Appointing Valerie Joh as the Designated Alderman for Disposal or Sale of Real Property

To: Board of Mayor and Aldermen
From: John C. Campbell, City Manager 

Action Form No.: AF:-233-2009
Work Session: July 6, 2009
First Reading: July 7, 2009

Final Adoption: July 21, 2009
Staff Work By: Mayor Phillips
Presentation By: Mayor Phillips

Recommendation: Approve the ordinance.

Executive Summary:

Section 2-462 of the City Code requires the appointment of a designated alderman by ordinance. The designated alderman evaluates and makes recommendations to the Board of Mayor and Aldermen on the disposal of surplus real property. The precise duties are set out in Sections 2-461 and 462 of the City Code. It is recommended that Alderman Valerie Joh be reappointed to this position. The term is a two-year term.

Attachments:

- 1. Ordinance

Funding source appropriate and funds are available: N/A

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE APPOINTING A MEMBER OF THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF KINGSPORT AS THE DESIGNATED ALDERMAN PURSUANT TO SECTION 2-462, KINGSPORT CITY CODE, TO DISPOSE OF SURPLUS REAL PROPERTY SUBJECT TO FINAL APPROVAL OF THE BOARD OF MAYOR AND ALDERMEN; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That in accordance with Section 2-462, Kingsport City Code, the Board of Mayor and Aldermen does hereby appoint Valerie Joh as the designated alderman for a two-year term with the authority set out in Section 2-462, Kingsport City Code.

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

DENNIS R. PHILLIPS, Mayor

ATTEST:

ELIZABETH A. GILBERT
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: July 7, 2009

PASSED ON 2ND READING: July 21, 2009



AGENDA ACTION FORM

Consideration of an Ordinance Authorizing the Collection of Delinquent Real Property Taxes

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager *John G. Campbell*

Action Form No.: AF-235-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 21, 2009
 Staff Work By: Billingsley
 Presentation By: Joe May

Recommendation: Approve the ordinance.

Executive Summary:

It is recommended that the Board consider having the Delinquent Tax Attorney take on a detailed review of the real and unpaid personal property taxes which remain due and owing. These tax accounts may in many, if not most, instances be uncollectible. For example, even before it can be determined whether an individual tax account can be collected, it will require substantial time and effort to make even the determination of whether the tax owed by an out of state trucking company is less than or greater than the cost of collection. With the approval of the Board, this review will be undertaken by the Delinquent Tax Attorney this year. Article XI of the Charter of the City of Kingsport sets forth matters relating to taxation and revenue. The procedure for the initiation of the collection process for real property taxes is found in Section 9 of the Article. Unlike some other powers exercised by the Board of Mayor and Aldermen, the collection of delinquent taxes must be directed by ordinance duly adopted by the Board of Mayor and Aldermen. This ordinance complies with that requirement.

Attachments:

- 1. Ordinance

Funding source appropriate and funds are available: _____

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

PRE-FILED
ORDINANCE NO. _____ CITY RECORDER

AN ORDINANCE TO PROVIDE FOR THE COLLECTION OF DELINQUENT REAL PROPERTY TAXES, PENALTIES AND INTEREST DUE THE CITY OF KINGSPORT FOR THE YEARS 2006 AND PRIOR; BY REFERRING SAME TO THE DELINQUENT TAX ATTORNEY; TO ESTABLISH PROCEDURES FOR SUCH COLLECTION; TO RATIFY AND CONFIRM ALL ACTIONS HERETOFORE TAKEN FOR SUCH COLLECTION; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the City Recorder is hereby directed to submit to Joseph E. May, Attorney at Law, as the Delinquent Tax Attorney, a certified list of all delinquent real property taxes due the City for the years 2007 and prior as provided by Article XI of the Charter of the City of Kingsport; and, any and all acts of the City Recorder heretofore taken by said Recorder in this regard are expressly ratified and confirmed in all ways.

SECTION II. That the Delinquent Tax Attorney, shall upon receipt of said certified list, as such, be authorized and directed, to send two letters to each delinquent taxpayer, the second of which shall state that thereafter, the Delinquent Tax Attorney shall cause to have published in the largest newspaper of general circulation within the City of Kingsport, a notice, including the listing set out in Section I hereinabove, to the delinquent taxpayers shown, that he will on or before September 30, 2009, commence suit in Chancery Court to enforce the City's liens on such property and to collect the taxes, penalties, interest and fees due there-on; and, any and all acts of the Delinquent Tax Attorney heretofore taken by said Attorney in this regard are expressly ratified and confirmed in all ways.

SECTION III. That after receipt of said delinquent list by the Delinquent Tax Attorney, and before filing any bill as herein provided, he is authorized to accept payment of all delinquent taxes, interests, penalties, costs and fees that have accrued, and, he may charge a fee of ten (10) per centum on the whole amount of taxes and interest collected as compensation for his services; and, any and all acts of the Delinquent Tax Attorney heretofore taken by said Attorney in this regard are expressly ratified and confirmed in all ways. Upon receipt by the City of the original tax and interest due, all claims or liens for taxes due the city shall be released.

SECTION IV. That after the bill is filed and at any time before sale under the suit, payment may be made to the Clerk & Master of the appropriate Chancery Court, and upon payment of the amount of taxes and interest, with such fees, penalties and costs if any, as have accrued when said payment is made, the Delinquent Tax Attorney shall be allowed to charge a fee of ten (10) per centum on the whole amount of taxes and interest collected, as compensation for his services; and, any and all acts of the Delinquent Tax Attorney heretofore taken by said Attorney in this regard are expressly ratified and confirmed in all ways.

SECTION V. That the Clerk and Master of the Chancery Court having jurisdiction is authorized to collect, on behalf of the City, all delinquent taxes, interest, fees, penalties, and court costs that is now due, or that shall come due, from the date of filing of an action for collection of same; and, to pay to the Delinquent Tax Attorney the costs as established by Order of the Court, and, fees as set by this Ordinance; and, any and all acts of the Clerk and Master of the Chancery Court having jurisdiction heretofore taken by said Clerk and Master in this regard are expressly ratified and confirmed in all ways.

SECTION VI. That at filing of said tax suit, the Delinquent Tax Attorney is further empowered, authorized and directed to move the appropriate Chancery Court to take any and all necessary steps to collect said taxes; and, any and all acts of the Delinquent Tax Attorney heretofore taken by said Attorney in this regard are expressly ratified and confirmed in all ways.

SECTION VII. That the Delinquent Tax Attorney shall not expunge or reduce the amount of taxes due and payable for any reason without the prior written consent of the City Recorder.

SECTION VIII. That the Delinquent Tax Attorney shall pursue the matter until such time as all monies are collected and remitted to the City, all court costs, and other costs, are paid, and a final order closing out the case has been entered.

SECTION IX. That upon execution by the Clerk and Master of a deed to the City, pursuant to a final Decree Confirming Sale of the Court, any real property so conveyed to the City in settlement of the lien of taxes shall be taken in custody by the City Recorder, and held or disposed of in the manner provided by statute.

SECTION X. That this ordinance shall take effect from and after its date of passage, the welfare of the City of Kingsport requiring it.

DENNIS R. PHILLIPS, Mayor

ATTEST:

ELIZABETH A. GILBERT
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Consideration of an Ordinance to Amend the FY 2010 General Purpose School Fund Budget.

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Agenda Form No.: AF-243-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 21, 2009
 Staff Work: David Frye
 Presentation: David Frye

Recommendation:

Approve an Ordinance amending the FY 2010 General Purpose School Fund Budget.

Executive Summary:

On June 19, 2009, the Board of Education approved a revised FY 2009-2010 General Purpose School Fund budget. The budget was originally approved on April 16, 2009 and was presented to the Board of Mayor and Aldermen on April 20, 2009. Since that time many revenue and expenditure estimates have changed. The General Purpose School Fund budget that was approved by the Board of Mayor and Aldermen included the revenue and expenditure estimates that were included in the original budget. Approval of this Ordinance will bring the actions of both the Board of Mayor and Aldermen and the Board of Education in line with each other.

Attachments:

1. Ordinance
2. BOE Budget Changes

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

PRE-FILED CITY RECORDER

ORDINANCE NO. ***

AN ORDINANCE TO AMEND THE SCHOOL FUND
BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS
ORDINANCE

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

SECTION I. That the School Fund budget be amended to ratify the Kingsport Board of Education's approval of the revised FY 2010 budget to increase the estimated revenue for BEP funds by \$126,800, Other State Education Funds by \$24,900, Current Year Property Taxes by \$22,800, Local Option Sales Tax by \$11,400, John Adams School-Age Child Care by \$45,000, Teacher Leader Reserve Appropriation by \$21,500, and Fund Balance Appropriation by \$330,000 and to increase the appropriations for Regular Education – Teacher Salaries by \$546,200, Health Insurance Premiums by \$64,000, Curriculum and Instruction – Textbooks by \$5,000, Adult Basic Education – Rental Fees by \$13,000, Regular Instruction Support – Supervisors Salaries and Benefits by \$15,000, Maintenance Salaries and Benefits by \$15,000, Office of the Superintendent - Other Contracted Services by \$37,950, John Adams – School-Age Child Care by \$45,000, Academic Initiatives – Staff Development by \$21,500, and Other Capital Outlay by \$330,000; to decrease the appropriations for Regular Education – Teacher Salaries and Benefits by \$343,200, Alternative Education – Teacher and Teacher Assistant Salaries and Benefits by \$79,900, Regular Education – Science Lab Equipment by \$20,600, Vocational Teachers Salaries and Benefits by \$6,200, Technology Salaries and Benefits for \$11,200, Adult Basic Education – Salaries and Benefits by \$37,650, Telephone Expense by \$10,000, and Transportation Equipment by \$1,500.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
Fund 141: School Fund			
<u>Revenues:</u>			
	\$	\$	\$
141-0000-338-6511 Basic Education Program	21,438,000	126,800	21,564,800
141-0000-338-6590 Other State Ed Funds	2,000	24,900	26,900
141-0000-339-0110 Current Year Prop. Taxes	13,965,000	22,800	13,987,800
141-0000-339-0210 Sales Tax	6,858,000	11,400	6,869,400
141-0000-349-3584 John Adams – SACC	0	45,000	45,000
141-0000-392-0800 Teacher Leader Res Appr	0	21,500	21,500
141-0000-392-0100 Fund Balance Appr	0	330,000	330,000
Totals:	42,263,000	582,400	42,845,400
 <u>Expenditures:</u>			
	\$	\$	\$
141-7150-711-0116 Reg Inst-Teachers	18,501,320	546,200	19,047,520
141-7650-871-0790 Capital Outlay-Other	165,000	330,000	495,000
141-7150-711-0207 Reg Inst-Health Ins	2,783,100	43,250	2,826,350

141-7158-711-0207	Alt Inst-Health Ins	20,600	300	20,900
141-7150-721-0207	Sp Ed Inst-Health Ins	392,550	4,850	397,400
141-7150-731-0207	Voc Ed Inst-Health Ins	119,650	1,750	121,400
141-7250-772-0207	Health Serv-Health Ins	49,900	650	50,550
141-7250-773-0207	Other Std Sup-Health Ins	122,800	1,300	124,100
141-7250-781-0207	Reg Ed Sup-Health Ins	132,150	1,850	134,000
141-7250-782-0207	Sp Ed Sup-Health Ins	17,600	300	17,900
141-7250-783-0207	Voc Ed Sup- Health Ins	12,950	150	13,100
141-7260-784-0207	Ad Ed Sup-Health Ins	3,750	50	3,800
141-7250-792-0207	Supt Office-Health Ins	51,750	450	52,200
141-7250-801-0207	Prin Office-Health Ins	180,450	1,850	182,300
141-7250-811-0207	Fiscal Affairs-Health Ins	24,950	300	25,250
141-7250-821-0207	Operations-Health Ins	369,900	3,700	373,600
141-7250-822-0207	Maintenance-Health Ins	153,900	1,600	155,500
141-7250-831-0207	Reg Trans-Health Ins	62,200	1,650	63,850
141-7154-711-0449	C & I-Textbooks	55,000	5,000	60,000
141-7260-784-0599	ABE-Other Charges	0	13,000	13,000
141-7250-781-0105	Reg Ed Sup-Supervisor	144,600	15,000	159,600
141-7250-822-0189	Maint-Other Salaries	598,500	12,050	610,550
141-7250-822-0201	Maint-Social Security	37,050	750	37,800
141-7250-822-0204	Maint-Retirement	109,700	2,000	111,700
141-7250-822-0212	Maint-Medicare	8,650	200	8,850
141-7250-792-0399	Superintendent-Contracts	66,000	37,950	103,950
141-7252-781-0457	Academic Init-Staff Dev	0	21,500	21,500
141-7312-861-0189	JA SACC-Wages	0	28,600	28,600
141-7312-861-0201	JA SACC-Social Security	0	1,750	1,750
141-7312-861-0204	JA SACC-Retirement	0	3,850	3,850
141-7312-861-0206	JA SACC-Life Insurance	0	100	100
141-7312-861-0207	JA SACC-Medical Ins	0	3,700	3,700
141-7312-861-0209	JA SACC-LTD	0	50	50
141-7312-861-0210	JA SACC-Unemployment	0	150	150
141-7312-861-0212	JA SACC-Medicare	0	400	400
141-7312-861-0355	JA SACC-Travel	0	400	400
141-7312-861-0499	JA SACC-Other Supplies	0	2,000	2,000
141-7312-861-0599	JA SACC-Other Charges	0	2,000	2,000
141-7312-861-0790	JA SACC-Other Equip	0	2,000	2,000
141-7150-711-0116	Reg Ed-Teacher Salaries	19,047,520	(270,000)	18,777,520
141-7150-711-0201	Reg Ed-Social Security	1,244,400	(16,800)	1,227,600
141-7150-711-0204	Reg Ed-Retirement	1,413,400	(16,800)	1,396,600
141-7150-711-0206	Reg Ed-Life Ins	89,850	(1,200)	88,650
141-7150-711-0207	Reg Ed-Medical Ins	2,826,350	(31,800)	2,794,550
141-7150-711-0209	Reg Ed-LTD	41,700	(1,200)	40,500
141-7150-711-0210	Reg Ed-Unemployment	24,350	(1,200)	23,150
141-7150-711-0212	Reg Ed-Medicare	291,450	(4,200)	287,250
141-7158-711-0116	Alt Ed-Teacher Salaries	367,050	(45,000)	322,050

141-7158-711-0163	Alt Ed-Inst Assistants	56,500	(14,150)	42,350
141-7158-711-0201	Alt Ed-Social Security	25,750	(3,650)	22,100
141-7158-711-0204	Alt Ed-Retirement	31,350	(5,100)	26,250
141-7158-711-0206	Alt Ed-Life Ins	1,600	(250)	1,350
141-7158-711-0207	Alt Ed-Medical Insurance	20,900	(10,300)	10,600
141-7158-711-0209	Alt Ed-LTD	1,150	(250)	900
141-7158-711-0210	Alt Ed-Unemployment	450	(300)	150
141-7158-711-0212	Alt Ed-Medicare	6,000	(900)	5,100
141-7154-711-0722	C & I-Inst Equipment	40,600	(20,600)	20,000
141-7150-731-0116	Voc Ed-Teacher Salaries	1,039,600	(5,450)	1,034,150
141-7150-731-0201	Voc Ed-Social Security	62,950	(350)	62,600
141-7150-731-0204	Voc Ed-Retirement	67,350	(350)	67,000
141-7150-731-0212	Voc Ed-Medicare	14,700	(50)	14,650
141-7250-781-0138	Technology-Salaries	446,950	(9,100)	437,850
141-7250-781-0201	Technology-Social Sec	88,400	(500)	87,900
141-7250-781-0204	Technology-Retirement	159,600	(1,500)	158,100
141-7250-781-0212	Technology-Medicare	20,850	(100)	20,750
141-7160-751-0116	ABE-Teacher Salaries	123,700	(32,450)	91,250
141-7160-751-0201	ABE-Social Security	7,650	(3,250)	4,400
141-7160-751-0204	ABE-Retirement	5,400	(1,450)	3,950
141-7160-751-0212	ABE-Medicare	1,800	(500)	1,300
141-7250-792-0307	Superintendent-Phone	185,000	(10,000)	175,000
141-7250-831-0729	Transportation-Equipment	90,250	(1,500)	88,750
Totals:		52,028,590	582,400	52,610,990

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.

DENNIS PHILLIPS, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: July 7, 2009

PASSED ON 2ND READING: July 21, 2009

KINGSPORT CITY SCHOOLS
 FY 2009-2010 BUDGET
 BUDGET CHANGES FOR BOARD OF EDUCATION CONSIDERATION

Current Approved Estimated Revenue **\$ 59,071,350**
 (Operational \$58,361,350 One-Time Capital Outlay \$710,000)

Additions to Estimated Revenue:

John Adams - School Age Child Care	\$ 45,000
BEP Funds - June Estimate	18,000
BEP Funds - Revised John Adams Revenue	28,800
BEP Funds - 1/10/10 Health Insurance Premium Increase (10%)	80,000
Other State Education Funds (ConnecTen)	24,900
Property Tax - Revised John Adams Revenue	22,800
Sales Tax - Revised John Adams Revenue	11,400
Teacher Leader Reserve Appropriation	21,500
Fund Balance Appropriation (one-time capital outlay)	330,000
Total Additions	\$ 582,400

Reductions to Estimated Revenue:

City Funding (Requested \$1,756,200 Received \$800,000)	\$ 956,200
Total Reductions	\$ 956,200

Revised Estimated Revenue **\$ 58,697,550**

(Operational \$58,067,550 One-Time Capital Outlay \$630,000)

Current Approved Budgeted Expenditures **\$ 59,071,350**

(Operational \$58,361,350 One-Time Capital Outlay \$710,000)

Additions to Budgeted Expenditures:

Health Insurance Increase (estimated 10% per State, effective 1/1/10) (Received notification May 28, 2009, Approved Budget included a 7.5% increase)	\$ 64,000
High-School Teachers (2.0)	114,400
Curriculum & Instruction - Math Textbooks	5,000
Adult Basic Education Program Rental Fees	13,000
Employment Contract Adjustments	30,000
Temporary Employment Contracts	37,950
John Adams - School Age Child Care	45,000
Teacher Leader Academy	21,500
Total Additions	\$ 330,850

KINGSPORT CITY SCHOOLS
 FY 2009-2010 BUDGET
 BUDGET CHANGES FOR BOARD OF EDUCATION CONSIDERATION

Reductions to Budgeted Expenditures:

Elementary Spanish Teachers (6 teaching positions @ \$57,200)	\$ 343,200
Elementary Alternative School Teacher	57,200
Elementary Alternative School Teaching Assistant	22,700
Non-Traditional Program Funds (Remaining budget = \$185,600)	114,400
Science Lab Equipment (Remaining budget = \$20,000)	20,600
Reduction of two 12-month contracts (1 to 11 months, 1 to 9 months)	17,400
Adult Basic Education Program	37,650
Telephone Expense	10,000
Transportation Radio	1,500
Purchase 1 School Bus Instead of 2	80,000
Total Reductions	\$ 704,650
Revised Budgeted Expenditures	\$ 58,697,550

(Operational \$58,067,550 One-Time Capital Outlay \$630,000)

Notes:

1. The second School Resource Officer at Dobyns-Bennett is funded in this budget.
2. The recommended budget only reduces the number of high-school teaching position by two. In order to balance this the non-traditional program has been reduced by \$114,400.



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute an Amendment to the Contract Between the City of Kingsport and the Tennessee Department of Environment and Conservation (TDEC)

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager *John G. Campbell*

Action Form No.: AF-191-2009
Work Session: July 6, 2009
First Reading: July 7, 2009

Final Adoption: July 7, 2009
Staff Work By: Ronnie Hammonds
Presentation By: Ryan McReynolds

Recommendation:

Approve the resolution.

Executive Summary:

Tennessee's solid waste act requires that landfill owners be able to demonstrate financial responsibility for future closure and post-closure activities. In June 1996, the City executed a contract in lieu of a performance bond. The present amount of financial assurance is \$1,764,342. This amount must be adjusted annually for inflation. The new amount of \$1,806,687 requires an amendment to the contract.

Attachments:

- 1. Resolution
- 2. Contract in Lieu of Performance Bond

Funding source appropriate and funds are available: N/A

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO THE EXISTING CONTRACT WITH THE STATE OF TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION REVISING THE AMOUNT OF FINANCIAL ASSURANCE REQUIRED FOR THE CITY OF KINGSPORT DEMOLITION LANDFILL LOCATED ON BROOKSIDE DRIVE

WHEREAS, in June, 1996, a contract, between the City of Kingsport and the State of Tennessee Department of Environment and Conservation, was executed in lieu of a performance bond to provide financial assurance in the amount of \$1,390,095 concerning closure/post-closure activities at the city's demolition landfill located on Brookside Drive; and

WHEREAS, the State of Tennessee Department of Environment and Conservation has changed the manner in which annual inflation adjustments are calculated for financial assurance concerning such closure/post-closure care activities; and

WHEREAS, the annual inflation adjustment calculation changes the amount of financial assurance required for the landfill to \$1,806,687; and

WHEREAS, an amendment to the existing contract with the State of Tennessee Department of Environment and Conservation must be executed to provide for the change in calculation of financial assurance required.

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, Chapter 10 of the Charter of the City of Kingsport, an amendment to the June 1996, contract with the State of Tennessee Department of Environment and Conservation revising the amount of financial assurance required for the city's demolition landfill located on Brookside Drive.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



STATE OF TENNESSEE
 DEPARTMENT OF ENVIRONMENT AND CONSERVATION
 Financial Responsibility Group
 Eighth Floor, L & C Annex
 401 Church Street
 Nashville, TN 37243
 (615) 532-0851

May 27, 2009

Certified Mail # 7007 2680 0001 5575 1990
 Return Receipt Requested

The Honorable Dennis R. Phillips
 Mayor of Kingsport
 City Hall, 225 West Center Street
 Kingsport, Tennessee 37660-4237

RE: Annual Inflation Adjustment of the financial assurance for the *City of Kingsport Demolition Landfill, Permit # DML 82-0016* as required by the Regulations of the Division of Solid Waste Management.

Dear Mayor Phillips:

All financial instruments held by the Department (Letters of Credit, Surety Bonds, Certificates of Deposit, Trust Funds, Certificates of Insurance, and Cash Bonds) must be adjusted annually for inflation by no later than the anniversary date of the issuance of the financial instrument.

Rule Chapters 1200-1-11-.06(8) and 1200-1-7-.03(3) state that the *inflation adjustment* may be made by recalculating the closure and/or post closure cost estimate in current dollars or by using an inflation factor derived from the most recent Implicit Price Deflator for the Gross National Product published by the U.S. Department of Commerce in its Survey of Current Business. The U. S. Department of Commerce does not make this information available until late March of each year.

The inflation factor to be used is 2.4%. The amount of your financial assurance instrument(s) from the Year 2008 must be multiplied by 1.024.

Please review the amount(s) listed for each permit listed below. If any changes or modifications to your permit(s) have occurred, please contact us as soon as you receive this letter. The due date(s) and projected amount(s) for the inflation adjustment(s) of your financial instrument(s) are as follows:

Facility Permit #:	Financial Instrument Type & No.:	Financial Instrument Anniversary Due Date:	Present Amount of Financial Assurance "On File"	Inflation Adjustment/ Increase Required:	Inflation Adjustment and Allowable Post-Closure Reduction:	Total "Required" Amount of Financial Assurance:
DML 82-0016	Contract	06-24-09	\$ 1,764,342.00	\$ 42,345.00	\$	\$ 1,806,687.00

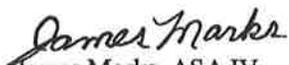
Please see the attached spreadsheets, which list in detail the amount of financial assurance required due to the 2009 annual inflation adjustment and/or post closure reduction (if applicable) for your permit(s). The spreadsheets also list the current amount of financial assurance on file for each permit.

PLEASE NOTE

- (1) If you have been advised by the TDEC Field Office that the required post-closure activities at a permitted site listed herein have *not* been performed to the satisfaction of the Field Office Staff, do *not* reduce your financial assurance instrument until the Field Office has approved the performance of the required post closure work.
- (2) Any County and/or Municipal Contract In Lieu of Performance Bonds incurring an annual inflation adjustment shall not be processed by amendment until the amount of the adjustment equals or exceeds FIVE THOUSAND DOLLARS (\$5,000.00).

If you have any questions, please call me at (615) 532-0848. Also, please submit the inflation adjusted financial instrument to the Financial Responsibility Group at the address listed on the letterhead as indicated above.

Respectfully,


James Marks, ASA IV
Financial Responsibility Group

CC: Fred Willingham, Manager of Solid Waste Management, Johnson City Field Office, TDEC

Enclosure: Customer Information Spreadsheets, Blank Contract and Blanks

Amendment of Contract in Lieu of Performance Bond

Whereas, Kingsport, TN and the State of Tennessee Department of Environment and Conservation, entered into a Contract in Lieu of Performance Bond (Copy attached) for proper operation and closure and/or post-closure of Kingsport Demolition Landfill, Registration Number DML 82-0016; and

Whereas, said contract included a provision allowing the Commissioner of Environment and Conservation to collect up to \$ 1,764,342.00 from any funds being disbursed or to be disbursed from the State to Kingsport, TN as financial assurance for said proper operation, closure and post-closure; and

Whereas, the State and Kingsport, TN desire to change the amount of said financial assurance from \$ 1,764,342.00 to \$ 1,806,687.00.

Paragraph 3 of the Agreement in Lieu of Performance Bond is amended as follows:

The figure "\$1,764,342.00" is deleted and the figure "\$ 1,806,687.00" is substituted in lieu thereof.

Date of Amendment to Contract May 27, _____ 2009

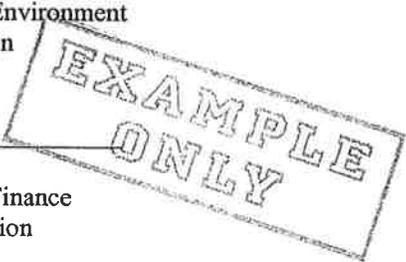
Commissioner
Department of Environment
and Conservation

Title: Mayor
For the City of Kingsport, TN

Commissioner
Department of Finance
and Administration

Title _____
For the County of: _____

Title _____
For _____



(Please Type or Complete Form in Ink and Submit Three (3) Signed Originals of this Document)

Amendment of Contract in Lieu of Performance Bond

Whereas _____ and the State of Tennessee Department of Environment and Conservation, entered into Contract in Lieu of Performance Bond (Copy attached) for proper operation and closure and/or post-closure of the _____, Register Number _____; and

Whereas, said contract included a provision allowing the Commissioner of Environment and Conservation to collect up to \$ _____ from any funds being disbursed or to be disbursed from the State to the _____ as financial assurance for said proper operation, closure and post-closure; and

Whereas, the State and _____ desire to change the amount of said financial assurance from \$ _____ to \$ _____.

Paragraph 3 of the Agreement in Lieu of Performance Bond is amended as follows:

The figure "\$ _____" is deleted and the figure "\$ _____" is substituted in lieu thereof.

Date of Amendment to Contract _____, 2009.
(Must have date of Official's signature)

Commissioner
Department of Environment
and Conservation.

Title _____
For the City of _____

Commissioner
Department of Finance
and Administration

Title _____
For the County of: _____

Title _____
For _____

(Please Type or Complete Form in Ink and Submit **Three (3)** Signed Originals of this Document)

Amendment of Contract in Lieu of Performance Bond

Whereas _____ and the State of Tennessee Department of Environment and Conservation, entered into Contract in Lieu of Performance Bond (Copy attached) for proper operation and closure and/or post-closure of the _____, Register Number _____; and

Whereas, said contract included a provision allowing the Commissioner of Environment and Conservation to collect up to \$ _____ from any funds being disbursed or to be disbursed from the State to the _____ as financial assurance for said proper operation, closure and post-closure; and

Whereas, the State and _____ desire to change the amount of said financial assurance from \$ _____ to \$ _____.

Paragraph 3 of the Agreement in Lieu of Performance Bond is amended as follows:

The figure "\$ _____" is deleted and the figure "\$ _____" is substituted in lieu thereof.

Date of Amendment to Contract _____, 2009.
(Must have date of Official's signature)

Commissioner
Department of Environment
and Conservation.

Title _____
For the City of _____

Commissioner
Department of Finance
and Administration

Title _____
For the County of: _____

Title _____
For _____

(Please Type or Complete Form in Ink and Submit **Three (3)** Signed Originals of this Document)

Amendment of Contract in Lieu of Performance Bond

Whereas _____ and the State of Tennessee Department of Environment and Conservation, entered into Contract in Lieu of Performance Bond (Copy attached) for proper operation and closure and/or post-closure of the _____, Register Number _____; and

Whereas, said contract included a provision allowing the Commissioner of Environment and Conservation to collect up to \$ _____ from any funds being disbursed or to be disbursed from the State to the _____ as financial assurance for said proper operation, closure and post-closure; and

Whereas, the State and _____ desire to change the amount of said financial assurance from \$ _____ to \$ _____.

Paragraph 3 of the Agreement in Lieu of Performance Bond is amended as follows:

The figure "\$ _____" is deleted and the figure "\$ _____" is substituted in lieu thereof.

Date of Amendment to Contract _____, 2009.
(Must have date of Official's signature)

Commissioner
Department of Environment
and Conservation.

Title _____
For the City of _____

Commissioner
Department of Finance
and Administration

Title _____
For the County of: _____

Title _____
For _____

(Please Type or Complete Form in Ink and Submit **Three (3)** Signed Originals of this Document)

FINANCIAL RESPONSIBILITY

CUSTOMER DATABASE

D	Solid Waste Management		Evaluated by:	JEM
(UST ONLY)	<input type="checkbox"/> FUND PARTICIPANT <input type="checkbox"/> ELIGIBILITY ASSUMED	<input type="checkbox"/> FUND PARTICIPANT <input type="checkbox"/> NOT FUND ELIGIBLE	<input type="checkbox"/> NOT PARTICIPATING IN THE FUND	
OWNER/ OPERATOR NAME	Kingsport Demolition Landfill			
ADDRESS	City Hall, 225 West Center Street			
	Kingsport, TN 37660-4237			
CONTACT PERSON	Mr. Dennis R. Phillips	Betsy Dale		
TITLE	Mayor	(423) 229-9493		
TELEPHONE #	(423) 229-9400			
FAX NUMBER				
CORPORATE PARENT/OWNER ADDRESS	City of Kingsport, TN			
CONTACT PERSON				
TITLE				
TELEPHONE #				
F				
HW INSTALLATION ID # (EPA)				
SOLID WASTE PERMIT #	DML 82-0016			
UST OWNER ID #				
RADIOLOGICAL HEALTH PERMIT #				
SUPERFUND PERMIT #				
GEOLOGY (OIL & GAS) PERMIT #				
WATER POLLUTION CONTROL (SURFACE MINING) PERMIT #				

FACILITY ID#(s) OR PERMIT #(s) UNDER THIS OWNER

FACILITY OR PERMIT
ID #

LOCATION OR ADDRESS

DML 82-0016

Kingsport, Tennessee

**Summary Sheet
Amount of Financial Assurance Required**

PERMIT ID # OR FACILITY ID # (s)	AMOUNT OF CLOSURE OPERATING CONTINGENCY (A) Attachment 1; 1,3,4	AMOUNT OF POST- CLOSURE (B)	AMOUNT OF 3RD PARTY LIABILITY (C)	AMOUNT OF COR- RECTIVE ACTION (D)	INSTRU- MENT TYPE AND ISSUE DATE (E)	ISSUING INSTITU- TION (F)	TOTAL AMOUNT OF FINANCIAL ASSUR. (G)
DML 82-0016	\$1,759,897.44	\$46,788.67					\$1,806,686.11
Total Required	\$1,759,897.44	\$46,788.67	\$0.00	\$0.00		Total (A,B,C,D)	\$1,806,686.11

Amount of Financial Assurance On File

PERMIT ID # OR FACILITY ID#(s)	AMOUNT OF CLOSURE OPERATING CONTINGENCY ON FILE (AA)	AMOUNT OF POST- CLOSURE ON FILE (BB)	AMOUNT OF 3RD PARTY LIABILITY ON FILE (CC)	AMOUNT OF COR- RECTIVE ACTION ON FILE (DD)	INSTRU- MENT TYPE AND ISSUE DATE (E)	ISSUING INSTITU- TION (F)	TOTAL AMOUNT OF FINANCIAL ASSUR. (G)
DML 82-0016	\$1,718,649.85	\$45,692.06			C 6/24/96	Kingsport, TN	\$1,764,341.91
Total on File	\$1,718,649.85	\$45,692.06	\$0.00	\$0.00		Total (AA,BB,CC,DD)	\$1,764,341.91
Net amount underfunded as of 05/26/2009	-\$41,247.59	-\$1,096.61					-\$42,344.20

ABBR. C - CONTRACT CB - CASHBOND, CHECK OR CASH CD - CERTIFICATE OF DEPOSIT CG-FT - CORPORATE GUARANTEE
FINANCIAL TEST CI - CERTIFICATE OF INSURANCE FT - FINANCIAL TEST GG - GOVERNMENT GUARANTEE LC - LETTER OF
CREDIT PB - PERFORMANCE BOND S - SECURITIES TF - TRUST FUND

Attachment 1 : Calculating Financial Assurance - Inflation Adjustment During the Operating Life of the Facility

Facility :	City of Kingsport Demolition Landfill					
Permit# :	DML 82-0016					
Initial Year Calculated :	2004					
YEAR (A) (establish date times next year inflation rate)	ANNUAL INFLATION FACTOR (B)	CLOSURE COST (1) (C)	POST CLOSURE COST (2) (D)	OPERATING COST (3) (E)	CONTINGENCY COST (4) (F)	TOTAL AMOUNT OF FINANCIAL ASSURANCE DUE (G)
Year	(18)Formula=	=C17*B18	=D17*B18		=F17*B18	=SUM(C18:F18)
1996	1.025	\$1,272,900.00	\$36,000.00	\$15,000.00	\$66,195.00	\$1,390,095.00
1997	1.020	\$1,298,358.00	\$36,720.00	\$15,300.00	\$67,518.90	\$1,417,896.90
1998	1.020	\$1,324,325.16	\$37,454.40	\$15,606.00	\$68,869.28	\$1,446,254.84
1999	1.010	\$1,337,568.41	\$37,828.94	\$15,762.06	\$69,557.97	\$1,460,717.39
2000	1.015	\$1,357,631.94	\$38,396.38	\$15,998.49	\$70,601.34	\$1,482,628.15
2001	1.021	\$1,386,142.21	\$39,202.70	\$16,334.46	\$72,083.97	\$1,513,763.34
2002	1.022	\$1,416,637.34	\$40,065.16	\$16,693.82	\$73,669.82	\$1,547,066.13
2003	1.011	\$1,432,220.35	\$40,505.88	\$16,877.45	\$74,480.18	\$1,564,083.86
2004	1.016	\$1,455,135.87	\$41,153.97	\$17,147.49	\$75,671.87	\$1,589,109.20
2005	1.022	\$1,487,148.86	\$42,059.36	\$17,524.73	\$77,336.65	\$1,624,069.60
2006	1.027	\$1,527,301.88	\$43,194.96	\$17,997.90	\$79,424.74	\$1,667,919.48
2007	1.030	\$1,573,120.94	\$44,490.81	\$18,537.84	\$81,807.48	\$1,717,957.07
2008	1.027	\$1,615,595.20	\$45,692.06	\$19,038.36	\$84,016.28	\$1,764,341.91
2009	1.024	\$1,654,369.49	\$46,788.67	\$19,495.28	\$86,032.67	\$1,806,686.11

(1) The estimated 3rd party cost to close the solid waste unit as submitted by owner/operator and as approved and amended by the Division of Solid Waste Management.

(2) The summation of the required years of post closure cost as submitted by the owner/operator and approved or amended by the Division

(3) Calculated at 100 tons per day for individual year x 30 days at \$6.35 per ton.

(4) Calculated at 5% of items (1+2+3) above.

Note: The total amount of financial assurance can be reduced after certification of closure by the sum of closure cost, operations cost, and contingency cost as established by the cumulative annual inflation adjustments at the point of closure.



Consideration of a Resolution Accepting the Amendment to the Sungard Agreement and Authorizing the Mayor to Sign all Applicable Documents

To: Board of Mayor and Aldermen
From: John Campbell, City Manager

Action Form No.: AF-222-2009
Work Session: July 6, 2009
First Reading: July 7, 2009

Final Adoption: July 7, 2009
Staff Work By: Smith/Wexler
Presentation By: Wexler/Demming

Recommendation:

Approve the resolution.

Executive Summary:

Sungard has submitted a price proposal to upgrade the existing Public Administration software by implementing the Naviline upgrade to move away from the current green screen. Naviline software will allow us to receive new releases and Sungard will maintain the support. Naviline is a windows based software, easy to use and provides more modern technology. The cost of the Naviline software is \$169,324.

It is difficult for Sungard to provide the support since their initiation of Naviline several years ago. Therefore, they no longer offer support for the green screen.

The funding was appropriated in the FY10 budget.

Attachments:

1. Resolution
2. Price Quote and Amendment to the Contract

Funding source appropriate and funds are available: _____

	Y	N	O
Shupe	—	—	—
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO THE EXISTING AGREEMENT WITH SUNGARD PUBLIC SECTOR, INC. AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT TO UPGRADE THE CITY'S PUBLIC ADMINISTRATION SOFTWARE

WHEREAS, SunGard Public Sector, Inc. has submitted a price proposal, in the amount of \$169,324.00, to upgrade the city's existing Public Administration software applications by implementing a Naviline software application to move away from the current green screen used by the city; and

WHEREAS, the price proposal constitutes an amendment to the city's existing software license and service agreement with SunGard Public Sector, Inc.; and

WHEREAS, the Naviline software will allow the city to receive new releases and allow SunGard Public Sector, Inc. to maintain support services; and

WHEREAS, because SunGard Public Sector, Inc. is the supplier for the city's AS400 system it is the sole source provider for the applications upgrade; and

WHEREAS, funding is appropriated in the fiscal year 2010 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, an amendment and all other documents necessary and proper to effectuate the amendment to the existing software license and service agreement with SunGard Public Sector, Inc. to upgrade the city's public administration software applications at a cost of \$169,324.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

SUNGARD® PUBLIC SECTOR

**City of Kingsport, TN (KING)
Investment Summary - NaviLine
March 27, 2008**

Rev 7 - 6/3/09

Applications	License Fees	Training Fees (1,3)	NaviLine Implementation Fees
NaviLine Migration Public Administration			\$7,000.00
CIS	\$20,235.00		
Work Orders/Facilities Management	\$10,770.00		
Accounts Receivable	\$6,345.00		
Asset Management I	\$3,660.00		
Cash Receipts	Included		
Fleet Management	\$8,685.00		
GMBA with Extended Reporting	\$17,947.50		
Payroll/Personnel	\$14,827.50		
Purchasing/Inventory	\$9,862.50		
Building Permits	\$6,045.00		
Business Licenses	\$3,165.00		
Code Enforcement	\$2,304.00		
Land Management	Included		
Tax Billing	\$39,180.00		
Planning and Engineering	\$14,497.50		
Sub Total Naviline Public Administration:	\$157,524.00		
NaviLine Migration Public Safety			
CAD400 - C3	\$15,879.00		
Crimes - CC	\$13,689.00		
Fires Suite - FS	\$6,750.00		
EMS Reporting - ES	Incl in Fires Suite		
Fires Incident Reporting - FI	Incl in Fires Suite		
Fire Prevention - FP	Incl in Fires Suite		
Fire Resource Activity Tracking - FR	Incl in Fires Suite		
Case Management - CS	\$10,005.00		
Sub Total Naviline Public Safety:	\$46,323.00		
DMS	Included		
QRep Catalogs - CJ	Included		
Help Card		\$4,800.00	
Totals	\$407,694.00	\$4,800.00	\$7,000.00
License Fees:	\$203,847.00		
Customer January 2009 Incentive:	(\$46,323.00)		
Training - Help Card:	\$4,800.00		
Hardware:	TBD Server to be purchased separately by client		
NaviLine Implementation Fees:	\$7,000.00		
Total up front costs:	\$169,324.00		

Prepared by Lynn Hunt, Account Executive. e-Fax 407.641.8998

Payment Terms:

- License fees, Help Card, Hardware, and Implementation Fees are due at contract execution, signed quote, or receipt of purchase order.
- New NaviLine Annual Support Fees attached to this quote reflect the new support fees on the NaviLine Licensed Programs and Customer's current support fees will be adjusted pro-rata accordingly. The attached annual support fees are effective upon SunGard HTE's receipt of Purchase Order and this Quote executed below. Support fees for subsequent terms of support will be due prior to the start of that term at the then prevailing rate. Support Services do not include maintenance on modifications made to the Licensed Program at Customer's request.
- The HELP Card is an annual subscription renewal and will be invoiced annually..
- Travel, out of pocket, and living expenses are not included in above pricing and will be invoiced as incurred. **Page 1 of 3**

Notes:

1. This quote constitutes a Supplement to the existing Software License and Services Agreement signed by SunGard Public Sector Inc. and Customer. Except as provided herein, all terms of the Agreement remain in full force and effect.
2. There is no testing and acceptance period. The warranty period is 120 days after the delivery date.
3. Licensed Programs may be used in machine-readable object code form only. Source Code is not provided.
4. Unless otherwise provided for herein, warranty, modification retrofit and maintenance offerings by SunGard Public Sector for its Licensed Program(s) do not apply to any third party hardware or third party software supplied under this Supplement. SunGard Public Sector does not make any warranties nor provide any source code for any non-SunGard Public Sector products unless otherwise provided herein. The return and refund policy of each individual third party hardware or third party software supplier shall prevail unless otherwise provided herein.
5. Pricing is for the application as-is. Any modifications or conversions will incur additional cost.
6. SCR and/or Conversions, if required, are payable 50% upon execution or receipt of purchase order and 50% upon completion.
7. Additional hardware and/or third-party software may be required. For hardware specifications and information, please contact Shelly May at HTE VAR - smay@htevar.com or (772) 871-9125.
8. Applicable taxes are not included in the above fees and if applicable, will be added to the amount in the payment invoices.
9. **Please indicate that your purchase is per the terms and conditions of this proposal dated: 3/27/2008**

The pricing, terms and conditions in this quote will be honored provided this quote is fully executed on or before July 28, 2009.		
City of Kingsport, TN Mr. Terry Wexler (423) 229-9480 225 W. Center Street Kingsport, TN 37660		
Authorized Signature	Date	Printed Name

Prepared by Lynn Hunt, Account Executive. e-Fax 407.641.8998
Source PB 3/20/2008

City of Kingsport, TN (KING)

Description	Greenscreen Annual Maintenance	Naviline Annual Maintenance (In lieu of Greenscreen annual maintenance)
CIS	\$ 14,650.00	\$ 13,490.00
Work Orders/Facilities Management	\$ 9,540.00	\$ 7,180.00
Accounts Receivable	\$ 4,590.00	\$ 4,230.00
Asset Management I	\$ 3,140.00	\$ 2,880.00
Cash Receipts - AS400	\$ 3,310.00	\$ 3,040.00
Fleet Management	\$ 7,620.00	\$ 5,790.00
GMBA with Extended Reporting	\$ 13,020.00	\$ 11,965.00
Payroll/Personnel	\$ 7,670.00	\$ 7,020.00
Purchasing/Inventory	\$ 7,150.00	\$ 6,575.00
Building Permits	\$ 4,300.00	\$ 4,030.00
Business Licenses	\$ 2,370.00	\$ 2,110.00
Code Enforcement	\$ 1,630.00	\$ 1,535.00
Land Management	\$ 3,310.00	\$ 3,160.00
Tax Billing	\$ 19,190.00	\$ 19,190.00
Retrofit Modification Option	\$ 7,900.00	\$ 7,900.00
Planning and Engineering	\$ 7,620.00	\$ 9,665.00
DMS - Document Management Services	\$ 960.00	\$ 1,015.00
QRep Administrator - H.T.E.	\$ 290.00	\$ 310.00
QRep End User H.T.E	\$ 2,320.00	\$ 2,320.00
QRep Catalogs for BP,CE,CR,CX,FA,FM,GM,LX,MR,OL,P	\$ 4,350.00	\$ 4,350.00
QRep Catalogs for PR - Second Library	\$ 290.00	\$ 310.00
QRep End User H.T.E	\$ 580.00	\$ 580.00
	<u>\$ 125,800.00</u>	<u>\$ 118,645.00</u>
		<u>\$ (7,155.00)</u>

CAD 400	\$ 11,510.00	\$ 10,585.00
CRIMES Management System	\$ 9,540.00	\$ 7,125.00
FIRES Management System	\$ -	\$ -
Case Management	\$ 6,290.00	\$ 6,670.00
Parking Tickets (Citations Management)	\$ -	\$ -
Fire Prevention System	\$ 1,160.00	\$ 870.00
Fire Incident Reporting	\$ 1,980.00	\$ 1,440.00
Fire Resources Activity Tracking	\$ 1,160.00	\$ 870.00
DMS - Document Management Services	\$ 960.00	\$ 1,015.00
	<u>\$ 32,600.00</u>	<u>\$ 28,575.00</u>
		<u>\$ (4,025.00)</u>



AGENDA ACTION FORM

Consideration a Resolution Authorizing the Mayor to Execute a Letter to Sullivan County for Business Personal Property Tax Review Services

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager *[Signature]*

Action Form No.: AF-225-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009
 Final Adoption: July 7, 2009
 Staff Work By: James Demming
 Presentation By: James Demming

Recommendation: Approve the resolution.

Executive Summary:

Attached for BMA consideration is a resolution authorizing the mayor to execute a letter and all other documents necessary and proper to the County agreeing to pay the fees described herein for accounts in the Kingsport corporate limits discovered by Tax Management Associates, Inc. (TMA) pursuant to its agreement with the County. Sullivan County is in the process of contracting with TMA to search for businesses that are required to, but are not filing personal property tax returns. Attached is a copy of the draft of the agreement, which further explains the service provided. According to the fee structure of this agreement, the County will be charged \$250.00 for each business location discovered and approved by the Assessor's office that has a cumulative account value, defined as the value of all taxable property owned within any tax year, including all previous taxable years summed together, that is equal to or greater than \$20,000.00. For locations discovered that have a taxable value of between \$5,000.00 and \$20,000.00, the cost to the County would be \$100.00. There would be no charge for discovered locations that have a taxable value of less than \$5,000.00.

See Supplemental Information.

Attachments:

1. Resolution
2. Draft Agreement between Sullivan County and Tax Management Associates, Incorporated
3. Email from Nelda Fleenor
4. Draft of a letter for the mayor's signature

Funding source appropriate and funds are available: _____

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LETTER TO SULLIVAN COUNTY AND ALL OTHER DOCUMENTS NECESSARY AND PROPER FOR THE CITY TO PARTICIPATE IN DISCOVERY OF PERSONAL PROPERTY TAXES NOT BEING FILED IN THE CITY OF KINGSPORT

WHEREAS, Sullivan County is in the process of contracting with Tax Management Associates, Inc. for discovery of businesses that are statutorily required to file a Business Personal Property Tax Listing Form but who are not currently doing so; and

WHEREAS, the city desires to participate in certain benefits of the contract by reimbursing Sullivan County for one-half (1/2) of the fees paid for discovered personal property within the corporate limits of Kingsport; and

WHEREAS, the fees for the city would be one hundred twenty-five dollars (\$125.00) when the cumulative account value, defined as the value of all taxable property owned within any tax year, including all previous taxable years summed together, is equal to or greater than \$20,000.00, and fifty dollars (\$50.00) when the cumulative account value is less than \$20,000.00; and

WHEREAS, the county has requested a letter from the city endorsing the effort and authorizing reimbursement to the county as indicated herein.

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, a letter to Sullivan County, Tennessee endorsing the effort of Sullivan County to identify businesses that are statutorily required to file a Business Personal Property Tax Listing Form but are not currently doing so, and to reimburse Sullivan County for one-half (1/2) of the fees paid to Tax Management Associates, Incorporated, pursuant to the agreement it has with Sullivan County for discovered personal property within the corporate limits of Kingsport, all as indicated above, and to execute all other documents necessary and proper to effectuate the purpose of the arrangement contained herein.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

SUPPLEMENTAL INFORMATION Action Form 225-2009

Executive Summary continued:

SUBJECT: Consideration of a Resolution Authorizing the Mayor to Execute a Letter to Sullivan County for Business Personal Property Tax Review Services

The agreement includes a provision that the County's total cost for this service would be limited to the total dollar amount billable by the County from the business locations discovered during this process.

Because some of these discovered business locations may be located within Kingsport's city limits, the County has requested that the City share in the costs incurred for those business locations. The County has proposed that the City reimburse the County for one-half (50%) of the fees paid (\$125.00 over \$20,000.00 and \$50.00 over \$5,000.00) for discovered business locations within Kingsport. These fees appear to be reasonable in relation to the amount of additional tax revenues that the City would receive. For example, using a \$1.95 tax rate on a taxable value of \$20,000 (before applying assessment ratio 30%) the billable taxes would be \$117.00.

The County has indicated that participation in this cost sharing arrangement by the Cities of Kingsport and Bristol is necessary in order for it to proceed with finalizing the agreement with TMA.

In addition to identifying these business locations for inclusion in future property tax assessments, the City may have opportunities for increased revenues related to business taxes that are not currently being paid to the City.

Also attached is a draft of the body of such letter. Funding is available in line item 110-4810-481-2020.

If additional information is needed, please advise.

TAX MANAGEMENT ASSOCIATES, INCORPORATED

AND

SULLIVAN COUNTY, TENNESSEE

DISCOVERY OF NON-FILING BUSINESSES CONTRACT

This Contract Addendum is made and entered into this _____ day of _____, 2009 by and between SULLIVAN COUNTY, a political subdivision of the State of Tennessee, hereinafter referred to as "COUNTY" and TAX MANAGEMENT ASSOCIATES, INC., a corporation authorized to conduct business in Tennessee, hereinafter referred to as "CONTRACTOR" or "TMA".

WITNESSETH:

WHEREAS, COUNTY and CONTRACTOR desire to enter into an agreement for the discovery of businesses failing to file certain taxes with the COUNTY;

THEREFORE, for and in consideration of the mutual covenants and agreements made herein, the parties agree as follows:

1. SERVICES

The COUNTY desires to enter into an agreement to include Discovery Services performed by CONTRACTOR. Discovery Services will find and list all businesses located within the COUNTY that are statutorily required to file a Business Personal Property Tax Listing Form but are not presently doing so. All businesses identified by CONTRACTOR will be verified by COUNTY before they are added to the COUNTY roll.

A. Collect electronic information from the local jurisdiction. COUNTY shall provide electronic copies of Returns and commercial and industrial real parcel information for the tax year under review. This information will include, for each business currently filing a Return in the jurisdiction, the business name, owner name, "doing business as" information, property address, mailing address, parcel identification number, and other like information which may help TMA identify unique business establishments and their locations.

B. Contact with list of potential businesses by mail. TMA will use internal resources and research methodology to identify business locations within the COUNTY which do not appear on the jurisdiction's tax roll. TMA shall generate correspondence to be sent to each business location outlining the statutory responsibility to file a Return and indicating COUNTY's intent to assess the business for personal property situated at a particular location. The correspondence shall also include a copy of COUNTY's personal property tax form and instructions, a return envelope addressed to TMA's contact center, and contact information for TMA. Such correspondence shall be signed by ASSESSOR or by his/her authorized designee.

C. TMA Contact Center. TMA shall make available to the COUNTY for the purpose of Discovery Services a contact center owned and managed by TMA and located in Charlotte, N.C. The contact center will house agents responsible for the collection and processing of mail, email, fax materials, and

phone calls with taxpayers. Through the contact center, TMA will manage the printing and mailing of all materials which go to identified accounts.

F. Canvass Methods: TMA shall use throughout the program all methods available and pertinent to a thorough review of business locations in the county. These methods may include phone calls to business locations, site visits and/or physical canvassing, or continued use of internet, mapping, or other resources to which TMA maintains access.

G. Application of values from internal CAVS process. TMA may use its Cost Analysis Valuation System ("CAVS") to determine an estimated taxable business personal property value associated with a particular business entity type. CAVS may be applied to any business entity determined to be actively operating in the jurisdiction but which failed to respond to requests for information by TMA and/or COUNTY personnel. CAVS values shall be considered an estimate of value based on best information, and shall be provided to the COUNTY as a guide and recommendation. All final values shall be the responsibility of the Assessor and/or his/her designated staff.

- a. TMA shall give access to and train designated COUNTY personnel how to use CAVS to determine an estimated value for business entities. An estimated value is based on average conditions and property density or capital investment based on like kind business entities. CAVS shall in no way be construed as an appraisal tool. CAVS is a proprietary, in-house application which shall be maintained by TMA. COUNTY may, upon termination of this Agreement, utilize the CAVS on a subscription basis pursuant to the terms of a separately negotiated, written agreement.

H. Training. If requested by COUNTY, TMA will provide training to designated County personnel on TMA's Discovery Services methodology.

I. Management Reporting. TMA shall provide to COUNTY a Project Manager. The Project Manager will be responsible for reporting progress, program results, problems and resolutions, and other general reporting functions to a designated COUNTY representative. TMA shall make the Project Manager available on a regular basis to provide such reporting as necessary to allow the COUNTY to realize all program progress and provide status reports.

2. COST AND PAYMENT FOR DISCOVERY SERVICES

- A. All expenses incurred by CONTRACTOR in performing discoveries under this Agreement including, but not limited to, travel, food, lodging, mileage, salaries, etc. shall be the responsibility of CONTRACTOR.
- B. The COUNTY will be responsible for supplying TMA with an electronic file containing all personal property accounts currently on the COUNTY's tax roll. From the date of transmission forward all additional accounts added to the rolls will be billable by TMA to COUNTY until the Discovery Program ceases.
- C. The COUNTY shall pay to CONTRACTOR, for the services furnished under this Agreement, a flat fee for each business location discovered and processed by TMA as described herein as allowed by Tennessee Statutes. The fee for each account shall be \$250.00, when the cumulative account value, defined as the value of all taxable property owned within any tax year, including all previous taxable years summed together, is equal to or greater than \$20,000.00, to be billed after the account has been reviewed and approved by the Assessor or his staff. For any account discovered which has less than

\$20,000.00 in personal property value cumulatively across all years of operation as applicable, the fee shall be \$100.00

- D. TMA agrees to allow the COUNTY to select a lower threshold of personal property value to be equal to or less than \$5,000.00 cumulative across all applicable years as a discoverable account. Any account with a reported, estimated, or assumed value below this threshold will not be processed by TMA, and will not be a billable account. TMA will return information on accounts meeting the definition of section D in a tabular format to the COUNTY, but will not process the account or attempt to collect more information about these locations or business operations.
- E. After processed accounts have been submitted to and accepted by the COUNTY, TMA shall invoice the COUNTY for applicable discovery fees on a monthly basis. TMA will allow the county up to thirty (30) days to review any accounts, beginning from the date accounts are received by the COUNTY. Invoiced fees will be due and payable within ten (10) days following billing date. If payment is not received by TMA within sixty (60) days from billing date, unpaid balance of fees will be subject to additional fees in the amount of one and one-half percent (1 1/2%) per month until payment is received.
- F. TMA will not bill the COUNTY for any files that are deemed to be uncollectable due to business closure or a mistake of fact related to TMA's work resulting in incorrect situs information or duration of business activity. TMA will not bill the COUNTY in fees associated with processed accounts in excess of the total dollar amount billable by COUNTY resulting from those accounts discovered by TMA during this process as outlined herein.
- G. All legal costs involving appeals resulting from a discovery shall be the responsibility of the COUNTY. TMA shall be responsible for defending its discovery findings throughout any appeals process without additional cost to the County. Defense of discovery findings shall include personal appearances at meetings with taxpayers or their representatives, and providing testimony and evidence at all hearings before the County Assessor of Property and at any other appeal level concerning information associated with the discovery of the business in question.
- H. Term. This contract shall include the discovery of all businesses not appearing on the 2009 tax roll. The contract will terminate on January 1, 2010 unless otherwise extended by a written addendum signed by both parties for a period of an additional one year.

The parties have expressed their agreement to these terms by causing this Contract Addendum to be executed by their duly authorized officer or agent. This Agreement shall be effective as of the date herein.

CONTRACTOR

COUNTY

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

**MUVICO AND FRANK THEATRES ANNOUNCE NEXT
GENERATION OF PREMIER ENTERTAINMENT EXPERIENCE
TO
SPOTSYLVANIA TOWNE CENTRE IN FREDERICKSBURG, VA**

FT. LAUDERDALE, FL (June 25, 2008)—Paragon Theaters, a subsidiary of Muvico Entertainment, L.L.C. (“Muvico”), and Frank Theatres (“Frank”) announced a joint venture to bring the next generation of premium entertainment to Spotsylvania Towne Centre in Fredericksburg, VA. This announcement supplements the earlier press release issued in 2007, which was prior to the operating affiliation of Muvico and Frank Theatres. The entertainment center will now consist of a 12-screen all stadium seated theater with over 2,000 seats, 24 lanes of upscale bowling, interactive gaming, a restaurant/bar and a VIP Premier section for both movies and bowling which can host private parties and corporate functions.

It is anticipated that construction will commence within 90 days, with an early Spring 2009 opening schedule. The new entertainment center will be situated south of the Spotsylvania Towne Centre Lifestyle project that is now under construction, and due north of the Residence Inn Hotel that will be opening by the end of 2008.

The “Entertainment Complex” will feature Muvico and Frank’s signature guest services that include valet parking, on-line ticketing, reserve seating and lane reservations. An expanded concession menu will feature traditional movie-going fare along with freshly prepared hot meals such as crispy chicken tenders, personal pizzas, buffalo wings, mini burgers and delicious frozen treats. A “full service” dining area will complete your entertainment experience . All screens will be curved wall-to-wall and will present digital projection allowing for the broadcasting of concerts and sporting events in selected auditoriums as well as 3D presentations.

The “Premier” Experience

Four of the auditoriums will be designated for Muvico’s signature and proven Premier experience. Guests ages 21 years and older can enjoy an adults-only environment that consists of reserved seating, oversized “love seats”, 8 lanes of upscale bowling, complimentary valet parking and popcorn, and a VIP bar for the ultimate entertainment experience.

Designed To “Wow”

“We are very excited to be partnering with Frank, to bring the finest entertainment experience available to Fredericksburg Virginia,” noted Muvico Theaters CEO and President Michael Whalen. “The world of theater exhibition is changing rapidly due to changes in technology and other forms of competing entertainment. It is not good enough to offer just movies, popcorn, and soda to our guests. This entertainment complex brings together signature food choices and various forms of entertainment to create the ultimate entertainment destination for kids, families, adults, and corporations to relax and play in an environment of their choice. As the innovators of the premium moviegoing concept, this is the next evolution of our strategy to bring a differentiated entertainment experience to our guests.”

“We share the excitement and opportunity to work with one of the movie industry’s greatest theatre companies, Muvico. Our experience in family entertainment and cinema will raise the level of the entertainment experience for an entire industry”, said Bruce Frank. “ We also are exceptionally pleased to be working with The Cafaro Company, who are the developers and owners of Spotsylvania Mall and the newly named Spotsylvania Towne Centre.”

“Muvico, with its innovative approaches and commitment to quality entertainment and service along with Frank Theater’s family entertainment experience, are a perfect match for our tenant mix at Spotsylvania Towne Centre,” noted Anthony Cafaro Sr. of The Cafaro Company, which has been a privately owned real estate developer and a pioneer in the retail industry since the 1940s. Today, with a portfolio of nearly 34 million square feet of commercial real estate in over 80 projects from the State of Washington to Virginia, Cafaro, together with its affiliated companies, is considered a recognized leader of shopping center development. “We are looking forward to the unique entertainment dimension that the entity formed by combining Muvico and Frank Theater’s will bring to Spotsylvania Towne Centre’s lifestyle offerings.”

Muvico Theaters, based in Fort Lauderdale, Florida, currently operates 14 theaters with 259 screens in Florida, Maryland, Illinois and Tennessee with 800 additional screens in various stages of development. For more information, contact 954-564-6550 or visit www.muvico.com.

Frank Theatres, based in Atlantic City, New Jersey and Jupiter, Florida, currently operates 16 theatres with 150 screens and Family Entertainment Centers in Florida, New Jersey, Pennsylvania, North Carolina, South Carolina and West Virginia with 200 additional screens and 6 Family Entertainment Centers planned. For more information contact 561-776-4747 or visit us @ www.franktheatres.com.

Spotsylvania Towne Centre is owned and operated by the Cafaro Company of Youngstown, Ohio. For additional marketing data contact Mark Gentry, Property Manager at propertymanager@spotsylvaniamall.com or Mandy Carmody, Marketing Director at marketingdirector@spotsylvaniamall.com. For leasing information, contact Gary Geramita at 330-747-2661, 2445 Belmont Avenue, Youngstown, OH 44504, email Gary at ggeramita@cafarocompany.com or visit website www.SpotsylvaniaTowneCentre.com . Leasing of Spotsylvania Towne Centre is handled jointly by Cafaro and Strategic Retail Advisors at 508-405-1918, 405 Cochituate Road, Suite 301, Framingham, MA 01701, or visit website www.sraretail.com.

Muvico is headquartered at 3101 North Federal Highway, 6th Floor, Ft. Lauderdale, FL 33306-1042.

Frank is headquartered at 1003 W. Indiantown Rd, Suite 210, Jupiter, Fl. 33458

From: Nelda Fleenor [mailto:purnelda@sullivancounty.org]
Sent: Tuesday, June 16, 2009 1:28 PM
To: Demming, Jim; jbroughton@bristoltn.org
Cc: 'Larry Bailey'; russellbaker@sullivancounty.org
Subject: SULLIVAN COUNTY DISCOVERY PROPOSAL (TMA) - 2009 TAX ROLL

Gentlemen:

Prior to Sullivan County signing an Agreement with TMA reference the above captioned subject, I need written (official letterhead) endorsement from each of you supporting this effort and authorizing reimbursement to Sullivan County for one-half of the fees paid [\$125 over \$20K and \$50 under \$20K] for discovered personal property within the corporate limits of your City. Please submit to me at your earliest convenience via e-mail @ purnelda@sullivancounty.org.

Thank you!

Nelda Fleenor

Nelda P. Fleenor
Sullivan County Purchasing Agent
3411 Highway 126-Suite 201
Blountville, TN 37617
423/323-6400 Phone
423/323-7249 Fax
423/279-2814 Direct

City Letterhead

July 8, 2009

Ms. Nelda Fleenor
Purchasing Agent
Sullivan County
3411 Highway 126 – Suite 201
Blountville, Tennessee 37617

Dear Ms. Fleenor:

I am pleased to advise you that the City of Kingsport endorses the effort of Sullivan County to identify businesses that are statutorily required to file a Business Personal Property Tax Listing Form but are not currently doing so. The city is agreeable to reimburse Sullivan County for one-half (1/2) of the fees paid to Tax Management Associates, Incorporated, pursuant to the agreement it has with Sullivan County for discovered personal property within the corporate limits of Kingsport. The city's share of the fee would be \$125.00 when the cumulative account value, defined as the value of all taxable property owned within any tax year, including all previous taxable years summed together, is equal to or greater than \$20,000.00. The city's share of the fee would be \$50.00 when the cumulative account value is less than \$20,000.00.

Please let me know if you need anything further.

Very truly yours,

Dennis R. Phillips
Mayor



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Apply for and Receive the Recovery Act – Energy Efficiency and Conservation Block Grant

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-226-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: R. McReynolds
 Presentation By: R. McReynolds

Recommendation: Approve the resolution

Executive Summary:

The City of Kingsport will be applying for the Recovery act – Energy Efficiency and Conservation Block Grant. These funds are formula based funds totaling \$219,100.00 determined by the population of Kingsport to be utilized in projects associated with energy efficiencies and conservation. These funds were made available through the federal ARRA legislation and there are no necessary matching funds.

The proposed projects for utilization of the funds are listed below:

- Bay's Mountain Green HVAC Initiative – This project consists of the installation of a hydrothermal lake loop and solar panels on top of the Planetarium. The solar panels will energize the pump transferring heat from the Heat Pump units to the Bay's Mountain Lake via the lake loop. The lake loops will then stabilize the need for additional electrical input for heating or cooling of the Planetarium.
- Traffic Signals LED Replacement – To date, the City of Kingsport has replaced approximately 50% of the City's traffic signals with lower electrical consuming LED bulbs. This effort has seen a \$20,000 per year savings in electric bills associated with Traffic Signals. The remaining signals will be replaced with this grant and similar electric savings are anticipated.

Attachments:

1. Resolution

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE RECOVERY ACT – ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT FUNDS

WHEREAS, grant funds, in an amount up to \$219,100.00, are available through a Recovery Act-Energy Efficiency and Conservation Block Grant; and

WHEREAS, if awarded the grant funds will be utilized in city projects associated with energy efficiencies and conservation; and

WHEREAS, no matching funds are required;

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, in an amount up to \$219,100.00 with no matching funds required, available through a Recovery Act-Energy Efficiency and Conservation Block Grant to be utilized in city projects associated with energy efficiencies and conservation.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute a Release Agreement and Power of Attorney for Homer Ryans and Audrey Ryans, and Tennessee Farmers Mutual Insurance Company.

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-151-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: Hughes
 Presentation By: Billingsley

Recommendation: Approve the resolution.

Executive Summary:

On 28 April, 2009, a Police Department vehicle was involved in a crash with a vehicle owned and operated by Audrey Ryans. The city contacted Ms. Ryans' insurance carrier, Tennessee Farmers Mutual Insurance Company for recovery of the cost of the totaled Police vehicle in the amount of three thousand seven hundred sixty dollars and zero cents (\$3,760.00). A signed release agreement is required to receive the payment and officially close this claim for property damage. The amount of three thousand seven hundred sixty dollars and zero cents (\$3,760.00) will be credited to the Fleet Settlement Revenue Account.

Attachments:

1. Resolution
2. Release Agreement

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A RELEASE AGREEMENT DISCHARGING HOMER RYANS, AUDREY RYANS, AND TENNESSEE FARMERS MUTUAL INSURANCE FROM ANY AND ALL CLAIMS WHATSOEVER ARISING FROM A VEHICLE ACCIDENT WHICH DAMAGED A CITY POLICE VEHICLE ON APRIL 28, 2009 AND AUTHORIZING THE MAYOR TO EXECUTE A POWER OF ATTORNEY FOR SALE OF THE POLICE VEHICLE TO TENNESSEE FARMERS MUTUAL INSURANCE

WHEREAS, on April 28, 2009 Audrey Ryans, driving a vehicle owned by Homer Ryans and Audrey Ryans, caused damage to a city police vehicle as a result of a vehicle accident; and

WHEREAS, costs to the city as a result of the police vehicle accident were in the amount of \$3,760.00; and

WHEREAS, reimbursement of the costs to the city is available from Tennessee Farmers Mutual Insurance upon execution of a release agreement and a power of attorney for sale of the totaled police vehicle to Tennessee Farmers Mutual Insurance.

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, a release agreement and a power of attorney, in consideration of the receipt of \$3,760.00, discharging Homer Ryans, Audrey Ryans and Tennessee Farmers Mutual Insurance from any and all claims whatsoever arising from a vehicle accident which damaged a city police vehicle on April 28, 2009,

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

ADOPTED this the 7th day of July, 2009.

DENNIS PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Consideration of a Resolution Awarding the Bid for the Purchase of Various Janitorial Supplies to Janpak Paper Supply Company for FY10

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-228-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: Committee
 Presentation By: S. Crawford, B. Morelock

Recommendation: Approve the resolution.

Executive Summary: Bids were opened on June 2, 2009 for the purchase of various janitorial supplies for use in City and Schools locations for FY10. It is recommended to award the bid for the purchase of the items contained therein to Janpak Paper Supply Company at an estimated annual cost of \$112,800.00. Additional information regarding price, packaging, delivery and quality differences between the various items offered for bid is contained in the attached recommendation memo.

Recognizing that industry wide price changes do occur with paper products, the City included the following provision in the bid document: "Prices will remain firm until an industry wide price increase or decrease occurs. At which time, the City will receive a written notice at least ten days prior to the effective date of the change in pricing stating such changes. Additional documentation regarding industry wide price changes will be required from the manufacturer through the vendor at the request of the City."

The terms and conditions contained in this invitation to bid included a renewal option clause which enables the City to award the purchase on an annual basis in one year increments up to three (3) additional years providing all terms, conditions and costs are acceptable to both parties.

Funding is identified in various City and Schools accounts.

Attachments:

1. Resolution
2. Bid Opening Minutes
3. Recommendation Memo

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

**A RESOLUTION AWARDING THE BID FOR PURCHASE OF
VARIOUS JANITORIAL SUPPLIES FOR FISCAL YEAR 2010 FOR
USE BY THE CITY AND KINGSPORT CITY SCHOOLS TO
JANPAK PAPER SUPPLY COMPANY**

WHEREAS, bids were opened June 2, 2009 for the purchase of various janitorial supplies for use by the city and Kingsport City Schools; and

WHEREAS, upon review of the bids, the board finds JanPak Paper Supply Company is the lowest responsive compliant bidder in the best interest and advantage to the city, and the City of Kingsport desires to purchase the janitorial supplies from JanPak Paper Supply Company at an estimated annual cost of \$112,800.00; and

WHEREAS, the bid included a renewal option clause which enables the city to award the purchase on an annual basis in one year increments up to three years providing all terms, conditions and costs are acceptable to the parties; and

WHEREAS, funding will be provided from various city and schools accounts.

Now therefore,

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

SECTION I. That the bid for purchase of various janitorial supplies for use by the city and Kingsport City Schools for fiscal year 2010 is awarded to JanPak Paper Supply Company at an estimated annual cost of \$112,800.00 and the City Manager is authorized to execute a purchase order for same.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES
BID OPENING
 June 2, 2009
 4:00 P.M.

Present: Sandy Crawford, Procurement Manager; and Brent Morelock, Assistant Procurement Manager

The Bid Opening was held in the Council Room, City Hall. The Procurement Manager opened with the following bids:

JANITORIAL SUPPLIES										
Est. Yr. Qty.	Est. Month. Qty.	Description	Bristol Office Supply, Inc. Unit Cost/ Est. Ann. Cost	The Ford System Unit Cost/ Est. Ann. Cost	General Sales of VA Unit Cost/ Est. Ann. Cost	JanPak Unit Cost/ Est. Ann. Cost	Pioneer Industrial Sales, LLC Unit Cost/ Est. Ann. Cost	ProForms, Inc. Unit Cost/ Est. Ann. Cost	Tri-State Com. Chemical and Paper Unit Cost/ Est. Ann. Cost	Unipak Corp. Unit Cost/ Est. Ann. Cost
300 CS	25 CS	Trash Can Liner, 15 x 9 x 32, Light Weight Plastic, 23 Mil. 1000/CS, Low Density	\$49.25 \$14,775.00	\$28.52 \$8,556.00	\$12.94 \$3,882.00	\$19.70 \$5,910.00	\$18.75 \$5,625.00	\$9.89 \$2,967.00	\$15.79 \$4,737.00	\$12.30 \$3,690.00
2,300 CS	190 CS	Trash Can Liner, 40 x 46 .78 Mil. Heavy Duty Plastic Color - White 25 Per Roll, 4 Rolls Per Case	\$18.99 \$43,677.00	\$16.00 \$36,800.00	\$11.71 \$26,933.00	\$10.25 \$23,575.00	\$11.78 \$27,094.00	\$9.89 \$22,747.00	\$11.95 \$27,485.00	\$9.48 \$21,804.00
Unknown	Unknown	Twin Jumbo Roll Tissue Dispensers, Equal to SCA 56T1	\$25.99	\$23.75	No Bid	\$5.00	No Bid	\$19.33	\$23.95	No Bid
Unknown	Unknown	Jumbo Roll Hand Towel Dispensers, Equal to SCA 84TR	\$46.98	\$12.50	No Bid	\$10.00	No Bid	\$35.14	\$28.95	No Bid
400 CS	33 CS	Household Type Roll Towel, 2-Ply White, 30 RL/CS	\$29.79 \$11,916.00	\$24.50 \$9,800.00	\$18.20 \$7,280.00	\$19.18/\$17.25 Alt \$7,672.00/\$6,900.00	\$18.35 \$7,340.00	\$19.75 \$7,900.00	\$22.90 \$9,160.00	No Bid
36 CS	3 CS	Mop Head Screw End, 24 Oz. Rayon, Sta-Flat Only 12/CS	\$99.99 \$3,599.64	\$57.60 \$2,073.60	\$63.60 \$2,289.60	\$49.94 \$1,797.84	No Bid	No Bid	\$69.50 \$2,502.00	No Bid
1,600 CS	133 CS	Jumbo Roll Toilet Tissue, Must be 3.96" in Width; 1,000' Per Roll With the Quality Being Equal to SCA TJ0922	\$33.49 \$53,584.00	\$29.30 Equal \$46,880.00	\$20.39/\$18.21 Alt \$32,624.00/29,136.00	\$24.77 \$39,632.00	\$37.81 \$60,496.00	\$23.66 \$37,856.00	\$28.49 \$45,584.00	No Bid
1,600 CS	133 CS	Brown Roll Towels, Must be 7 7/8" in Width; 800' Per Roll; 6 RL/CS With the Quality Being Equal to SCA RK800E	\$25.97 \$41,552.00	\$24.00 Equal \$38,400.00	\$17.40 \$27,840.00	\$19.76 \$31,616.00	\$26.30 \$42,080.00	\$18.25 \$29,200.00	\$22.99 \$36,784.00	No Bid
		Comments	N/A	N/A	Will only deliver once per week	Pricing on Dispensers W/Purchase of Corresponding Product	N/A	N/A	N/A	Samples Enclosed

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

Memorandum

Page 1

To: Purchasing

From: Randy Salyer, Facilities Maintenance Supervisor
Dennis Bishop, Schools Custodial Supervisor
Willie Neely, Schools Warehouse Coordinator

Re: Janitorial Supplies Bid Recommendation

Samples of the items offered from each submitter were requested and evaluated by the committee. As a result of the product evaluation the committee recommends awarding all items contained in this bid to Janpak for the following reasons:

- | | |
|--------------------------|--|
| 15x9x32 Trash Can Liner | The five products offered that were less expensive were made from high density plastic and as a result tore easily when punctured. The bid document asked for low density plastic because the material is stronger. |
| 40x46 Trash Can Liner | The product offered for evaluation from the low bidder was not as durable as those items offered from Janpak and Proforms. The difference between the prices from Janpak and Proforms is \$.36 per case. In order to be more efficient in reference to placing orders, receiving and stocking products and managing inventory we recommend awarding this line to Janpak so as to have one vendor for supplying our Janitorial items. |
| Tissue Dispensers | Award to the apparent low bidder – Janpak. |
| Hand Towel Dispensers | Award to the apparent low bidder – Janpak. |
| Household Roll Towels | Item number HB1995A from Janpak had more than two times the number of sheets per roll than did the three items that were less expensive. Pricing per case appears to be less expensive on the three items but the actual cost per sheet is more. |
| Mop Head Screw End | Award to apparent low bidder – Janpak |
| Jumbo Roll Toilet Tissue | Based on the weight of the samples submitted the product from Janpak contained more tissue per roll than the three lower priced offerings. |

Brown Roll Towels

The apparent low bidder did not offer pricing in reference to dispensers nor do they offer delivery of this item or other items offered on an as requested basis as our bid documents stated. Pro Forms submitted a price of \$18.25 per case verses \$19.76 per case from Janpak. The estimated annual price difference for these two items is \$2,416. The issue of dispensers must be considered when making a recommendation for this item. The committee estimates that as many as 260 dispensers will need to be replaced annually because of normal wear and tear, crossovers from single fold towels to brown roll towels, new construction projects and vandalism. The dispenser offered from Proforms, Inc. is \$35.14 each compared to \$10.00 each for the dispenser offered from Janpak. The estimated annual cost for dispensers from Proforms, Inc. is \$9,136 compared to \$2,600 from Janpak. Because a cost savings of \$6,536 could be realized from the dispensers alone, the committee recommends awarding the bid for Brown Roll Towels and the corresponding dispensers to Janpak.



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute a Lease Agreement with Regions Bank for Use of the Parking Lot Located at the Corner of West New Street and Clay Street

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager *[Signature]*

Action Form No.: AF-236-2009
Work Session: July 6, 2009
First Reading: July 7, 2009

Final Adoption: July 7, 2009
Staff Work By: R. Trent, C. McCart
Presentation By: C. McCart/M. Billingsley

Recommendation: Approve the Resolution.

Executive Summary:

The City of Kingsport has been in discussions with Regions Bank regarding the possibility of using the parking lot located at the corner of West New Street and Clay Street for use as parking during the construction of the Shelby Street parking garage. Regions Bank has graciously agreed to lease the parking lot to the city from July 2009 through July 1, 2010 at no rental charge to the city.

Attachments:

1. Resolution
2. Property Lease Agreement

Funding source appropriate and funds are available: _____

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT BETWEEN THE CITY OF KINGSPORT AND REGIONS BANK FOR USE OF THE WEST NEW STREET AND CLAY STREET PARKING LOT PROPERTY

WHEREAS, the City of Kingsport desires to enter into a lease agreement with Regions Bank for the parking lot property located at the corner of West New Street and Clay Street in the City of Kingsport, Sullivan County, Tennessee; and

WHEREAS, the property will be used for parking during the construction of the Shelby Street parking garage; and

WHEREAS, the lease agreement will be advantageous to and serve the public interest of the City of Kingsport.

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, a lease agreement with Regions Bank for the parking lot property located at the corner of West New Street and Clay Street in the City of Kingsport, Sullivan County, Tennessee for parking during the construction of the Shelby Street parking garage.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

PARKING LEASE AGREEMENT

THIS PARKING LEASE AGREEMENT (hereinafter "Lease") made as of July 1, 2009, by and between **REGIONS BANK, an Alabama state banking corporation** (hereinafter "Landlord") and **City of Kingsport, Tennessee, a municipality organized under the laws of the State of Tennessee** (hereinafter "Tenant").

WITNESSETH:

WHEREAS, Landlord is the owner of property located at 251 West New Street, Kingsport, Tennessee 37660 ("Landlord's Property"); and

WHEREAS, Landlord's Property contains a number of parking spaces; and

WHEREAS, Tenant desires to lease a portion of Landlord's parking area for Tenant's use and Landlord is agreeable to doing so.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **PREMISES**: Landlord leases to Tenant and Tenant leases from Landlord the premises more particularly described and shown outlined as the "Premises" on Exhibit "A" attached hereto and made a part hereof. Said Premises contains 94 parking spaces. Tenant accepts the Premises in "AS IS" condition, with all faults and without any warranties or representations by Landlord as to the condition thereof.

2. **TERM**: The term (hereinafter the "Term") of this Lease shall commence on the same date this Agreement is fully executed by Landlord and Tenant, (hereinafter "Commencement") and shall end July 1, 2010 (Lease Expiration Date). Landlord hereby grants to Tenant one (1) option to extend the term for one (1) additional year upon the same terms and conditions as set forth herein. Tenant shall exercise said option by giving Landlord written notice of its intention to do so no later than sixty (60) days prior to the expiration of the primary term. If Tenant fails to notify Landlord of its intention to exercise said option, the Term shall expire on the date set forth hereinabove.

3. **RENT**: No rent shall be due.

4. **USE OF THE PREMISES**: The Premises is leased for the sole purpose of providing additional parking for Tenant's employees and customers and for no other purpose.

Tenant agrees that it will not use or allow its customers and/or employees to use any portion of Landlord's remaining property for parking cars or for any other purpose.

Tenant may not and shall not assign its rights hereunder or sublet the Premises or any part thereof and any attempt to do so shall be void.

Tenant shall indemnify and hold harmless Landlord of and from all fines or penalties imposed by law arising by reason of the violation by Tenant of any laws, rules, ordinances or regulations or other governmental requirements relating to the conduct of business in the Premises, or the use or occupancy thereof, issued by any governmental authority having jurisdiction over the Premises.

Tenant agrees to conduct its business and control its agents, employees, invitees and visitors in such a manner as not to create any nuisance, or interfere with, annoy or disturb any other tenant or Landlord. There shall be no loitering in or about parking area.

5. **PUBLIC LIABILITY INSURANCE:** Throughout the Term, or any extensions thereof, Tenant shall maintain insurance against public liability for injury to person(s) (including death) or damage to property occurring on the Premises arising either directly or indirectly out of the use thereof by Tenant and all other licensees, employees, invitees or customers of Tenant. Such insurance shall be with minimum single limits of \$2,000,000.00 for personal injury, death or property damage and Landlord shall be named as additional insured under said policy. Tenant shall deliver to Landlord continuous certificates of such insurance naming Landlord as additional insured and containing an agreement by the insurer that said policy may not be cancelled without at least ten (10) days prior written notice to Landlord.

6. **INDEMNIFICATION:** To the extent permitted by Tennessee law, Tenant shall save, defend and hold Landlord harmless from and against any and all losses, claims, damages, suits, causes of action and costs, including but not limited to attorneys' fees and costs of litigation, as well as, the cost of any appeal resulting there from arising after the commencement of the Term hereof in connection with any injury to person or property or from loss of life sustained in or about the Premises. It is the intention and agreement that Landlord shall not be liable and Tenant shall indemnify and hold harmless Landlord from and against any personal injuries or damage to Tenant or its officers, agents, and employees or to other persons or to any occupant of the Premises or for any injury to property of Tenant or of any occupant of any part of the Premises, irrespective of how the same may be caused.

7. **SECURITY AND MAINTENANCE:** Landlord will not provide security for the Premises and Tenant shall be responsible for providing whatever security it deems necessary to secure the Premises. Landlord shall have no liability for theft, damage or bodily

harm occurring on the Premises. Any security measures proposed by Tenant shall be presented to Landlord, in writing, and Landlord shall have approved such, in writing, prior to their installation and/or implementation. Landlord shall have no duty to maintain or illuminate the Premises.

During the Term, Tenant, at Tenant's sole cost and expense, agrees to maintain and repair the Premises and keep the Premises in a neat and orderly condition free from all hazards, trash and debris. Tenant will, at Tenant's own cost and expense, repair or replace any damage or injury done to the Premises, or any part thereof, caused by Tenant or Tenant's agents, employees, invitees or visitors. If Tenant fails to perform such maintenance or make such repairs or replacements promptly, or within thirty (30) days after occurrence, Landlord may in any event, at its option, make such repairs or replacements and Tenant shall repay the cost thereof to Landlord on demand. Tenant will not commit or allow any waste or damage to be committed on any portion of the Premises, and shall, at the termination of this Lease, by lapse of time or otherwise, deliver up the Premises to Landlord in as good condition as at date of possession of Tenant, ordinary wear and tear excepted, and, upon such termination of Lease, Landlord shall have the right to re-enter and resume possession of the Premises.

8. **OPTION TO CANCEL:** Either party may terminate this Agreement with thirty (30) days written notice to the other party of such election.

9. **NOTICE:** All notice or demands required or permitted to be given or served pursuant to this Agreement shall be deemed to have been given or served only if in writing, postage and or shipping charges pre-paid and sent by FedEx or Certified Mail, Return Receipt Requested:

LANDLORD:

Regions Bank
Attention: Portfolio Administration
250 Riverchase Parkway, Suite 600
Birmingham, AL 35244

TENANT:

Office of the City Manager
225 West Center Street
Kingsport, Tennessee 37660

with copy to:
Office of the City Attorney
225 West Center Street
Kingsport, Tennessee 37660

Notice will be deemed given when sent pursuant to the provision hereinabove and when such notice has been received or refused by the other party. Either party may change the above addresses by serving notice to the other as provided above.

10. **SURRENDER OF PREMISES UPON TERMINATION:** At the end of the Term hereof, Tenant shall surrender the Premises to Landlord without notice or demand by Landlord in as good a condition as exists as of the date hereof.

11. **GENERAL PROVISIONS:**

(a) This Agreement shall be governed by the internal laws of the State of Tennessee without regard to and excluding its principles of conflicts of laws.

(b) The parties further agree that upon request, they shall do such further acts and deeds, and shall execute, acknowledge, deliver and record such other documents and instruments, as may be reasonably necessary from time to time to evidence, confirm or carry out the intent and purposes of this Agreement.

(c) All representations, agreements, covenants and warranties made herein shall survive the termination or expiration of the Lease provided for herein.

(d) If any one or more of the provisions hereof shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity or enforceability of any other provision hereof, which shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. The parties intend that if any provision hereof is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning that renders it valid. The section headings are for convenience only and shall not affect the construction hereof.

(e) Time is of the essence in the performance of each party's respective obligations.

(f) This Lease may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one in the same instrument, and it shall not be necessary that any single counterpart bear the signatures of all parties.

(g) Unless expressly stated to be exclusive, no remedy conferred herein shall be deemed to be exclusive of any other remedy conferred herein or any other remedy now or hereafter available at law or equity. All remedies conferred herein, and all remedies now or hereafter available at law or equity, shall be deemed to be cumulative and not alternative, and may be enforced concurrently or successively.

(h) All periods of time shall include Saturdays, Sundays and legal holidays; provided that, if the last day to perform any act or give notice falls on a Saturday, Sunday or legal holiday, then such act or notice shall be timely performed if given on the next succeeding business day.

(i) This Lease constitutes the entire agreement between the parties pertaining to the subject matter contained herein and supersedes all prior and contemporaneous agreements,

representations and understandings, oral or otherwise, between or among the parties with respect to the matters contained herein.

(j) This Lease shall not be modified, amended or supplemented, in whole or part, without the prior written consent of all parties hereto. Each and every waiver of any covenant, representation, warranty or other provision hereof must be in writing and signed by each party whose interests are adversely affected by such waiver. No waiver granted in any one instance shall be construed as a continuing waiver applicable in any other instance.

(k) If any legal action or other proceeding is brought for the enforcement hereof, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions hereof, the successful or prevailing party or parties shall be entitled to recover attorneys' fees, court costs and all expenses even if not taxable as court costs (including, without limitation, all such fees, costs and expenses incident to appeals), incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.

(l) The parties hereby agree that each party and its attorneys have reviewed and revised this Lease and that the normal rule of construction, to the effect that any ambiguities are resolved against the drafting party, shall not be employed in the interpretation of this Lease and no other rule of strict construction shall be used against any party. All exhibits and schedules attached or to be attached hereto, and all other agreements and instruments referred to herein, are hereby incorporated by reference into this Lease, as fully as if copied herein verbatim.

(m) The words "hereof", "herein", "hereunder", and other words of similar import refer to this Lease as a whole and not to any specific article, section or subsection hereof. The word "party" or "parties" means only those persons or entities who are signatories to this Lease. The terms "include," "includes," "including," or words of like import, shall be construed as being without limitation to the matters or items thereafter specified, notwithstanding any rule of construction to the contrary, unless an intention to be so limited is clearly expressed. Unless expressly otherwise provided herein, the terms "and" and "or" as used in this Lease means one or other or both, or any one or ones or all, of the items, entities or persons in connection with which the words are used.

THIS AGREEMENT SHALL NOT BE RECORDED.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

LANDLORD:

Regions Bank, an Alabama
state banking corporation

BY: _____

TITLE: _____

TENANT:

City of Kingsport, Tennessee

BY: _____

TITLE: _____

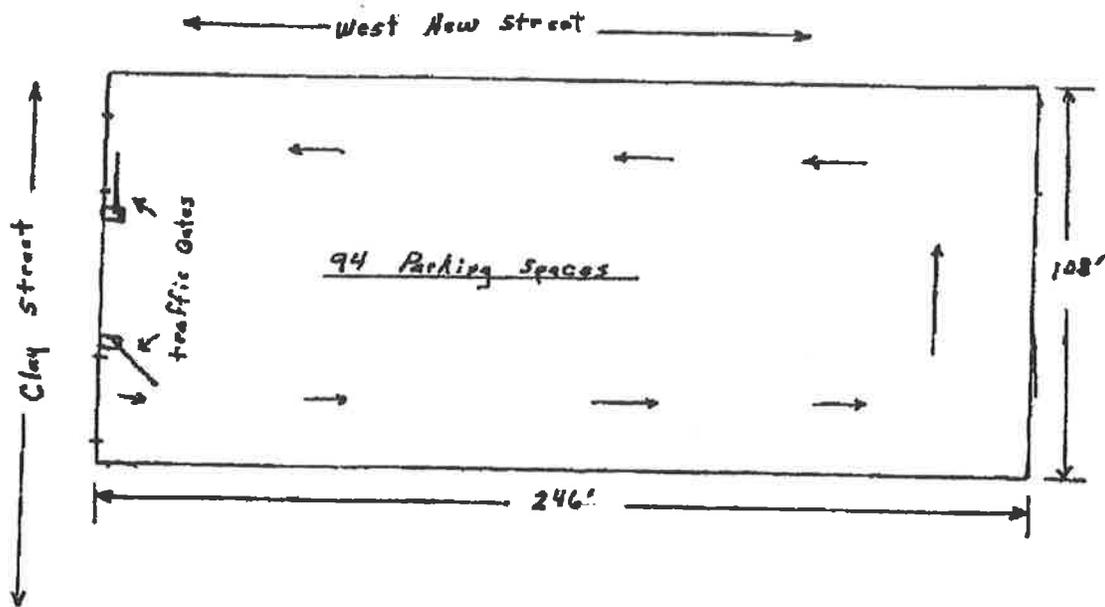
ATTEST:

City Recorder

APPROVED AS TO FORM:

City Attorney

Exhibit A



Regions Bank Parking Lot
251 West New Street
Kingsport, TN. 37660





AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute a Right-of-Way Easement with Kingsport Power Company

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-237-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: R. Trent, R. McReynolds
 Presentation By: R. McReynolds

Recommendation: Approve the Resolution.

Executive Summary:

American Electric Power has requested a right-of-way easement from the City of Kingsport in order to install electric power lines and communication lines which will service the restroom facilities at Dogwood Park. While the easement is for American Electric Power, it is in the name of its subsidiary, Kingsport Power Company.

Attachments:

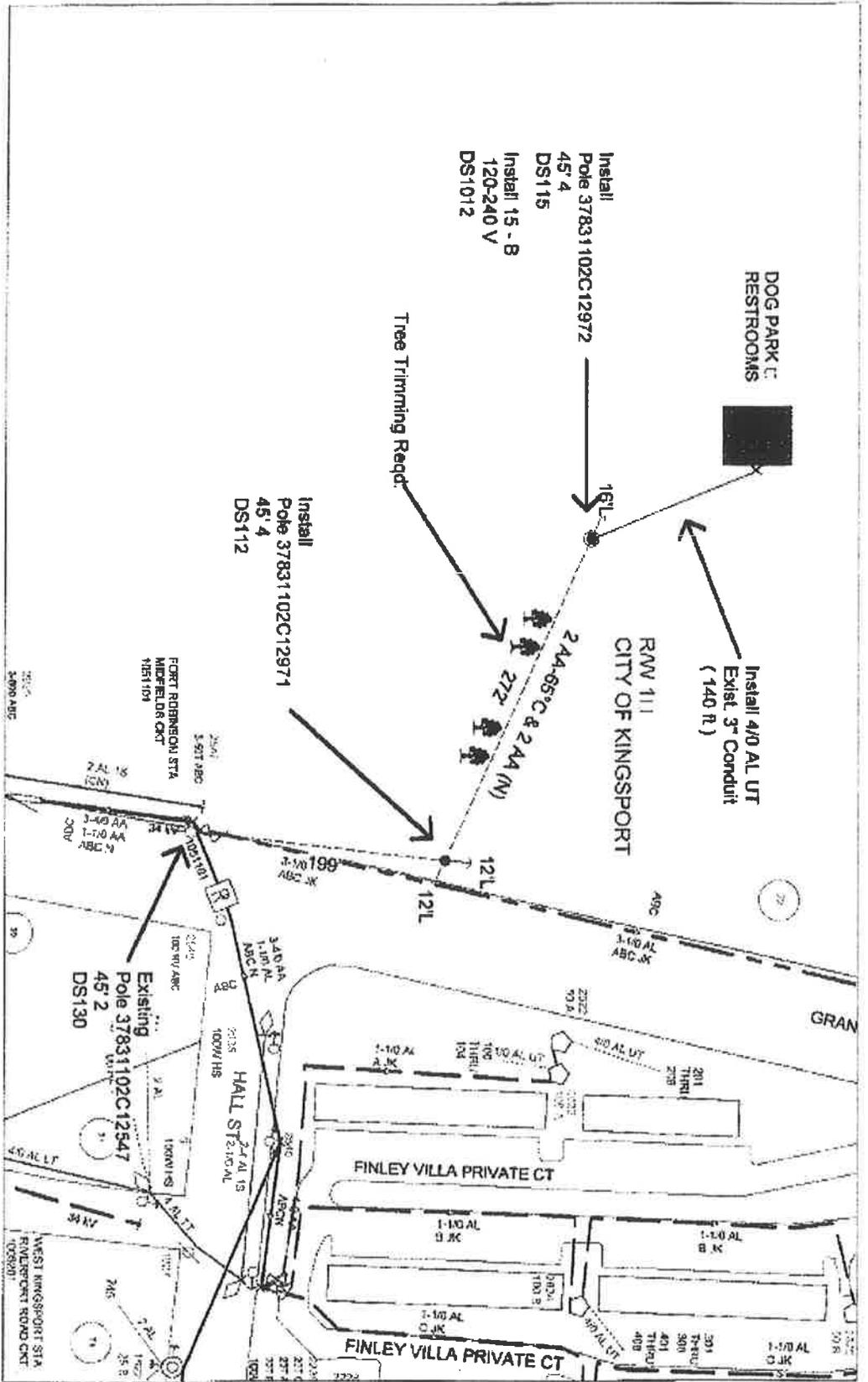
1. Right-of-Way Sketch and Easement
2. Resolution

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

An LD-Pro® Worksketch

Job Name: CITY OF KINGSFORT		Date Requested: 3/15/2009		Bucket Truck?: Y	
Location: 800 GRANBY RD		Date Required: 3/19/2009 3:25:52 PM		Truck to Site?: Y	
Division: KP	District: Kingsport	Crew HQ: Kingsport Const	Station No.: 10511	Country: SULLIVAN	Circuit No.: 01
W/R#: 28941584	WC#: DKP0031283	Site/Circuit Name: FORT ROBINSON / MIDFIELDS	Phases: B	Map: 1102-C1	
JU Proposal(s):		Volage: 19.9	Date: 5/20/2009	Quad: 3783	
RM#: 09560026		Drawn By: K ROBINETTE	Print #:	Scale: NTS	
INSTALL 2 POLES, XFMR AND URD SERVICE			Page: 1 of 1		



Kingsport, TN 37660 Line Dog Park Restrooms

THIS AGREEMENT, made this 12th day of June, 2009, by and between CITY OF KINGSFORT, a municipal corporation organized and existing under the laws of the State of Tennessee, herein called "Grantor", and KINGSFORT POWER COMPANY, a Virginia corporation, herein called "Kingsport",

WITNESSETH:

That for and in consideration of the sum of One Dollar (\$1.00), cash in hand paid to Grantor by Kingsport, the receipt whereof is hereby acknowledged, Grantor hereby grants, conveys and warrants to Kingsport, its successors, assigns, lessees and tenants, a right of way and easement for an electric power line or lines, and communication lines, in, on, along, through, over, across or under the following described lands of the Grantor situated in 12th Civil District, County of Sullivan, State of Tennessee and bounded:

On the North by the lands of Ft. Robinson Realty Corp.

On the East by the lands of

On the South by the lands of Lowes Home Centers, Inc.

On the West by the lands of Vulcan Lands Inc.

This line extends in a Northwesterly direction from Kingsport's existing Pole numbered 1102-C1-2547 to and including new Poles numbered 1102-C1-2971 & 2972.

In the event Kingsport should remove all of said Kingsport's facilities from the lands of the Grantor, then all of the rights, title and interest of the party of Kingsport in the right of way and easement herein above granted, shall revert to the Grantor, its successors and assigns.

Being a right of way easement over the same property conveyed to Grantors herein by Bobby Joe Rotenberry & Sylvia C. Rotenberry, by deed dated October 7, 1974, and recorded in Sullivan County, Deed Book No. 40C, Page 460.

Map 045 B, Group C, CTL Map 045 B, Parcel 001.00.

TOGETHER with the right, privilege and authority to Kingsport, its successors, assigns, lessees and tenants, to construct, erect, install, place, operate, maintain, inspect, repair, renew, remove, add to the number of, and relocate at will, poles, with wires, cables, crossarms, guys, anchors, grounding systems and all other appurtenant equipment and fixtures (hereinafter called "Kingsport's Facilities"), and string wires and cables, adding thereto from time to time, across, through, or over the above referred to premises; the right to cut down, trim, and/or otherwise control, and at Kingsport's option, remove from said premises, any trees, overhanging branches, buildings or other obstructions which may endanger the safety of, or interfere with the use of Kingsport's Facilities; and the right of ingress and egress to and over said above referred to premises, and any of the adjoining lands of the Grantor at any and all times, for the purpose of exercising and enjoying the rights herein granted, and for doing anything necessary or useful or convenient in connection therewith.

It is understood and agreed between the parties hereto, that the Grantor reserves the right to use said lands in any way not inconsistent with the rights herein granted.

TO HAVE AND TO HOLD the same unto Kingsport Power Company, its successors, assigns, lessees and tenants.

It is agreed that the foregoing is the entire contract between the parties hereto, and that this written agreement is complete in all its terms and provisions.

IN WITNESS WHEREOF, Grantor has caused its corporate name and seal to be hereunto affixed the day and year first above written.

CITY OF KINGSPORT

By: _____
Mayor

Attest: _____

City Recorder

STATE OF TENNESSEE)
COUNTY OF _____) To-wit:

Before me, _____ of the State and County aforesaid, personally appeared _____, with whom I am personally acquainted, and who, upon oath, acknowledged him/herself to be _____ Mayor of _____, the within named bargainor, a municipal corporation and that he/she as such _____ Mayor, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the municipal corporation by him/herself as _____ Mayor.

Witness my hand and official seal in _____ County, Tennessee, this _____ day of _____, 20__.

Notary Public

My Commission Expires:

I, or we, hereby swear or affirm that the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$ 1.00, which amount is equal to or greater than the amount which the property transferred commanded at a fair and voluntary sale.

KINGSPORT POWER COMPANY

By: _____

STATE OF TENNESSEE)
COUNTY OF SULLIVAN) To-wit:

Subscribed and sworn to before me this the _____ day of _____, 20__.

My Commission Expires:

Notary Public

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A
RIGHT-OF-WAY EASEMENT WITH KINGSPORT POWER
COMPANY**

WHEREAS, the City of Kingsport has requested American Electric Power provide electrical power to the restroom facilities located at Dogwood Park; and

WHEREAS, in order to provide and install electric power lines and communication lines, American Electric Power has requested that the City of Kingsport execute a Right-of-Way Easement to Kingsport Power Company, a subsidiary of American Electric Power; and

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, a Right-of-Way Easement with Kingsport Power Company.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Consideration of Resolutions Authorizing Change Orders to the Contract with, and Final Payment to, C&T Construction Company for the V.O. Dobbins Demolition Phase and Authorizing the Mayor to Execute all Documents Necessary for the Change Orders and Final Payment.

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager

Action Form No.: AF-238-2009
Work Session: July 6, 2009
First Reading: July 7, 2009

Final Adoption: July 7, 2009
Staff Work By: D. Mason
Presentation By: Campbell

Recommendation: Approve the resolutions.

Executive Summary:

The contract for the Demolition Phase of the Additions and Alterations to the V.O. Dobbins Community Center, with C&T Construction Company is currently for \$418,753.64. (GP0726)

In order to provide additional space for the planned parking lot addition and storm water retention basin, the demolition of the structure at 327 Louis Street was added to the scope of work. The cost for this demolition is reflected in Change Order No. 2 in the amount of \$3,470.04. Funding for this change order is provided from the Building Dept's funds for demolishing structures.

Various unforeseen and changing conditions resulted in additions and deletions to the scope of work causing a net increase to the project cost reflected in Change Order No. 3 in the amount of \$1,409.62. Funding for this change order is available in project GP0726.

Attachments:

- 1. Resolution for Change Order No. 2
- 2. Resolution for Change Order No. 3
- 3. Change Order No. 2
- 4. Change Order No. 3

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

Funding source appropriate and funds are available: _____

RESOLUTION NO. _____

A RESOLUTION APPROVING CHANGE ORDER #2 TO THE CONTRACT WITH C&T CONSTRUCTION COMPANY, INC. FOR THE DEMOLITION OF PORTIONS OF THE EXISTING V.O. DOBBINS COMMUNITY CENTER AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

WHEREAS, the City of Kingsport entered a contract with C&T Construction Company on February 4, 2009 for the demolition of portions of the V.O. Dobbins Community Center; and

WHEREAS, Change Order #1 to the contract was approved on April 7, 2009 in the amount of \$52,983.64; and

WHEREAS, In order to provide additional space for the planned parking lot addition and storm water retention basin, the demolition of the structure at 327 Louis Street was added to the scope of work.

WHEREAS, the City of Kingsport desires to increase the scope of the contract to provide for the additional cost to demolish the structure at 327 Louis Street in the amount of \$3,470.04, necessary to complete the project; and

WHEREAS, funding is available in the Building Dept's funds for demolishing structures.

Now therefore,

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

SECTION I. That Change Order #2 to the contract with C&T Construction Company for the demolition of portions of the V.O. Dobbins Community Center, to provide for; the demolition of the structure at 327 Louis Street in the amount of \$3,470.04, is approved.

SECTION II. 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, all documents necessary and proper to effectuate Change Order #2 to the contract with C&T Construction Company for the demolition of portions of the V.O. Dobbins Community Center.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

RESOLUTION NO. _____

A RESOLUTION APPROVING CHANGE ORDER #3 TO THE CONTRACT WITH C&T CONSTRUCTION COMPANY, INC. FOR THE DEMOLITION OF PORTIONS OF THE EXISTING V.O. DOBBINS COMMUNITY CENTER AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

WHEREAS, the City of Kingsport entered a contract with C&T Construction Company on February 4, 2009 for the demolition of portions of the V.O. Dobbins Community Center; and

WHEREAS, Change Orders #1 and #2 to the contract were previously approved in the total amount of \$56,453.68; and

WHEREAS, Various additional cost items were encountered during the project; add four fire rated ceiling access panels, remove & reinstall light fixtures and fix leaking pipes, delete seeding, and delete flooring in Room 1100.

WHEREAS, the City of Kingsport desires to increase the scope of the contract to provide for these additional costs in the amount of \$1,409.62, necessary to complete the project; and

WHEREAS, funding is available in GP0907.

Now therefore,

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

SECTION I. That Change Order #3 to the contract with C&T Construction Company for the demolition of portions of the V.O. Dobbins Community Center, to provide for; the addition of four fire rated ceiling access panels, remove & reinstall light fixtures and fix leaking pipes, delete seeding, and delete flooring in Room 1100 in the amount of \$1,409.62, is approved.

SECTION II. 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, all documents necessary and proper to effectuate Change Order #3 to the contract with C&T Construction Company for the demolition of portions of the V.O. Dobbins Community Center.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

AIA® Document G701 – 2001

Change Order

PROJECT <i>(Name and address):</i> VO Dobbins Community Center 301 Louis Street Kingsport, TN 37660	CHANGE ORDER NUMBER: 002 DATE: 4/16/2009	OWNER: <input checked="" type="checkbox"/> ARCHITECT: <input checked="" type="checkbox"/> CONTRACTOR: <input checked="" type="checkbox"/> FIELD: <input type="checkbox"/> OTHER: <input type="checkbox"/>
TO CONTRACTOR <i>(Name and address):</i> C&T Construction Co. Inc. 144 Alf Taylor Road Johnson City, TN 37601	ARCHITECT'S PROJECT NUMBER: 200712 CONTRACT DATE: 2/4/2009 CONTRACT FOR: VO Dobbins Demolition Package	

THE CONTRACT IS CHANGED AS FOLLOWS:

(Include, where applicable, any undisputed amount attributable to previously executed Construction Change Directives)

Demolition of house at 327 Louis Street.

Total Change Order = \$3,470.04.

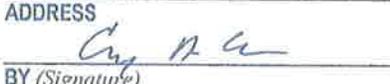
The original Contract Sum was	\$ 365,770.00
The net change by previously authorized Change Orders	\$ 52,983.64
The Contract Sum prior to this Change Order was	\$ 418,753.64
The Contract Sum will be increased by this Change Order in the amount of	\$ 3,470.04
The new Contract Sum including this Change Order will be	\$ 422,223.68

The Contract Time will be unchanged by Zero (0) days.

The date of Substantial Completion as of the date of this Change Order therefore is 5/29/2009

NOTE: This Change Order does not include changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

CainRashWest Architects ARCHITECT <i>(Firm name)</i> 130 Regional Park Drive Kingsport Tn 37660 ADDRESS  BY <i>(Signature)</i> Dineen B. West <i>(Typed name)</i> 4/16/09 DATE	C&T Construction Co. Inc CONTRACTOR <i>(Firm name)</i> 144 Alf Taylor Road Johnson City, TN 37601 ADDRESS  BY <i>(Signature)</i> Craig A. Comsa <i>(Typed name)</i> 4/16/09 DATE	City of Kingsport OWNER <i>(Firm name)</i> 225 West Center Street Kingsport, TN 37660 ADDRESS BY <i>(Signature)</i> Dennis Phillips, Mayor <i>(Typed name)</i> DATE
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C & T Construction Co., Inc.

General Contractors

144 Alf Taylor Road • Johnson City, Tennessee 37601
423-979-2240 423-979-2244 FAX

March 30th 2009

Ms. Dineen West, AIA
CainRashWest Architects
130 Regional Park Drive
Kingsport, TN 37660

Ref: V.O. Dobbins - Demolition Package

Dear Ms. West,

The following change order proposal is to demolish and remove house at 327 Louis Street:

Subcontractor's Quote.....	\$ 3,240.00
Bond Expense.....	64.80
Subtotal.....	\$ 3,304.80
Markup 5%.....	165.24
Total Proposal.....	\$ 3,470.04

C & T Construction Company, Inc. reserves the right to request additional contract duration, due to the impact of the above change order, at a later date. If any other information is needed please do not hesitate to contact me.

Sincerely,

Craig A. Comsa
President

Craig Comsa

From: Denny Maxwell [denny@elukegreene.com]
Sent: Wednesday, March 18, 2009 11:17 AM
To: Craig Comsa
Subject: RE: House Demo on Lois Street

Craig,

Our cost is \$2,590.00 to completely demolish the house including removal of slab on grade. If you want to set a can for someone else to tear down the house by hand, our rates are as follows:

~~\$75.00/delivery~~

~~\$148.00/pull~~

~~\$2.00/day for can rental~~

Landfill rates to be added to the above rates. I don't know how much the landfill will be until the last load is delivered.

In addition to the rates and proposal above, our cost is \$650.00 to remove the existing transite siding that has to be removed before any demolition can take place.

If you have any questions or comments, let me know.

Denny Maxwell
Project Manager/Estimator
E. Luke Greene Company, Inc.
619 East Maple Street
Johnson City, Tennessee 37601
Phone: 423-926-1151
Fax: 423-926-5558
www.elukegreene.com

3,240⁰⁰

TOTAL

AIA® Document G701 – 2001

Change Order

PROJECT <i>(Name and address):</i> VO Dobbins Community Center 301 Louis Street Kingsport, TN 37660	CHANGE ORDER NUMBER: 003 DATE: 5/12/2009 ARCHITECT'S PROJECT NUMBER: 200712 CONTRACT DATE: 2/4/2009 CONTRACT FOR: VO Dobbins Demolition Package	OWNER: <input checked="" type="checkbox"/> ARCHITECT: <input checked="" type="checkbox"/> CONTRACTOR: <input checked="" type="checkbox"/> FIELD: <input type="checkbox"/> OTHER: <input type="checkbox"/>
TO CONTRACTOR <i>(Name and address):</i> C&T Construction Co. Inc. 144 Alf Taylor Road Johnson City, TN 37601		

THE CONTRACT IS CHANGED AS FOLLOWS:

(Include, where applicable, any undisputed amount attributable to previously executed Construction Change Directives)
 Installation of 4 fire-rated access doors in ceiling = \$834.33, Remove and reinstall (2) 8' strip light fixtures & fix leaking pipes and valve = \$1,575.29, Delete seeding = (-\$900.00), delete flooring in Room 1100 = (-\$100.00)
 Total Change Order = \$1,409.62.

The original Contract Sum was	\$ 365,770.00
The net change by previously authorized Change Orders	\$ 56,453.68
The Contract Sum prior to this Change Order was	\$ 422,223.68
The Contract Sum will be increased by this Change Order in the amount of	\$ 1,409.62
The new Contract Sum including this Change Order will be	\$ 423,633.30

The Contract Time will be unchanged by Zero (0) days.
 The date of Substantial Completion as of the date of this Change Order therefore is 5/29/2009

NOTE: This Change Order does not include changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

CainRashWest Architects ARCHITECT <i>(Firm name)</i> 130 Regional Park Drive Kingsport Tn 37660 ADDRESS  BY <i>(Signature)</i> Dineen B. West <i>(Typed name)</i> 5/12/09 DATE	C&T Construction Co. Inc CONTRACTOR <i>(Firm name)</i> 144 Alf Taylor Road Johnson City, TN 37601 ADDRESS  BY <i>(Signature)</i> Craig A. Comsa <i>(Typed name)</i> 5/12/09 DATE	City of Kingsport OWNER <i>(Firm name)</i> 225 West Center Street Kingsport, TN 37660 ADDRESS BY <i>(Signature)</i> Dennis Phillips, Mayor <i>(Typed name)</i> DATE
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C & T Construction Co., Inc.

General Contractors

144 Alf Taylor Road • Johnson City, Tennessee 37601
423-979-2240 423-979-2244 FAX

May 8th 2009

Ms. Dineen West, AIA
CainRashWest Architects
130 Regional Park Drive
Kingsport, TN 37660

Ref: V.O. Dobbins - Demolition Package

Dear Ms. West,

The following change order proposals are for your review:

1. To install 4 fire-rated access doors in ceiling as directed.:

Whitt Company, Inc's Quote.....	\$ 778.60
Bond Expense.....	16.00
Subtotal.....	\$ 794.60
Markup 5%.....	39.73
Total Add Proposal.....	\$ 834.33

2. Remove (2) 8' stripe light fixtures and reroute conduit for sheetrock ceiling, reinstall (2) 8' stripe light fixtures, and replace (2) 8' ballasts and 2 lamps. Fix leaking pipes, provide rated piping at penetrations and fix leaking valve.

Precision Electrical Company, Inc's Quote.....	\$ 845.28
Blevins' Quote.....	625.00
Bond Expense.....	30.00
Subtotal.....	\$ 1,500.28
Markup 5%.....	75.01
Total Add Proposal.....	\$ 1,575.29

3. Delete seeding: **Total Deduct Proposal.....(\$ 900.00)**

2409.62
- 1000.00

1409.62

4. Delete Flooring in Room 1100: **Total Deduct Proposal.....(\$ 100.00)**

C & T Construction Company, Inc. reserves the right to request additional contract duration, due to the impact of the above change order, at a later date. If any other information is needed please do not hesitate to contact me.

Sincerely,

Craig A. Comsa
President

WHITT COMPANY, INC.
3306 Wayfield Drive
JOHNSON CITY, TN 37601

CHANGE ORDER

Number

TO (423) 282-2555
Fax (423) 282-0990
C&T CONSTRUCTION

144 ALF TAYLOR ROAD
JOHNSON CITY, TN 37601
FAX: 423-979-2244
ATTEN: *Craig*

PHONE	DATE 4-28-09
JOB NAME/LOCATION VO DOBBINS	
KINGSPORT, TN	
JOB NUMBER 1052	JOB PHONE
EXISTING CONTRACT NO	DATE OF EXISTING CONTRACT

We hereby agree to make the change(s) specified below:

- A) LABOR AND MATERIALS FOR ADDITIONAL WORK AS PER YOUR REQUEST.
 - 1) Provide and install four (4) each Fire-Rated access doors in ceiling as directed.
Please see attached invoice.
 Labor \$ 80.00
 Materials \$ 698.60

FOR SUM OF \$ 778.60

NOTE: This Change Order becomes part of and in conformance with the existing contract.

WE AGREE hereby to make the change(s) specified above at this price ⇄		\$ SEE ABOVE
DATE 4/27/09	PREVIOUS CONTRACT AMOUNT	\$
AUTHORIZED SIGNATURE (CONTRACTOR) <i>[Signature]</i> / U.P.	REVISED CONTRACT TOTAL	\$

ACCEPTED — The above prices and specifications of this Change Order are satisfactory and are hereby accepted. All work to be performed under same terms and conditions as specified in original contract unless otherwise stipulated.

Date of acceptance _____

Signature _____
(OWNER)

PRECISION ELECTRICAL COMPANY, INC.

215 Whitehaven Drive Kingsport, TN 37660
PH: 423-288-6924 FAX: 423-343-1904

TO CFT CONSTRUCTION CO. INC
144 ALF TAYLOR Rd
JOHNSON CITY TN 37601

Number PAGE 1 OF 2

PHONE	DATE <u>5-7-09</u>
JOB NAME/LOCATION <u>V.O. DOBBINS</u>	
JOB NUMBER	JOB PHONE
EXISTING CONTRACT NO.	DATE OF EXISTING CONTRACT

We hereby agree to make the change(s) specified below:

> REMOVE 2-8' STRIP FIX'S AND REROUTE CONDUIT FOR SHEETROCK CEILING RE-INSTALL
2-8' FIX'S REPLACE 2-8' BALLASTS AND 2 LAMPS.
(SEE ATTACHED)

NOTE: This Change Order becomes part of and in conformance with the existing contract.

WE AGREE hereby to make the change (s) specified above at this price ↕

\$ 845.28

DATE

PREVIOUS CONTRACT AMOUNT

\$

AUTHORIZED SIGNATURE (CONTRACTOR)

REVISED CONTRACT TOTAL

\$

ACCEPTED — The above prices and specifications of this Change Order are satisfactory and are hereby accepted. All work to be performed under same terms and conditions as specified in original contract unless otherwise stipulated.

Date of acceptance _____

Signature _____

(OWNER)

PRICING SHEET

JOB **V.D. DOBBINS**
 WORK REMOVE 2-3' STRIP FIX'S AND EEL-OUTIE CONDUIT FOR SHEETROCK CEILING
 RE-INSTALL 2-3' FIX'S, REPLACE 2-3' BALLASTS AND 2- LAMPS-

ESTIMATE NO
 PAGE 2 OF 2
 Sheet No. of Sheets

EXTENDED BY: _____ CHECKED BY: _____ DATE: **5-7-09**

✓	MATERIAL	QUANTITY	MATERIAL PRICE	PER	MATERIAL EXTENSION	LABOR UNIT	PER	LABOR EXTENSION
1	1/2" EMT	20'	2050	C	410			
2	1/2" EMT Conduits	4	2160	C	87			
3	1/2" EMT Coups	6	1800	C	108			
4	1/2" EMT STRAPS	6	1200	C	72			
5	1 1/2" M.C.	14'	45000	M	630			
6	M.C. Conduits	2	9700	C	194			
7	1/2"	60'	8400	M	504			
8	WIRE NUTS	14	9000	C	1260			
9	4" Sq. BOYS	2	6000	C	120			
10	4" Sq. P.L.R. W/ 5/8" 1/2"	2	13000	C	260			
11	SELF TAPPING SCREWS -	12	1200	C	144			
12	BALLAST HO	1	4350	E	4350			
13	BALLAST ELECTRONIC	1	2800	E	2800			
14	3' LAMPS HO	2	550	E	1100			
15			MATERIALS		12039			
16			TAX		1144			
17					13183			
18			LABOR		60000			
19					73183			
20			SH. 10%		7319			
21					80502			
22			PROFIT 5%		4024			
23					84528			
24								
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31								
32								
33								
34								

✓ MATERIAL ✓ LABOR ✓

PLUMBING



5351 Fort Henry Drive
 P.O. Box 5609
 Kingsport, TN 37663
 (423) 239-1088
 Fax (423) 239-6884

Tn. Lisc.# 00014488
 Classification's
 E;CE;CMC-A,B,C,
 MU-A(1,2,3)
 S-MED GAS PIPING
 EXP. 7-31-2010

COMMERCIAL • INDUSTRIAL • RESIDENTIAL

PROPOSAL SUBMITTED TO C&T construction	PHONE	DATE
extra V.O. Dobbins	JOB NAME	
ARCHITECT Nate Atwell (423) 502-1070	JOB LOCATION P-0-002-1 extra P-401	JOB PHONE

SCOPE OF WORK

We propose to supply all materials, labor, equipment, and permits if applicable to:
 Extra work per Phil at V.O.Dobbins 20 april 09

Total Cost @ \$ 625.00

We Propose hereby to furnish material and labor-- complete in accordance with above specifications, for the sum of:

dollars \$625.00

Payment to be made as follows:

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature Nathan Atwell

Note: This Proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of Proposal-- The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as follows:

Date of Acceptance
 Signature
 Signature

DISCLAIMER

implied or otherwise applicable to goods sold or as to any installation or service work related thereto, OF MERCHANTABILITY, THERE ARE NO IMPLIED OR EXPRESSED WARRANTIES OF FITNESS FOR A EXPRESSED WARRANTIES FOR WORKMANSHIP. remedies shall be limited to cost of repair or replacement only and all consequential damages are through the manufacturer. There shall be a one (1) year warranty on installation or service, limited to cost



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute all Necessary and Proper Documents to Establish a Retiree Health Saving Plan for the Employees of the City of Kingsport

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-216-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: James Demming
 Presentation By: James Demming

Recommendation:

Request the Board of Mayor and Aldermen approve a resolution authorizing the Mayor to execute all necessary and proper documents to establish a Retiree Health Saving Plan for the employees of the City of Kingsport.

Executive Summary:

Attached for BMA consideration is a resolution which authorizes the Mayor to execute the various documents necessary to set up a "Retirement Health Savings Plan (RHS Plan) for the City's employees. These documents include the Declaration of Trust for the City of Kingsport's Integral Part Trust, the Employer VantageCare Retirement Health Savings (RHS) Plan Adoption Agreement, City of Kingsport Retirement Health Savings Plan, and the Administrative Services Agreement with The International City Management Association Retirement Corporation (ICMA-RC).

See Supplemental Information.

Attachments:

1. Supplemental Information
2. Resolution
3. Declaration of Trust
4. RHS Plan Adoption Agreement
5. Retirement Health Savings Plan
6. Administrative Services Agreement with ICMA-RC

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

SUPPLEMENTAL INFORMATION Action Form 216-2009

Executive Summary *continued*:

SUBJECT: Consideration of a Resolution Authorizing the Mayor to Execute all Necessary and Proper Documents to Establish a Retiree Health Saving Plan for the Employees of the City of Kingsport

The RHS Plan will establish individual accounts for each employee and allow for the accumulation of assets to pay for health insurance and out-of-pocket eligible medical expenses in retirement. Participants will be able to choose among various investment options for the funds in their account with earnings being tax-deferred and withdrawals made for eligible expenses being made on a tax-deferred basis. All costs associated with the administration of this plan are funded by the plan participants out of their account balances. The proposed fees are comprised of two components, an annual account fee of \$30.00 charged to each Accountholder's account upon their attainment of benefit eligibility (retire or terminate service with the City), and an annual asset fee of 0.40% (40 basis points) based on the balance in the account.

At this time management is recommending that the City establish the plan with the following eligibility requirements:

- Minimum period of service of 3 years to participate in plan
- Applies to all full-time employees
- Allow for employer contributions only at this time
- Immediate 100% vesting
- Benefit eligibility upon death, disability, retirement or separation from service

\$300,000 has been included in the FY2010 budget to provide the initial funding for this plan. The initial allocation of these funds is described in the attached RHS Plan documents. Future contributions from the City are proposed to be determined annually during the budgeting process. At this time contributions from employees are not being recommended. The ability for the RHS Plan to accept contributions from employees require that such contributions be mandatory and apply to all employees groups. Management will continue to explore this area.

RESOLUTION NO. _____

A RESOLUTION ADOPTING THE VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS) PLAN PROVIDED BY THE INTERNATIONAL CITY MANAGEMENT ASSOCIATION RETIREMENT CORPORATION (ICMA-RC) AND AUTHORIZING THE MAYOR TO EXECUTE VARIOUS DOCUMENTS INCLUDING AN EMPLOYER VANTAGECARE RHS PLAN ADOPTION AGREEMENT, AN ADMINISTRATIVE SERVICE AGREEMENT, A DECLARATION OF TRUST OF THE CITY OF KINGSPORT INTEGRAL PART TRUST, A RETIREMENT HEALTH SAVINGS BENEFITS PLAN, AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE PLAN

WHEREAS, the city has employees rendering valuable services; and

WHEREAS, the establishment of a retiree health savings plan for such employees serves the interest of the city by enabling it to provide reasonable security regarding such employees' health needs during retirement, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the city has determined that the establishment of the VantageCare Retirement Health Savings (RHS) Plan (the "Plan") serves the above objectives.

Now, therefore,

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

SECTION I. That the Plan is adopted in the form of the ICMA Retirement Corporation's VantageCare Retirement Health Savings program.

SECTION II. That the assets of the Plan shall be held in trust with the City of Kingsport serving as trustee for the exclusive benefit of Plan participants and their survivors, and the assets of the Plan shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the Plan.

SECTION III. 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, an Employer VantageCare RHS Plan Adoption Agreement, an Administrative Service Agreement, a Declaration of Trust of the City of Kingsport Integral Part Trust in the form of the model trust made available by the ICMA Retirement Corporation, a Retirement Health Savings Benefits Plan, and all other documents necessary and proper to effectuate the purpose of the Plan.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



DECLARATION OF TRUST OF THE

CITY OF KINGSBORT

NAME OF EMPLOYER

INTEGRAL PART TRUST

**DECLARATION OF TRUST OF THE
NAME OF EMPLOYER
INTEGRAL PART TRUST**

Declaration of Trust made as of the _____ day of _____, 20____, by and between
the City of Kingsport, Tennessee a Municipality
(Name of Employer) (State) (Type of Entity)
(hereinafter referred to as the "Employer") and _____ or its designee (hereinafter referred to as the "Trustee").
(Name or Title of Trustee)

RECITALS

WHEREAS, the Employer is a political subdivision of the State of Tennessee exempt from
(State)
federal income tax under the Internal Revenue Code of 1986; and

WHEREAS, the Employer provides for the security and welfare of its eligible employees (hereinafter referred to as
"Participants"), their Spouses and Dependents by the maintenance of one or more post-retirement welfare benefit plans,
programs or arrangements which provide for life, sickness, medical, disability, severance and other similar benefits through
insurance and self-funded reimbursement plans (collectively the "Plan"); and

WHEREAS, it is an essential function and integral part of the exempt activities of the Employer to assist Participants,
their Spouses and Dependents by making contributions to and accumulating assets in the trust, a segregated fund, for post-
retirement welfare benefits under the Plan; and

WHEREAS, the authority to conduct the general operation and administration of the Plan is vested in the Employer or its designee,
who has the authority and shall be subject to the duties with respect to the trust specified in this Declaration of Trust; and

WHEREAS, the Employer wishes to establish this trust to hold assets and income of the Plan for the exclusive benefit of Plan
Participants, their Spouses and Dependents;

NOW, THEREFORE, the parties hereto do hereby establish this trust, by executing the

Declaration of Trust of the City of Kingsport Integral Part Trust (hereinafter referred to as the
(Name of Employer)
"Trust"), and agree that the following constitute the Declaration of Trust (hereinafter referred to as the "Declaration"):

ARTICLE I

Definitions

1.1 Definitions. For the purposes of this Declaration, the following terms shall have the respective meanings set forth below unless otherwise expressly provided.

- (a) "Account" means the individual recordkeeping account maintained under the Plan to record the interest of a Participant in the Plan in accordance with Section 7.3.
- (b) "Administrator" means the Employer or the entity designated by the Employer to carry out administrative services as are necessary to implement the Plan.
- (c) "Beneficiary" means the Spouse and Dependents, who will receive any benefits payable hereunder in the event of the Participant's death. In the case where there is no Spouse or Dependents, any amount of contributions, plus accrued earnings thereon, remaining in the Account must, under the terms of the Plan, be returned to the Trust.
- (d) "Code" means the Internal Revenue Code of 1986, as amended from time to time.
- (e) "Dependent" means an individual who is a person described in Code Section 152(a).
- (f) "Investment Fund" means any separate investment option or vehicle selected by the Employer in which all or a portion of the Trust assets may be separately invested as herein provided. The Trustee shall not be required to select any Investment Fund.
- (g) "Nonforfeitable Interest" means the interest of the Participant or the Participant's Spouse and Dependent (whichever is applicable) in the percentage of Participant's Employer's contribution which has vested pursuant to the vesting schedule specified in the Employer's Plan. A Participant shall, at all times, have a one hundred percent (100%) Nonforfeitable Interest in the Participant's own contributions.
- (h) "Spouse" means the Participant's lawful spouse as determined under the laws of the state in which the Participant has his primary place of residence.
- (i) "Trust" means the trust established by this Declaration.
- (j) "Trustee" means the Employer or the person or persons appointed by the Employer to serve in that capacity.

ARTICLE II

Establishment of Trust

2.1 The Trust is hereby established as of the date set forth above for the exclusive benefit of Participants, their Spouses and Dependents.

ARTICLE III

Construction

- 3.1 This Trust and its validity, construction and effect shall be governed by the laws of the State of Tennessee.
- 3.2 Pronouns and other similar words used herein in the masculine gender shall be read as the feminine gender where appropriate, and the singular form of words shall be read as the plural where appropriate.
- 3.3 If any provision of this Trust shall be held illegal or invalid for any reason, such determination shall not affect the remaining provisions, and such provisions shall be construed to effectuate the purpose of this Trust.

ARTICLE IV

Benefits

- 4.1 **Benefits.** This Trust may provide benefits to the Participant, the Participant's Spouse and Dependents pursuant to the terms of the Plan.
- 4.2 **Form of Benefits.** This Trust may provide benefits by cash payment. This Trust may reimburse the Participant, his Spouse and Dependents for insurance premiums or other payments expended for permissible benefits described under the Plan. This trust may reimburse the Employer, or the Administrator for insurance premiums.

ARTICLE V

General Duties

- 5.1 It shall be the duty of the Trustee to hold title to assets held in respect of the Plan in the Trustee's name as directed by the Employer or its designees in writing. The Trustee shall not be under any duty to compute the amount of contributions to be paid by the Employer or to take any steps to collect such amounts as may be due to be held in trust under the Plan. The Trustee shall not be responsible for the custody, investment, safekeeping or disposition of any assets comprising the Trust, to the extent such functions are performed by the Employer or the Administrator, or both.
- 5.2 It shall be the duty of the Employer, subject to the provisions of the Plan, to pay over to the Administrator or other person designated hereunder from time to time the Employer's contributions and Participants' contributions under the Plan and to inform the Trustee in writing as to the identity and value of the assets titled in the Trustee's name hereunder and to keep accurate books and records with respect to the Participants of the Plan.

ARTICLE VI

Investments

- 6.1 The Employer may appoint one or more investment managers to manage and control all or part of the assets of the Trust and the Employer shall notify the Trustee in writing of any such appointment.
- 6.2 The Trustee shall not have any discretion or authority with regard to the investment of the Trust and shall act solely as a directed Trustee of the assets of which it holds title. To the extent directed by the Employer (or Participants or their Spouses and Dependents to the extent provided herein) the Trustee is authorized and empowered with the following powers, rights and duties, each of which the Trustee shall exercise in a nondiscretionary manner:
- (a) To cause stocks, bonds, securities, or other investments to be registered in its name as Trustee or in the name of a nominee, or to take and keep the same unregistered;
 - (b) To employ such agents and legal counsel as it deems advisable or proper in connection with its duties and to pay such agents and legal counsel a reasonable fee. The Trustee shall not be liable for the acts of such agents and counsel or for the acts done in good faith and in reliance upon the advice of such agents and legal counsel, provided it has used reasonable care in selecting such agents and legal counsel;
 - (c) To exercise where applicable and appropriate any rights of ownership in any contracts of insurance in which any part of the Trust may be invested and to pay the premiums thereon; and
 - (d) At the direction of the Employer (or Participants, their Spouses, their Dependents, or the investment manager, as the case may be) to sell, write options on, convey or transfer, invest and reinvest any part thereof in each and every kind of property, whether real, personal or mixed, tangible or intangible, whether income or non-income producing and wherever

situated, including but not limited to, time deposits (including time deposits in the Trustee or its affiliates, or any successor thereto, if the deposits bear a reasonable rate of interest), shares of common and preferred stock, mortgages, bonds, leases, notes, debentures, equipment or collateral trust certificates, rights, warrants, convertible or exchangeable securities and other corporate, individual or government securities or obligations, annuity, retirement or other insurance contracts, mutual funds (including funds for which the Trustee or its affiliates serve as investment advisor, custodian or in a similar or related capacity), or in units of any other common, collective or commingled trust fund.

- 6.3 Notwithstanding anything to the contrary herein, the assets of the Plan shall be held by the Trustee as title holder only. Persons holding custody or possession of assets titled to the Trust shall include the Employer, the Administrator, the investment manager, and any agents and subagents, but not the Trustee. The Trustee shall not be responsible or liable for any loss or expense which may arise from or result from compliance with any direction from the Employer, the Administrator, the investment manager, or such agents to take title to any assets nor shall the Trustee be responsible or liable for any loss or expense which may result from the Trustee's refusal or failure to comply with any direction to hold title, except if the same shall involve or result from the Trustee's negligence or intentional misconduct. The Trustee may refuse to comply with any direction from the Employer, the Administrator, the investment manager, or such agents in the event that the Trustee, in its sole and absolute discretion, deems such direction illegal.
- 6.4 The Employer hereby indemnifies and holds the Trustee harmless from any and all actions, claims, demands, liabilities, losses, damages or reasonable expenses of whatsoever kind and nature in connection with or arising out of (i) any action taken or omitted in good faith by the Trustee in accordance with the directions of the Employer or its agents and subagents hereunder, or (ii) any disbursements of any part of the Trust made by the Trustee in accordance with the directions of the Employer, or (iii) any action taken by or omitted in good faith by the Trustee with respect to an investment managed by an investment manager in accordance with any direction of the investment manager or any inaction with respect to any such investment in the absence of directions from the investment manager. Notwithstanding anything to the contrary herein, the Employer shall have no responsibility to the Trustee under the foregoing indemnification if the Trustee fails negligently, intentionally or recklessly to perform any of the duties undertaken by it under the provisions of this Trust.
- 6.5 Notwithstanding anything to the contrary herein, the Employer or, if so designated by the Employer, the Administrator and the investment manager or another agent of the Employer, will be responsible for valuing all assets so acquired for all purposes of the Trust and of holding, investing, trading and disposing of the same. The Employer will indemnify and hold the Trustee harmless against any and all claims, actions, demands, liabilities, losses, damages, or expenses of whatsoever kind and nature, which arise from or are related to any use of such valuation by the Trustee or holding, trading, or disposition of such assets.
- 6.6 The Trustee shall and hereby does indemnify and hold harmless the Employer from any and all actions, claims, demands, liabilities, losses, damages and reasonable expenses of whatsoever kind and nature in connection with or arising out of (a) the Trustee's failure to follow the directions of the Employer, the Administrator, the investment manager, or agents thereof, except as permitted by the last sentence of Section 6.3 above; (b) any disbursements made without the direction of the Employer, the Administrator, the investment manager or agents thereof; and (c) the Trustee's negligence, willful misconduct, or recklessness with respect to the Trustee's duties under this Declaration.

ARTICLE VII

Contributions

- 7.1 **Employer Contributions.** The Employer shall contribute to the Trust such amounts as specified in the Plan or by resolution.
- 7.2 **Accrued Leave.** Contributions up to an amount equal to the value of accrued sick leave, vacation leave, or other type of accrued leave, as permitted under the Plan. The Employer's Plan must provide a formula for determining the value of the Participant's contribution of accrued leave. The Employer's Plan must contain a forfeiture provision that will prevent Participants from receiving the accrued leave in cash in lieu of a contribution to the Trust.

- 7.3 **Accounts.** Employer contributions, including mandatory Participant contributions, and contributions of accrued leave, all investment income and realized and unrealized gains and losses, and forfeitures allocable thereto will be deposited into an Account in the name of the Participant for the exclusive benefit of the Participant, his Spouse and Dependents. The assets in each Participant's Account may be invested in Investment Funds as directed by the Participant (or, after the Participant's death, by the Spouse or Dependents) or the Employer, as required under the Plan, from among the Investment Funds selected by the Employer.
- 7.4 **Receipt of Contributions.** The Employer or, if so designated by the Employer, the Administrator or investment manager or another agent of the Employer, shall receive all contributions paid or delivered to it hereunder and shall hold, invest, reinvest and administer such contributions pursuant to this Declaration, without distinction between principal and income. The Trustee shall not be responsible for the calculation or collection of any contribution under the Plan, but shall hold title to property received in respect of the Plan in the Trustee's name as directed by the Employer or its designee pursuant to this Declaration.
- 7.5 No amount in any Account maintained under this Trust shall be subject to transfer, assignment, or alienation, whether voluntary or involuntary, in favor of any creditor, transferee, or assignee of the Employer, the Trustee, any Participant, his Spouse, or Dependent.
- 7.6 Upon the satisfaction of all liabilities under the Plan to provide such benefits, any amount of Employer contributions, plus accrued earnings thereon, remaining in such separate Accounts must, under the terms of the Plan, be returned to the Employer.

ARTICLE VIII

Other Plans

If the Employer hereafter adopts one or more other plans providing life, sickness, accident, medical, disability, severance, or other benefits and designates the Trust hereby created as part of such other plan, the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer shall, subject to the terms of this Declaration, accept and hold hereunder contributions to such other plans. In that event (a) the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer, may commingle for investment purposes the contributions received under such other plan or plans with the contributions previously received by the Trust, but the books and records of the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer, shall at all times show the portion of the Trust Fund allocable to each plan; (b) the term "Plan" as used herein shall be deemed to refer separately to each other plan; and (c) the term "Employer" as used herein shall be deemed to refer to the person or group of persons which have been designated by the terms of such other plans as having the authority to control and manage the operation and administration of such other plan.

ARTICLE IX

Disbursements and Expenses

- 9.1 The Employer or its designee shall make such payments from the Trust at such time to such persons and in such amounts as shall be authorized by the provisions of the Plan provided, however, that no payment shall be made, either during the existence of or upon the discontinuance of the Plan (subject to Section 7.6), which would cause any part of the Trust to be used for or diverted to purposes other than the exclusive benefit of the Participants, their Spouses and Dependents pursuant to the provisions of the Plan.
- 9.2 All payments of benefits under the Plan shall be made exclusively from the assets of the Accounts of the Participants to whom or to whose Spouse or Dependents such payments are to be made, and no person shall be entitled to look to any other source for such payments.
- 9.3 The Employer, Trustee and Administrator may be reimbursed for expenses reasonably incurred by them in the administration

of the Trust. All such expenses, including, without limitation, reasonable fees of accountants and legal counsel to the extent not otherwise reimbursed, shall constitute a charge against and shall be paid from the Trust upon the direction of the Employer.

ARTICLE X

Accounting

- 10.1 The Trustee shall not be required to keep accounts of the investments, receipts, disbursements, and other transactions of the Trust, except as necessary to perform its title-holding function hereunder. All accounts, books, and records relating thereto shall be maintained by the Employer or its designee.
- 10.2 As promptly as possible following the close of each year, the Trustee shall file with the Employer a written account setting forth assets titled to the Trust as reported to the Trustee by the Employer or its designee.

ARTICLE XI

Miscellaneous Provisions

- 11.1 Neither the Trustee nor any affiliate thereof shall be required to give any bond or to qualify before, be appointed by, or account to any court of law in the exercise of its powers hereunder.
- 11.2 No person transferring title or receiving a transfer of title from the Trustee shall be obligated to look to the propriety of the acts of the Trustee in connection therewith.
- 11.3 The Employer may engage the Trustee as its agent in the performance of any duties required of the Employer under the Plan, but such agency shall not be deemed to increase the responsibility or liability of the Trustee under this Declaration.
- 11.4 The Employer shall have the right at all reasonable times during the term of this Declaration and for three (3) years after the termination of this Declaration to examine, audit, inspect, review, extract information from, and copy all books, records, accounts, and other documents of the Trustee relating to this Declaration and the Trustees' performance hereunder.

ARTICLE XII

Amendment and Termination

- 12.1 The Employer reserves the right to alter, amend, or (subject to Section 9.1) terminate this Declaration at any time for any reason without the consent of the Trustee or any other person, provided that no amendment affecting the rights, duties, or responsibilities of the Trustee shall be adopted without the execution of the Trustee to the amendment. Any such amendment shall become effective as of the date provided in the amendment, if requiring the Trustee's execution, or on delivery of the amendment to the Trustee, if the Trustee's execution is not required.
- 12.2 Upon termination of this Declaration and upon the satisfaction of all liabilities under the Plan to provide such benefits, any amount of Employer contributions, plus accrued earnings thereon, remaining in such separate Accounts must, under the terms of the Plan, be returned to the Employer.

ARTICLE XIII

Successor Trustees

- 13.1 The Employer reserves the right to discharge the Trustee for any or no reason, at any time by giving ninety (90) days' advance written notice.

132 The Trustee reserves the right to resign at any time by giving ninety (90) days' advance written notice to the Employer.

133 In the event of discharge or resignation of the Trustee, the Employer may appoint a successor Trustee who shall succeed to all rights, duties, and responsibilities of the former Trustee under this Declaration, and the terminated Trustee shall be deemed discharged of all duties under this Declaration and responsibilities for the Trust.

ARTICLE XIV

Limited Effect of Plan and Trust

Neither the establishment of the Plan and the Trust or any modification thereof, the creation of any fund or account, nor the payment of any benefits, shall be construed as giving to any person covered under the Plan or other person any legal or equitable right against the Trustee, the Administrator, the Employer or any officer or employee thereof, except as may otherwise be expressly provided in the Plan or in this Declaration.

ARTICLE XV

Protective Clause

Neither the Administrator, the Employer, nor the Trustee shall be responsible for the validity of any contract of insurance or other arrangement maintained in connection with the Plan, or for the failure on the part of the insurer or provider to make payments provided by such contract, or for the action of any person which may delay payment or render a contract void or unenforceable in whole or in part.

IN WITNESS WHEREOF, the Employer and the Trustee have executed this Declaration by their respective duly authorized officers, as of the date first hereinabove mentioned.

EMPLOYER:

By: _____ Title: _____

TRUSTEE(S):

By: _____ Title: _____

By: _____ Title: _____

By: _____ Title: _____

**EMPLOYER VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS) PLAN
ADOPTION AGREEMENT**

Plan Number: 8 01984 Check one: New Plan Amendment to Existing Plan

Employer Retirement Health Savings Plan Name:

I. Employer Name: City of Kingsport State: Tennessee

II. The Employer hereby attests that it is a unit of a state or local government or an agency or instrumentality of one or more units of a state or local government.

III. Effective Date of the Plan: _____

IV. The Employer intends to utilize the Trust to fund only welfare benefits pursuant to the following welfare benefit plan(s) established by the Employer: City of Kingsport Retirement Health Savings Plan

V. Eligible Groups, Participation and Participant Eligibility Requirements

A. Eligible Groups

The following group or groups of Employees are eligible to participate in the VantageCare Retirement Health Savings Plan (check all applicable boxes):

- All Employees
- All Full-Time Employees
- Non-Union Employees
- Public Safety Employees – Police
- Public Safety Employees – Firefighters
- General Employees
- Collectively-Bargained Employees (Specify unit(s)) _____
- Other (specify group(s)) _____

The Employee group(s) specified must correspond to a group(s) of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other documents or provisions in effect in the state or locality of the Employer.

B. Participation

Mandatory Participation: All Employees in the covered group(s) are required to participate in the Plan and shall receive contributions pursuant to Section VI.

If the Employer's underlying welfare benefit plan or funding under this VantageCare Retirement Health Savings Plan is in whole or part a non-collectively bargained, self-insured plan, the nondiscrimination requirements of Internal Revenue Code (IRC) Section 105(b) will apply. These rules may impose taxation on the benefits received by highly compensated individuals if the Plan discriminates in favor of highly compensated individuals in terms of eligibility or benefits. The Employer should discuss these rules with appropriate counsel.

C. Participant Eligibility Requirements

1. Minimum service: The minimum period of service required for participation is 3 years (write N/A if no minimum service is required).
2. Minimum age: The minimum age required for eligibility to participate is N/A (write N/A if no minimum age is required).

VI. Contribution Sources and Amounts

A. Definition of Earnings

The definition of Earnings will apply to all RHS Contribution Features that reference "Earnings", including Direct Employer Contributions (Section VI.B.1.) and Mandatory Employee Compensation Contributions (Section VI.B.2.).

Definition of earnings: all W-2 earnings

B. Direct Employer Contributions and Mandatory Contributions

1. Direct Employer Contributions

The Employer shall contribute on behalf of each Participant

- _____ % of Earnings
- \$ _____ each Plan Year
- A discretionary amount to be determined each Plan Year
- Other (describe): a discretionary amount to be determined each plan year and contributed based on a schedule determined by City policy.

2. Mandatory Employee Compensation Contributions

The Employer will make mandatory contributions of Employee compensation as follows:

- Reduction in Salary - _____ % of Earnings or \$ _____ will be contributed for the Plan Year.
- Decreased Merit or Pay Plan Adjustment - All or a portion of the Employees' annual merit or pay plan adjustment will be contributed as follows:

An Employee shall not have the right to discontinue or vary the rate of Mandatory Contributions of Employee Compensation.

3. Mandatory Employee Leave Contributions

The Employer will make mandatory contributions of accrued leave as follows (provide formula for determining Mandatory Employee Leave contributions):

- Accrued Sick Leave _____
- Accrued Vacation Leave _____
- Other (specify type of leave) Accrued _____ Leave

An Employee shall not have the right to discontinue or vary the rate of mandatory leave contributions.

C. Limits on Total Contributions (check one box)

The total contribution by the Employer on behalf of each Participant (including Direct Employer and Mandatory Employee Contributions) for each Plan Year shall not exceed the following limit(s) below. Limits on individual contribution types are defined within the appropriate section above.

- There is no Plan-defined limit on the percentage or dollar amount of earnings that may be contributed.
- _____ % of earnings*
- *Definition of earnings: Same as Section VI.A.. Other
- \$ _____ for the Plan year.

See Section V.B. for a discussion of nondiscrimination rules that may apply to non-collectively bargained self-insured Plans.

VII. Vesting for Direct Employer Contributions

A. Vesting Schedule (check one box)

- The account is 100% vested at all times.
- The following vesting schedule shall apply to Direct Employer Contributions as outlined in Section VI.B.1.:

Years of Service Completed	Vesting Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

B. The account will become 100% vested upon the death, disability, retirement*, or attainment of benefit eligibility (as outlined in Section IX) by a Participant.

*Definition of retirement (check one box):

- Retirement as defined in the primary retirement plan of the Employer
- Separation from service
- Other _____

C. Any period of service by a Participant prior to a rehire of the Participant by the Employer shall not count toward the vesting schedule outlined in A above.

VIII. Forfeiture Provisions

Upon separation from the service of the Employer prior to attainment of benefit eligibility (as outlined in Section IX), or upon reversion to the Trust of a Participant's account assets remaining upon the participant's death (as outlined in Section XI), a Participant's non-vested funds shall (check one box):

- Remain in the Trust to be reallocated among all remaining Employees participating in the Plan as Direct Employer Contributions for the next and succeeding contribution cycle(s).
- Remain in the Trust to be reallocated on an equal dollar basis among all Plan Participants.
- Remain in the Trust to be reallocated among all Plan Participants based upon Participant account balances.
- Revert to the Employer.

IX. Eligibility Requirements to Receive Medical Benefit Payments from the VantageCare Retirement Health Savings Plan

A. A Participant is eligible to receive benefits:

At retirement only (also complete Section B.)

Definition of retirement:

Same as Section VII.B.

Other _____

At separation from service with the following restrictions

No restrictions

Other _____

At age _____ only

At retirement and age _____ (also complete section B)

Definition of retirement:

Same as Section VII.B.

Other _____

At retirement or age _____

Definition of retirement:

Same as Section VII.B.

Other _____

Other, specified as follows (also complete Section B if applicable): _____

B. Termination prior to general benefit eligibility: In the case where the general benefit eligibility as outlined in Section IX.A includes a retirement component, a Participant who separates from the service of the Employer prior to retirement will be eligible to receive benefits:

Immediately upon separation from service.

At age _____

C. A Participant that becomes totally and permanently disabled

as defined by the Social Security Administration

as defined by the Employer's primary retirement plan

other _____

will become immediately eligible to receive medical benefit payments from his/her VantageCare Retirement Health Savings Plan account.

D. Upon the death of the Participant, benefits shall become payable as outlined in Section XI.

X. Permissible Medical Benefit Payments

Benefits eligible for reimbursement consist of:

- All Medical Expenses eligible under IRC Section 213* other than direct long-term care expenses, and including non-prescription medications allowed under IRS guidance.
- The following Medical Expenses (select only the expenses you wish to cover under the VantageCare Retirement Health Savings Plan):
 - Medical Insurance Premiums
 - Medical Out-of-Pocket Expenses*
 - Medicare Part B Insurance Premiums
 - Medicare Part D Insurance Premiums
 - Medicare Supplemental Insurance Premiums
 - Prescription Drug Insurance Premiums
 - COBRA Insurance Premiums
 - Dental Insurance Premiums
 - Dental Out-of-Pocket Expenses*
 - Vision Insurance Premiums
 - Vision Out-of-Pocket Expenses*
 - Qualified Long-Term Care Insurance Premiums
 - Non-Prescription medications allowed under IRS guidance*
 - Other qualifying medical expenses (describe)*

** See Section V.A. for a discussion of nondiscrimination rules which may apply to non-collectively bargained, self-insured Plans.*

XI. Benefits After the Death of the Participant

In the event of a Participant's death, the following shall apply:

A. Surviving Spouse and/or Surviving Dependents

The surviving spouse and/or surviving eligible dependents (as defined in Section XII.D.) of the deceased Participant are immediately eligible to maintain the account and utilize it to fund eligible medical benefits specified in Section X above.

Upon notification of a Participant's death, the Participant's account balance will be transferred into the Vantagepoint Money Market Fund* (or another fund selected by the Employer). The account balance may be reallocated by the surviving spouse or dependents.

** Please read the current Vantagepoints Mutual Funds prospectus carefully prior to investing. An investment in this fund is neither insured nor guaranteed and there can be no assurance that the Fund will be able to maintain a stable net asset value of \$1.00 per share. Vantagepoints Mutual Funds are distributed by ICMA-RC Services, LLC, a wholly-owned broker-dealer affiliate of ICMA Retirement Corporation. Member FINRA/SIPC.*

If a Participant's account balance has not been fully utilized upon the death of the eligible spouse, the account balance may continue to be utilized to pay benefits of eligible dependents. Upon the death of all eligible dependents, the account will revert to the Plan to be applied as specified in Section VIII.

B. No Surviving Spouse or Surviving Dependents

If there are no living spouse or dependents at the time of death of the Participant, the account will revert to the Plan to be applied as specified in Section VIII.

XII. The Plan will operate according to the following provisions:

A. Employer Responsibilities

1. The Employer will submit all VantageCare Retirement Health Savings Plan contribution data via electronic submission.
2. The Employer will submit all VantageCare Retirement Health Savings Plan Participant status updates or personal information updates via electronic submission. This includes but is not limited to termination notification and benefit eligibility notification.

B. Participant account administration and asset-based fees will be paid through the redemption of Participant account shares, unless agreed upon otherwise in the Administrative Services Agreement.

C. Assignment of benefits is not permitted. Benefits will be paid only to the Participant, his/her Survivors, the Employer, or an insurance provider (as allowed by the claims administrator). Payments to a third-party payee (e.g., medical service provider) are not permitted with the exception of reimbursement to the Employer or insurance provider (as allowed by the claims administrator).

D. An eligible dependent is the Participant's lawful spouse and any other individual who is a person described in IRC Section 152(a), as clarified by Internal Revenue Service Notice 2004-79.

E. The Employer will be responsible for withholding, reporting and remitting any applicable taxes for payments which are deemed to be discriminatory under IRC Section 105(h), as outlined in the VantageCare Retirement Health Savings Plan Employer Manual.

XIII. Employer Acknowledgements

A. The Employer hereby acknowledges it understands that failure to properly fill out this Employer VantageCare Retirement Health Savings Plan Adoption Agreement may result in the loss of tax exemption of the Trust and/or loss of tax-deferred status for Employer contributions.

B. Check this box if you are including supporting documents that include plan provisions.

EMPLOYER SIGNATURE

By: _____

Date: _____

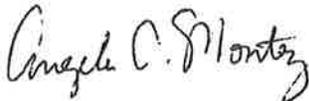
Title: _____

Attest: _____

Date: _____

Title: _____

Accepted: VANTAGEPOINT TRANSFER AGENTS, LLC



Assistant Secretary, ICMA-RC



City of Kingsport Retirement Health Savings Plan – Calendar Year 2010

The City of Kingsport will provide contributions, on behalf of employees, into the VantageCare Retirement Health Savings Plan (RHS), administered through ICMA-RC, , pursuant to the adoption of the required documentation by the Board of Mayor and Aldermen with the following provisions:

1. Plan participants are defined as all full-time employees of the City of Kingsport, government services only and not school system employees, who have completed at least three full years of service with the City of Kingsport as of January 1, 2010.
2. If a full time employee of the City of Kingsport was placed on active military duty as defined under USERRA, the military duty period will be considered full-time employment with the City of Kingsport.
3. Contributions will be based on the employees' full-time years of service as of January 1, 2010, based upon payroll records of the City of Kingsport. No credit will be given for days or months of service; only years of service with the City of Kingsport as of the effective date (i.e. an employee with five years, eleven months and three days of service with the City of Kingsport on January 1, 2010, will be considered to have five years of service for the purposes of this plan).
4. The initial annual contribution will be \$30 for each year of full time service as of January 1, 2010. Subsequent years' contributions, if any, will be approved by the Board of Mayor and Aldermen on an annual basis.
5. Employees own their account and have sole responsibility for the placement of their account funds.
6. Accounts are vested as of 1/1/10, available upon voluntary or involuntary separation of service from the City of Kingsport, and may only be used for those expenses as outlined by the IRC Section 213. There is no provision for removal of funds for any other purpose.
7. This plan provides for survivorship benefits as defined in IRS codes and the plan balances will transfer to the spouse and eligible dependents upon the death of the participant.
8. Employees who receive this benefit will not receive any post-65, Medicare supplement or other Medicare replacement benefit from the City of Kingsport unless another program is otherwise adopted by the Board of Mayor and Aldermen.



Retirement Health Savings Plan

Article I Preamble

This instrument made and published by the City of Kingsport, Tennessee (hereinafter called "Employer") on this the ____ day of _____, 2009, creates the city of Kingsport Retiree Health Savings Plan, as follows:

1.01 Establishment of Plan

The Employer named above hereby establishes a Retiree Health Savings Plan as of the 1st day of January, 2010.

1.02 Purpose of Plan

This Plan has been established to reimburse the eligible Retirees or Former Employees of the Employer for medical and dental expenses incurred by them, their Spouses and Dependents pursuant to the Employer's VantageCare Retirement Health Savings (RHS) Plan.

ARTICLE II Definitions

The following words and phrases as used herein shall have the following meanings, unless a different meaning is plainly required by the context:

2.01 "Benefits" means any amounts paid to a Participant, Spouse or Dependents in the Plan as reimbursement for Eligible Medical and Dental Expenses incurred by the Participant during a Plan Year by him, his Spouse or his Dependents.

2.02 "Code" means the Internal Revenue Code of 1986, as amended.

2.03 "Dependent" means any individual who is a dependent of the Participant within the meaning of Code Sec. 152, as amplified by Internal Revenue Service Notice 2004-79, 2004-49 I.R.B. 898.

2.04 "Eligible Medical Expenses" means those expenses designated by the Code Section 213, hereby designated as eligible for reimbursement in the VantageCare Retirement Health Savings Plan and in the Adoption Agreement.

2.05 “Employer” means the City of Kingsport, Tennessee or any affiliate or successor thereof that likewise adopts this plan.

2.06 “Entry Date” means the first day the Participant meets the eligibility requirements of Article III as of such Date.

2.07 “Participant” means any Retiree or Former Employee who has met the eligibility requirements set forth in Article III.

2.08 “Plan Administrator” means the Employer or other person appointed by the Employer who has the authority and responsibility to manage and direct the operation and administration of the Plan.

2.09 “Plan Year” means the annual accounting period of the plan, which begins on the 1st day of January, 2010, and ends on the 31st day of December, 2010, with respect to the first Plan Year, and thereafter as long as this Plan remains in effect, the period that begins on January 1 and ends on December 31.

2.10 “Retiree” means any individual who, while in the service of the Employer, was considered to be in a legal employer-employee relationship with the Employer for federal withholding tax purposes, and who was part of the classification of employees designated as covered by the Employer’s VantageCare Retirement Health Savings Plan.

2.11 “Spouse” means the Participant’s lawful spouse as determined under the laws of the state in which the Participant has his primary place of residence.

All other defined terms in this plan shall have the meanings specified in the various Articles of the Plan in which they appear.

ARTICLE III Eligibility

Each Retiree who meets the eligibility requirements outlined in the Employer’s VantageCare Retirement Health Savings Plan shall be eligible to participate in this Plan.

ARTICLE IV Account of Benefits

4.01 Annual Benefits Provided by the Plan

Each Participant shall be entitled to reimbursement for his documented, Eligible Medical Expenses incurred during the Plan Year in an annual amount not to

exceed the account balance of the Participant in the Employer's VantageCare Retirement Health Savings Plan.

4.02 Cost of Coverage

The expense of providing the benefits set out in Section 4.01 shall be contributed as outlined in the Employer's VantageCare Retirement Health Savings Plan.

ARTICLE V Payment of Benefits

5.01 Eligibility for Benefits

a) Each Participant in the Plan shall be entitled to a benefit hereunder for all Eligible Medical Expenses incurred by the Participant on or after the Entry Date of his or her participation (and after the effective date of the Plan), subject to the limitations contained in this Article V, regardless whether the mental or physical condition for which the Participant makes application for benefits under this Plan was detected, diagnosed, or treated before the Participant became covered by the Plan.

b) In order to be eligible for benefits, the Participant must meet the benefit eligibility criteria outlined in the Employer's VantageCare Retirement Health Savings Plan Adoption Agreement.

c) A Participant who becomes totally and permanently disabled (as defined by the City's primary retirement plan presently TCRS) will become immediately eligible to receive medical benefit payments from the Plan. Pursuant to Section 9.02 and Employer's VantageCare Retirement Health Savings Plan Adoption Agreement, the surviving Spouse and Dependents shall become immediately eligible to receive or to continue receiving medical benefit payments from the Plan upon the death of the Participant.

5.02 Claims for Benefits

No benefit shall be paid hereunder unless a Participant, his Spouse or Dependent has first submitted a written claim for benefits to the Plan Administrator on a form specified by the Plan Administrator, and pursuant to the procedures set out in Article VI below. Upon receipt of a properly documented claim, the Plan Administrator shall pay the Participant, his Spouse or Dependent the benefits provided under this Plan as soon as is administratively feasible.

ARTICLE VI

Plan Administration

6.01 Allocation of Authority

The Employer shall control and manage the operation and Administration of the Plan. The Employer shall have the exclusive right to interpret the Plan and to decide all matters arising thereunder, including the right to remedy possible ambiguities, inconsistencies, or omissions. All determinations of the Employer with respect to any matter hereunder shall be conclusive and binding on all persons.

Without limiting the generality of the foregoing, the Employer shall have the following powers and duties:

- a) To decide on questions concerning the Plan and the eligibility of any Employee to participate in the Plan, in accordance with the provisions of the plan;
- b) To determine the amount of benefits that shall be payable to any person in accordance with the provisions of the Plan; to inform the Plan Administrator, as appropriate, of the amount of such benefits; and to provide a full and fair review to any Participant whose claim for benefits has been denied in whole or in part; and
- c) To designate other persons to carry out any duty or power which would otherwise be fiduciary responsibility of the Plan Administrator, under the terms of the Plan.
- d) To require any person to furnish such reasonable information as it may request for the purpose of the proper administration of the Plan as condition to receiving any benefits under the Plan;
- e) To make and enforce such rules and regulations and prescribe the use of such forms as he shall deem necessary for the efficient administration of the plan.

6.02 Provision for Third-Party Plan Service Providers

The Plan Administrator, subject to approval of the Employer, may employ the services of such persons as it may deem necessary or desirable in connection with the operation of the Plan. The Plan Administrator, the Employer (and any person to whom it may delegate any duty or power in connection with the administration of the Plan), and all persons connected therewith may rely upon all tables, valuations, certificates, reports and opinions furnished by any duly appointed actuary, accountant, (including Employees who are actuaries or accountants), consultant, third party administration service provider, legal counsel, or other specialist, and they shall be fully protected in respect to any action taken or permitted in good faith in reliance thereon. All actions so taken or permitted shall be conclusive and binding as to all persons.

6.03 Several Fiduciary Liability

To the extent permitted by law, neither the plan Administrator nor any other person shall incur any liability for any acts or for failure to act except for his own willful misconduct or willful breach of this Plan.

6.04 Compensation of Plan Administrator

Unless otherwise agreed to by the Employer, the Plan Administrator shall serve without compensation for services rendered in such capacity, but all reasonable expenses incurred in the performance of his duties shall be paid by the Employer.

6.05 Bonding

Unless otherwise determined by the employer, or unless required by any Federal or State law, the Plan Administrator shall not be required to give any bond or other security in any jurisdiction in connection with the administration of this Plan.

6.06 Payment of Administrative Expenses

All reasonable expenses incurred in administering the plan, including but not limited to administrative fees and expenses owing to any third party administrative service provider, actuary, consultant, accountant, attorney, specialist, or other person or organization that may be employed by the Plan Administrator in connection with the administration thereof, shall be paid by the Employer, provided, however that each Participant shall bear the monthly cost (if any) charged by a third party administrator for maintenance of his Benefit Account unless otherwise paid by the Employer.

6.07 Timeliness of Payment for Benefits

Payment for Benefits shall be made as soon as administratively feasible after the required forms and documentation have been received by the Plan Administrator.

6.08 Annual Statements

The Plan Administrator shall furnish each Participant with an annual statement of his medical Expense reimbursement account within ninety (90) days after the close of each Plan Year.

ARTICLE VII Claims Procedure

7.01 Procedure if Benefits are Denied Under the Plan

Any Participant, Spouse, Dependent, or his duly authorized representative may file a claim for the plan benefit to which the claimant believes that he is entitled. Such a claim must be in writing on a form provided by the Plan Administrator and delivered to the Plan Administrator, in person or by mail, postage paid. Within thirty (30) days after receipt of such claim, the Plan Administrator shall send to the claimant, by mail, postage prepaid, notice of the granting or denying, in whole

or in part, of such claim, unless special circumstances require an extension of time for processing the claim. In no event may the extension exceed forty-five (45) days from the end of the initial period. If such extension is necessary, the claimant will be given a written notice to this effect prior to the expiration of the initial 30-day period. If such extension is necessary due to a failure of the Participant, Spouse or Dependent to submit the information necessary to decide the claim, the notice of extension shall describe the required information and the claimant shall be afforded at least forty-five (45) days from receipt of the notice within which to provide such information. The Plan Administrator shall have full discretion to deny or grant a claim in whole or in part. If notice of the denial of a claim is not furnished in accordance with this Section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to review pursuant to Sections 7.03 and 7.04.

7.02 Requirement for Written Notice of Claim Denial

The Plan Administrator shall provide, to every claimant who is denied a claim for benefits, written notice setting forth in a manner calculated to be understood by the claimant:

- a) The specific reason or reasons for the denial;
- b) Specific reference to pertinent Plan provisions on which the denial is based;
- c) A description of any additional material of information necessary for the claimant to perfect the claim and an explanation of why such material is necessary, and
- d) An explanation of the Plan's claim review procedure.

7.03 Right to Request Hearing on Benefit Denial

Within one-hundred eighty (180) days after the receipt by the claimant of written notification of the denial (in whole or in part) of his claim, the claimant or his duly authorized representative, upon written application to the Plan Administrator, in person or by certified mail, postage prepaid, may request a review of such denial, may review pertinent documents, and may submit issues and comments in writing.

7.04 Disposition of Disputed Claims

Upon its receipt of notice of a request for review, the Plan Administrator shall make a prompt decision on the review. The decision on review shall be written in a manner calculated to be understood by the claimant and shall include specific reasons for the decision and specific references to the pertinent plan provisions on which the decision is based. The decision on review shall be made not later than sixty (60) days after the Plan Administrator's receipt of a request for a review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered not later than one hundred-twenty (120) days after receipt of a request for review. If an extension is necessary, the claimant shall be given written notice of the extension prior to the expiration of the initial sixty (60) day period. If notice of the decision on the review is not furnished in accordance with this Section, the claim shall be deemed denied and

the claimant shall be permitted to exercise his right to legal remedy pursuant to Section 7.05.

7.05 Preservation of Other Remedies

After exhaustion of the claims procedures provided under this plan, nothing shall prevent any person from pursuing any other legal or equitable remedy otherwise available.

ARTICLE VIII Amendment or Termination of Plan

8.01 Permanency

While the Employer fully expects that this Plan will continue indefinitely, due to unforeseen, future business contingencies, permanency of the Plan will be subject to the Employer's right to amend or terminate the Plan, as provided in Sections 8.02 and 8.03, below.

8.02 Employer's Right to Amend

The Employer reserves the right to amend the Plan at any time and from time-to-time, and retroactively if deemed necessary or appropriate to meet the requirements of the Code, or any similar provision of subsequent revenue or other laws, or the rules and regulations in effect under any of such laws or to conform with governmental regulations or other policies, to modify or amend in whole or in part any or all of the provisions of the Plan.

8.03 Employer's Right to Terminate

The Employer reserves the right to discontinue or terminate the Plan at any time without prejudice.

ARTICLE IX General Provisions

9.01 No Employment Rights Conferred

Neither this Plan nor any action taken with respect to it shall confer upon any person the right to be continued in the employment of the Employer.

9.02 Payments After Death of Participant

Any benefits otherwise payable to a Participant following the date of death of such Participant shall be paid as outlined in the Employer's VantageCare Retirement Health Savings Plan Adoption Agreement.

9.03 Nonalienation of Benefits

No benefit under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any

attempt to do so shall be void. No benefit under the Plan shall in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of any person. If any person entitled to benefits under the Plan, or if any attempt is made to subject any such benefit to the debts, contracts, liabilities, engagements or torts of the person entitled to any such benefit, except as specifically provided in the Plan, then such benefit shall cease and terminate in the discretion of the Plan Administrator, and he may hold or apply the same or any part thereof to the benefit of any dependent of such person, in such manner and proportion as he may deem proper.

9.04 Mental or Physical Incompetency

If the Plan Administrator determines that any person entitled to payments under the Plan is incompetent by reason of physical or mental disability, he may cause all payments thereafter becoming due to such person to be made to any other person for his benefit, without responsibility to follow the application of amounts so paid. Payments made pursuant to this Section shall completely discharge the Plan Administrator and the Employer.

9.05 Inability to Locate Payee

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because he cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person (including a notice of the payment so due mailed to the last known address of such Participant or other person as shown on the records of the Employer), such payment and all subsequent payments otherwise due to such Participant or other person shall be escheated under the laws of the State of the last known address of the Participant or other persons eligible for benefits.

9.06 Requirement of Proper Forms

All communications in connection with the plan made by a Participant shall become effective only when duly executed on forms provided by and filed with the Plan Administrator.

9.07 Source of Payments

The Employer shall be the sole source of benefits under the Plan. No Employee, Spouse or Dependents shall have any right to, or interest in, any assets of the Employer upon termination of employment or otherwise, except as provided from time to time under the Plan, and then only to the extent of the benefits payable under the Plan to such Employee, Spouse or Dependents.

9.08 Tax Effects

Neither the Employer nor the Plan Administrator makes any warranty or other representation as to whether any payments received by a Participant, his Spouse or Dependent hereunder will be treated as includible in gross income for federal or state income tax purposes.

9.09 Multiple Functions

Any person or group of persons may serve in more than one fiduciary capacity with respect to the Plan.

9.10 Gender and Number

Masculine pronouns include the feminine as well as the neuter gender, and the singular shall include the plural, unless indicated otherwise by the context.

9.11 Headings

The Article and Section headings contained herein are for convenience of reference only, and shall not be construed as defining or limiting the matter contained thereunder.

9.12 Applicable Laws

The provisions of the Plan shall be construed, administered and enforced according to the laws of the State of Tennessee.

9.13 Severability

Should any part of this Plan subsequently be invalidated by a court of competent jurisdiction, the remainder thereof shall be given effect to the maximum extent possible.

IN WITNESS WHEREOF, we have executed this Plan Agreement the date and year first written above.

EMPLOYER

By: _____ Title: _____
Signature of Authorized Official

ADMINISTRATIVE SERVICES AGREEMENT

Type: VantageCare RHS

Account Number: 801984

ADMINISTRATIVE SERVICES AGREEMENT

This Agreement, made as of the _____ day of _____, 20____ (herein referred to as the "Inception Date"), between The International City Management Association Retirement Corporation ("ICMA-RC"), a nonprofit corporation organized and existing under the laws of the State of Delaware; and the City of Kingsport ("Employer") a local governmental instrumentality organized and existing under the laws of the State of Tennessee with an office at 225 West Center Street, Kingsport, Tennessee 37660.

RECITALS

Employer acts as a public plan sponsor for a retiree health plan with responsibility to obtain investment alternatives and services for employees participating in that plan;

Employer desires to make the VantageCare Retirement Health Savings Plan ("RHS Plan" or "Plan") provided by ICMA-RC available to its employees;

ICMA-RC makes available the Vantagepoint Funds, a no-load, diversified mutual fund, for investment of public employer plan assets, including RHS Plan assets;

ICMA-RC provides a complete offering of services to public employers for the operation of employee retirement and retiree health savings plans including, but not limited to, communications concerning investment alternatives, account maintenance, account record-keeping, investment and tax reporting, form processing, benefit disbursement and asset management.

AGREEMENTS

1. Acceptance of RHS Plan

Employer agrees to make the RHS Plan provided by ICMA-RC available to its employees. The details of the RHS Plan shall be as mutually agreed between the Employer and ICMA-RC, and in general shall be as set forth in the RHS Plan materials developed by ICMA-RC and provided to Employer. The RHS Plan materials are hereby incorporated by reference and made a part of this Agreement, except that Employer and ICMA-RC may from time to time mutually agree in writing to terms that vary from the RHS Plan materials. RHS plan materials shall include the *VantageCare RHS Employer Manual*, available electronically through the EZ Link System upon plan adoption.

The functions to be performed by ICMA-RC and its agents include:

- (a) allocation in accordance with participant direction of individual accounts to investment funds ("Funds") made available to Plan participants;
- (b) maintenance of individual accounts for participants reflecting amounts contributed,

- income, gain, or loss credited, and amounts disbursed as benefits;
- (c) provision of periodic reports to the Employer and participants of the status of Plan investments and individual accounts;
 - (d) communication to participants of information regarding their rights and elections under the Plan;
 - (e) disbursement of benefits as agent for the Employer in accordance with terms of the Plan; and
 - (f) performance of tax withholding and reporting in conjunction with the Employer for each RHS account.

2. Employer Duty to Furnish Information

Employer agrees to furnish to ICMA-RC on a timely basis such information as is necessary for ICMA-RC to carry out its responsibilities with respect to the Plan, including information needed to allocate individual participant accounts to Funds, and information as to the employment status of participants, and participant ages, addresses, beneficiaries and other identifying information (including tax identification numbers). ICMA-RC shall be entitled to rely upon the accuracy of any information that is furnished to it by a responsible official of the Employer or any information relating to an individual participant, dependent, or beneficiary that is furnished by such participant, dependent, or beneficiary, and ICMA-RC shall not be responsible for any error arising from its reliance on such information. ICMA-RC will provide account information in reports, statements or accountings.

3. Certain Representations and Warranties

ICMA-RC represents and warrants to Employer that:

- (a) ICMA-RC is a non-profit corporation with full power and authority to enter into this Agreement and to perform its obligations under this Agreement.
- (b) ICMA-RC is an investment adviser registered as such with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended. ICMA-RC Services, LLC (a wholly owned subsidiary of ICMA-RC) is registered as a broker-dealer with the Securities and Exchange Commission (SEC) and is a member in good standing of the Financial Industry Regulatory Authority (FINRA).

Employer represents and warrants to ICMA-RC that:

- (c) Employer is organized in the form and manner recited in the opening paragraph of this Agreement with full power and authority to enter into and perform its obligations under this

Agreement and to act for the Plan and participants in the manner contemplated in this Agreement. Execution, delivery, and performance of this Agreement will not conflict with any law, rule, regulation or contract by which the Employer is bound or to which it is a party.

- (d) Information required to be retained by the Employer shall be set forth in the RHS plan materials developed by ICMA-RC and provided to the Employer.
- (e) Employer is responsible for determining that there are no state or local laws that would prohibit it from establishing ICMA-RC's VantageCare RHS program. Employer is also responsible for determining that the investments selected for the RHS plan fall within state/local requirements.
- (f) Employer acknowledges that the RHS plan may be treated as a "health plan" for Health Insurance Portability and Accountability Act ("HIPAA") purposes and therefore may be subject to HIPAA privacy rules. If it is determined that the RHS plan is considered a "health plan", an employer sponsoring RHS would be responsible for complying with the HIPAA privacy and security rules regarding protected health information of RHS plan participants.

ICMA-RC has procedures in place to safeguard the protected health information of RHS plan participants.

4. Participation in Certain Proceedings

The Employer hereby authorizes ICMA-RC to act as agent, to appear on its behalf, and to join the Employer as a necessary party in all legal proceedings involving the garnishment of benefits or the transfer of benefits pursuant to a medical child support order. Unless Employer notifies ICMA-RC otherwise, Employer authorizes ICMA-RC to determine whether disbursement of benefits to a former spouse, spouse or child pursuant to a medical child support order is appropriate.

5. Compensation and Payment

- (a) Absent an explicit agreement to the contrary between ICMA-RC and Employer, participant fees and expenses shall be payable from RHS assets, in accordance with the requirements of the RHS Plan as set forth below.

- (i) Employer with ICMA-RC §401 and §457 retirement plan average participant account balances of \$25,000 or more:

A \$30 annual account fee will be charged to each Accountholder's account upon attainment of Benefit Eligibility by the Accountholder. Benefit Eligibility shall be transmitted electronically to ICMA-RC by Employer through the EZ Link System.

Benefit Eligibility shall mean the quarter in which the Accountholder becomes

eligible to use of the account for reimbursement of medical expenses under the terms of the Employer's RHS Plan. The account fee will be charged against the account on a quarterly basis.

In addition to the annual account fee, an annual asset fee of 0.30% (30 basis points) will be charged on a quarterly basis, based on the balance in the account on the last day of the previous quarter.

- (ii) Employer with ICMA-RC §401 and §457 retirement plan average participant account balances of less than \$25,000, or Employer who does not currently have a retirement plan with ICMA-RC:

A \$30 annual account fee will be charged to each Accountholder's account upon attainment of Benefit Eligibility by the Accountholder. Benefit Eligibility shall be transmitted electronically to ICMA-RC by Employer through the EZ Link System. Benefit Eligibility shall mean the quarter in which the Accountholder becomes eligible to use of the account for reimbursement of medical expenses under the terms of the Employer's RHS Plan. The account fee will be charged against the account on a quarterly basis.

In addition to the annual account fee, an annual asset fee of 0.40% (40 basis points) will be charged on a quarterly basis, based on the balance in the account on the last day of the previous quarter.

When the average participant account balance of the Employer's §401 and §457 retirement plans with ICMA-RC totals \$25,000 or more (based on the balances in the Employer's retirement plans on the last day of the previous quarter), the pricing detailed in paragraph 5.a. shall apply beginning in the subsequent quarter.

- (iii) Account administration fees are subject to change with appropriate prior notification.
- (b) Compensation for Advisory and other Services to the Vantagepoint Funds. Employer acknowledges that certain wholly-owned subsidiaries of ICMA-RC receive compensation for advisory and other services furnished to the Vantagepoint Funds. The fees referred to in this subsection are disclosed in the Vantagepoint Funds Prospectus.

6. Custody

Employer understands that amounts contributed to the RHS plan are to be remitted directly to Vantagepoint Transfer Agents in accordance with instructions provided to Employer in the RHS plan materials and are not to be remitted to the ICMA Retirement Trust or ICMA-RC. In the event that any check or wire transfer is incorrectly labeled or transferred, ICMA-RC will return it to Employer with proper instructions.

7. Responsibility

- (a) ICMA-RC shall not be responsible for any acts or omissions of any person other than ICMA-RC in connection with the administration or operation of the Plan.
- (b) The Employer understands that, as a general matter, the Internal Revenue Service ("IRS") may decline to rule on certain design features or provisions that the Employer may request to have added to the RHS plan materials. The Employer agrees to hold ICMA-RC harmless in connection with the addition and administration of any RHS plan feature or provision requested by the Employer for which the IRS will not provide express interpretive guidance.

8. Term

This Agreement shall be in effect for an initial term beginning on the Inception Date and ending 5 years after the Inception Date. This Agreement will be renewed automatically for each succeeding year unless written notice of termination is provided by either party to the other no less than 60 days before the end of such Agreement year.

9. Amendments and Adjustments

- (a) This Agreement may not be amended except by written instrument signed by the parties.
- (b) The parties agree that an adjustment to compensation or administrative and operational services under this Agreement may only be implemented by ICMA-RC through a proposal to the Employer via correspondence or the Employer Bulletin. The Employer will be given at least 60 days to review the proposal before the effective date of the adjustment. Such adjustment shall become effective unless, within the 60 day period before the effective date, the Employer notifies ICMA-RC in writing that it does not accept such adjustment, in which event the parties will negotiate with respect to the adjustment.
- (c) No failure to exercise and no delay in exercising any right, remedy, power or privilege hereunder shall operate as a waiver of such right, remedy, power or privilege.

10. Notices

All notices required to be delivered under Section 9 of this Agreement shall be delivered personally or by registered or certified mail, postage prepaid, return receipt requested, to (i) Legal Department, ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C, 20002-4240; (ii) Employer at the office set forth in the first paragraph hereof, or to any other address designated by the party to receive the same by written notice similarly given.

11. Complete Agreement

This Agreement shall constitute the sole agreement between ICMA-RC and Employer relating to the

object of this Agreement and correctly sets forth the complete rights, duties and obligations of each party to the other as of its date. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

12. Governing Law

This agreement shall be governed by and construed in accordance with the laws of the State of Tennessee applicable to contracts made in that jurisdiction without reference to its conflicts of laws provisions.

In Witness Whereof, the parties hereto have executed this Agreement as of the Inception Date first above written.

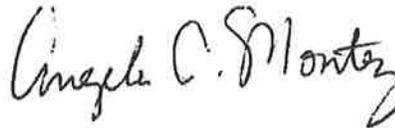
CITY OF KINGSPORT

By: _____

Print Name: _____

Title: _____

INTERNATIONAL CITY/COUNTY
MANAGEMENT ASSOCIATION RETIREMENT
CORPORATION



By _____

Angela C. Montez
Assistant Corporate Secretary



AGENDA ACTION FORM

Consideration of a Resolution Awarding the Bid for the Purchase of Asphalt for Use by all City Departments to A & J Asphalt, Inc. for FY10

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager *John G. Campbell*

Action Form No.: AF-241-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009
 Final Adoption: July 7, 2009
 Staff Work By: Committee
 Presentation By: S. Crawford, B. Morelock

Recommendation: Approve the resolution.

Executive Summary: Bids were opened on June 25, 2009 for the purchase of asphalt for use by all City Departments on an as needed basis. It is recommended to award the bid for the purchase of the items contained therein to A & J Asphalt, Inc. at an estimated annual cost of \$210,000 subject to increase or decrease based upon the monthly Tennessee Department of Transportation Asphalt Cement index as follows:

- 411-E: \$42.50 per ton
- 307-C: \$34.50 per ton
- 307-B: \$34.50 per ton
- 411-D: \$46.50 per ton
- Delivered cost per mile: \$2.00

The bid from A & J Asphalt, Inc. is the lowest, responsible, compliant bid meeting specifications for the particular grade or class of material, work or service desired in the best interest and advantage to the City. The specifications also included a renewal option clause, subject to the approval of the Board of Mayor and Alderman.

Funding is identified in various department accounts.

Attachments:

1. Resolution
2. Bid Opening Minutes
3. Recommendation Memo

Funding source appropriate and funds are available: _____

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shupe	—	—	—
Parham	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR PURCHASE OF ASPHALT FOR FISCAL YEAR 2010 TO A & J ASPHALT, INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

WHEREAS, bids were opened June 25, 2009 for the purchase of asphalt for use by city departments on an as needed basis; and

WHEREAS, upon review of the bids, the board finds A & J Asphalt, Inc. is the lowest responsive compliant bidder meeting specifications for the particular grade or class of materials, work, or service in the best interest and advantage to the city, and the City of Kingsport desires to purchase asphalt at an estimated annual cost of \$210,000.00, subject to an increase or decrease based upon the monthly Tennessee Department of Transportation Asphalt Cement Index; and

WHEREAS, the bid included a renewal option clause which enables the city to award the purchase on an annual basis in one year increments up to three years provided all terms, conditions, and costs are acceptable to the parties and subject to the approval of the board of mayor and aldermen; and

WHEREAS, funding will be provided from various department accounts.

Now therefore,

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

SECTION I. That the bid for purchase of asphalt for use by city departments for fiscal year 2010 is awarded to A & J Asphalt, Inc. at an estimated annual cost of \$210,000.00, subject to an increase or decrease based upon the monthly Tennessee Department of Transportation Asphalt Cement Index and the City Manager is authorized to execute a purchase order for same.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

**MINUTES
 BID OPENING
 June 25, 2009
 4:00 P.M.**

Present: Sandy Crawford, Procurement Manager; and Brent Morelock, Assistant Procurement Manager

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

The Procurement Manager opened with the following bids:

ASPHALT			
Vendor:	Per Ton:	Delivered Cost Per Mile	Extend Bid Prices to Developers
APAC - Harrison	411-E - \$55.75 307-C - \$44.50 307-B - \$43.00 411-D - \$58.00	\$3.75	No
Pave-Well Paving	411-E - \$48.00 307-C - \$44.00 307-B - \$40.00 411-D - \$60.00	Will Not Deliver	No
Summers-Taylor, Inc.	411-E - \$55.00 307-C - \$48.00 307-B - \$48.30 411-D - \$56.40	\$4.00	Yes
A & J Asphalt, Inc.	411-E - \$42.50 307-C - \$34.50 307-B - \$34.50 411-D - \$46.50	\$2.00	Yes

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

Memo

To: Brent Morelock
From: Greg Willis
CC: Ronnie Hammonds
Date: July 1, 2009
Re: Bids Acceptance

Brent Morelock;

Brent after reviewing the bid Documents It is my recommendation that we award the following companies. My recommendation is for the following to be awarded, **For Stone Vulcan Materials Co. and for Asphalt A& J Asphalt Inc.** Each of these vendors was low bid in their categories.

Greg Willis
Streets Supervisor



AGENDA ACTION FORM

Consideration of a Resolution Awarding the Bid for the Purchase of Crushed Stone for Use by all City Departments to Vulcan Construction Materials, LP for FY10

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager *John G. Campbell*

Action Form No.: AF-240-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009
 Final Adoption: July 7, 2009
 Staff Work By: Committee
 Presentation By: S. Crawford, B. Morelock

Recommendation: Approve the resolution.

Executive Summary: Bids were opened on June 25, 2009 for the purchase of crushed stone for use by all City Departments on an as needed basis. This bid was issued as a joint invitation to bid with the City of Church Hill, TN. It is recommended to award the bid for the purchase of the items contained therein to Vulcan Construction Materials, LP at an estimated annual cost of \$150,000 as follows:

- Crusher Run Stone: \$10.40 per ton
- Stone, TN Hwy # 68: \$12.20 per ton
- Stone, TN Hwy # 57: \$12.20 per ton
- Stone, TN Hwy # 8: \$12.20 per ton
- Stone, TN Hwy # 10: \$12.20 per ton
- Cost per Mile for Delivery: \$3.10 (based on 20 ton minimum)

The bid from Vulcan Construction Materials, LP is the lowest, responsible, compliant bid meeting specifications for the particular grade or class of material, work or service desired in the best interest and advantage to the City. The specifications also included a renewal option clause, subject to the approval of the Board of Mayor and Alderman.

Funding is identified in various department accounts.

Attachments:

1. Resolution
2. Bid Opening Minutes
3. Recommendation Memo

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shupe	—	—	—
Parham	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR PURCHASE OF CRUSHED STONE FOR FISCAL YEAR 2010 TO VULCAN CONSTRUCTION MATERIALS, LP AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

WHEREAS, bids were opened June 25, 2009 for the purchase of crushed stone for use by city departments on an as needed basis; and

WHEREAS, the bid was issued as a joint invitation to bid with the City of Church Hill, Tennessee; and

WHEREAS, upon review of the bids, the board finds Vulcan Construction Materials, LP is the lowest responsive compliant bidder in the best interest and advantage to the city, and the City of Kingsport desires to purchase crushed stone at an estimated annual cost of \$150,000.00; and

WHEREAS, the bid included a renewal option clause which enables the city to award the purchase on an annual basis in one year increments up to three years provided all terms, conditions, and costs are acceptable to the parties and subject to the approval of the board of mayor and aldermen; and

WHEREAS, funding will be provided from various department accounts.

Now therefore,

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

SECTION I. That the bid for purchase of crushed stone for use by city departments for fiscal year 2010 is awarded to Vulcan Construction Materials, LP at an estimated annual cost of \$150,000.00 and the City Manager is authorized to execute a purchase order for same.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

**MINUTES
BID OPENING
June 25, 2009
4:00 P.M.**

Present: Sandy Crawford, Procurement Manager; Brent Morelock, Assistant Procurement Manager.

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

The Procurement Manager opened with the following bids:

STONE		
Vendor:	Aggregates USA	Vulcan Materials Co.
Item 1 City of Kingsport:	\$11.90	\$10.40
Item 1 City of Church Hill:	\$11.90	\$10.40
Item 2 City of Kingsport:	N/A	\$12.20
Item 2 City of Church Hill:	N/A	\$12.20
Item 3 City of Kingsport:	\$14.30	\$12.20
Item 3 City of Church Hill:	\$14.30	\$12.20
Item 4 City of Kingsport:	\$14.30	\$12.20
Item 4 City of Church Hill:	\$14.30	\$12.20
Item 5 City of Kingsport:	\$14.60	\$12.20
Item 5 City of Church Hill:	\$14.60	\$12.20
Delivery charge per mile City of Kingsport & City of Church Hill:	\$3.00 for first mile plus \$.30 per ton for each additional mile	\$3.10 per ton for Kingsport & \$3.25 per ton for Church Hill \$4.10 per ton Rip Rap for Kingsport/\$4.25 per ton Rip Rap for Church Hill
Offer Extension of Bid Prices to Developers:	No	Yes
Comments:	Haul charges based on truck having full load.	Minimum of 20 Ton load stone for delivery.

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

Memo

To: Brent Morelock
From: Greg Willis
CC: Ronnie Hammonds
Date: July 1, 2009
Re: Bids Acceptance

Brent Morelock;

Brent after reviewing the bid Documents It is my recommendation that we award the following companies. My recommendation is for the following to be awarded, **For Stone Vulcan Materials Co. and for Asphalt A& J Asphalt Inc.** Each of these vendors was low bid in their categories.

Greg Willis
Streets Supervisor



AGENDA ACTION FORM

Consideration of a Resolution Endorsing the King College Medical School Initiative

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-244-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: John Campbell
 Presentation By: John Campbell

Recommendation: Approve the resolution.

Executive Summary:

King College has completed a medical education feasibility study for the Southern Highlands of Central Appalachia region, which includes the area of Sullivan County and Upper East Tennessee, Southwest Virginia, Eastern Kentucky, Western West Virginia, and Western North Carolina. The feasibility study found that a new medical school is feasible due to a dwindling supply of physicians and growing healthcare needs of the residents of Sullivan County and the surrounding region. King College is pursuing the development of a four-year medical school and the addition of a doctor of medicine degree to fulfill the short and long term physician workforce needs identified in the study. The development of the new medical school will have a positive impact on economic development, job creation and government revenue at both the state and local level, not only through the initial construction and ongoing operation of the medical school, but also by the springboard that it provides for biomedical and other health-related businesses. The benefits to the residents of Kingsport, Bristol, and Sullivan County in advancing academic medicine at King College include the creation of quality jobs through the development of the new medical school and its affiliated medical centers, the attraction of biomedical businesses, and higher quality healthcare leading to quality of life improvements. The board has been asked to show its support for the initiative by adopting the attached resolution.

Attachments:

1. Resolution

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION ENDORSING THE KING
COLLEGE MEDICAL SCHOOL INITIATIVE

WHEREAS, King College completed a medical education feasibility study for the region defined as the Southern Highlands of Central Appalachia, encompassing the area of Sullivan County and Upper East Tennessee, Southwest Virginia, Eastern Kentucky, Western West Virginia, and Western North Carolina; and

WHEREAS, the feasibility study found that a new medical school is feasible due to a dwindling supply of physicians and growing healthcare needs of the residents of Sullivan County and the surrounding region; and

WHEREAS, King College is pursuing the development of a four-year medical school and the addition of a doctor of medicine degree to fulfill the short and long term physician workforce needs identified; and

WHEREAS, the development of the new medical school will have a positive impact on economic development, job creation and government revenue at both the state and local level, not only through the initial construction and ongoing operation of the medical school, but also by the springboard that it provides for biomedical and other health-related businesses; and

WHEREAS, the benefits to the residents of Kingsport, Bristol, and Sullivan County in advancing academic medicine at King College include the creation of quality jobs through the development of the new medical school and its affiliated medical centers, the attraction of biomedical businesses, and higher quality healthcare leading to quality of life improvements; and

WHEREAS, the locally-elected leaders of Kingsport, Bristol, and Sullivan County desire to endorse this medical school initiative.

Now therefore,

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

SECTION I. That the board of mayor and aldermen endorses the King College Medical School initiative, and pledges its commitment to work with Bristol, Sullivan County, and King College to advance this important project for the benefit of the citizens of, Kingsport, Bristol, and Sullivan County.

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

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Consideration of a Resolution to Offer a Retirement Incentive to Eligible Employees

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-242-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: J. Campbell/B. Duncan
 Presentation By: John Campbell

Recommendation: Approve the resolution.

Executive Summary:

There are 87 employees who are currently eligible for retirement benefits through the Tennessee Consolidated Retirement System. Of those 87 employees, 61 are eligible for full retirement benefits and 26 are eligible for early retirement benefits.

Attached is a Retirement Incentive Proposal, which details the implementation of the incentive program. The Proposal is incorporated into the resolution. The purpose of offering an incentive is to reduce overall payroll expenses.

Of the 61 employees eligible for full retirement benefits, a conservative estimate would anticipate that at least 18 employees will take advantage of the incentive. The estimated one time cost to implement this incentive is \$218,000 and will result in annual savings of approximately \$280,000.

Attachments:

1. Retirement Incentive Proposal
2. Resolution

Funding source appropriate and funds are available: _____

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

**A RESOLUTION ESTABLISHING A ONE TIME
LIMITED DURATION RETIREMENT
INCENTIVE FOR ELIGIBLE EMPLOYEES**

WHEREAS, as of July 1, 2009 there are eight seven (87) employees who are eligible for retirement benefits through the Tennessee Consolidated Retirement System; and

WHEREAS, of those eighty seven (87) employees, sixty one (61) are eligible for full retirement benefits and twenty-six (26) are eligible for early retirement benefits as defined by the Tennessee Consolidated Retirement System; and

WHEREAS, this incentive will be a one-time offering of limited duration; and

WHEREAS, to be eligible for the incentive an employee must, as of July 1, 2009, be eligible for full or early retirement benefits as defined by the Tennessee Consolidated Retirement System, have an effective date of the retirement no later than October 1, 2009 and meet the other requirements contained in the Retirement Incentive Proposal dated July 7, 2009; and

WHEREAS, funds are available in the fiscal year 2009-2010 budget and were appropriated for this purpose.

Now therefore,

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

SECTION I. That the City Manager is authorized to establish, implement, and offer a one time retirement incentive to eligible employees in accordance with this resolution and as shown in the Retirement Incentive Proposal dated July 1, 2009 and attached hereto as Exhibit A and incorporated herein by reference for the purpose of reducing the overall payroll expense of the city and particularly in the general fund.

SECTION II. That eligible employees are the eighty seven (87) employees identified by the City Manager as eligible, as of July 1, 2009, for full retirement benefits or early retirement benefits from the Tennessee Consolidated Retirement System as set forth herein, and no other employee is eligible for this incentive.

SECTION III. That the City Manager may expend up to the amount appropriated for the retirement incentives.

SECTION IV. That this resolution shall take effect immediately upon its adoption, the public welfare requiring it.

ADOPTED this the 7th day of July, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



HUMAN RESOURCES DEPARTMENT

TO: John Campbell, City Manager

FROM: Barbara Duncan, Human Resources Manager

RE: Retirement Incentive

DATE: July 1, 2009

We have a total of 87 (61 full and 26 early) employees who are eligible for either full service or early retirement benefits. While the City of Kingsport has never offered retirement incentives, other cities have done so in the past as a cost savings measure.

Generally, retirement incentives are more attractive to those employees meeting full service retirement than those meeting early service retirement since leaving between the ages 55 – 60 leads to a benefit reduction based upon the number of months early an employee leaves. The estimate of employees taking advantage of the early retirement incentive is more difficult to predict and will depend largely on the program design regarding health insurance.

Of the 61 employees eligible for full retirement benefits, a conservative estimate would see 28% or 18 employees take advantage of the incentive. If all 18 employees opt to retire based upon the attached proposal, the one time cost would be \$218,000 as follows:

18 bonuses (@5000 ea)	90,000
18 salaries (@2 mo ea)	128,000

With the current salary and benefits of the 18 employees, the first year savings are estimated to be \$280,000. The savings will be realized by replacing higher salaried employees with entry level employees. Each vacated position will also be evaluated for a possible change from full-time to part-time resulting in potential additional savings.

The proposal for the incentive is attached for your perusal.



Retirement Incentive Proposal

July 1, 2009

General Conditions

1. This is a one time limited duration retirement incentive.
2. An employee must be eligible as of July 1, 2009 for full or early service retirement benefits as defined by TCRS.
3. An employee's last workday shall be no later than September 30, 2009 with an effective retirement date no later than October 1, 2009.
4. Eligible employees must submit a signed letter to the office of the City Manager, with a copy to the Human Resources Manager, within the time frames listed below declaring the employee's intention to take advantage of the incentive and indicating an effective retirement date.
5. The submission of the letter of intent is irrevocable.

Full Retirement

As of July 1, 2009, an employee must meet requirements of TCRS for full service retirement, which is 30 years of service or 60 years of age and vested, to be an eligible employee for the full retirement incentive. For employees eligible for full service retirement the following is available:

1. An employee submitting a signed letter to the office of the City Manager, with a copy to the Human Resources Manager, no later than July 24, 2009, 5:00 p.m. declaring the employee's intention to accept the incentive and setting the effective date of retirement, which must be no later than October 1, 2009, will receive:
 - a. \$5,000 lump sum payment; and
 - b. 2 months of salary lump sum (base pay excluding overtime).
 - c. Payment is subject to the appropriate withholding and will be paid out on the scheduled payroll for the employee's last workday.
2. If an eligible employee, who does not meet the initial July 24, 2009 5:00 p.m. deadline, submits a signed letter to the office of the City Manager, with a copy to the Human Resources Manager, no later than August 7, 2009, 5:00 p.m. declaring the employee's intention to accept the incentive and setting the effective date of retirement, which must be no later than October 1, 2009, he or she will receive:
 - a. \$5,000 lump sum payment; and
 - b. 1 month of salary lump sum (base pay excluding overtime).

- c. Payment is subject to the appropriate withholding and will be paid out on the scheduled payroll for the employee's last workday.

3. Eligible employees who do not meet the established deadlines will not be eligible for the incentive.

Early Retirement

As of July 1, 2009, an employee must meet requirements of TCRS for early retirement, which is 55 years of age and a minimum of 10 years of service, to be an eligible employee for the early retirement incentive. For employees eligible for early retirement the following is available:

1. An employee submitting a signed letter to the office of the City Manager, with a copy to the Human Resources Manager, no later than August 7, 2009, 5:00 p.m., declaring the employee's intention to accept the incentive and setting the effective date of retirement which must be no later than October 1, 2009, will receive one of the following:
:
 - a. For an employee age 55, 56, or 57 on July 1, 2009, a \$10,000 lump sum payment subject to appropriate withholding and will be paid out on the scheduled payroll for the employee's last workday.
 - b. For an employee 58 years of age on July 1, 2009, an \$8,000 lump sum payment subject to appropriate withholding and will be paid out on the scheduled payroll for the employee's last workday.
 - c. For an employee 59 years of age on July 1, 2009, a \$7,000 lump sum payment subject to appropriate withholding and will be paid out on the scheduled payroll for the employee's last workday.
2. Eligible employees who do not meet the established deadline will not be eligible for the incentive.

Health Insurance and Post 65 Medicare Supplement

Persons meeting TCRS requirements for full service or early retirement benefits and choosing to take advantage of the retirement incentive will be eligible to continue their health insurance coverage (single or family) in effect at the time of their retirement, provided it is continued to be made available to retirees by the board of mayor and aldermen. Persons in this group will pay 5% less for their health insurance premium than the rate set annually by the board for retiree insurance with annual board approval. Provided the board of mayor and aldermen continues health insurance for retirees, coverage may continue until age 65 or Medicare eligible as long as the retiree pays their portion of the monthly health insurance premium. Health care eligibility guidelines will apply.

Upon attaining age 65 or becoming Medicare eligible, retirement incentive participants will be provided Medicare supplemental or replacement coverage on the same terms as other retirees currently retired as long as it is provided and established by the board of mayor and aldermen.

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE MAYOR TO
EXECUTE AN AGREEMENT WITH THE KINGSPORT
CHAMBER FOUNDATION FOR THE DOWNTOWN
SUMMER CONCERT SERIES**

WHEREAS, the Kingsport Chamber Foundation is providing the downtown summer concert series for the city.

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, an agreement with the Kingsport Chamber Foundation for the downtown summer concerts series for 2009.

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

ADOPTED this the 16th day of June, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

**THE KINGSPORT CHAMBER FOUNDATION
"SUMMER CONCERT SERIES"**

THIS AGREEMENT made and entered into as of this ____ day of July, 2009, by and between the City of Kingsport, hereafter called "CITY" and the Kingsport Chamber Foundation, hereafter called "FOUNDATION".

WITNESSETH:

WHEREAS, FOUNDATION is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, FOUNDATION has requested financial assistance pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

- 1. PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to provide quality of life services and promote economic development in the downtown area and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by FOUNDATION.
- 2. DESCRIPTION OF THE PROJECT.**

The FOUNDATION agrees to provide the following:

A free Summer Concert Series, also known as the Downtown Concert Series, on Broad Street in fiscal year 2009.

Stage, sound system, concert staff, security adequate to ensure audience safety, publicity, crowd control, provision of sanitary and toilet facilities, clean up after the concerts, the acquisition of the proper music licenses, and other services needed to stage the performances;

Responsibility for the management of the events and for any royalty fees, performance fees, license fees or any other costs for the concerts; and

A comprehensive general liability insurance policy to the CITY from an insurance company authorized to do business in Tennessee applicable to the serving of beer at the concerts and providing insurance coverage for all liabilities including death, personal injury or property damage, arising out of or in any way related to the activities pursuant to this Agreement and the exercise of the rights and responsibilities described herein, in the amount of one million dollars (\$1,000,000) combined single limits. Such insurance shall be in a form satisfactory to the CITY'S risk manager, shall include an endorsement naming the CITY as additional insured under the coverage afforded, shall be primary and noncontributing with respect to any other insurance available to CITY, shall contain a severability of interest (cross-liability) cause, and shall require the insurer to provide to CITY at least 30 days prior notice of cancellation. Proof of such insurance, also in a form satisfactory to CITY'S risk manager, shall be filed with the risk manager.

3. **PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to FOUNDATION under this Agreement will not exceed Seventy Thousand (\$70,000) Dollars. These funds can only be used to acquire or enhance the performers for the concerts and the costs of providing the insurance required in paragraph 2 herein.
4. **REPORTING.** FOUNDATION will report to CITY the actual costs incurred for acquiring the performers for the concerts and insurance required as needed using forms and procedures specified by CITY.
5. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. FOUNDATION will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of FOUNDATION with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of FOUNDATION's fiscal year for which operating assistance is provided, FOUNDATION will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for FOUNDATION's fiscal year.
6. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** FOUNDATION will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. FOUNDATION further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
7. **USE OF NAME "TWILIGHT ALIVE."** The parties understand and agree that CITY is the owner and owns the rights to the service mark "Twilight Alive." During the duration of this Agreement CITY hereby grants to FOUNDATION a royalty free, non-exclusive license to use the name "Twilight Alive" and any images, symbol or logos owned by CITY pertaining to "Twilight Alive" for labeling, advertising, and promoting the concert series that is the subject of this Agreement. ASSOCIATOIN agrees to properly designate the use of the service mark by the use of abbreviation SM or TM following the words, and agrees it will do nothing to diminish the right of the CITY in such mark. FOUNDATION shall not use the service mark other than as permitted herein.

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** FOUNDATION will not assign any rights to funds without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of termination, FOUNDATION will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed Seventy Thousand (\$70,000) Dollars.
11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** FOUNDATION will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** FOUNDATION hereby assures CITY that FOUNDATION is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** FOUNDATION will provide any relevant information requested by CITY concerning FOUNDATION'S Summer Concert Series including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and FOUNDATION agree that the project term for this Agreement is from July 1, 2009 to June 30, 2010. Accordingly, funds allocated by CITY to FOUNDATION can be used to reimburse FOUNDATION for eligible project expenses beginning on July 1, 2009. In no event will CITY participate in project expenses incurred after June 30, 2010.
15. **INDEPENDENT CONTRACTOR.** FOUNDATION'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. FOUNDATION is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither FOUNDATION nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by FOUNDATION, or its employees or agents.
16. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** FOUNDATION will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:
 - A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with FOUNDATION'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such

indemnification includes any damage to the person(s), or property(ies) of FOUNDATION and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to FOUNDATION and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

KINGSPORT CHAMBER FOUNDATION

MILES BURDINE
Secretary

JUD TEAGUE
Executive Director, Kingsport Convention & Visitors Bureau

CITY OF KINGSPORT

DENNIS R. PHILLIPS
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with Greater Kingsport Area Chamber of Commerce for the Move To Kingsport Program for Services in Fiscal Year 2009-2010

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-247-2009

Work Session: July 6, 2009

First Reading: July 7, 2009

Final Adoption: July 7, 2009

Staff Work By: Campbell, Fleming, Scalf

Presentation By: Jeff Fleming

Recommendation: Approve the resolution.

Executive Summary:

The City of Kingsport desires to renew its contract with Move To Kingsport for fiscal year 2009-2010, benefitting the general welfare of Kingsport residents.

During 2008-09, 1,363 families from 40 states moved to Kingsport (which is generally defined as the Kingsport water service area in the 37660, 37663, 37664 and 37665 zip codes). 1,181 families moved into existing homes, while 182 occupied new construction. 69.57% chose to live in the city limits of Kingsport and 59.9% of new construction took place within the city limits. It should be noted these numbers do not include existing Kingsport water customers who moved to another location in one of the zip codes described above.

In the cumulative 3-year existence of Move To Kingsport, 4,757 families from 48 states have moved here.

Attachments:

1. Resolution
2. Agreement
3. Move To Kingsport Annual Statistics

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE GREATER KINGSPORT AREA CHAMBER OF COMMERCE, INC. FOR MOVE TO KINGSPORT PROJECT

WHEREAS, during 2008-09, 1,363 families from 40 states moved to Kingsport (which is generally defined as the Kingsport water service area in the 37660, 37663, 37664 and 37665 zip codes); and

WHEREAS, one thousand one hundred eighty one of those families moved into existing homes, while 182 occupied new construction; and

WHEREAS, Almost seventy percent of those families chose to live in the city limits of Kingsport; and

WHEREAS, in the cumulative three year existence of Move To Kingsport, 4,757 families from 48 states have moved here; and

WHEREAS, the Chamber is agreeable to continue the services for this program.

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, an agreement with the Greater Kingsport Area Chamber of Commerce, Inc. for the Move To Kingsport project.

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

ADOPTED this the 16th day of June, 2009.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

AGREEMENT

By

THE CITY OF KINGSPORT, TENNESSEE

and

THE GREATER KINGSPORT AREA CHAMBER OF COMMERCE, INC.

MOVE TO KINGSPORT PROGRAM

THIS AGREEMENT made and entered into as of the ____ day of July, 2009, by the City of Kingsport, hereinafter called "CITY", and the Greater Kingsport Area Chamber of Commerce, Inc., hereinafter called "CHAMBER".

WITNESSETH:

WHEREAS, CHAMBER is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for the purpose contained herein; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq., and the official compilation of the Rules and Regulations of the State of Tennessee, Rules of the Comptroller of the Treasury, Division of Special Audit, chapter 0380-3-7, relating to Standard Procedures for Appropriating and Disbursing Municipal Funds to Non-Profit Charitable Organizations, to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, the parties desire to work together in the common effort to enhance current efforts and to actively recruit residents of quality to Kingsport; and

WHEREAS, CITY has decided to contract with and provide financial resources to an outside entity for residential recruitment support and CITY has requested that CHAMBER be that outside entity pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the responsibilities and obligations of the parties in this effort and the terms and conditions with respect to the use of funds provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

I. TERM.

The term for this Agreement is from July 1, 2009 to June 30, 2010. Accordingly, funds

allocated by CITY to CHAMBER can be used to reimburse CHAMBER for eligible project expenses beginning on July 1, 2009. In no event will CITY participate in project expenses incurred after June 30, 2010.

II. SCOPE OF WORK

- A. The scope of work for this Agreement will be to assist in the enhancement and continuation of the Kingsport Residential Recruitment program as a non-traditional form of economic development.
- B. Except as otherwise specified in this Agreement, the specific strategies, plans and efforts to provide such services will be determined and implemented by CHAMBER with input from CITY and other members of the community.
- C. CHAMBER will seek to accomplish the items listed below and positively affect the measures described in the Appendix. It is understood that unusual circumstances affecting the economy may impact the achievement of these items.
- D. The parties may make changes as mutually agreed upon in the scope of the work of this Agreement. Such changes will be incorporated in written amendments to this Agreement.
- E. Accordingly the CHAMBER agrees:
 - a. To continue with a Program Council composed of representatives from the City, Chamber of Commerce, Real Estate Professionals, Economic Development Professionals, Health care personnel, Bankers, Recreation industry personnel, re-locatees, News media personnel and others. The responsibilities of this Council are as advisory and oversight. The chairperson of said council will be appointed with a one-year term with open possibilities for re-appointment. The Chairperson of said Council will serve as a Vice President on the Board of Directors of the Chamber; and
 - b. To maintain the necessary support staff to provide logistical support and advice to the Kingsport Residential Recruitment program; and
 - c. To provide some or all of the following, as needed:
 - Maintain a dedicated internet web site (MoveToKingsport.com) to recruit people to move to Kingsport.
 - Establish and implement a marketing plan to promote residential recruitment to Kingsport.
 - Process, respond, and track relocation inquiries from various sources

- Increase conversion of website visitors to ones requesting information and/or an ambassador by 20%.
- Enhance, expand and synergize existing materials used to respond to relocation inquiries, including a 4-color relocation guide to Kingsport, MoveToKingsport.com information, Kingsport area map, real estate information, employment information and other community information.
- To continue to participate in the cooperative effort between NETWORKS, the CHAMBER, and the CITY in the State of Tennessee's Recruitment Co Op (Retire TN), and to attain re-certification annually.
- Coordinate and assist with NETWORKS and/or City representative with the State of Tennessee's Recruitment Co Op (Retire TN), and other related efforts.
- Establish a Move To Kingsport brochure for distribution at tradeshow, businesses, and other recruiting efforts.
- Continue, expand, and track the employer assistance program in recruiting professionals to live and work in Kingsport and strive to increase these referrals by 20%.
 - In support of the mission of recruiting people to move to Kingsport, will track volunteer hours worked, and has a target of attaining 250 annual volunteer hours dedicated to this effort.
- Recruit, train, and coordinate volunteer community ambassadors who communicate with potential newcomers and new residents.
- Increase volunteer community ambassadors from 15 to 20.
- Maintain ambassador portion of MoveToKingsport program and increase contact with potential newcomers from 3% (2008-09) to 5%.
- To work cooperatively with the Kingsport Convention and Visitors Bureau in support of recruiting those visiting to relocate permanently to Kingsport.
- Conduct & Coordinate the bus tour for new residents, employees and potential newcomers with CITY provided bus. These should occur at minimum on a monthly basis.
- Increase local, regional and national promotion of Kingsport through various marketing activities outlined in appendix A (marketing plan) and 2009 initiatives in budget request.

- Track efforts by Newcomers' Services who visit newcomers in their homes once they have relocated to Kingsport.

III. MONITORING AND REPORTING REQUIREMENTS.

CHAMBER will provide CITY with annual written reports delivered by the third Monday in February where CHAMBER will appear at the regularly scheduled work session of the Board of Mayor and Aldermen to review the report and present an update. The report will detail the efforts taken by CHAMBER toward accomplishment of the items listed in Section II, as well as a statement of other efforts and accomplishments within the scope of the Agreement not specifically included in Section II. Within the same report, CHAMBER will assess the impact its efforts have had on residential recruitment, and will annually report on the measures in the Appendix of this Agreement.

IV. COMPENSATION.

- A. CITY will pay CHAMBER up to Fifty-Five Thousand and NO/100 (\$55,000) dollars annually for services provided under this Agreement as described in Section II Scope of Work.
- B. CITY will pay the CHAMBER a semi-annual amount based upon a documented invoice requesting matching funds, not to exceed Fifty -Five Thousand and NO/100 (\$55,000) dollars on July 1, 2009 and January 1, 2010.

CHAMBER will be responsible for raising and/or spending, including in-kind support an additional amount up to Forty-Five Thousand and NO/100 (\$45,000 dollars) from sources other than CITY to fund the balance of this program. CHAMBER will send CITY reports of the actual net operating cost on an annual basis at the same time the reports required in Section III are issued. The reports will be provided in a format that is generally compatible with quarterly budget line item reports used by city departments. CHAMBER will also provide some in kind contributions including work from members of the staff of CHAMBER to assist the residential recruiting efforts from time to time and in meeting the performance initiatives contained this Agreement.

- C. CITY will review all annual reports; however, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
- D. The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. CHAMBER will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records,

and accounts of CHAMBER with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of CHAMBER's fiscal year for which operating assistance is provided, CHAMBER will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for CHAMBER's fiscal year.

- E. CHAMBER will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. CHAMBER further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State.

V. ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.

The CHAMBER will not assign or subcontract any portion of this Agreement without the prior written approval of the CITY. CHAMBER will not assign any rights to funds provided herein without the prior written authorization of the CITY.

VI. CHANGED CONDITIONS AFFECTING PERFORMANCE.

CHAMBER will immediately notify CITY of any change in conditions or of any other event that may significantly affect its ability to perform the project in accordance with the provisions of this Agreement.

VII. STAFFING.

- A. CHAMBER will pay its employees under this Agreement at least the Federal Minimum Wage.
- B. In carrying out the work of this Agreement, CHAMBER will not discriminate against any employee or applicant for employment because of race, color, religion, creed, gender, national origin, age, disability or any other legally protected status.

VIII. TERMINATION

This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, CHAMBER will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed Fifty-Five Thousand and NO/100 (\$55,000).

IX. EXTENSION OF AGREEMENT.

The parties may extend this Agreement for subsequent years subject to any applicable negotiated changes.

X. OPERATING INFORMATION.

The parties agree to respond to inquiries made by designated representatives of the parties or their designees in a timely fashion. CITY designates the City Manager as its representative for this Agreement. CHAMBER designates the Corporate Secretary as its representative for this Agreement. CHAMBER will provide any relevant information requested by CITY concerning the small business program of CHAMBER, including, but not limited to contracts for third party financial arrangements, annual financial statements, and audit reports, schedules and fees.

XI. CITY-DESIGNATED REPRESENTATIVES.

The City Manager will serve as the CITY representative on the Board of CHAMBER, and will be entitled to attend all meetings of CHAMBER, and participate on all issues before the Board.

XII. ASSURANCES.

CHAMBER hereby assures CITY that CHAMBER is legally entitled to funds from CITY.

XIII. INDEPENDENT CONTRACTOR. CHAMBER'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. CHAMBER is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither CHAMBER nor their employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by CHAMBER, or their employees or agents.

XIV. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.

CHAMBER will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with CHAMBER'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of CHAMBER and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to

be paid with respect to CHAMBER and their officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the parties have set their hand to this Agreement in duplicate originals effective the date first above written.

**GREATER KINGSPORT AREA CHAMBER OF
COMMERCE, INC.**

MILES BURDINE
President and CEO

KIRA DYKSTRA
Director, Move To Kingsport

CITY OF KINGSPORT, TENNESSEE

ATTEST:

JAMES H. DEMMING
City Recorder

DENNIS R. PHILLIPS
Mayor

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

APPENDIX

PERFORMANCE MEASURES FOR AGREEMENT BY THE CITY OF KINGSPORT, TENNESSEE, AND THE GREATER KINGSPORT AREA CHAMBER OF COMMERCE, INC. FOR THE MOVE TO KINGSPORT PROGRAM

MEASURES

In order to assess the impact of this Agreement, some basic measures are needed. The following measures have been chosen to help assess the impact of this venture on small business growth and development in Kingsport and will be tracked each year by the parties for that purpose.

1. Number of relocation requests received and served by the Chamber.
Source: Annual survey of prospects

For the period of 7/1/08 – 5/1/09 we received

575 direct inquiries through walk ins, phone ins, and M2K website inquiries

And

3466 inquiries about our region through Networks

2. Number of “unique visitors” on the movetokingsport.com web site.

7/1/08-5/1/09

14,068 unique visitors

3. Number of newcomers as evidenced by water taps.

7/1/08-5/1/09

1153 families

1,363 families from 40 states moved to Kingsport during FY2009*
*4,757 families from 48 states since the beginning of MoveToKingsport.com (July 2006)**

FY2009 Annual Relocation Report
July 2008 – June 2009

www.MoveToKingsport.com

Top Donor States since beginning of MoveToKingsport.com (Jul 06-Jun 09)

1. Virginia
2. Florida
3. North Carolina
4. Georgia
5. South Carolina
6. Kentucky
7. California
7. Texas
8. Maryland
8. Ohio
9. Michigan
10. Pennsylvania

Top 10 Places moving to Kingsport since beginning of MoveToKingsport.com (Jul 06-Jun 09) by net difference

	City	State	Difference
1	GATE CITY	VA	42
2	BRISTOL	TN	39
3	ELIZABETHTON	TN	31
4	CHURCH HILL	TN	29
5	CHATTANOOGA	TN	18
5	ROGERSVILLE	TN	18
6	BLUFF CITY	TN	14
7	WISE	VA	12
8	PINEY FLATS	TN	11
9	MORRISTOWN	TN	9
10	JACKSONVILLE	FL	8
10	UNICOI	TN	8

Top 10 Places moving to Kingsport from > 35 miles away since beginning of MoveToKingsport.com

	City	State	Difference
1	CHATTANOOGA	TN	18
2	WISE	VA	12
3	MORRISTOWN	TN	9
4	JACKSONVILLE	FL	8
5	UNICOI	TN	8
6	DELAND	FL	7
6	GREENEVILLE	TN	7
6	BIG STONE GAP	VA	7
6	MADISON	NJ	7
7	FREDERICK	MD	5
7	SYKESVILLE	MD	5
7	CHARLESTON	SC	5
7	CLARKSVILLE	TN	5
7	TELFORD	TN	5
7	CHESAPEAKE	VA	5
8	KISSIMMEE	FL	4
	POMPANO		
8	BEACH	FL	4
8	WINTER HAVEN	FL	4
8	CAMBY	IN	4
8	PIKEVILLE	KY	4
8	SILVER SPRING	MD	4
8	GRAYLING	MI	4
8	JACKSBORO	TN	4
	KODAK	TN	4
8	HOUSTON	TX	4
8	CLINTWOOD	VA	4
8	DRYDEN	VA	4
8	NORTON	VA	4
9	38 places		3
10	92 places		2

Top 10 Places where Kingsporters moved since beginning of MoveToKingsport.com (Jul 06-Jun 09) by net difference:

	City	State	Difference
1	FALL BRANCH	TN	-91
2	BLOUNTVILLE	TN	-51
3	KNOXVILLE	TN	-11
4	JONESBOROUGH	TN	-9
5	NASHVILLE	TN	-8
5	SURGOINSVILLE	TN	-8
6	CHUCKEY	TN	-6
7	BROOKSVILLE	FL	-5
7	HOT SPRINGS	NC	-5
7	RALEIGH	NC	-5
7	ABINGDON	VA	-5
8	LEESBURG	FL	-4
8	MELBOURNE	FL	-4
	PLANT CITY	FL	-4
	DURHAM	NC	-4
8	EASLEY	SC	-4
8	FRIENDSVILLE	TN	-4
8	MOUNT CARMEL	TN	-4

8	FAIRFAX	VA	-4
8	RIDGEWAY	VA	-4
9	CANTON	GA	-3
9	GREENSBORO	GA	-3
	COLUMBUS	IN	-3
✓	MANOMET	MA	-3
9	SAINT LOUIS	MO	-3
9	MORGANTON	NC	-3
9	AWENDAW	SC	-3
9	SPARTANBURG	SC	-3
9	HENDERSONVILLE	TN	-3
9	HAYMARKET	VA	-3
9	LYNCHBURG	VA	-3
9	MOSELEY	VA	-3
9	MORGANTOWN	WV	-3
10	75 places		-2

During the 12 month period (July 08-June 09), there were 1,363 new families in Kingsport. (Also, 1,110 existing Kingsport area residents moved to a new location within the Kingsport area.)

Of the 1,363 new families:

- 182 were new construction
- 1,181 moved into existing structures
- 532 relocated from elsewhere in Northeast Tennessee (> 35 miles, excluding Kingsport area zips)
- 108 relocated from elsewhere in Tennessee (beyond 35 miles)
- 111 relocated from Southwest Virginia (within 35 miles of Kingsport)
- 21 relocated from elsewhere in Virginia (beyond 35 miles)
- 391 were relocations from out-of-state
- 69.75% chose to live inside the city limits of Kingsport
- 59.9% of new construction was inside city limits of Kingsport

Comparing this Fiscal Year with the average Fiscal Years 2007-2009:

- New residential construction is down -38.02%
- Out-of-state relocations to Kingsport are down -11.43%

Where did the out-of-state relocations originate? From 40 different states!

During the 12 month period (July 08-Jun 09), the top donor states (excluding Tennessee) were:

VIRGINIA	132
FLORIDA	47
NORTH CAROLINA	29
GEORGIA	22
SOUTH CAROLINA	17
KENTUCKY	16
MICHIGAN	14
OHIO	12

INDIANA	11
NEW YORK	11
CALIFORNIA	10
UNKNOWN STATE	10
PENNSYLVANIA	9
TEXAS	9
MARYLAND	8
ALABAMA	6
LOUISIANA	5
ARIZONA	4
COLORADO	4
MISSISSIPPI	4
VERMONT	4
ARKANSAS	3
ILLINOIS	3
NEW JERSEY	3
WEST VIRGINIA	3
IOWA	2
MASSACHUSETTS	2
NEBRASKA	2
OREGON	2
UTAH	2
ALASKA	1
DISTRICT OF COLUMBIA	1
MINNESOTA	1
MISSOURI	1
NEVADA	1
NEW HAMPSHIRE	1
NEW MEXICO	1
OKLAHOMA	1
WASHINGTON	1
WYOMING	1

****This data indicates the origin of families relocating to Kingsport. It is not intended to imply a net gain to the existing Census Bureau population estimates.***



AGENDA ACTION FORM

Consideration of Re-Appointment to the Board of Mechanical, Plumbing, and Gas

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager

Agenda Form No.: AF-218-2009
Work Session: July 6, 2009
First Reading: July 7, 2009

Final Adoption: July 7, 2009
Staff Work: Michael Freeman
Presentation: Mayor Dennis Phillips

Recommendation:

Approve Re-appointment

Executive Summary:

The City of Kingsport Code of Ordinances authorizes the City Manager to appoint members to the Board of Mechanical, Plumbing, and Gas. Members shall be appointed by the Board of Mayor and Alderman. Therefore, please consider the reappointment of J. R. Jones to the Board of Mechanical, Plumbing and Gas. His biographical information is attached.

Attachments:

- 1. J.R. Jones - Bio

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

Board of Mechanical, Gas, and Plumbing

Reappointments:

J. R. Jones: Mr. Jones has been in the plumbing business for over 25 years. He has been a board member since November 5, 2002.



AGENDA ACTION FORM

Consideration of Appointment to the Kingsport Beverage Board

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF:-234-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: City Clerk Liz Gilbert
 Presentation By: Mayor Phillips

Recommendation: Approve the appointment of Ms. Meredith Barnes to the Kingsport Beverage Board.

Executive Summary:

Ms. Barnes has agreed to serve a three-year term on the Kingsport Beverage Board, replacing Mr. Tom Parham who was recently elected to the Board of Mayor and Aldermen. If approved by the Board of Mayor and Aldermen, Ms. Barnes' term will begin, effective immediately and expiring June 30, 2012.

Attachments:

1. Bio – Meredith Barnes

Funding source appropriate and funds are available: N/A

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

**Biography
of
Meredith Barnes**

317 High Ridge Road
Kingsport, TN 37660
(423) 246-6135/work
(423) 914-3375/cell

- Kingsport native;
- Graduate of Dobyys-Bennett High School;
- Received Bachelor of Science from East Tennessee State University;
- Currently employed as Business Administrator for Dr. John R. Barnes' dental practice here in Kingsport; and
- Currently serves on Leadership Team for Kingsport's young professional organization, KNETIC.



AGENDA ACTION FORM

Consideration of Appointments to the Employee Dependent Scholarship Program Board of Directors

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

A handwritten signature in blue ink that reads "John G. Campbell".

Action Form No.: AF-223-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: L. Christian/C. McCartt
 Presentation By: Mayor Phillips

Recommendation: Approve the appointments of Dr. Marvin Cameron, Mrs. CeeGee McCord, and Reverend Clark Jenkins to the Employee Dependent Scholarship Program Board of Directors.

Executive Summary:

Dr. Cameron, Mrs. McCord, and Mr. Jenkins have agreed to serve on the Employee Dependent Scholarship Program Board of Directors, if approved by the Board of Mayor and Aldermen. The appointments will be effective immediately. Since this is a new program, the terms have not been determined.

Attachments:

1. Biographies

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

**Kingsport Housing and Redevelopment Authority and
City of Kingsport Municipal Employee
Dependent Scholarship Program**

Dr. Marvin Cameron

Dr. Cameron is the Pastor at First Baptist Church in Kingsport. He received a BA degree from Union University in Jackson, Tennessee. He received Master and Doctorate degrees from The Southern Baptist Theological Seminary in Louisville, Kentucky. Dr. Cameron's wife Penny teaches 6th grade reading at Ross N. Robinson Middle School. He has two sons – Chris, who is entering his second year of law school at the University of Mississippi and Tyler, who is entering the University of Tennessee as a freshman. Dr. Cameron currently serves as the Chair of the Board of Trustees at Carson-Newman College and also serves as a member of the Board of Directors at Holston Valley Hospital.

Reverend Clark Jenkins

Reverend Jenkins is the Senior Pastor at First Broad Street United Methodist Church in Kingsport. He is a graduate of Duke University. He is married to Dr. Carolyn P. Jenkins and they have two children. Reverend Jenkins serves on the General Board of Church and Society in Washington, D.C. and has also served on the board of the Holston Home for Children.

CeeGee McCord

CeeGee McCord is currently State Government and Community Relations Manager for Eastman Chemical Company. McCord earned a bachelor's degree in management from Georgia Institute of Technology, and a master's degree in public administration from Kennesaw State University.

Prior to joining the company, McCord was employed in the nonprofit and public service sector. In her role at Eastman, McCord works with state legislators, administration officials, and trade and business associations to advocate for business and economic development in the U.S. In addition, she manages Eastman's corporate citizenship and contributions programs nationally and in local site communities with focuses on philanthropy, volunteerism, and environmental responsibility.

She currently serves as a Commissioner with the Kingsport Housing and Redevelopment Authority, active on the Kingsport Community Foundation Board, with the United Way, and the South Central Community Development Organization. She and her husband, Jeff, feel blessed to live in Northeast Tennessee and to be the parents of Sam, Grace and John McCord.



AGENDA ACTION FORM

Consideration of Appointment and Reappointments to the Kingsport Public Art Committee

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager

Action Form No.: AF- 208-2009
Work Session: July 6, 2009
First Reading: July 7, 2009

Final Adoption: July 7, 2009
Staff Work By: Bonnie Macdonald
Presentation By: Mayor Dennis Phillips

Recommendation: Approve the reappointment of Mary Banks and Ann Vachon to the Kingsport Public Art Committee. Approve the appointment of Lisa Anne Milhorn.

Executive Summary: The Public Art Committee was created by ordinance in July 2006. Mrs. Banks and Mrs. Vachon have both served 1 full three-year term on the inaugural committee and are eligible for only 1 more term. Both have agreed to an additional three-year term. Mrs. Banks is currently serving as the Chairman of Selection Committee for the Kingsport Higher Education Center public art and Mrs. Vachon has agreed to chair the selection teams for public art at the VO Dobbins Center. Lisa Anne Milhorn does the art and interior design work for the residential and commercial clients in her business, Up Against the Wall Gallery, she owns with her Mike. She also purchases the artwork that is represented by the gallery. Mrs. Milhorn will fill the unexpired term of Bob Lawrence who resigned last month.

Approving these appointments will provide the following members and expiration of terms:

Volunteer members:

July 2010

Roy Harmon
Bruce Shine
vacancy

June 2011

T. Arthur Scott, Jr.,
Lisa Anne Milhorn

June 2012

Mary Banks
Ann Vachon

City Staff serving on the Public Art Committee include Judy Smith, Chris Campbell and Greg Willis. The Cultural Arts Office of Parks and Recreation provides administration of the Public Art Program.

Attachments:

- 1. Bio on Lisa Anne Milhorn
- 2. Bio on Ann Vachon
- 3. Bio on Mary Banks

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shupe	—	—	—
Parham	—	—	—
Phillips	—	—	—

Lisa Anne Milhorn

Up Against the Wall Gallery

316 East Market Street

Kingsport, TN 37660

(423) 246-7210

Lisa Anne Milhorn was born in L.A. (Lower Alabama) and was raised in Opelika. East Tennessee State University is the reason she moved to the Tri-Cities area in 1978. Mike Milhorn, her husband, is the reason she stayed. Together they own and operate Up Against the Wall Gallery in Beautiful Downtown Kingsport. Lisa Anne does the art and interior design work for the gallery's residential and commercial jobs, as well as purchasing artwork represented in the gallery. When she isn't at the gallery, she is gardening, cooking or creating pottery.

Ann C. Vachon

Ann Vachon is a native of the U. K. but has lived in Kingsport for 34 years. She graduated from Elizabeth Gaskell College in Manchester, England and is certified to teach middle school level in the UK. She has taught art in the UK and the United States, both in elementary and middle schools.

Ann has been an active member of the Kingsport Art Guild since 1995 and served as president for two years. She has been the Art Guild's representative on the Kingsport Arts Council since 2004 and has served on the Kingsport Public Art Committee since its inception.

Most recently, Ann was the recipient of the YWCA's 2009 Tribute to Women Award for the Arts.

Mary M. Banks, M. Ed., LPC, NCC
4536 Chickasaw Road
Kingsport, Tennessee 37664
(423)288-2646 – home
(423)292-3500 - cell
marymbanks@embarqmail.com

Born:

May 11, 1951 in Lexington, Virginia

Education:

Master of Education (M.Ed.) in Counseling, 1995, ETSU, Johnson City, Tennessee,
Currently Licensed Professional Counselor (LPC), Tennessee,
and Nationally Certified Counselor (NCC)

B. A. in Elementary Education, 1973, Virginia Tech, Blacksburg, Virginia

High School Diploma, 1969, Rabun County High School, Clayton, Georgia

Employment:

Experience as a teacher in elementary education, a school counselor in elementary school, middle school, and community college, and as a therapist on a geriatric psychiatric in-patient unit

Personal:

Married to Steven C. Banks (35 years)

Son Steven attended Kingsport City Schools

Moved to Kingsport in 1974

Member of First Presbyterian Church of Kingsport

Activities and Interests:

Member of Kingsport Parks and Recreation Advisory Committee (PRAC), 2004-2009

Represented Kingsport PRAC on Public Art Preliminary Committee, 2005-2006

Appointed to Kingsport Public Art Committee, June, 2006

Member of Kingsport Memory Walk Committee for the Northeast Tennessee-Southwest Virginia Alzheimer's Association, 2004-2009

Have sustained a continuing interest in the arts and the environment

I love people of all ages and hold a deep commitment to an enhanced quality of life for all of the citizens of Kingsport.

May 7, 2009



AGENDA ACTION FORM

Consideration of Ordinance Designating the Qualified Depositories of the City of Kingsport

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager

Action Form No.: AF-207-2009
Work Session: June 16, 2009
First Reading/ (Business Matter Held):
June 16, 2009

Final Adoption: July 7, 2009
Staff Work By: Keith Smith
Presentation By: James Demming

Recommendation:

Request the Board of Mayor and Aldermen approve an ordinance designating the authorized depositories of the City of Kingsport. This ordinance will supersede Ordinance No. 5552 and amend the current list of designated depositories by deleting AmSouth Bank and Sullivan County Bank and adding Regions Bank and GreenBank.

Executive Summary:

Article X Section 13 of the City Charter requires that depositories be designated by ordinance. However, as a result affiliations, acquisitions mergers or change in entity name, some previously approved depositories are not identified as authorized depositories in the most recent approved ordinance of qualified depositories, i.e., Ordinance No. 5552. AmSouth Bank is now Regions Bank and Sullivan County is now GreenBank. Therefore, the ordinance designating qualified depositories for the City of Kingsport should be amended to identify Regions Bank and GreenBank as designated qualified depositories.

Attachments:

- 1. Ordinance

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—



AGENDA ACTION FORM

Consideration of an Approval of Offers for Easements and Right-of-Ways for the Barnett Drive Water Line Extension Project

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager

Action Form No.: AF-217-2009
Work Session: July 6, 2009
First Reading: July 7, 2009

Final Adoption: July 7, 2009
Staff Work By: R. Trent, S. Chase
Presentation By: R. McReynolds

Recommendation: Approve the offers.

Executive Summary:

In order to extend existing water lines in the Barnett Drive area, the Public Works Department has requested right-of-ways and easements 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 is funded under #411-5004-501-9001.

Attachments:

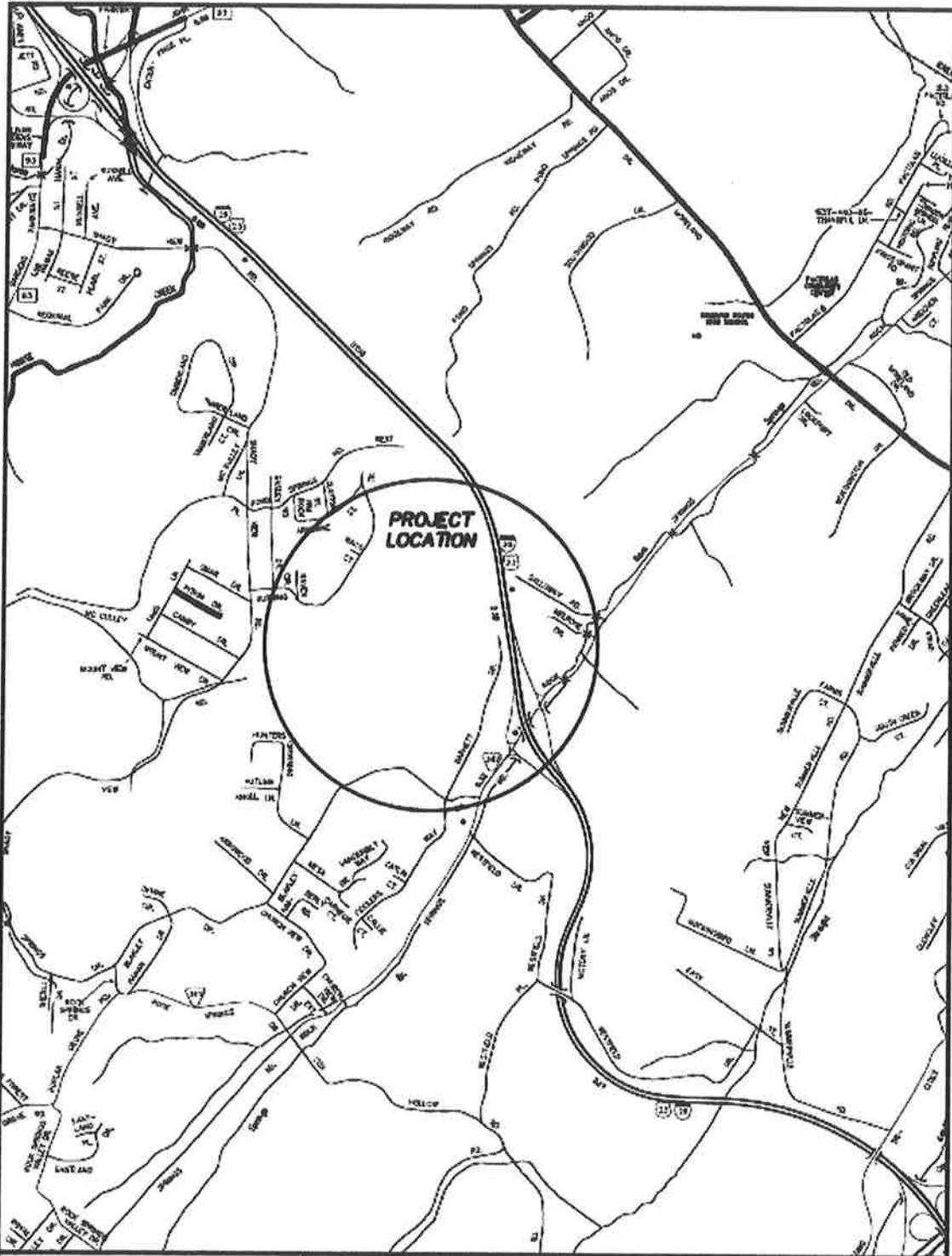
- 1. Barnett Drive Water Line Extension Project Offers
- 2. Project Location Maps

Funding source appropriate and funds are available: _____

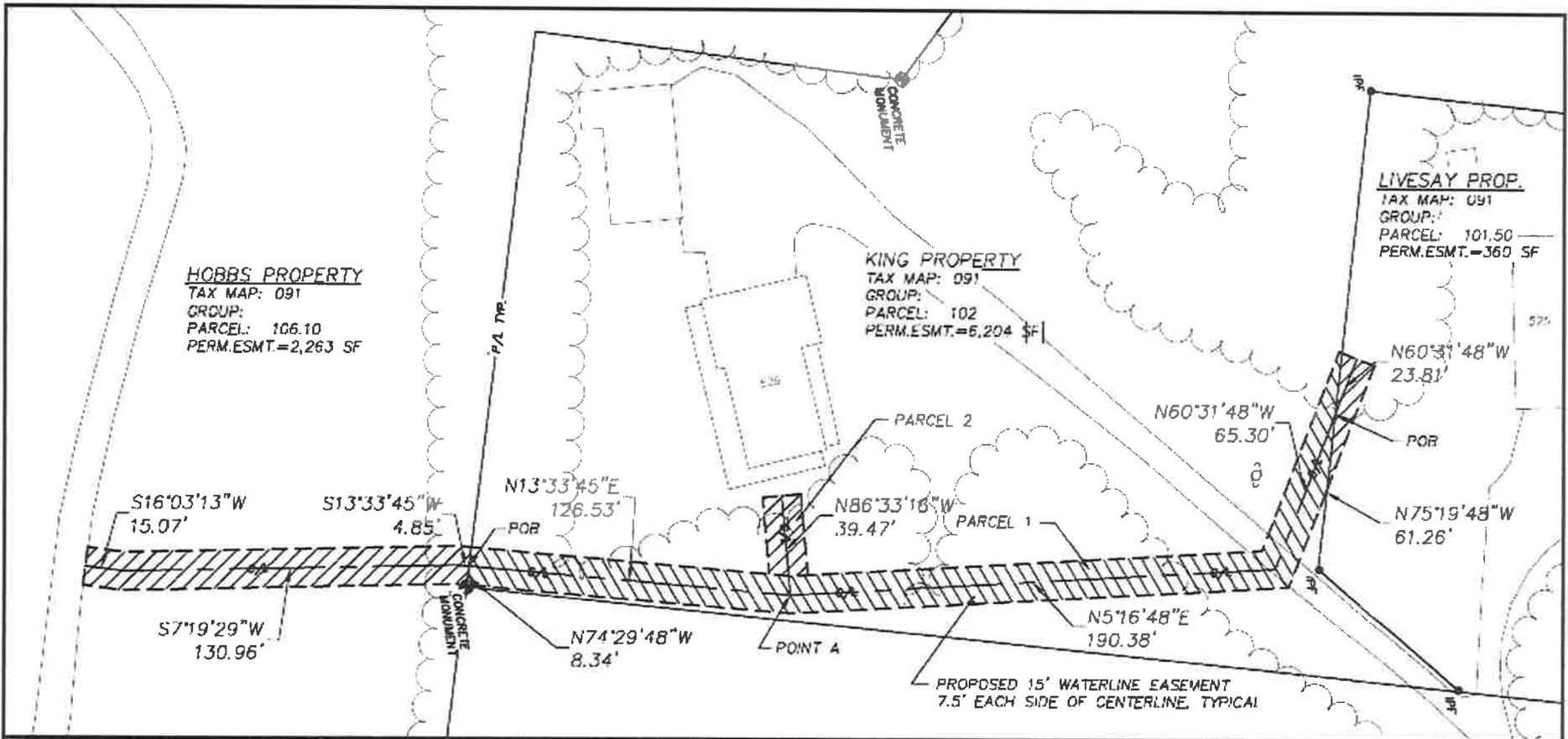
	Y	N	O
Joh	—	—	—
Mailicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—

Barnett Drive Water Line Extension Project

Tax Map & Parcel	Property Owner	Easement Area	Appraised Value
#091; #101.50	Beverly Wexler Livesay 525 Barnett Drive Kingsport, Tennessee 37664	Perm. 360 sq. ft.	\$ 60.00
#091; #-102.00	Kevin & Kathy King 529 Barnett Drive Kingsport, Tennessee 37664	Perm. 6,204 sq. ft.	\$682.00
#091; #106.10	Hoover Hobbs Estate c/o Thomas Peters P. O. Box 2440 Kingsport, TN 37662	Perm. 2,263 sq. ft.	\$110.00



**FIGURE 1 – PROJECT LOCATION MAP
 BARNETT DRIVE
 WATERLINE EASEMENTS
 CITY OF KINGSPORT, TENNESSEE**



**PROPOSED WATERLINE EASEMENTS
 ACROSS**

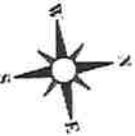
KEVIN C & KATHY A KING, HERBERT H HOBBS and BEVERLY R WEXLER LIVESAY PROPERTIES

Located in the 13th Civil District of Sullivan Co., TN

OFFICE OF THE CITY ENGINEER
 DATE: 28 MAY 2009

KINGSPORT, TN
 SCALE: 1"=50'
N-2272

ALL BEARINGS KGRN
 (KINGSPORT GEODETIC
 REFERENCE NETWORK)





AGENDA ACTION FORM

Consideration of Authorization for City Recorder to Reconcile and Adjust Uncollectible Property Tax for Year 1998

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-229-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: Christine Haynes
 Presentation By: Joe May

Recommendation:

Authorize the City Recorder to reconcile and adjust delinquent property tax receivables in FY09 in the amount of \$13,757.77 for tax year 1998 and authorize and direct the Mayor and City Recorder to execute any necessary pleadings on the delinquent tax collection lawsuit.

Executive Summary:

Reconciliation has been made of the personal and real property as well as public utilities such as interstate commerce trucking companies, property tax receivable, estimated uncollectible and deferred revenue accounts and it is recommended that this adjustment be made.

Over the past ten years, a very aggressive campaign has been undertaken to maintain tax collections by the City of Kingsport. During that period, the unpaid accounts have been reduced substantially. The effect of the program is demonstrated in actual figures.

Each year as part of the final accounting, an adjustment is made to recognize uncollectible receivables. This year, the total of real and personal property taxes that meet such criteria represents some 6/100's of 1% of the total. Conversely, 99.94% of the total tax levy has been collected. The original levy in the year 1998 was \$22,896,985.75; of that amount, a total of \$13,757.77 has not been collected; and, 44% of that amount is either under the jurisdiction of the bankruptcy court is a Public Utility or now held by the City of Kingsport or Sullivan County.

Attachments:

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—



AGENDA ACTION FORM

Consideration of Approval of Offers for Easements and Right-of-Ways for the Center Street/Clinchfield Street Intersection Improvement Project

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-221-2009
 Work Session: July 6, 2009
 First Reading: July 7, 2009

Final Adoption: July 7, 2009
 Staff Work By: R. Trent, M. Thompson
 Presentation By: R. McReynolds

Recommendation: Approve the offers.

Executive Summary:

In order to make improvements to the intersection of Center Street and Clinchfield Street, the Public Works Department has requested right-of-ways and easements 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 is funded under #GP0918.

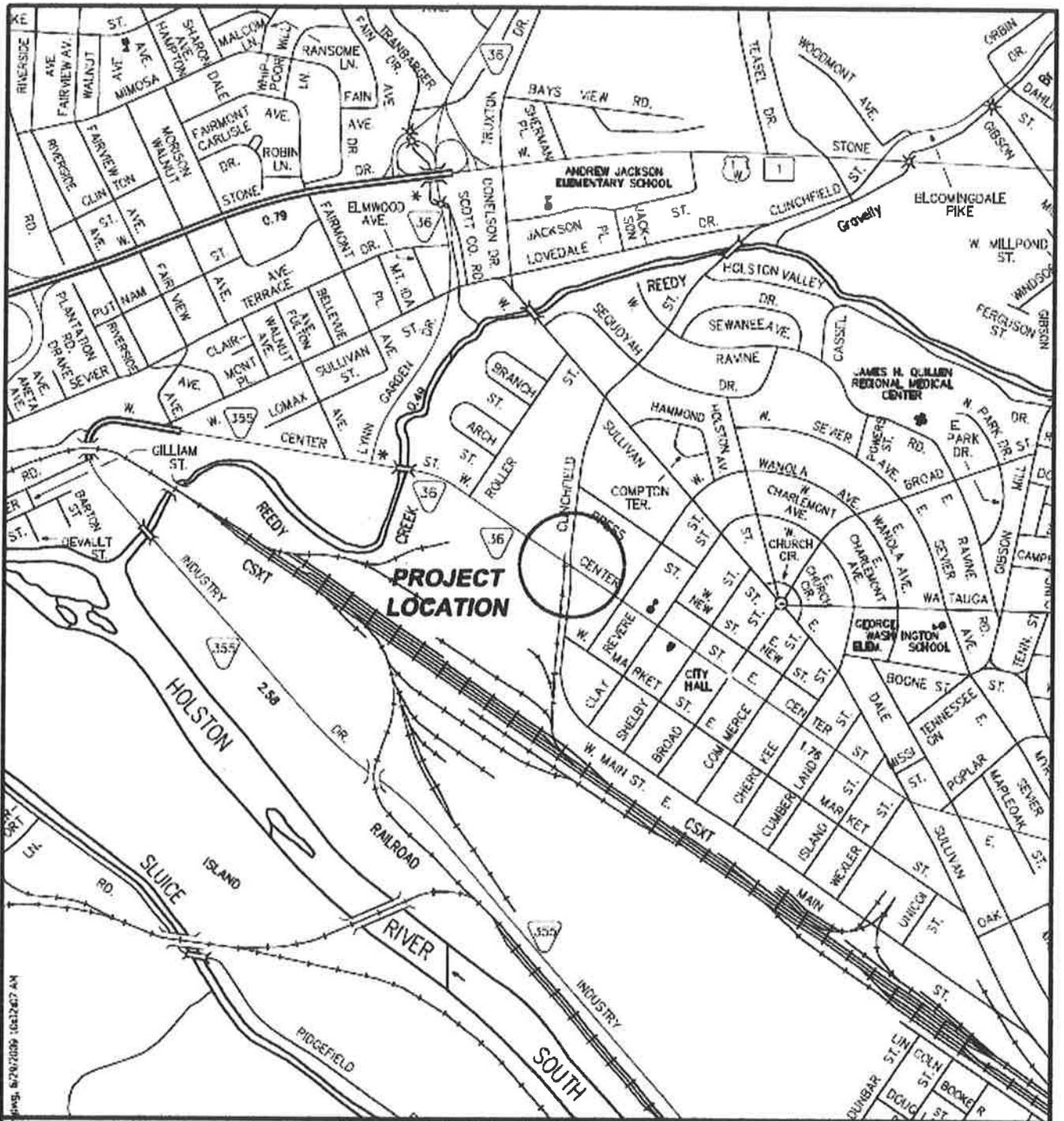
<u>Tax Map & Parcel</u>	<u>Property Owner</u>	<u>Easement Area</u>	<u>Appraised Value</u>
#046I; G-011.00	Andrew M. Brooks P. O. Box 818 Kingsport, TN 37662	ROW 205 sq. ft. Temp. 2,493 sq. ft.	\$ 680.00 \$1,650.00
#046I; G-023.00 480.00	Domtar Paper Co., Inc., c/o AEC America, LLC 200 White Plains Road, #510 Tarrytown, NY 10591	ROW 510 sq. ft.	\$

Attachments:

1. Project Location Map

Funding source appropriate and funds are available: _____

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Parham	—	—	—
Shupe	—	—	—
Phillips	—	—	—



C:\DWG\City\personnel\B\City\City Center Improve\Project\Map\6/29/2009 10:21:20 AM

**ALL BEARINGS KNOWN
 (NAD83 SPORT GEODETIC
 REFERENCE NETWORK)**



CLINCHFIELD STREET & CENTER STREET INTERSECTION IMPROVEMENTS PROJECT

JUNE 29, 2009

NO SCALE