



## AGENDA

### BOARD OF MAYOR AND ALDERMEN REGULAR WORK SESSION

**Monday, October 19, 2009**  
**Council Room — 2<sup>nd</sup> 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 C. K. Marsh, Jr.

Alderman Larry Munsey  
Alderman Tom C. Parham  
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 McCartt, 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. Review of Items on October 20, 2009 Regular Business Agenda
5. GED/ Kingsport Program – Mayor Phillips/ Dr. Biller
6. Red Light Camera Update – Chief Osborne/ Deputy Chief Quillin
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**  
*October 19, 2009*

**City Departments**

**Police Department**

*PDA/VisionAir Project*

*Gale Osborne*

*October 14, 2009*

We continue to remain on schedule. Updates will be listed in bold and italics.

1. Hardware and Network Ready by – June 30,2009  
***Installed.***
2. Computer Aided Dispatch Live– August 13-14 (2 Days)  
***System Administrator Training complete for CAD  
CAD go live successful August 13.***
3. Records Management System Live – November 4 (1 Day)  
***Records System Administrator Training Complete***
4. JAIL Live – November 5 (1 Day)  
***Jail System Administrator Training Complete***
5. MOBILE Live – November 12 (1 Day)
6. FIRE Live – December 11 (1 Day)
7. Data-Driven Server ordered for Field Reporting Software.  
***Super user training complete and live***
8. PDA/Redfly mobile companion distribution planned to occur in July  
***Distribution occurred as scheduled.***

Included in this timeline are multiple training modules that are web based and classroom based. We continue to have team meetings; Information Services is coordinating with VisionAir and Data-Driven engineers for installation of hardware and software packages. **Hardware and software packages have been installed.**

***Redlight Cameras***

***David Quillin***

***October 16, 2009***

On October 14 and 15, 2009, the House Transportation Committee met in Nashville. The purpose of the meeting was to hear testimony from municipalities across the state who had photo enforcement systems. Representatives from Chattanooga, Knoxville and Gallatin addressed the committee. Deputy Chief Quillin also attended and spoke to the committee about the program in Kingsport.

**Fire Department**

***Fire Station Seven***

***Craig Dye***

***October 15, 2009***

The station opening has been delayed to possibly mid November. The contractor thought they had caught up from the bad weather earlier this year, but they have not. Nothing is within the Fire Department's control concerning the opening date. Furniture and other items are ordered.

**Engineering**

***Gibson Mill Road Realignment***

***Hank Clabaugh***

***October 15, 2009***

Thomas has completed the final road grading, subgrade compaction, curb and gutter, and asphalt binder installation on all road beds (except the new cul de sac).

Continual rain keeps delaying the completion of this project. All dates below are contingent on satisfactory weather.

Final completion of this road project (Contract 1) will coincide with the permanent closing of Ravine Road at Cassel Drive with the construction of a cul-de-sac. This roadway has been renamed Cherokee Village Drive.

Cassel Drive, Cherokee Village Drive, and Ravine Road will all be complete and opened to through traffic by October 23, 2009.

The bridge is part of the hospital's contract (1). It is expected that the bridge will be open by November 23, 2009.

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

Final completion on Contract 2 is expected by October 23.

The next phase of this project has been bid and Thomas was also the low bidder on this project. It is anticipated that construction on this phase will begin within the next 2 months.

**Public Works – Water/Sewer**

***Automated Meter Reading***  
***No new updates***

***Chad Austin***

***September 30, 2009***

Approximately 33,500 (of approx. 35,000) meters have been changed out thus far. Project is still on schedule to be complete by the end of October.

A savings and revenue report will be prepared for the next tickler. Results from the latest round of large meter rehabilitations need to be tallied before an accurate review can be given.

***Airport Parkway Water Tank Rehab.***  
***No new updates***

***Chad Austin***

***September 30, 2009***

The primer and intermediate coats of paint have been applied to the entire tank. The contractor is trying to find a window of good weather before starting on the decorative final coat. As soon as the weather breaks, they will begin. Pictures will be forwarded ASAP.

**Development Services**

***Cook's Point***

***Rack Cross***

***October 15, 2009***

Cook's Point Developer Erik Fritz met with State Representative Tony Shipley and three Sullivan County Commissioners to discuss issues with the development. Mr. Fritz advised that the discussion included improving the appearance of the large slope with additional vegetation. Mr. Fritz has added some hay, matting and seed the slope. Mr. Fritz has been asked to enhance all areas by adding vegetation to exposed areas and maintaining all planted areas.

**Leisure Services**

***Parks & Recreation***

***Greenbelt***

***Kitty Frazier***

***October 15, 2009***

Bridge crossing at Reedy Creek has been 90% completed, safety fencing has been installed, and landscaping is being done. Final layer of asphalt still needs to be done; timing dependent on the weather.

***Kingsport Public Library***

***Helen Whittaker***

***October 16, 2009***

The architects will be hosting a public meeting for input about the library expansion/addition/construction project. The meeting will be at the library on Monday, October 26 at 6:30 p.m. in the auditorium. This is a great opportunity for the public to provide input about Kingsport's 21st century library.

The architects will be making a presentation to the BMA in November.



## **AGENDA**

### **BOARD OF MAYOR AND ALDERMEN**

**REGULAR BUSINESS MEETING**  
**Tuesday, October 20, 2009**  
**Large Court Room – 2<sup>nd</sup> 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 C. K. Marsh, Jr.

Alderman Larry A. Munsey  
Alderman Tom C. Parham  
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 – Paul Becker – Pastor Concordia Lutheran Church**
- III. ROLL CALL**
- IV. RECOGNITIONS AND PRESENTATIONS**
  - A. Keep Kingsport Beautiful - Leslie Snyder
- V. APPROVAL OF MINUTES**
  1. October 5, 2009 Regular Work Session
  2. October 6, 2009 Regular Business Meeting

## VI. COMMUNITY INTEREST ITEMS

### AA. PUBLIC HEARINGS

1. Public Hearing and Consideration of Ordinances to Amend Zoning of the Airport Parkway Property located on Airport Parkway from TA zoning to B-3 zoning (AF: 319-2009)
  - Public Hearing
  - Ordinance Zoning – First Reading
2. Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the “Stonetree A” Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 333-2009)
  - Public Hearing
  - Ordinance Annexation – First Reading
  - Ordinance Zoning – First Reading
  - Resolution
3. Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the “Stonetree B” Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 334-2009)
  - Public Hearing
  - Ordinance Annexation – First Reading
  - Ordinance Zoning – First Reading
  - Resolution
4. Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the “Stonetree C” Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 335- 2009)
  - Public Hearing
  - Ordinance Annexation – First Reading
  - Ordinance Zoning – First Reading
  - Resolution
5. Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the “Stonetree D” Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 336 -2009)
  - Public Hearing
  - Ordinance Annexation – First Reading
  - Ordinance Zoning – First Reading
  - Resolution
6. Public Hearing and Consideration of an Ordinance to amend the zoning code, text and map, to zone property along Peach Orchard Drive to R-3, Multi- Family Residential District (AF: 323-2009)
  - Public Hearing
  - Ordinance Zoning – First Reading

**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**

None

**C. BUSINESS MATTERS REQUIRING FINAL ADOPTION**

1. Consideration of Ordinances to Annex/ Amend Zoning of the RS7 Annexation (AF: 309-2009)
  - Ordinance Zoning – Second Reading & Final Adoption
  - Ordinance Annexation – Second Reading & Final Adoption
2. Consideration of Ordinances to Annex/ Amend Zoning of the RS8 Annexation (AF: 310 -2009)
  - Ordinance Zoning – Second Reading & Final Adoption
  - Ordinance Annexation – Second Reading & Final Adoption

**D. OTHER BUSINESS**

1. 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: 345-2009)
  - Resolution
2. Consideration of a Resolution to for Annual Renewal of the public Library Maintenance of Effort Agreement with the Tennessee State Library and Archives for Services via Watauga Regional library (AF: 348-2009)
  - Resolution
3. Consideration of a Resolution to Authorize the Mayor to Sign all Documents Necessary to Apply for and Receive a Tennessee Department of Transportation Enhancement Grant – Greenbelt Pedestrian Bridge Connection Project (AF: 347-2009)
  - Resolution
4. Consideration of a Resolution Authorizing the Mayor to Execute a Right-of-Way Easement with Kingsport Power Company (AF: 350-2009)
  - Resolution

5. Consideration of a Resolution Awarding the Bid for the Purchase of one (1) Cab/Chassis Automated Truck Mounted Debris Collection System to Smoky Mountain Truck Center, LLC (AF: 353-2009)
  - Resolution
6. Consideration of a Resolution Approving Renewal of Recycling Services Agreement with Tri-City Waste Paper, Inc, for a Curbside Collection of Recyclable Materials Program and Authorizing the Mayor to Execute all Documents Necessary (AF: 349-2009)
  - Resolution
7. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Enter into an Agreement with Camp, Dresser and McKee, Inc. for the Stormwater Master Plan (AF: 354-2009)
  - Resolution
8. Consideration of a Resolution Authorizing the Mayor to Execute a Memorandum of Understanding with the Kingsport City School System for the Kingsport/Sullivan County GED Program for Funding of GED Testing Scholarships for City Residents (AF: 352-2009)
  - Resolution
9. Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Bonds (Aquatic Center) in an Amount not to Exceed \$15,000,000 (AF: 338-2009)
  - Resolution
10. Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Public Improvement Bonds in an Amount not to Exceed \$41,835,000 (AF: 339-2009)
  - Resolution

#### **E. APPOINTMENTS**

No Appointments

#### **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 an Ordinance Adopting an Equal Employment Opportunity Statement and a Resolution Establishing a Complaint Procedure (AF: 315-2009)
  - Ordinance – Second Reading & Final Adoption

2. Consideration of an Ordinance to appropriate grant funds approved by the Department of Justice, Justice Assistance Grant Program (JAG) (AF: 325-2009)
  - Ordinance – Second Reading & Final Adoption
3. Consideration of an Ordinance to Amend the Sewer Project Fund by Appropriating Funds Received From Sullivan County Through the City-County Sewer Agreement for an addition to the Bloomingdale Sewer Line Extension (AF: 328-2009)
  - Ordinance – Second Reading & Final Adoption
4. Consideration of an Ordinance to Establish the Model City Motors Parking Lot budget by Transferring Funds From the Street Resurfacing Project (AF: 337-2009)
  - Ordinance – Second Reading & Final Adoption
5. Consideration of an Ordinance to Appropriate Unallocated Water and Sewer Bonds (AF: 329-2009)
  - Ordinance – Second Reading & Final Adoption
6. Consideration of Approval of Offers for Additional Easements and Right-of-Ways for Phase I of the Rock Springs Road Project (AF: 330-2009)
  - Approval of Offers
7. Consideration of Approval of Offer for Additional Right-of-Way for the Cleek Road and New Beason Well Road Improvement Project (AF: 344-2009)
  - Approval of Offer
8. Consideration of an Approval of Offer for Easement and Right-of-Way for the Hemlock Park Improvements Project (AF: 346 -2009)
  - Approval of Offer

## **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**

Minutes of the Regular Work Session of the  
Board of Mayor and Aldermen, City of Kingsport, Tennessee  
Monday, October 5, 2009, 4:30 PM  
Council Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips

Alderman Valerie Joh

Vice-Mayor Benjamin K. Mallicote

Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey

Alderman Tom C. Parham

Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney

James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:35 p.m., by Mayor Phillips.
2. **ROLL CALL:** By Deputy City Recorder Gilbert.
3. **WORK SESSION TICKLER.** Alderman Marsh requested, for a second time, that the red light camera fine be added to this tickler for further review and discussion. Mayor Phillips mentioned the progress on the boat ramp and commented on the meeting State Representative Tony Shipley is calling regarding issues in Cooks Point subdivision. In response to an inquiry from Alderman Joh, completion of the Netherland Inn Road Bridge project is still awaiting light installation by AEP.

Alderman Parham provided a summary of the Planning Commission's discussions and actions on Rock Springs area annexations and the need to finalize the long range plan before the end of December 2009.

4. **FINALIZE DKA/DBA FUNDING FOR FISCAL YEAR 2010.** Alderman Munsey, having been given the opportunity to meet with both groups to encourage resolution since the Board's last discussion, reported he had done so – meeting with DKA's mediation team on September 24, 2009 and DBA's mediation team on September 25, 2009. After reviewing the "contract responsibilities" received at the BMA's last meeting from Vice-Mayor Mallicote and an additional list of "desired functional needs" from DBA, he believes there are still two issues left to resolve.

First, "term limits" are not defined in the DKA bylaws and DBA would like to see a three-year limit instituted. The suggestion was made that a fourth year could be served as an executive committee member.

Next, regarding the election process, DKA representatives agreed to allow DBA six seats on the board, preferring to proceed with the current election process, as is. DBA believes there are currently six available slots open and would like the opportunity to fill those immediately.

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Alderman Munsey recommend that, with holiday events looming, both groups join together right now and put off any changes until the regular DKA election on November 12, 2009 and let the newly, integrated board make decisions going forward. Those elected at that time will take office on January 1, 2010.

Board discussion ensued regarding how the merge will be undertaken, how DBA members will be elected and the required membership in DKA to serve on its board. Alderman Munsey reported that there will be more than six openings on the 24-member DKA board and DBA can submit more than six names to be considered by the DKA nominating committee, which currently has three members (past, present and future DKA presidents) but DKA has agreed to increase to six members, although he is unsure of when that increase will take place. After further questions raised by Alderman Marsh about the process, Mr. Munsey conceded that this becomes more of a “selection” process than an election and DBA would like to see that change in the future.

Alderman Munsey further recommended the BMA do two things, because of the funding consideration: 1) allow a City staff member to assist DKA with addressing these changes over the next six months; and 2) consider allocation of additional resources to DKA in next year’s budget process to allow it to accomplish all the City expects under the annual agreement.

Alderman Marsh asked DKA and DBA attendees if, aside from these two issues identified, there was agreement on all other issues and DBA representative, Doug Beatty, replied “yes.” The DKA representative (unidentified) mentioned that there are still questions whether DBA will have six (6) positions out of 24 or six (6) positions out of 30. Mr. Marsh stated his support for opening up the election process to create a more flexible, all-encompassing organization, as he considers the current DKA bylaws to be very narrow. He added that the upcoming election needs to be open and he believes a 24-member board is unwieldy, so there is no reason to increase this number. Regarding term limits, he can see where nine (9) years could be excessive, but three (3) years is pretty limiting for someone just getting into the process. He suggested a compromise of six (6) years— two, three-year terms, with time off after two terms.

Alderman Parham shared his view, from his extensive experience serving on various boards, that the term limits should be included in the bylaws and he favored three-year terms, staggered, so new members are working with established members. He was comfortable with a three-year term limit and an additional year served on the executive committee, as discussed earlier. He added that he would like to see the DKA board trimmed to 9 to 12 members rather than 24.

Board members decided to have the main points still requiring attention and resolution written on the Council Room Smartboard. Alderman Marsh started by stating that DKA needs to consider reducing the size of its Board. Alderman Joh wanted to ensure term limits that allow Board turnover on a regular basis to guard against a tenured attitude.

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Board discussion followed regarding these issues, as well as the basic election process. Vice-Mayor Mallicote summarized his recommendation by stating that DBA is willing to hold six (6) seats and DKA can fill these immediately as many seats are vacant due to unexpired terms not being served. A question arose whether these positions, according to the bylaws, would be "elected" or "selected," and, if filled, would be subject to a new vote at next month's election.

***[Around 5:35 p.m., Alderman Munsey suggested representatives of the two groups step outside the Council Room to discuss the items listed further and report back what, if any, decisions are reached. The BMA resumed with the next agenda item.]***

**5. REVIEW OF AGENDA ITEMS ON OCTOBER 6, 2009 REGULAR BUSINESS AGENDA.** City Manager Campbell, members of staff and community members provided a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:

**VI.AA.1 and 2 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the RS7 and RS8 Annexations and Consideration of Resolutions Adopting the Plan of Services** (AF: 309 and 310-2009). City Planner Ken Weems went over both proposed annexation actions. Alderman Marsh questioned the rationale behind the expense of annexing these properties (\$2.3 million) in light of the nominal revenue generated (around \$64,000 annually). He added that it appears delusional to believe the City will not have to raise taxes in the future to meet these expenses.

Alderman Munsey believes it foolish to consider annexation from an investment standpoint. Public Works Director Ryan McReynolds indicated that City staff has been meeting with developers who will absorb some of the required infrastructure expense as areas are developed.

**VI.B.4 Consideration of an Ordinance to Establish the Model City Motors Parking Lot Budget by Transferring Funds from the Street Resurfacing Project** (AF: 337-2009). City Manager Campbell explained that, due to partial roof collapse in this City-owned building, this property would be fiscally better utilized as additional downtown parking rather than making roof repairs. Alderman Marsh would like to see the Model City Motors building back in the hands of the private sector and Mr. Campbell indicated there have been nonprofit organizations looking at purchasing the property.

On a related subject, Alderman Munsey asked about the status of the downtown parking garage construction. City Manager Campbell replied that proposals have been received from the engineers and a sketch was shown to Board members.

***[Around 6:10 p.m., members of DKA and DBA returned, having named Mr. David Quisenberry of DKA as the spokesman for both groups.]***

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Mr. Quisenberry stated the groups have agreed to two three-year terms with one required year off to follow. DKA representatives will work with DBA members, John Vachon and Kanishka Bindanda, to establish a six (6) member nominating committee which will gather 12 names from the DBA pool and the nominating committee will pick six to serve immediately and any other could run for an elected position in November. The election process this year will allow members to vote without being required to attend the dinner. He further clarified that the DKA will be granted six Board places out of a total 24. Mr. Quisenberry believes these actions will be a great move toward unifying downtown Kingsport.

Vice-Mayor Mallicote encouraged the BMA to approve the contract, making payment contingent upon completion of all actions discussed and agreed upon. Further, City Manager Campbell agreed to sit down with City department heads to find a staff person to assist in the unifying process.

Mr. Larry Crawford of DKA mentioned that, while the groups have come a long way toward resolving these issues, there is still a long way to go. He mentioned issues of trust erosion on both side, but with level heads and unified goal, they can work together for the betterment of this City.

Mr. John Vachon of DBA echoed the same sentiments and said he looks forward to working together and unifying the efforts downtown.

**6. DISCUSS FISCAL YEAR 2010 AND 2010 CAPITAL IMPROVEMENT FINANCING.** City Manager Campbell wanted to summarize projects previously discussed by this Board that will require a bond sale. The purpose of the presentation was two-fold: 1) to decide on projects the City is planning to do; and 2) if project must be done, when is the best time to sell bonds to finance. With bond rates the lowest in 42 years, it is a prime time to looking at financing some projects that might have, otherwise, been a couple years out. The other benefit of financing these projects now is the reasonable construction rates available, also lower than normal due to difficult economic times.

Mr. Campbell went over four projects in the General Fund not previously discussed: Renaissance Center Roof (\$200,000); Communication System Improvements (\$250,000); Downtown Parking Lot (\$100,000); and Stadium Park and Dog Park Parking Lot Improvements (\$200,000). He assured Board members that City staff will continue to look for grants and donations whenever and wherever possible and will capitalize on using BABS – *Build America Bonds* – when qualified.

Mr. Campbell's PowerPoint illustrated projects included in the *General Fund Approved CIP* from FY10 through FY14 and then showed the *Projects Funded With Proposed Bond Issue* (\$12,266,000). He went over road projects included (\$6,000,000), as well as school facility improvement projects (\$2,550,000), *Solid Waste and Wastewater Projects Funded with BABs* (\$6,000,000) and *Water Projects Funded With BABs*

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(\$4,000,000). Mr. Campbell moved on to *Regional Sales Tax Funded Projects* such as the Aquatic Center (\$15,000,000) and Meadowview Expansion (\$1,000,000), bringing the total bond issue to \$41,116,000.

Mr. Marsh is opposed to any further borrowing for water and sewer projects when his understanding has been, for the last 10 years, that the need to substantially increase rates for those services was to allow the City to do expansions out of the cash flow generated. After further explanation by Mr. Campbell and Mr. McReynolds, Alderman Marsh stated he might feel better about proceeding with this bond issue if two pieces of information could be provided to him: 1) in the next two years, how much City debt will roll off? and 2) in the next five years, how much cash will come in, based on revenue? Mr. Campbell indicated he could probably have that information for Mr. Marsh by tomorrow night.

Board members discussed the timeframe for sale of these bonds, the financial consequences of not selling these bonds, the need to provide services to annexed areas, and the need to look more closely at the projects proposed and the amounts attached to it.

Mr. Campbell went over debt schedules (FY07-FY14), including proposed debt for the five-year CIP plan (with FY10-FY14 approved CIP projects and the BABs issue). He walked through the City's debt service and debt trends, along with various funding histories. The PowerPoint information also contained a list of *Commitments to Other Organizations* and the expiration date of each.

Alderman Munsey and Mayor Phillips expressed concern about approving all of these projects by voting for this bond action tomorrow night and believe the public would be better served if the BMA had a dedicating meeting to further review and discuss this bond issue and the projects involved.

Bond counsel and managing director of Morgan Keegan & Company out of Nashville, Rick Dulaney, provided information to the Board regarding variable things that affect interest rates and how hard it is to say where interest rates are going or whether this low interest rate environment will last. He pointed out that this is still a very difficult economy and may take awhile to recover. Mr. Dulaney also spoke to how a municipality's "credit worthiness" is determined by the various bond rating entities and how the City of Kingsport currently is rated by *Standard & Poors (S&P)* and *Moody's*. He stated that, while these are both reputable rating firms, Kingsport may want to consider using *Fitch* in place of *S&P*. He further explained that, about two years ago, credit agencies wanted to homogenize the ratings and *S&P's* ratings are a little higher.

City Manager Campbell reminded Board members that, last fall the City was unable to sell any bonds and had to wait. Basically, the City had no plan four months ago to come to the Board with this proposal but when BABs became available and the lure of record low interest rates, it made sense to fund those projects, already in the approved CIP slated for commencement or completion within the next two to three years and take

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advantage of those interest rates. That being said, he sees no need to issue any bonds next year.

Mayor Phillips asked why the Library expansion is not included and Mr. Campbell replied that this Board has approved the initial planning funds for this project and the architect is on schedule to bring a design concept to the Board the second meeting in November, followed by a more detailed stage with construction estimates. It is still hoped that private donations can be raised as has been done in Bristol, Tennessee and Johnson City.

Mayor Phillips began wrap up of this conversation but remained concerned about approval of all these projects. Mr. Campbell offered to lower the amount in the initial bond resolution and that would allow some of these projects to get started. When asked, Board members were divided on whether they were ready to vote on this issue by tomorrow night's business meeting.

City Manager Campbell reminded the Board that they have a fiduciary duty to deal with project costs as effectively as possible and all indications, at this time, are that this market will be a much different situation a year from now.

Mayor Phillips requested that Board members let City Manager Campbell know of any specific concerns involved in this bond issue action item prior to tomorrow night's meeting.

**BOARD COMMENT.** None.

**PUBLIC COMMENT.** None.

**7. ADJOURN.** Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 8:05 p.m.

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ELIZABETH A. GILBERT  
Deputy City Recorder

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DENNIS R. PHILLIPS  
Mayor

Minutes of the Regular Business Meeting of the  
Board of Mayor and Aldermen of the City of Kingsport, Tennessee  
Tuesday, October 6, 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 Larry A. Munsey  
Alderman Tom C. Parham  
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 Alderman Shupe.
- II.B. **INVOCATION:** by Pastor Ed Clevinger of Grace Covenant Church.
- III. **ROLL CALL:** By City Recorder Jim Demming.
- IV. **RECOGNITIONS AND PRESENTATIONS.** Toward the end of the meeting, after the Consent Agenda vote, Mayor Phillips recognized Carl Oberfeiting of Boy Scout Troop 387 who was attending to fulfill requirements toward his communication merit badge
- V. **APPROVAL OF MINUTES.**

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

- A. September 21, 2009 Regular Work Session
- B. September 22, 2009 Regular Business Meeting

Approved: All present voting “aye.”

VI. **COMMUNITY INTEREST ITEMS.**

AA. **PUBLIC HEARINGS.**

1. **Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the RS7 Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 309-2009).** City Planner Ken Weems provided an overview of this annexation request.

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, Tuesday, October 6, 2009**

**PUBLIC COMMENT ON ITEM VI.AA.1.** Mr. Ron Mace of 441 Hidden Acres Road, Kingsport, spoke in opposition of this annexation. Mr. Mace described the various reasons behind his opposition such as the need to upgrade existing waterline size and the possibility of requiring sewer pump stations at each house.

Mr. Mace mentioned the 250,000 gallon water tank the City was considering placing in front of residences in the area and wanted to confirm that the City has decided to locate the tank elsewhere. He opined that, while he has read in the newspaper that the City wants to annex this property because of failing septic tanks in the area, he believes the City is annexing for revenue generating purposes.

Public Works Director Ryan McReynolds addressed Mr. Mace's concerns and went through various schematics, based on the area topography, to illustrate how water and service lines will follow the lay of the land. He further explained that, while the developer had the forethought to install 6" waterlines within the subdivision, the feeder line is only 4" and will not meet requirements needed for use by fire trucks.

Alderman Marsh responded to Mr. Mace's comment about annexation being a revenue-based decision by pointing out that the City will spend \$2.3 million for services to these two annexation areas (RS7 and RS8) and receive around \$36,000 a year in revenue. He further addressed Mr. Mace's concern about location of a new water tank by confirming with Mr. McReynolds that any new water tank needed for population growth in that area will be situated on the knob on which hit currently exists.

Motion/Second: Munsey/Parham, to pass:

AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 13<sup>th</sup> CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE RS7 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

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

Motion/Second: Joh/Mallicote, to pass:

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG HIDDEN ACRES ROAD TO R-1B, RESIDENTIAL DISTRICT IN THE 13<sup>th</sup> CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Motion/Second: Munsey/Joh, to pass:

**Resolution No. 2010-072**, A RESOLUTION ADOPTING A PLAN OF SERVICES FOR THE RS7 ANNEXATION OF THE CITY OF KINGSPORT, TENNESSEE

Passed: All present voting "aye."

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**2. Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the RS8 Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 310-2009).** Mr. Weems also described this annexation action.

**PUBLIC COMMENT ON ITEM VI.AA.2.** Mr. Ron Mace mentioned that several residents in this annexation area use Sumpter Road instead of Rock Springs Road to travel to the interstate and encouraged the City to keep that road in good shape and continue the efficient job of snow removal Sullivan County has been doing.

Motion/Second: Joh/Munsey, to pass:

AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 13<sup>th</sup> CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE RS8 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

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

Motion/Second: Mallicote/Parham, to pass:

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG MORNINGDALE DRIVE, HIDDEN PINES DRIVE, VALLEYDALE DRIVE, AND SUMPTER ROAD TO R-1B, RESIDENTIAL DISTRICT IN THE 13<sup>th</sup> CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Motion/Second: Parham/Joh, to pass:

**Resolution No. 2010-073, A RESOLUTION ADOPTING A PLAN OF SERVICES FOR THE RS8 ANNEXATION OF THE CITY OF KINGSPORT, TENNESSEE**

Passed: All present voting "aye."

**A. PUBLIC COMMENT.** Mayor Phillips invited citizens in attendance to speak about any of the remaining agenda items.

Ms. Susan Lodal, 3501 Memorial Boulevard, Kingsport, spoke as president of the Kingsport City Schools (KCS) Board of Education (BOE) regarding the bond issue in Item VI.D.8. Ms. Lodal described recent discussion held by the BOE regarding the decision reached to request \$2.55 million from City bond proceeds for several school facility improvements. This past summer, Ms. Lodal met, along with KCS Superintendent Richard Kitzmiller, with City Manager Campbell regarding capital project needs for KCS to take advantage of unprecedented low interest rates on this year's

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significant bond issue amount and avoiding any bond issue, if possible, for next couple of years. Ms. Lodal added that some BOE members were concerned this request might jeopardize future, critical operating funds needed from the City, but agreed to bring forward capital requests that address safety modifications, parking issues at two schools and high school overcrowding concerns at various school facilities. She also clarified that the proposal submitted by the BOE had been revised prior to being provided to the BMA: the proposed \$1.3 million to relocate the Jefferson School library and office, in order to make the building more secure and add more classroom, had been decreased by \$200,000, which amount was added to a new stadium repairs project that was not discussed by the BOE and which she, thus, cannot support.

Further Board discussion regarding the large amount of the proposed bond issue, projects included, possible savings, relatively short notice given to Board members of this action and the issues brought up by the BOE, led the Mayor to suggest postponing a vote until a special called Board meeting could be held to discuss and review this bond action and projects involved in more thorough detail.

***City Attorney Billingsley instructed the Board to complete the Public Comment segment and then move to consider VI.D.8 and VI.D.9 out of order, motion and second VI.D.8 for approval and then move, second and vote on deferring both VI.D.8 and VI.D.9 for consideration at the October 20, 2009 BMA regular business meeting.***

***Mr. Ron Mace*** returned to the podium and questioned the availability of BMA meeting agendas. His experience has been that the agenda is not available at the library until late Monday morning or early afternoon. He suggested the agenda be accessible on the City's website by Friday afternoon or Saturday.

Mayor Phillips agreed Mr. Mace's request deserves consideration and instructed City staff to make the agenda available at the library by Saturday morning and requested Mr. Mace to inform the BMA if agenda availability continues to be a problem.

There being no one further coming forward to speak, the Mayor closed the *Public Comment* segment.

Alderman Munsey requested that agenda Item VI.D.8 be moved up for consideration at this time. Mayor Phillips agreed to do so if there were no objections from any Board member and, upon inquiry, confirmed there were not.

Alderman Marsh motioned, seconded by Shupe, to defer consideration of Item VI.D.8, as well as related Item VI.D.9, until the BMA's next regular meeting and to hold special, called work session to further discuss details of these actions at that time. The motion to defer passed, with all present voting "aye."

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**B. BUSINESS MATTERS REQUIRING FIRST READING.**

**1. Consideration of an Ordinance Adopting an Equal Employment Opportunity Statement and Consideration of a Resolution Establishing a Complaint Procedure and Authorizing the Mayor to Execute the Equal Employment Opportunity Plan for the City and the Police Department (AF: 315-2009).**

Motion/Second: Munsey/Shupe, to pass:

AN ORDINANCE ADOPTING A POLICY OF NON-DISCRIMINATION IN CITY PROGRAMS AND ACTIVITIES; ESTABLISHING A GRIEVANCE PROCEDURE TO RESOLVE COMPLAINTS RELATED THERETO; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Motion/Second: Munsey/Mallicote, to pass:

**Resolution No. 2010-074**, A RESOLUTION ESTABLISHING A PROCEDURE TO RESOLVE COMPLAINTS RELATED TO THE POLICY OF NON-DISCRIMINATION IN CITY PROGRAMS AND ACTIVITIES AND AUTHORIZING THE MAYOR TO EXECUTE THE 2009 EQUAL EMPLOYMENT OPPORTUNITY PLAN FOR THE CITY AND THE POLICE DEPARTMENT

Passed: All present voting "aye."

**2. Consideration of an Ordinance to Appropriate Grant Funds Approved by the Department of Justice, Justice Assistance Grant Program (JAG) (AF: 325-2009).**

Motion/Second: Shupe/Joh, to pass:

AN ORDINANCE TO AMEND THE JUSTICE ASSISTANCE GRANT FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE U.S. DEPARTMENT OF JUSTICE, BUREAU OF JUSTICE ASSISTANCE AND TO ESTABLISH THE JUSTICE ASSISTANCE GRANT PROJECT (JG1002); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

**3. Consideration of an Ordinance to Amend the Sewer Project Fund by Appropriating Funds Received from Sullivan County through the City-County Sewer Agreement for an Addition to the Bloomingdale Sewer Line Extension (AF: 328-2009).**

Motion/Second: Joh/Parham, to pass:

AN ORDINANCE TO AMEND THE SEWER PROJECT FUND BUDGET BY APPROPRIATING ADDITIONAL FUNDS RECEIVED FROM SULLIVAN COUNTY THROUGH THE CITY-COUNTY SEWER AGREEMENT TO THE BLOOMINDALE

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SEWER LINE EXTENSION PROJECT (SW0900); AND TO FIX THE EFFECTIVE  
DATE OF THIS ORDINANCE

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

**4. Consideration of an Ordinance to Establish the Model City  
Motors Parking Lot Budget by Transferring Funds from the Street Resurfacing  
Project (AF: 337-2009).**

Motion/Second: Marsh/Shupe, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND AND GENERAL  
PROJECT-SPECIAL REVENUE FUND BUDGETS BY TRANSFERRING FUNDS  
FROM THE STREET RESURFACING PROJECT (NC0706) TO ESTABLISH THE  
MODEL CITY MOTORS PARKING LOT BUDGET (GP1012); AND TO FIX THE  
EFFECTIVE DATE OF THIS ORDINANCE

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

**5. Consideration of an Ordinance to Appropriate Unallocated  
Water and Sewer Bonds (AF: 329-2009).**

Motion/Second: Joh/Parham, to pass:

AN ORDINANCE TO AMEND THE WATER AND SEWER PROJECT FUND  
BUDGETS BY APPROPRIATING FUNDS FROM THE WATER AND SEWER BOND  
FUND FOR THE FISCAL YEAR ENDING JUNE 30, 2010; AND TO FIX THE  
EFFECTIVE DATE OF THIS ORDINANCE

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

**C. BUSINESS MATTERS REQUIRING FINAL ADOPTION. None.**

**D. OTHER BUSINESS.**

**1. Consideration of a Resolution to Amend the Hours of Operation  
on the Operational Agreement between the City of Kingsport and the Humane  
Society of Greater Kingsport (AF: 317-2009).**

Motion/Second: Marsh/Joh, to pass:

**Resolution No. 2010-075**, A RESOLUTION AUTHORIZING THE MAYOR TO  
EXECUTE AN AMENDMENT TO THE AGREEMENT WITH THE SULLIVAN COUNTY  
HUMANE SOCIETY, INC. D/B/A HUMANE SOCIETY OF GREATER KINGSPORT  
CHANGING THE OPERATIONAL HOURS

Passed: All present voting "aye."

**2. Consideration of a Resolution Authorizing the Issuing of a  
Contract Change to Include Installation of Phases 2 and 3 of a VOIP Telephone  
System for Kingsport City Schools to Black Box Network Services and  
Authorizing the Mayor to Sign All Applicable Documents (AF: 324-2009).**

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Motion/Second: Munsey/Joh, to pass:

**Resolution No. 2010-076**, A RESOLUTION AWARDED THE BID FOR PHASE TWO AND PHASE THREE FOR THE INSTALLATION OF A VOICE OVER INTERNET PROTOCOL TELEPHONE SYSTEM FOR THE KINGSFORT CITY SCHOOL SYSTEM TO BLACK BOX NETWORK SERVICES AND AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO THE CONTRACT AND ALL APPLICABLE DOCUMENTS TO INCLUDE PHASE TWO AND PHASE THREE

Passed: All present voting "aye."

**3. Consideration of a Resolution Authorizing the Reimbursement of Materials Agreement Funds to Butch Rose for Windridge Estates Phase IV Development (AF: 326-2009).**

Motion/Second: Mallicote/Joh, to pass:

**Resolution No. 2010-077** A RESOLUTION AUTHORIZING REIMBURSEMENT OF MATERIALS AGREEMENT FUNDS TO BUTCH ROSE FOR WINDRIDGE ESTATES PHASE IV DEVELOPMENT

Passed: All present voting "aye."

**4. Consideration of a Resolution Authorizing a Change Order to the Contract with J.A. Street & Associates, Inc. for the Additions and Alterations to the V.O. Dobbins Community Center and Authorizing the Mayor to Execute All Documents Necessary for the Change Order (AF: 331-2009).** Alderman Marsh stated he cannot support this action because he believes this project has grown significantly beyond the original concept approved.

Motion/Second: Parham/Shupe, to pass:

**Resolution No. 2010-078**, A RESOLUTION APPROVING CHANGE ORDER #3 TO THE CONTRACT WITH J.A. STREET & ASSOCIATES, INC. FOR THE ADDITIONS AND ALTERATIONS TO THE EXISTING V.O. DOBBINS COMMUNITY CENTER AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

Passed: All present voting "aye" except Marsh voting "nay."

**5. Consideration of a Resolution Authorizing the Mayor to Execute an Interlocal Cooperation Agreement for Participation in the Tennessee Municipal League Management Pool (AF: 327-2009).**

Motion/Second: Munsey/Parham, to pass:

**Resolution No. 2010-079**, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL COOPERATION AGREEMENT TO PARTICIPATE IN THE TENNESSEE MUNICIPAL LEAGUE RISK MANAGEMENT POOL

Passed: All present voting "aye."

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**6. Consideration of a Resolution Awarding the Bid for Gibson Mill Roadway Improvements from U.S. 11W (Stone Drive) to Millpond Road to Thomas Construction Co., Inc. and Authorizing the Mayor to Sign All Applicable Documents** (AF: 332-2009). Public Works Director spoke about this agenda item and responded, when asked by Alderman Marsh about financing and timeline for the remainder of the Gibson Mill Road improvement up to the Watauga Street circle, that financing will be further discussed at the upcoming special called work session on bond issue and the schedule will be dependent upon securing financing, design, property acquisition and construction. Mr. McReynolds offered that the project could be underway by next fall and completed within approximately nine months from commencement. Alderman Marsh confirmed with Mr. McReynolds that design plans will include closing the Broad Street hill portion from Gibson Mill Road.

Motion/Second: Joh/Munsey, to pass:

**Resolution No. 2010-080**, A RESOLUTION AWARDING THE BID FOR GIBSON MILL ROADWAY IMPROVEMENTS FROM U.S. 11 W (STONE DRIVE) TO MILLPOND ROAD TO THOMAS CONSTRUCTION COMPANY, INC. AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

**7. Consideration of a Resolution Authorizing the Mayor to Execute an Agreement Terminating the Right of Re-entry to a Portion of the Property Donated by Quebecor to the City** (AF: 340-2009). City Attorney Mike Billingsley provided a detailed explanation about the need for this action to allow further and future development of this property.

Motion/Second: Munsey/Parham, to pass:

**Resolution No. 2010-081**, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT TERMINATING THE RIGHT OF RE-ENTRY TO A PORTION OF THE PROPERTY DONATED BY QUEBECOR WORLD KINGSFORT, INC. TO THE CITY AND TO EXECUTE ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

~~**8. Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Public Improvement Bonds in an Amount Not to Exceed \$41,835,000**~~ (AF: 339-2009). Prior to consideration of agenda item VI.B.1, Board members voted to defer this action, along with Item VI.D.9, until the October 20, 2009 regular BMA business meeting.

~~**9. Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Bonds (Aquatic Center) in an Amount Not to Exceed \$15,000,000**~~ (AF: 338-2009). Prior to consideration of agenda item VI.B.1, Board members voted to defer this action, along with Item VI.D.8, until the October 20, 2009 regular BMA business meeting.

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**10. Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with the Downtown Kingsport Association (DKA) (AF: 342-2009).** City Attorney Billingsley summarized the two changes made to the City's standard annual agreement with DKA as 1) the \$46,000 allocated will be paid, upon execution of the agreement—one-half immediately and the other half on January 2, 2010—rather than quarterly, as in the past; and 2) Section 2 of the agreement has revised the scope of DKA's responsibilities, as recommended in paperwork submitted by Vice-Mayor Mallicote at last night's work session. Mr. Billingsley reminded Board members that all City partnership agreements with various organizations can be terminated by providing at least 30 days' notice by either party.

Vice-Mayor Mallicote suggested changing the agreement term from commencing on August 1, 2009 to commencing on October 6, 2009 because there was no existing agreement between the City and DKA during that time and he doesn't believe "new" DKA board members should be governed by funding decisions made outside the City's scope. Aldermen Marsh and Munsey indicated they see this date change as unnecessary and not in good faith.

Board members discussed the terms of the agreement and the understanding behind the terms, as well as following up on timely and complete execution of the terms. It was suggested that a DKA representative report the November election results to the BMA at the subsequent BMA meeting.

Vice-Mayor Mallicote stated that the actions agreed upon, which include DKA bylaw changes and appointment of new Board members, can be addressed at the DKA board meeting convened to vote on acceptance of this contract. He further suggested that, once those changes and appointments are made and the agreement is signed, the funds can be disbursed. Alderman Munsey opined that it is unnecessary to require these actions before making the first payment and, then, the January 2, 2010 payment can be based upon all terms being met.

Vice-Mayor Mallicote adamantly encouraged the Board to required DKA perform the action agreed to, while the City still has the leverage of funding. He expressed certainty that, during next year's budget consideration of funding this item, there will be seven (7) different recollections around this Board of what the 10 to 12 actions agreed upon included and seven (7) different opinions about whether those things have been done. He sees no meaningful way, going forward, to ensure this organization has done what was asked of them unless payment is withheld until all terms are met.

Alderman Munsey restated his understanding from last night's work session discussion; namely, that DKA has agreed to enlarge the size of its nominating committee and to proceed with the election process as done in the past, with a couple of minor modifications regarding allowing absentee and encouraging members' votes.

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Alderman Marsh called for the question, ending debate and discussion. The call passed with all present voting “aye” except Mallicote voting “nay.”

Vice-Mayor Mallicote moved, seconded by Alderman Joh, that execution of the agreement by the City and payment of money under the agreement will not take place until the City attorney certifies to the Mayor that the agreed upon changes to the DKA bylaws have been made. The motion passed in a roll call vote as follows: Joh, Mallicote, Shupe, Parham and Phillips voting “aye” and Marsh and Munsey voting “nay.”

Motion/Second: Munsey/Parham, to pass, as amended:

**Resolution No. 2010-082**, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE CITY OF KINGSPORT AND THE DOWNTOWN KINGSPORT ASSOCIATION BENEFITING THE GENERAL WELFARE OF KINGSPORT RESIDENTS

Passed: All present voting “aye” except Munsey voting “nay.”

**E. APPOINTMENTS.** None.

**VII. CONSENT AGENDA.**

**Consent Agenda items are considered under one motion.**

Motion/Second: Joh/Shupe, to adopt:

**1. Consideration of an Ordinance to Amend the Schools General Project Fund Budget (AF: 316-2009).**

Adopt:

**Ordinance No. 5893**, AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Parham, Shupe and Phillips voting “aye.”

**VIII. COMMUNICATIONS.**

**A. CITY MANAGER.** City Manager Campbell reminded Board members that the annual City Employee Appreciation Luncheon, sponsored by First Kingsport Credit Union, will take place this Friday from 10:30 a.m. to 1:00 p.m. He mentioned an email from Jim Cornell about outstanding trash service provided by long-time Public Works’ employee, Mike Hass. Mr. Campbell also received a note from Mrs. Spencer, widow of former mayor, Norm Spencer, congratulating the City on receiving the *Harvard Innovation Award* and for the many things being done to further education in the area.

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**B. MAYOR AND BOARD MEMBERS.** Alderman Shupe mentioned that Congressman Phil Roe is holding an open house in his new downtown Kingsport office in the Kingsport Center for Higher Education this Friday from 2:00 p.m. to 4:00 p.m.

Alderman Joh was delighted to see the City mentioned and honored in two publications for winning the *2009 Harvard Innovations in American Government Award*. She also mentioned that about 150 people attended the Tennessee Real Estate Commission board meeting that met in Kingsport for the first time and she praised City Government and Community Relations Officer Tim Whaley for his excellent assistance.

Alderman Marsh informed the audience that the *Harvard Innovation Award* ceremony is being broadcast periodically on Channel 16.

Vice-Mayor Mallicote thanked Frank Lett and Emily Kilgore of the Kingsport Convention and Visitors Bureau, as well as City staff members, Chris McCartt and Mark Kilgore, for making the Cyclocross event, held for the first time in Kingsport, a great success. The event included about 200 cyclists competing in a two-day event, with participants from as far away as Colorado.

Mayor Phillips reminded everyone to give generously to the United Way due to difficult times with its budget this year because of the economic recession and increasing needs.

**C. VISITORS.** None.

**IX. ADJOURN.** Seeing no other business for consideration at this meeting, Mayor Phillips adjourned the meeting at 9:15 p.m.

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ELIZABETH A. GILBERT  
Deputy City Recorder

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DENNIS R. PHILLIPS  
Mayor



**AGENDA ACTION FORM**

**Public Hearing and Consideration of Ordinances to Amend Zoning of the Airport Parkway Property located on Airport Parkway from TA zoning to B-3 zoning**

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

Action Form No.: AF-319-2009  
 Work Session: October 19, 2009  
 First Reading: October 20, 2009

Final Adoption: November 3, 2009  
 Staff Work By: F. Koder  
 Presentation By: F. Koder

**Recommendation:**

- Hold public hearing.
- Approve ordinance amending the zoning ordinance to rezone the area from TA, Tourist Accommodation to B-3, General Business.

**Executive Summary:**

The request is to rezone approximately 2.32 acres of parcel 98.20 adjacent to Airport Parkway. This is an owner initiated rezoning request from Ms. Rikki Rhoten. The proposed zoning for the area is a City B-3, General Commercial. Adjacent city zoning is B-3 and TA, Tourist Accommodation. The surrounding County zoning in the area is B-3, General Business and A-1, Agricultural. The existing land uses compliment the majority of the current zoning designations and the proposed zoning is compatible with the surrounding zoning in the area. Water and sewer are available to the parcels. At its September 27, 2009 meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation for the rezoning of the parcel to the Board of Mayor and Alderman. The Notice of Public Hearing was published October 4, 2009.

**Attachments:**

1. Public Notice
2. Zoning Ordinance
3. Staff Report
4. Map

Funding source appropriate and funds are available: \_\_\_\_\_

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

## **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 October 20, 2009 to consider the rezoning for Parcel 98.20, located on Airport Parkway and owned by Ms. Rikki Rhoten. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

BEGINNING at a point, said point being the southwest corner of parcel 98.20 and on the western right-of-way of Airport Parkway of Tax Map 78; thence in a northerly direction along the eastern right-of-way of Airport Parkway approximately 111.00 feet to a point; thence in a northeasterly direction approximately 232.00 feet to a point, said point being the southeast corner of parcel 98.10 and on the property line common with of parcel 98.20; thence in a northwesterly direction approximately 202.00; thence in a northeasterly direction approximately 255.00 to a point, said point being the northern most corner of parcel 98.20 and the southeast corner of parcel 98.24; thence in a southeasterly direction approximately 274.00 feet; thence in a southwesterly direction approximately 571.00 feet to the point of BEGINNING and being all of Parcel 98.20 of Tax Map 78D as indicated on the April 2008 Sullivan County tax maps.

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

CITY OF KINGSPORT  
Liz Gilbert, City Clerk  
PIT: 10/04/09

# PRE-FILED CITY RECORDER

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG FT. HENRY DRIVE KNOWN AS THE NORTH AIRPORT PARKWAY REZONING TO B-3, GENERAL BUSINESS DISTRICT, IN THE 7<sup>TH</sup> 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, FOLLOWS:

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property along Airport Parkway known as the North Airport Parkway Rezoning to B-3, General Business District in the 7<sup>th</sup> Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

BEGINNING at a point, said point being the southwest corner of parcel 98.20 and on the western right-of-way of Airport Parkway of Tax Map 78; thence in a northerly direction along the eastern right-of-way of Airport Parkway approximately 111.00 feet to a point; thence in a northeasterly direction approximately 232.00 feet to a point, said point being the southeast corner of parcel 98.10 and on the property line common with of parcel 98.20; thence in a northwesterly direction approximately 202.00; thence in a northeasterly direction approximately 255.00 to a point, said point being the northern most corner of parcel 98.20 and the southeast corner of parcel 98.24; thence in a southeasterly direction approximately 274.00 feet; thence in a southwesterly direction approximately 571.00 feet to the point of BEGINNING and being all of Parcel 98.20 of Tax Map 78D as indicated on the 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 PHILLIPS  
Mayor

ATTEST:

\_\_\_\_\_  
LIZ GILBERT  
Deputy City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY  
City Attorney

PASSED ON 1<sup>ST</sup> READING \_\_\_\_\_  
PASSED ON 2<sup>ND</sup> READING \_\_\_\_\_

**REZONING REPORT**  
**File No.: 09-101-00002**

**TO:** KINGSFORT REGIONAL PLANNING COMMISSION

**FROM:** FORREST KODER, PRINCIPAL PLANNER

**DATE:** September 8, 2009

**APPLICANT:** Rikki Rhoten, Owner

**REQUESTED ACTION:** City rezoning of one parcel containing approximately 2.32 acres of property from TA- Tourist Accommodations, to B-3, General Business District.

**LOCATION:** Property is located just off Airport Parkway north on the northern side of the old Sam's site. It is further identified as Tax Map 78, Parcel 98.20 on the Sullivan County Tax maps for 2007. The property is located inside of the Kingsport City Limits, and is in 7<sup>th</sup> Civil District.

**EXISTING LAND USE:** Previous use as a wholesale clothing store.

**PROPOSED USE:** The Application states: "Indoor Climate Controlled Storage"

**SURROUNDING ZONING AND LAND USE:**

**North:** County B-3, Commercial zoning district with the Gallery 81 and other commercial businesses to the north.

**South:** City TA, Tourist Accommodation and B-3, General Business zoning districts. Land uses to the south are commercial in nature and vacant with the loss of Sam's. Vacant lot directly adjacent to the site is being used as a semi trailer parking lot.

**East:** County B-3, Commercial zoning district. Directly to the east of this parcel is a commercial property in Sullivan County.

**West:** City B-3 to the west across Airport parkway. There are existing businesses across the roadway; namely Citgo gas station, Stower Machinery, and Marsh LP Gas.

**LAND USE PLAN (S):** The site is inside the *East Kingsport Comprehensive Land Use and Transportation Study, January 2003* and the recommended land use for this area according to the plan is Commercial along both sides of Airport Parkway within this vicinity.

**UTILITIES:**

There is an eight (8) inch sanitary sewer line adjacent to the front of the parcel along Airport Parkway and a six (6) inch force main also along Airport Parkway. Water service and fire protection would be more than adequate for this proposed development, as there is a sixteen (16) inch DIP waterline running along Airport Parkway.

**TRANSPORTATION:**

This section of Airport Parkway to the south has direct access to Interstate 81 northbound and southbound ramps. Airport Parkway is a local street in this area according to the Major Street & Road Plan (2000).

**PHYSICAL CHARACTERISTICS:**

The property requesting rezoning totals approximately 2.32 acres in area and has street frontage of approximately 75 feet along Airport Parkway however there is a very steep bluff along the majority of this frontage and ingress/egress is limited to the southwest corner of the property.

**OPTIONS:**

The Planning Commission's options are as follows:

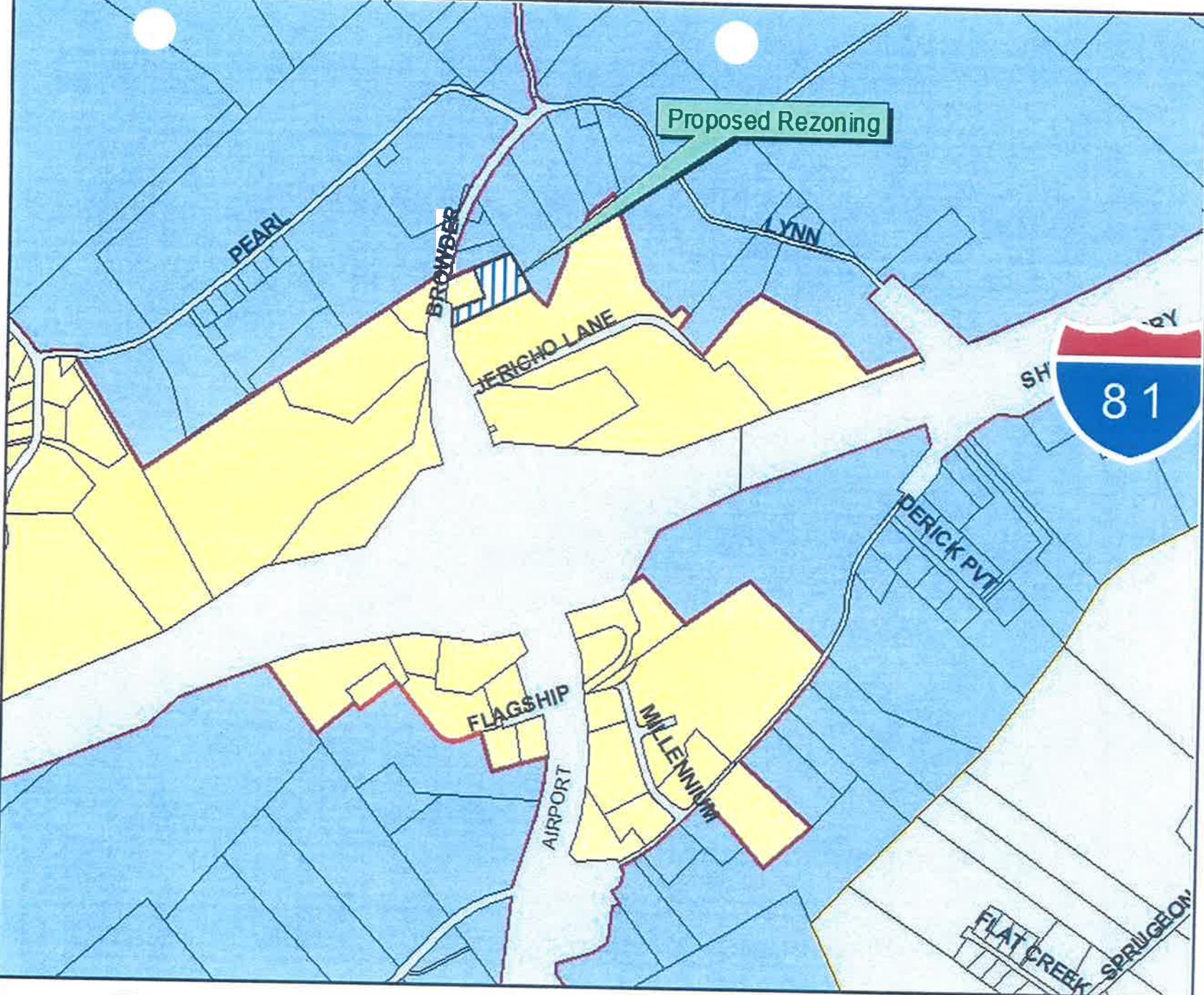
1. Approve the rezoning.
2. Disapprove the rezoning and state the reasons for denial in writing.
3. Postpone action pending receipt of additional information.

**STAFF**

**RECOMMENDATION:** The Kingsport Planning Division recommends Option 1 for the following reasons:

1. The request is compatible with the surrounding zoning and is not compatible; nor conforming to the TA zoning classification. When this property was annexed it was assigned a TA zoning classification and the adjacent property was rezoned in 2007 to a B-3 Zoning Classification.

Rikki Rhoten Rezoning  
TA to B-3  
Vicinity Map



LEGEND

- 2007 Parcels
- Streets
- City Limits
- River
- UGBA



Rikki Rhoten Rezoning Vicinity Map





## AGENDA ACTION FORM

### Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the "Stonetree A" 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-333-2009  
 Work Session: October 19, 2009  
 First Reading: October 20, 2009

Final Adoption: November 3, 2009  
 Staff Work By: K. Weems  
 Presentation By: K. Weems

#### Recommendation:

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

#### Executive Summary:

This is the "Stonetree A" annexation of approximately 17 acres along Oak Haven Drive, with an approximate population of 68 residents (single family use). The current county zoning of the area is R-1 (Single Family Residential). The proposed City zoning for the area is R-1B (Single Family Residential). Both water and sanitary sewer require an upgrade for this annexation. During their September 2009 regular meeting, the Kingsport Regional Planning Commission voted unanimously (9-0) to send a favorable recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen for this annexation. This item has received general opposition from a few residents in the annexation area. The Notice of Public Hearing was published on October 5, 2009.

#### Attachments:

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

Funding source appropriate and funds are available: \_\_\_\_\_

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

## 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, October 20, 2009, to consider the annexation, zoning, and plan of services for the Stonetree A 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 southern corner of parcel 24, Tax Map 105P, Group B, thence in a northwesterly direction, along the northern right-of-way of Gustavis Court, crossing Oak Haven Drive, approximately 735 feet to a point, said point being the western corner of parcel 3, thence in a northeasterly direction, along the eastern right-of-way of Rock Valley Drive, approximately 1,235 feet to a point, said point being the northern corner of parcel 12, thence in a southeasterly direction, along the southern right-of-way of Rock Springs Valley Road, approximately 810 feet to a point, said point being the northeastern corner of parcel 31, thence in a southwesterly direction, approximately 290 feet to a point, said point being the southern corner of parcel 31, thence in a northwesterly direction, approximately 255 feet to a point, said point being the northeastern corner of parcel 29, thence in a southwesterly direction, approximately 240 feet to a point, said point being the southern corner of parcel 29, thence in a southeasterly direction, approximately 160 feet to a point, said point being the eastern corner of parcel 27, thence in a southwesterly direction, approximately 375 feet to a point, said point being on the southeastern border of parcel 24, thence in a southeasterly direction, approximately 10 feet to a point, said point being the eastern corner of parcel 24, thence in a southeasterly direction, approximately 88 feet to the point of BEGINNING, and being of all parcels 1,2,3,4,5,6,7,8,9,10,11,12, 14,15,16,17,18,19,20,21,22,23,24,25,26,27,29,30,31 of Tax Map 105P, Group B, as shown on the 2008 Sullivan County Tax Maps, as well as Oak Haven Drive, approximately 1,000 feet.*

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: 10/5/09

# 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 13<sup>th</sup> CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE STONETREE A 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 20th day of October, 2009, and notice thereof published in the Kingsport Times-News on the 5th day of October, 2009; and

WHEREAS, the City of Kingsport has 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 20th day of October, 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 of Sullivan County, Tennessee, and more fully described to-wit:

BEGINNING at a point, said point being the southern corner of parcel 24, Tax Map 105P, Group B, thence in a northwesterly direction, along the northern right-of-way of Gustavis Court, crossing Oak Haven Drive, approximately 735 feet to a point, said point being the western corner of parcel 3, thence in a northeasterly direction, along the eastern right-of-way of Rock Valley Drive, approximately 1,235 feet to a point, said point being the northern corner of parcel 12, thence in a southeasterly direction, along the southern right-of-way of Rock Springs Valley Road, approximately 810 feet to a point, said point being the northeastern corner of parcel 31, thence in a southwesterly direction, approximately 290 feet to a point, said point being the southern corner of parcel 31, thence in a northwesterly direction, approximately 255 feet to a point, said point being the

northeastern corner of parcel 29, thence in a southwesterly direction, approximately 240 feet to a point, said point being the southern corner of parcel 29, thence in a southeasterly direction, approximately 160 feet to a point, said point being the eastern corner of parcel 27, thence in a southwesterly direction, approximately 375 feet to a point, said point being on the southeastern border of parcel 24, thence in a southeasterly direction, approximately 10 feet to a point, said point being the eastern corner of parcel 24, thence in a southeasterly direction, approximately 88 feet to the point of BEGINNING, and being of all parcels 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, 30, 31 of Tax Map 105P, Group B, as shown on the April 2008 Sullivan County Tax Maps, as well as Oak Haven Drive, approximately 1,000 feet.

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 1<sup>ST</sup> READING \_\_\_\_\_  
PASSED ON 2<sup>ND</sup> READING \_\_\_\_\_

# PRE-FILED CITY RECORDER

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG OAK HAVEN DRIVE TO R-1B, RESIDENTIAL DISTRICT IN THE 13<sup>th</sup> 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 Oak Haven Drive to R-1B, Residential District in the 13<sup>th</sup> 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 24, Tax Map 105P, Group B, thence in a northwesterly direction, along the northern right-of-way of Gustavis Court, crossing Oak Haven Drive, approximately 735 feet to a point, said point being the western corner of parcel 3, thence in a northeasterly direction, along the eastern right-of-way of Rock Valley Drive, approximately 1,235 feet to a point, said point being the northern corner of parcel 12, thence in a southeasterly direction, along the southern right-of-way of Rock Springs Valley Road, approximately 810 feet to a point, said point being the northeastern corner of parcel 31, thence in a southwesterly direction, approximately 290 feet to a point, said point being the southern corner of parcel 31, thence in a northwesterly direction, approximately 255 feet to a point, said point being the northeastern corner of parcel 29, thence in a southwesterly direction, approximately 240 feet to a point, said point being the southern corner of parcel 29, thence in a southeasterly direction, approximately 160 feet to a point, said point being the eastern corner of parcel 27, thence in a southwesterly direction, approximately 375 feet to a point, said point being on the southeastern border of parcel 24, thence in a southeasterly direction, approximately 10 feet to a point, said point being the eastern corner of parcel 24, thence in a southeasterly direction, approximately 88 feet to the point of BEGINNING, and being of all parcels 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, 30, 31 of Tax Map 105P, Group B, as shown on the April 2008 Sullivan County Tax Maps, as well as Oak Haven Drive, approximately 1,000 feet.

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 STONETREE A 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 Stonetree A annexation was submitted to the Kingsport Regional Planning Commission on September 17, 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 October 20, 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 October 5, 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 Civil District of Sullivan County, Tennessee, commonly known as the Stonetree A Annexation, said area being bounded and further described as follows:

BEGINNING at a point, said point being the southern corner of parcel 24, Tax Map 105P, Group B, thence in a northwesterly direction, along the northern right-of-way of Gustavis Court, crossing Oak Haven Drive, approximately 735 feet to a point, said point being the western corner of parcel 3, thence in a northeasterly direction, along the eastern right-of-way of Rock Valley Drive, approximately 1,235 feet to a point, said point being the northern corner of parcel 12, thence in a southeasterly direction, along the southern right-of-way of Rock Springs Valley Road, approximately 810 feet to a point, said point being the northeastern corner of parcel 31, thence in a southwesterly direction, approximately 290 feet to a point, said point being the southern corner of parcel 31, thence in a northwesterly direction, approximately 255 feet to a point, said point being the northeastern corner of parcel 29, thence in a southwesterly direction, approximately 240 feet to a point, said point being the

southern corner of parcel 29, thence in a southeasterly direction, approximately 160 feet to a point, said point being the eastern corner of parcel 27, thence in a southwesterly direction, approximately 375 feet to a point, said point being on the southeastern border of parcel 24, thence in a southeasterly direction, approximately 10 feet to a point, said point being the eastern corner of parcel 24, thence in a southeasterly direction, approximately 88 feet to the point of BEGINNING, and being of all parcels 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, 30, 31 of Tax Map 105P, Group B, as shown on the April 2008 Sullivan County Tax Maps, as well as Oak Haven Drive, approximately 1,000 feet.

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 Stonetree A 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:

**Stonetree A 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).

- 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.

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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.

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## **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 20th day of October 2009.

ATTEST:

DENNIS R. PHILLIPS, Mayor

\_\_\_\_\_  
ELIZABETH A. GILBERT  
Deputy City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, City Attorney

**ANNEXATION REPORT**  
**STONETREE ANNEXATION (A TOTAL OF FOUR SECTIONS), FILE: 09-301-000013**

**TO:** KINGSFORT REGIONAL PLANNING COMMISSION

**FROM:** Ken Weems, Planner

**DATE:** 31 August 2009

**APPLICANT:** City of Kingsport

**REQUESTED ACTION:** City initiated annexation and zoning to an R-1B, Single Family District, of approximately 104 acres.

**LOCATION:** The area proposed for annexation consists of the Stonetree and Rock Springs Valley Subdivisions, located in the 13<sup>th</sup> and 15<sup>th</sup> Civil Districts of Sullivan County.

**EXISTING LAND USE:** Single Family Residential

**PROPOSED USE:** same

**SURROUNDING ZONING DISTRICTS & LAND USES:**

**General:** The annexation area is surrounded by County R-1 (Single Family), County A-1 (Agricultural and Residential), and City R-1B (Single Family) zoning, with like uses.

The annexation area is currently zoned County R-1 and County A-1.

**LAND USE PLAN (S):**

The 2010 Land Use Plan addresses this area as single family residential. The new Kingsport 2030 Land Use Plan (pending Planning Commission approval) describes this area as single family residential.

**UTILITIES:**

The annexation area is currently served by City of Kingsport water. Both City of Kingsport sanitary sewer and water service require an upgrade for this annexation.

**TRANSPORTATION:**

Streets in this annexation area consist of:

- a portion of Valley Drive (1,400 ft)
- Gustavis Ave (620 ft)
- Royal Cir (290 ft)
- Arrow Cir (220 ft)

Gustavis Ct (2,250 ft)  
Rock Valley Dr (1,300 ft)  
Oak Haven Dr (1,000 ft)  
Montsweag Ct (1,000 ft)  
Sasanoa Ct (600 ft)

Total: 8,680 ft or 1.64 miles of street

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

1. Send a favorable recommendation for annexation to the Board of Mayor and Alderman for all four sections.
2. Recommend disapproving the annexation areas, 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 parcels 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.

**Stonetree Annexation**

**COST ANALYSIS (tax records as of 20 August 2009)**

Revenues	One Time	Reoccurring (annual)	
Property Taxes	X	\$59,236.00	(new 1.94% tax rate)
State Shared	X	\$26,640.00	240 res x 111 (estimated)
Sewer Tap Fees	\$187,200.00	X	96 homes to connect
Water Rev (loss)	X	-\$38,084.00	new city rate
Sewer Rev (gain)	X	\$49,056.00	once sewer installed
<b>Total</b>	<b>\$187,200.00</b>	<b>\$96,848.00</b>	

Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
Street Lighting	6,278.00	6,279.00
Traffic Controls	3,150.00	0.00
Streets & Sanitation	41,383.00	34,785.00
Subtotal	50,811.00	41,064.00
<b>Capital Budget</b>		
Water	426,293.00	0.00
Sewer	1,653,060.00	0.00
Subtotal	2,079,353.00	0.00
<b>Grand Total</b>	<b>2,130,164.00</b>	<b>41,064.00</b>

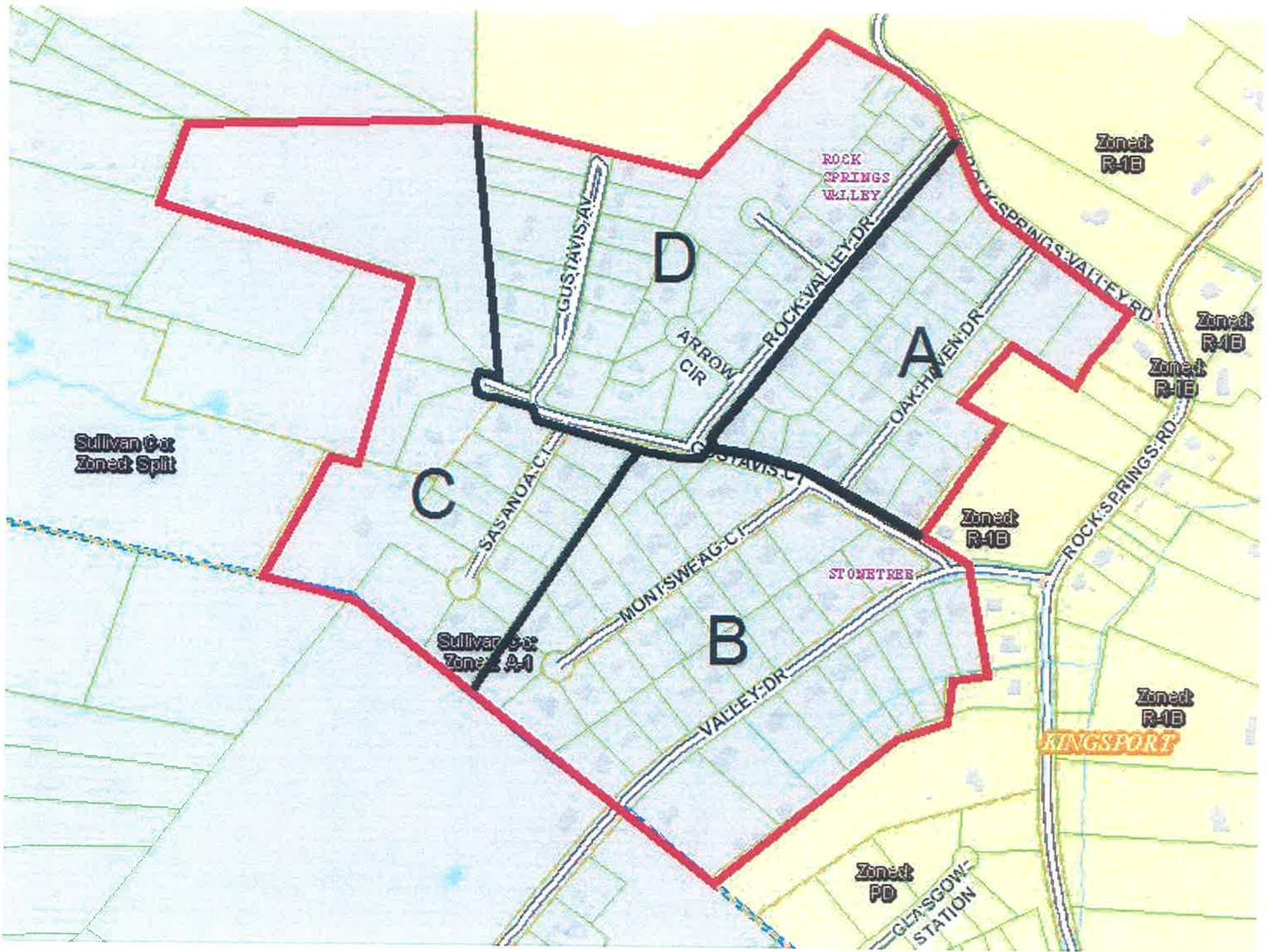
**Stonetree Annexation (Part A breakout)**

**COST ANALYSIS (tax records as of 20 August 2009)**

Revenues	One Time	Reoccurring (annual)	
Property Taxes	X	\$14,706.00	(new 1.94% tax rate)
State Shared	X	\$6,660.00	60 res x 111 (estimated)
Sewer Tap Fees	\$46,800.00	X	24 homes to connect
Water Rev (loss)	X	-\$9,521.00	new city rate
Sew Rev (gain)	X	\$12,264.00	once sewer installed
<b>Total</b>	<b>\$46,800.00</b>	<b>\$24,109.00</b>	

Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
Street Lighting	879.00	879.00
Traffic Controls	441.00	0.00
Streets & Sanitation	5,794.00	4,870.00
Subtotal	7,114.00	5,749.00
<b>Capital Budget</b>		
Water	59,681.00	0.00
Sewer	488,700.00	0.00
Subtotal	548,381.00	0.00
<b>Grand Total</b>	<b>555,495.00</b>	<b>5,749.00</b>





## 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 "Stonetree B" Annexation and Consideration of a Resolution Adopting the Plan of Services

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-334-2009  
 Work Session: October 19, 2009  
 First Reading: October 20, 2009

Final Adoption: November 3, 2009  
 Staff Work By: K. Weems  
 Presentation By: K. Weems

#### Recommendation:

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

#### Executive Summary:

This is the "Stonetree B" annexation of approximately 33 acres along Gustavis Court, Montsweag Court, and Valley Drive, with an approximate population of 90 residents (single family use). The current county zoning of the area is A-1 (Agricultural and Residential zoning). The proposed City zoning for the area is R-1B (Single Family Residential). Both water and sanitary sewer require an upgrade for this annexation. During their September 2009 regular meeting, the Kingsport Regional Planning Commission voted unanimously (9-0) to send a favorable recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen for this annexation. This item has received general opposition from a few residents in the annexation area. The Notice of Public Hearing was published on October 5, 2009.

#### Attachments:

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

Funding source appropriate and funds are available: \_\_\_\_\_

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

## 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, October 20, 2009, to consider the annexation, zoning, and plan of services for the Stonetree B 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 southern corner of parcel 6, Tax Map 119, thence in a northwesterly direction, crossing Valley Drive, approximately 590 feet to a point, said point being the western corner of parcel 23, Tax Map 118D, Group A, thence in a northeasterly direction, approximately 970 feet to a point, said point being the northwestern corner of parcel 14, thence in an easterly direction, along the southern right-of-way of Gustavis Court, approximately 200 feet to a point, said point being on the northern border of parcel 14, thence in a northerly direction, crossing Gustavis Court, approximately 60 feet to point, said point being the southwestern corner of parcel 3, Tax Map 105P, Group B, thence in a southeasterly direction, along the northern right-of-way of Gustavis Court, crossing Oak Haven Drive, approximately 905 feet to a point, said point being the southwestern corner of parcel 1, Tax Map 119, thence in a southerly direction, crossing Valley Drive, approximately 370 feet to a point, said point being the southeastern corner of parcel 9, Tax Map 119A, Group A, thence in a westerly direction, approximately 120 feet to a point, said point being the northwestern corner of parcel 8, Tax Map 119, thence in a southerly direction, approximately 135 feet to a point, said point being the southwestern corner of parcel 8, Tax Map 119, thence in a southwesterly direction, approximately 930 feet to the point of BEGINNING, and being of all parcels 3,4,5,6,7,8,9, Tax Map 119, Group A, parcels 6, 6.20, Tax Map 119, parcels 14, 16, 17, 17.10, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, Tax Map 118D, Group A, as shown on the 2008 Sullivan County Tax Maps, as well as a portion of Valley Drive, approximately 1,365 feet, a portion of Gustavis Court, approximately 880 feet, and Montsweag Court, approximately 1,025 feet.*

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: 10/5/09

# 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 13<sup>th</sup> AND 15<sup>th</sup> CIVIL DISTRICTS OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE STONETREE B 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 20th day of October, 2009, and notice thereof published in the Kingsport Times-News on the 5th day of October, 2009; and

WHEREAS, the City of Kingsport has 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 20th day of October, 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 Districts No. 13 and No. 15 of Sullivan County, Tennessee, and more fully described to-wit:

BEGINNING at a point, said point being the southern corner of parcel 6, Tax Map 119, thence in a northwesterly direction, crossing Valley Drive, approximately 590 feet to a point, said point being the western corner of parcel 23, Tax Map 118D, Group A, thence in a northeasterly direction, approximately 970 feet to a point, said point being the northwestern corner of parcel 14, thence in an easterly direction, along the southern right-of-way of Gustavis Court, approximately 200 feet to a point, said point being on the northern border of parcel 14, thence in a northerly direction, crossing Gustavis Court, approximately 60 feet to point, said point being the southwestern corner of parcel 3, Tax Map 105P, Group B, thence in a southeasterly direction, along the northern right-of-way of Gustavis Court, crossing Oak Haven Drive, approximately 905 feet to a point, said point being the

southwestern corner of parcel 1, Tax Map 119, thence in a southerly direction, crossing Valley Drive, approximately 370 feet to a point, said point being the southeastern corner of parcel 9, Tax Map 119A, Group A, thence in a westerly direction, approximately 120 feet to a point, said point being the northwestern corner of parcel 8, Tax Map 119, thence in a southerly direction, approximately 135 feet to a point, said point being the southwestern corner of parcel 8, Tax Map 119, thence in a southwesterly direction, approximately 930 feet to the point of BEGINNING, and being of all parcels 3,4,5,6,7,8,9, Tax Map 119, Group A, parcels 6, 6.20, Tax Map 119, parcels 14, 16, 17, 17.10, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, Tax Map 118D, Group A, as shown on the April 2008 Sullivan County Tax Maps, as well as a portion of Valley Drive, approximately 1,365 feet, a portion of Gustavis Court, approximately 880 feet, and Montswag Court, approximately 1,025 feet.

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 1<sup>ST</sup> READING \_\_\_\_\_  
PASSED ON 2<sup>ND</sup> READING \_\_\_\_\_

# PRE-FILE CITY RECORD

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG VALLEY DRIVE, GUSTAVIS COURT, AND MONTSWEAG COURT TO R-1B, RESIDENTIAL DISTRICT IN THE 13<sup>th</sup> AND 15<sup>th</sup> 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 Valley Drive, Gustavis Court, and Montsweag Court to R-1B, Residential District in the 13<sup>th</sup> and 15<sup>th</sup> Civil Districts 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 6, Tax Map 119, thence in a northwesterly direction, crossing Valley Drive, approximately 590 feet to a point, said point being the western corner of parcel 23, Tax Map 118D, Group A, thence in a northeasterly direction, approximately 970 feet to a point, said point being the northwestern corner of parcel 14, thence in an easterly direction, along the southern right-of-way of Gustavis Court, approximately 200 feet to a point, said point being on the northern border of parcel 14, thence in a northerly direction, crossing Gustavis Court, approximately 60 feet to point, said point being the southwestern corner of parcel 3, Tax Map 105P, Group B, thence in a southeasterly direction, along the northern right-of-way of Gustavis Court, crossing Oak Haven Drive, approximately 905 feet to a point, said point being the southwestern corner of parcel 1, Tax Map 119, thence in a southerly direction, crossing Valley Drive, approximately 370 feet to a point, said point being the southeastern corner of parcel 9, Tax Map 119A, Group A, thence in a westerly direction, approximately 120 feet to a point, said point being the northwestern corner of parcel 8, Tax Map 119, thence in a southerly direction, approximately 135 feet to a point, said point being the southwestern corner of parcel 8, Tax Map 119, thence in a southwesterly direction, approximately 930 feet to the point of BEGINNING, and being of all parcels 3,4,5,6,7,8,9, Tax Map 119, Group A, parcels 6, 6.20, Tax Map 119, parcels 14, 16, 17, 17.10, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, Tax Map 118D, Group A, as shown on the April 2008 Sullivan County Tax Maps, as well as a portion of Valley Drive, approximately 1,365 feet, a portion of Gustavis Court, approximately 880 feet, and Montsweag Court, approximately 1,025 feet.

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 STONETREE B 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 Stonetree B annexation was submitted to the Kingsport Regional Planning Commission on September 17, 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 October 20, 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 October 5, 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 13<sup>th</sup> and 15<sup>th</sup> Civil Districts of Sullivan County, Tennessee, commonly known as the Stonetree B Annexation, said area being bounded and further described as follows:

BEGINNING at a point, said point being the southern corner of parcel 6, Tax Map 119, thence in a northwesterly direction, crossing Valley Drive, approximately 590 feet to a point, said point being the western corner of parcel 23, Tax Map 118D, Group A, thence in a northeasterly direction, approximately 970 feet to a point, said point being the northwestern corner of parcel 14, thence in an easterly direction, along the southern right-of-way of Gustavis Court, approximately 200 feet to a point, said point being on the northern border of parcel 14, thence in a northerly direction, crossing Gustavis Court, approximately 60 feet to point, said point being the southwestern corner of parcel 3, Tax Map 105P, Group B, thence in a southeasterly direction, along the northern right-of-way of Gustavis Court, crossing Oak Haven Drive, approximately 905 feet to a point, said point being the southwestern corner of parcel 1, Tax Map 119, thence in a southerly direction, crossing Valley Drive, approximately 370 feet to a point, said point being

the southeastern corner of parcel 9, Tax Map 119A, Group A, thence in a westerly direction, approximately 120 feet to a point, said point being the northwestern corner of parcel 8, Tax Map 119, thence in a southerly direction, approximately 135 feet to a point, said point being the southwestern corner of parcel 8, Tax Map 119, thence in a southwesterly direction, approximately 930 feet to the point of BEGINNING, and being of all parcels 3,4,5,6,7,8,9, Tax Map 119, Group A, parcels 6, 6.20, Tax Map 119, parcels 14, 16, 17, 17.10, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, Tax Map 118D, Group A, as shown on the April 2008 Sullivan County Tax Maps, as well as a portion of Valley Drive, approximately 1,365 feet, a portion of Gustavis Court, approximately 880 feet, and Montsweag Court, approximately 1,025 feet.

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 Stonetree B 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:

**Stonetree B 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**

City of Kingsport, Tennessee, Resolution No. ,  
Ref: AF:

- 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 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.

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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.

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#### **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 20th day of October 2009.

City of Kingsport, Tennessee, Resolution No. ,  
Ref: AF:

ATTEST:

\_\_\_\_\_  
DENNIS R. PHILLIPS, Mayor

\_\_\_\_\_  
ELIZABETH A. GILBERT  
Deputy City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, City Attorney

**ANNEXATION REPORT**  
**STONETREE ANNEXATION (A TOTAL OF FOUR SECTIONS), FILE: 09-301-000013**

**TO:** KINGSPORT REGIONAL PLANNING COMMISSION

**FROM:** Ken Weems, Planner

**DATE:** 31 August 2009

**APPLICANT:** City of Kingsport

**REQUESTED ACTION:** City initiated annexation and zoning to an R-1B, Single Family District, of approximately 104 acres.

**LOCATION:** The area proposed for annexation consists of the Stonetree and Rock Springs Valley Subdivisions, located in the 13<sup>th</sup> and 15<sup>th</sup> Civil Districts of Sullivan County.

**EXISTING LAND USE:** Single Family Residential

**PROPOSED USE:** same

**SURROUNDING ZONING DISTRICTS & LAND USES:**

**General:** The annexation area is surrounded by County R-1 (Single Family), County A-1 (Agricultural and Residential), and City R-1B (Single Family) zoning, with like uses.

The annexation area is currently zoned County R-1 and County A-1.

**LAND USE PLAN (S):**

The 2010 Land Use Plan addresses this area as single family residential. The new Kingsport 2030 Land Use Plan (pending Planning Commission approval) describes this area as single family residential.

**UTILITIES:**

The annexation area is currently served by City of Kingsport water. Both City of Kingsport sanitary sewer and water service require an upgrade for this annexation.

**TRANSPORTATION:**

Streets in this annexation area consist of:

a portion of Valley Drive (1,400 ft)  
Gustavis Ave (620 ft)  
Royal Cir (290 ft)  
Arrow Cir (220 ft)

Gustavis Ct (2,250 ft)  
Rock Valley Dr (1,300 ft)  
Oak Haven Dr (1,000 ft)  
Montsweag Ct (1,000 ft)  
Sasanoa Ct (600 ft)

Total: 8,680 ft or 1.64 miles of street

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

1. Send a favorable recommendation for annexation to the Board of Mayor and Alderman for all four sections.
2. Recommend disapproving the annexation areas, 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 parcels 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.

**Stonetree Annexation (Part B breakout)**

**COST ANALYSIS (tax records as of 20 August 2009)**

Revenues	One Time	Reoccurring (annual)	
Property Taxes	X	\$22,265.00	(new 1.94% tax rate)
State Shared	X	\$9,990.00	90 res x 111 (estimated)
Sewer Tap Fees	\$70,200.00	X	36 homes to connect
Water Rev (loss)	X	-\$14,281.00	new city rate
Sewer Rev (gain)		\$18,396.00	once sewer installed
<b>Total</b>	<b>\$70,200.00</b>	<b>\$36,370.00</b>	

Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
Street Lighting	2,950.00	2,950.00
Traffic Controls	1,480.00	0.00
Streets & Sanitation	19,450.00	16,348.00
Subtotal	23,880.00	19,298.00
<b>Capital Budget</b>		
Water	200,358.00	0.00
Sewer	568,200.00	0.00
Subtotal	768,558.00	0.00
<b>Grand Total</b>	<b>792,438.00</b>	<b>19,298.00</b>

**Stonetree Annexation**

**COST ANALYSIS (tax records as of 20 August 2009)**

Revenues	One Time	Reoccurring (annual)	
Property Taxes	X	\$59,236.00	(new 1.94% tax rate)
State Shared	X	\$26,640.00	240 res x 111 (estimated)
Sewer Tap Fees	\$187,200.00	X	96 homes to connect
Water Rev (loss)	X	-\$38,084.00	new city rate
Sewer Rev (gain)	X	\$49,056.00	once sewer installed
<b>Total</b>	<b>\$187,200.00</b>	<b>\$96,848.00</b>	

Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
Street Lighting	6,278.00	6,279.00
Traffic Controls	3,150.00	0.00
Streets & Sanitation	41,383.00	34,785.00
Subtotal	50,811.00	41,064.00
<b>Capital Budget</b>		
Water	426,293.00	0.00
Sewer	1,653,060.00	0.00
Subtotal	2,079,353.00	0.00
<b>Grand Total</b>	<b>2,130,164.00</b>	<b>41,064.00</b>





## 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 "Stonetree C" Annexation and Consideration of a Resolution Adopting the Plan of Services

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-335-2009	Final Adoption:	November 3, 2009
Work Session:	October 19, 2009	Staff Work By:	K. Weems
First Reading:	October 20, 2009	Presentation By:	K. Weems

#### Recommendation:

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

#### Executive Summary:

This is the "Stonetree C" annexation of approximately 17 acres along Sasanoa Court, with an approximate population of 38 residents (single family use). The current county zoning of the area is A-1 (Agricultural and Residential zoning) and R-1 (Single Family Residential). The proposed City zoning for the area is R-1B (Single Family Residential). Both water and sanitary sewer require an upgrade for this annexation. During their September 2009 regular meeting, the Kingsport Regional Planning Commission voted unanimously (9-0) to send a favorable recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen for this annexation. This item has received general opposition from a few residents in the annexation area. The Notice of Public Hearing was published on October 5, 2009.

#### Attachments:

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

Funding source appropriate and funds are available: \_\_\_\_\_

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

## 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, October 20, 2009, to consider the annexation, zoning, and plan of services for the Stonetree C 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 southern corner of parcel 7, Tax Map 118D, Group A, thence in a northwesterly direction, approximately 485 feet to a point, said point being the western corner of parcel 6, thence in a westerly direction, approximately 317 feet to a point, said point being the southwestern corner of parcel 5.20, thence in a northerly direction, approximately 458 feet to a point, said point being the northwestern corner of parcel 5.20, thence in an easterly direction, approximately 99 feet to a point, said point being the southwestern corner of parcel 38.40, Tax Map, 105P, Group A, thence in a northerly direction, approximately 615 feet to a point, said point being the northwest corner of parcel 38.30, thence in an easterly direction, approximately 253 feet to a point, said point being the northeastern corner of parcel 38.20, thence in a southerly direction, approximately 280 feet to a point, said point being the southern corner of parcel 38.20, thence in a westerly direction, along the right-of-way of Gustavis Court, approximately 233 feet to a point, said point being the northern corner of parcel 1, Tax Map 118D, Group A, thence in an easterly direction, along the southern right-of-way of Gustavis Court, crossing Sasanoa Court, approximately 470 feet to a point, said point being the northeastern corner of parcel 13, thence in a southerly direction, approximately 970 feet to the point of BEGINNING and being of all parcels 1, 2, 3, 4, 5, 5.20, 6, 7, 8, 9, 10, 11, 12, 13 of Tax Map 118D, Group A, parcels 38.20, 38.30, 38.40, 38.50 Tax Map 105P, Group A, as shown on the 2008 Sullivan County Tax Maps, as well as Sasanoa Court, approximately 665 feet.*

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: 10/5/09

# 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 13<sup>th</sup> AND 15<sup>th</sup> CIVIL DISTRICTS OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE STONETREE C 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 20th day of October, 2009, and notice thereof published in the Kingsport Times-News on the 5th day of October, 2009; and

WHEREAS, the City of Kingsport has 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 20th day of October, 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 Districts No. 13 and No. 15 of Sullivan County, Tennessee, and more fully described to-wit:

BEGINNING at a point, said point being the southern corner of parcel 7, Tax Map 118D, Group A, thence in a northwesterly direction, approximately 485 feet to a point, said point being the western corner of parcel 6, thence in a westerly direction, approximately 317 feet to a point, said point being the southwestern corner of parcel 5.20, thence in a northerly direction, approximately 458 feet to a point, said point being the northwestern corner of parcel 5.20, thence in an easterly direction, approximately 99 feet to a point, said point being the southwestern corner of parcel 38.40, Tax Map, 105P, Group A, thence in a northerly direction, approximately 615 feet to a point, said point being the northwest corner of parcel 38.30, thence in an easterly direction, approximately 253 feet to a point, said point being the northeastern corner of parcel 38.20, thence in a southerly direction,

approximately 280 feet to a point, said point being the southern corner of parcel 38.20, thence in a westerly direction, along the right-of-way of Gustavis Court, approximately 233 feet to a point, said point being the northern corner of parcel 1, Tax Map 118D, Group A, thence in an easterly direction, along the southern right-of-way of Gustavis Court, crossing Sasanoa Court, approximately 470 feet to a point, said point being the northeastern corner of parcel 13, thence in a southerly direction, approximately 970 feet to the point of BEGINNING and being of all parcels 1, 2, 3, 4, 5, 5.20, 6, 7, 8, 9, 10, 11, 12, 13 of Tax Map 118D, Group A, parcels 38.20, 38.30, 38.40, 38.50 Tax Map 105P, Group A, as shown on the April 2008 Sullivan County Tax Maps, as well as Sasanoa Court, approximately 665 feet.

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 1<sup>ST</sup> READING \_\_\_\_\_  
PASSED ON 2<sup>ND</sup> READING \_\_\_\_\_

**PRE-FILED  
CITY RECORDER**

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG SASANOVA COURT TO R-1B, RESIDENTIAL DISTRICT IN THE 13<sup>th</sup> AND 15<sup>th</sup> 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 Sasanoa Court to R-1B, Residential District in the 13<sup>th</sup> and 15<sup>th</sup> Civil Districts 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 7, Tax Map 118D, Group A, thence in a northwesterly direction, approximately 485 feet to a point, said point being the western corner of parcel 6, thence in a westerly direction, approximately 317 feet to a point, said point being the southwestern corner of parcel 5.20, thence in a northerly direction, approximately 458 feet to a point, said point being the northwestern corner of parcel 5.20, thence in an easterly direction, approximately 99 feet to a point, said point being the southwestern corner of parcel 38.40, Tax Map, 105P, Group A, thence in a northerly direction, approximately 615 feet to a point, said point being the northwest corner of parcel 38.30, thence in an easterly direction, approximately 253 feet to a point, said point being the northeastern corner of parcel 38.20, thence in a southerly direction, approximately 280 feet to a point, said point being the southern corner of parcel 38.20, thence in a westerly direction, along the right-of-way of Gustavis Court, approximately 233 feet to a point, said point being the northern corner of parcel 1, Tax Map 118D, Group A, thence in an easterly direction, along the southern right-of-way of Gustavis Court, crossing Sasanoa Court, approximately 470 feet to a point, said point being the northeastern corner of parcel 13, thence in a southerly direction, approximately 970 feet to the point of BEGINNING and being of all parcels 1, 2, 3, 4, 5, 5.20, 6, 7, 8, 9, 10, 11, 12, 13 of Tax Map 118D, Group A, parcels 38.20, 38.30, 38.40, 38.50 Tax Map 105P, Group A, as shown on the April 2008 Sullivan County Tax Maps, as well as Sasanoa Court, approximately 665 feet.

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 STONETREE C 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 Stonetree C annexation was submitted to the Kingsport Regional Planning Commission on September 17, 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 October 20, 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 October 5, 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 15<sup>th</sup> Civil District of Sullivan County, Tennessee, commonly known as the Stonetree C Annexation, said area being bounded and further described as follows:

BEGINNING at a point, said point being the southern corner of parcel 7, Tax Map 118D, Group A, thence in a northwesterly direction, approximately 485 feet to a point, said point being the western corner of parcel 6, thence in a westerly direction, approximately 317 feet to a point, said point being the southwestern corner of parcel 5.20, thence in a northerly direction, approximately 458 feet to a point, said point being the northwestern corner of parcel 5.20, thence in an easterly direction, approximately 99 feet to a point, said point being the southwestern corner of parcel 38.40, Tax Map, 105P, Group A, thence in a northerly direction, approximately 615 feet to a point, said point being the northwest corner of parcel 38.30, thence in an easterly direction, approximately 253 feet to a point, said point being the northeastern corner of parcel 38.20, thence in a southerly direction, approximately 280 feet to a point, said point being the southern corner of parcel 38.20, thence in a westerly direction,

along the right-of-way of Gustavis Court, approximately 233 feet to a point, said point being the northern corner of parcel 1, Tax Map 118D, Group A, thence in an easterly direction, along the southern right-of-way of Gustavis Court, crossing Sasanoa Court, approximately 470 feet to a point, said point being the northeastern corner of parcel 13, thence in a southerly direction, approximately 970 feet to the point of BEGINNING and being of all parcels 1, 2, 3, 4, 5, 5.20, 6, 7, 8, 9, 10, 11, 12, 13 of Tax Map 118D, Group A, parcels 38.20, 38.30, 38.40, 38.50 Tax Map 105P, Group A, as shown on the April 2008 Sullivan County Tax Maps, as well as Sasanoa Court, approximately 665 feet.

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 Stonetree C 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:

**Stonetree C 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).
- 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 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.

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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.

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#### **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 20th day of October 2009.

City of Kingsport, Tennessee, Resolution No. ,  
Ref: AF:

ATTEST:

\_\_\_\_\_  
DENNIS R. PHILLIPS, Mayor

\_\_\_\_\_  
ELIZABETH A. GILBERT  
Deputy City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, City Attorney

**ANNEXATION REPORT**  
**STONETREE ANNEXATION (A TOTAL OF FOUR SECTIONS), FILE: 09-301-000013**

**TO:** KINGSPORT REGIONAL PLANNING COMMISSION

**FROM:** Ken Weems, Planner

**DATE:** 31 August 2009

**APPLICANT:** City of Kingsport

**REQUESTED ACTION:** City initiated annexation and zoning to an R-1B, Single Family District, of approximately 104 acres.

**LOCATION:** The area proposed for annexation consists of the Stonetree and Rock Springs Valley Subdivisions, located in the 13<sup>th</sup> and 15<sup>th</sup> Civil Districts of Sullivan County.

**EXISTING LAND USE:** Single Family Residential

**PROPOSED USE:** same

**SURROUNDING ZONING DISTRICTS & LAND USES:**

**General:** The annexation area is surrounded by County R-1 (Single Family), County A-1 (Agricultural and Residential), and City R-1B (Single Family) zoning, with like uses.

The annexation area is currently zoned County R-1 and County A-1.

**LAND USE PLAN (S):**

The 2010 Land Use Plan addresses this area as single family residential. The new Kingsport 2030 Land Use Plan (pending Planning Commission approval) describes this area as single family residential.

**UTILITIES:**

The annexation area is currently served by City of Kingsport water. Both City of Kingsport sanitary sewer and water service require an upgrade for this annexation.

**TRANSPORTATION:**

Streets in this annexation area consist of:

a portion of Valley Drive (1,400 ft)  
Gustavis Ave (620 ft)  
Royal Cir (290 ft)  
Arrow Cir (220 ft)

Gustavis Ct (2,250 ft)  
Rock Valley Dr (1,300 ft)  
Oak Haven Dr (1,000 ft)  
Montsweag Ct (1,000 ft)  
Sasanoa Ct (600 ft)

Total: 8,680 ft or 1.64 miles of street

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

1. Send a favorable recommendation for annexation to the Board of Mayor and Alderman for all four sections.
2. Recommend disapproving the annexation areas, 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 parcels 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:

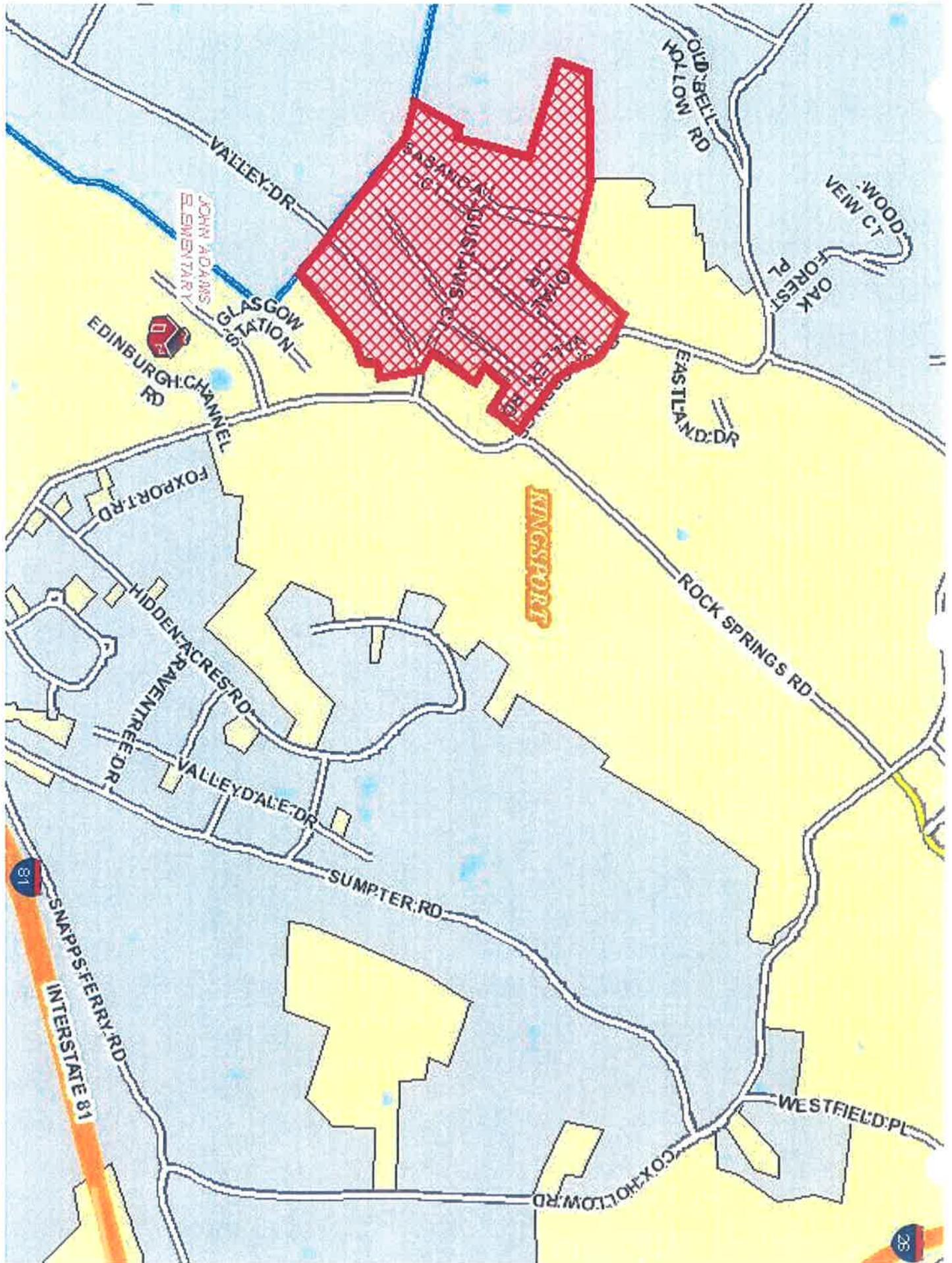
1. The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.
2. Annexation spurs economic growth by providing basic services at a reasonable cost and allows those costs to be spread fairly to all who enjoy those services.
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.

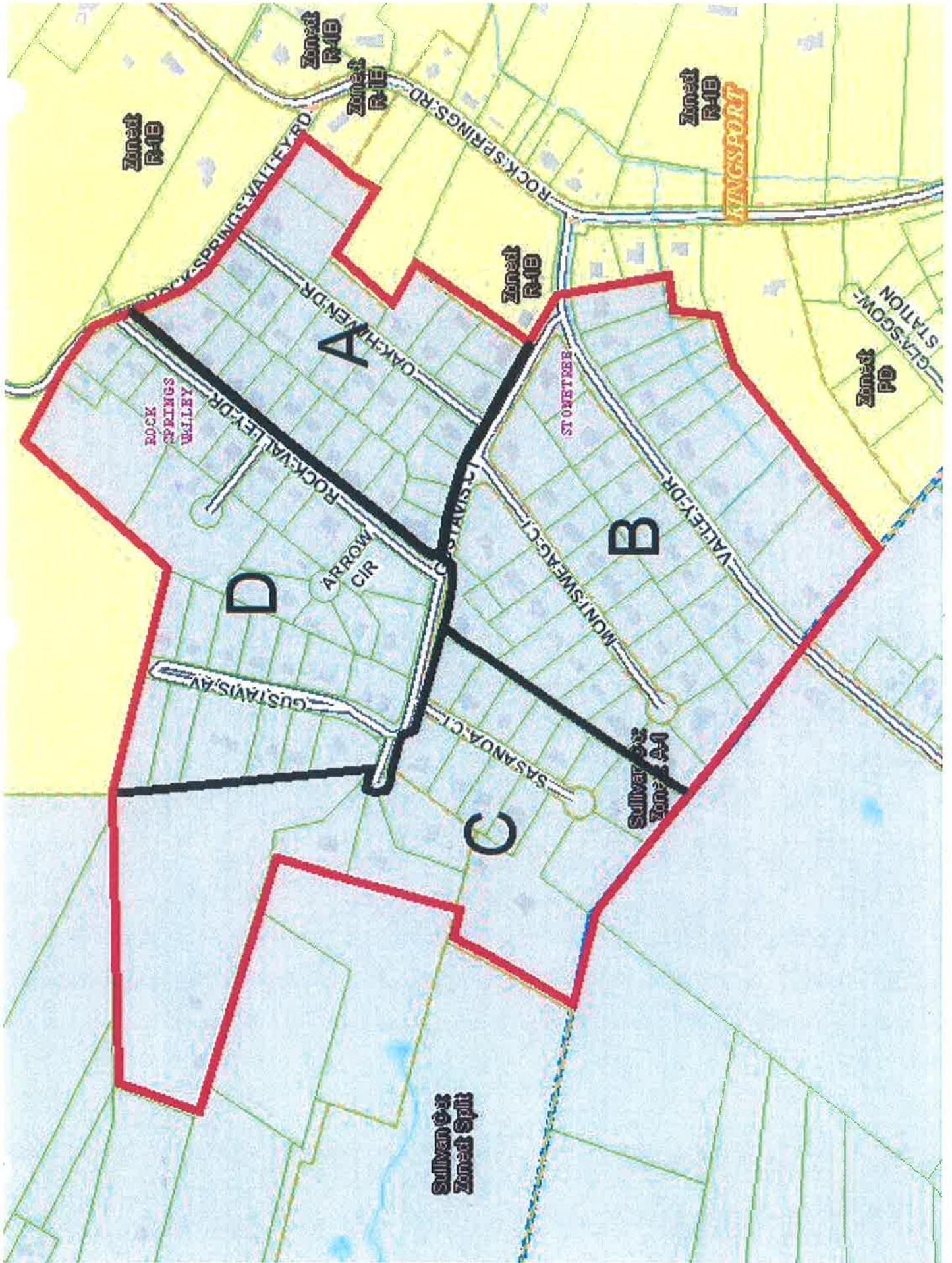
**Stonetree Annexation**

**COST ANALYSIS (tax records as of 20 August 2009)**

Revenues	One Time	Reoccurring (annual)	
Property Taxes	X	\$59,236.00	(new 1.94% tax rate)
State Shared	X	\$26,640.00	240 res x 111 (estimated)
Sewer Tap Fees	\$187,200.00	X	96 homes to connect
Water Rev (loss)	X	-\$38,084.00	new city rate
Sewer Rev (gain)	X	\$49,056.00	once sewer installed
<b>Total</b>	<b>\$187,200.00</b>	<b>\$96,848.00</b>	

Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
Street Lighting	6,278.00	6,279.00
Traffic Controls	3,150.00	0.00
Streets & Sanitation	41,383.00	34,785.00
Subtotal	50,811.00	41,064.00
<b>Capital Budget</b>		
Water	426,293.00	0.00
Sewer	1,653,060.00	0.00
Subtotal	2,079,353.00	0.00
<b>Grand Total</b>	<b>2,130,164.00</b>	<b>41,064.00</b>





## 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.



## 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, October 20, 2009, to consider the annexation, zoning, and plan of services for the Stonetree D 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 northeastern corner of parcel 31, Tax Map 105P, Group A, thence in an easterly direction, crossing the northern right-of-way of Gustavis Court, approximately 738 feet to a point, said point being the northeastern corner of parcel 30, thence in a northeasterly direction, approximately 620 feet to a point, said point being the northern corner of parcel 42, Tax Map 105, thence in a southeasterly direction, along the southern right-of-way of Rock Springs Valley Road, approximately 560 feet to a point, said point being the northern corner of parcel 12, Tax Map 105P, Group B, thence in a southwesterly direction, along the eastern right-of-way of Rock Valley Drive, crossing Gustavis Court, approximately 1,305 feet to a point, said point being on the northern border of parcel 14, Tax Map 118D, Group A, thence in a westerly direction, along the southern right-of-way of Gustavis Court, crossing Sasanoa Court, approximately 648 feet to a point, said point being the northern corner of parcel 1, Tax Map 118D, Group A, thence in a westerly direction, along the right-of-way of Gustavis Court, approximately 223 feet to a point, said point being the southern corner of parcel 38.20, thence in a northerly direction, approximately 820 feet to the point of BEGINNING, and being of all parcels 1, 2, 4, 5, 6, 7, 11, 12, 13, 15, 16, 17, 18, 19, 21, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37 of Tax Map 105P, Group A, parcels 42, 42.01 of Tax Map 105, as shown on the 2008 Sullivan County Tax Maps, as well as Royal Circle, approximately 317 feet, Arrow Circle, approximately 271 feet, Rock Valley Drive, approximately 1,295 feet, Gustavis Avenue, approximately 688 feet, and portions of Gustavis Court, approximately 1,605 feet.*

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: 10/5/09

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 13<sup>th</sup> CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE STONETREE D 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 20th day of October, 2009, and notice thereof published in the Kingsport Times-News on the 5th day of October, 2009; and

WHEREAS, the City of Kingsport has 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 20th day of October, 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 Districts No. 13 and No. 15 of Sullivan County, Tennessee, and more fully described to-wit:

BEGINNING at a point, said point being the northeastern corner of parcel 31, Tax Map 105P, Group A, thence in an easterly direction, crossing the northern right-of-way of Gustavis Court, approximately 738 feet to a point, said point being the northeastern corner of parcel 30, thence in a northeasterly direction, approximately 620 feet to a point, said point being the northern corner of parcel 42, Tax Map 105, thence in a southeasterly direction, along the southern right-of-way of Rock Springs Valley Road, approximately 560 feet to a point, said point being the northern corner of parcel 12, Tax Map 105P, Group B, thence in a southwesterly direction, along the eastern right-of-way of Rock Valley Drive, crossing Gustavis Court, approximately 1,305 feet to a point, said point being on the northern border of parcel 14, Tax Map 118D, Group A, thence in a westerly direction, along the

southern right-of-way of Gustavis Court, crossing Sasanoa Court, approximately 648 feet to a point, said point being the northern corner of parcel 1, Tax Map 118D, Group A, thence in a westerly direction, along the right-of-way of Gustavis Court, approximately 223 feet to a point, said point being the southern corner of parcel 38.20, thence in a northerly direction, approximately 820 feet to the point of BEGINNING, and being of all parcels 1, 2, 4, 5, 6, 7, 11, 12, 13, 15, 16, 17, 18, 19, 21, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37 of Tax Map 105P, Group A, parcels 42, 42.01 of Tax Map 105, as shown on the April 2008 Sullivan County Tax Maps, as well as Royal Circle, approximately 317 feet, Arrow Circle, approximately 271 feet, Rock Valley Drive, approximately 1,295 feet, Gustavis Avenue, approximately 688 feet, and portions of Gustavis Court, approximately 1,605 feet.

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 1<sup>ST</sup> READING \_\_\_\_\_  
PASSED ON 2<sup>ND</sup> READING \_\_\_\_\_

# PRE-FILED CITY RECORDER

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG ROYAL CIRCLE, ARROW CIRCLE, ROCK VALLEY DRIVE, GUSTAVIS AVENUE, AND GUSTAVIS COURT TO R-1B, RESIDENTIAL DISTRICT IN THE 13<sup>th</sup> 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 Royal Circle, Arrow Circle, Rock Valley Drive, Gustavis Avenue, and Gustavis Court to R-1B, Residential District in the 13<sup>th</sup> 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 northeastern corner of parcel 31, Tax Map 105P, Group A, thence in an easterly direction, crossing the northern right-of-way of Gustavis Court, approximately 738 feet to a point, said point being the northeastern corner of parcel 30, thence in a northeasterly direction, approximately 620 feet to a point, said point being the northern corner of parcel 42, Tax Map 105, thence in a southeasterly direction, along the southern right-of-way of Rock Springs Valley Road, approximately 560 feet to a point, said point being the northern corner of parcel 12, Tax Map 105P, Group B, thence in a southwesterly direction, along the eastern right-of-way of Rock Valley Drive, crossing Gustavis Court, approximately 1,305 feet to a point, said point being on the northern border of parcel 14, Tax Map 118D, Group A, thence in a westerly direction, along the southern right-of-way of Gustavis Court, crossing Sasanoa Court, approximately 648 feet to a point, said point being the northern corner of parcel 1, Tax Map 118D, Group A, thence in a westerly direction, along the right-of-way of Gustavis Court, approximately 223 feet to a point, said point being the southern corner of parcel 38.20, thence in a northerly direction, approximately 820 feet to the point of BEGINNING, and being of all parcels 1, 2, 4, 5, 6, 7, 11, 12, 13, 15, 16, 17, 18, 19, 21, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37 of Tax Map 105P, Group A, parcels 42, 42.01 of Tax Map 105, as shown on the April 2008 Sullivan County Tax Maps, as well as Royal Circle, approximately 317 feet, Arrow Circle, approximately 271 feet, Rock Valley Drive, approximately 1,295 feet, Gustavis Avenue, approximately 688 feet, and portions of Gustavis Court, approximately 1,605 feet.

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 STONETREE D 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 Stonetree D annexation was submitted to the Kingsport Regional Planning Commission on September 17, 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 October 20, 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 October 5, 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 13<sup>th</sup> and 15<sup>th</sup> Civil Districts of Sullivan County, Tennessee, commonly known as the Stonetree D Annexation, said area being bounded and further described as follows:

BEGINNING at a point, said point being the northeastern corner of parcel 31, Tax Map 105P, Group A, thence in an easterly direction, crossing the northern right-of-way of Gustavis Court, approximately 738 feet to a point, said point being the northeastern corner of parcel 30, thence in a northeasterly direction, approximately 620 feet to a point, said point being the northern corner of parcel 42, Tax Map 105, thence in a southeasterly direction, along the southern right-of-way of Rock Springs Valley Road, approximately 560 feet to a point, said point being the northern corner of parcel 12, Tax Map 105P, Group B, thence in a southwesterly direction, along the eastern right-of-way of Rock Valley Drive, crossing Gustavis Court, approximately 1,305 feet to a point, said point being on the northern border of parcel 14, Tax Map 118D, Group A, thence in a westerly direction, along the southern right-of-way of Gustavis Court, crossing Sasanoa Court, approximately 648 feet to a point, said point being

the northern corner of parcel 1, Tax Map 118D, Group A, thence in a westerly direction, along the right-of-way of Gustavis Court, approximately 223 feet to a point, said point being the southern corner of parcel 38.20, thence in a northerly direction, approximately 820 feet to the point of BEGINNING, and being of all parcels 1, 2, 4, 5, 6, 7, 11, 12, 13, 15, 16, 17, 18, 19, 21, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37 of Tax Map 105P, Group A, parcels 42, 42.01 of Tax Map 105, as shown on the April 2008 Sullivan County Tax Maps, as well as Royal Circle, approximately 317 feet, Arrow Circle, approximately 271 feet, Rock Valley Drive, approximately 1,295 feet, Gustavis Avenue, approximately 688 feet, and portions of Gustavis Court, approximately 1,605 feet.

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 Stonetree D 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:

**Stonetree D 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**

City of Kingsport, Tennessee, Resolution No. ,  
Ref: AF:

- 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 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.

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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.

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#### **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 20th day of October 2009.

City of Kingsport, Tennessee, Resolution No. ,  
Ref: AF:

ATTEST:

\_\_\_\_\_  
DENNIS R. PHILLIPS, Mayor

\_\_\_\_\_  
ELIZABETH A. GILBERT  
Deputy City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, City Attorney

**ANNEXATION REPORT**  
**STONETREE ANNEXATION (A TOTAL OF FOUR SECTIONS), FILE: 09-301-000013**

**TO:** KINGSFORT REGIONAL PLANNING COMMISSION

**FROM:** Ken Weems, Planner

**DATE:** 31 August 2009

**APPLICANT:** City of Kingsport

**REQUESTED ACTION:** City initiated annexation and zoning to an R-1B, Single Family District, of approximately 104 acres.

**LOCATION:** The area proposed for annexation consists of the Stonetree and Rock Springs Valley Subdivisions, located in the 13<sup>th</sup> and 15<sup>th</sup> Civil Districts of Sullivan County.

**EXISTING LAND USE:** Single Family Residential

**PROPOSED USE:** same

**SURROUNDING ZONING DISTRICTS & LAND USES:**

**General:** The annexation area is surrounded by County R-1 (Single Family), County A-1 (Agricultural and Residential), and City R-1B (Single Family) zoning, with like uses.

The annexation area is currently zoned County R-1 and County A-1.

**LAND USE PLAN (S):**

The 2010 Land Use Plan addresses this area as single family residential. The new Kingsport 2030 Land Use Plan (pending Planning Commission approval) describes this area as single family residential.

**UTILITIES:**

The annexation area is currently served by City of Kingsport water. Both City of Kingsport sanitary sewer and water service require an upgrade for this annexation.

**TRANSPORTATION:**

Streets in this annexation area consist of:

a portion of Valley Drive (1,400 ft)  
Gustavis Ave (620 ft)  
Royal Cir (290 ft)  
Arrow Cir (220 ft)

Gustavis Ct (2,250 ft)  
Rock Valley Dr (1,300 ft)  
Oak Haven Dr (1,000 ft)  
Montsweag Ct (1,000 ft)  
Sasanoa Ct (600 ft)

Total: 8,680 ft or 1.64 miles of street

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

1. Send a favorable recommendation for annexation to the Board of Mayor and Alderman for all four sections.
2. Recommend disapproving the annexation areas, 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 parcels 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.

**Stonetree Annexation**

**COST ANALYSIS (tax records as of 20 August 2009)**

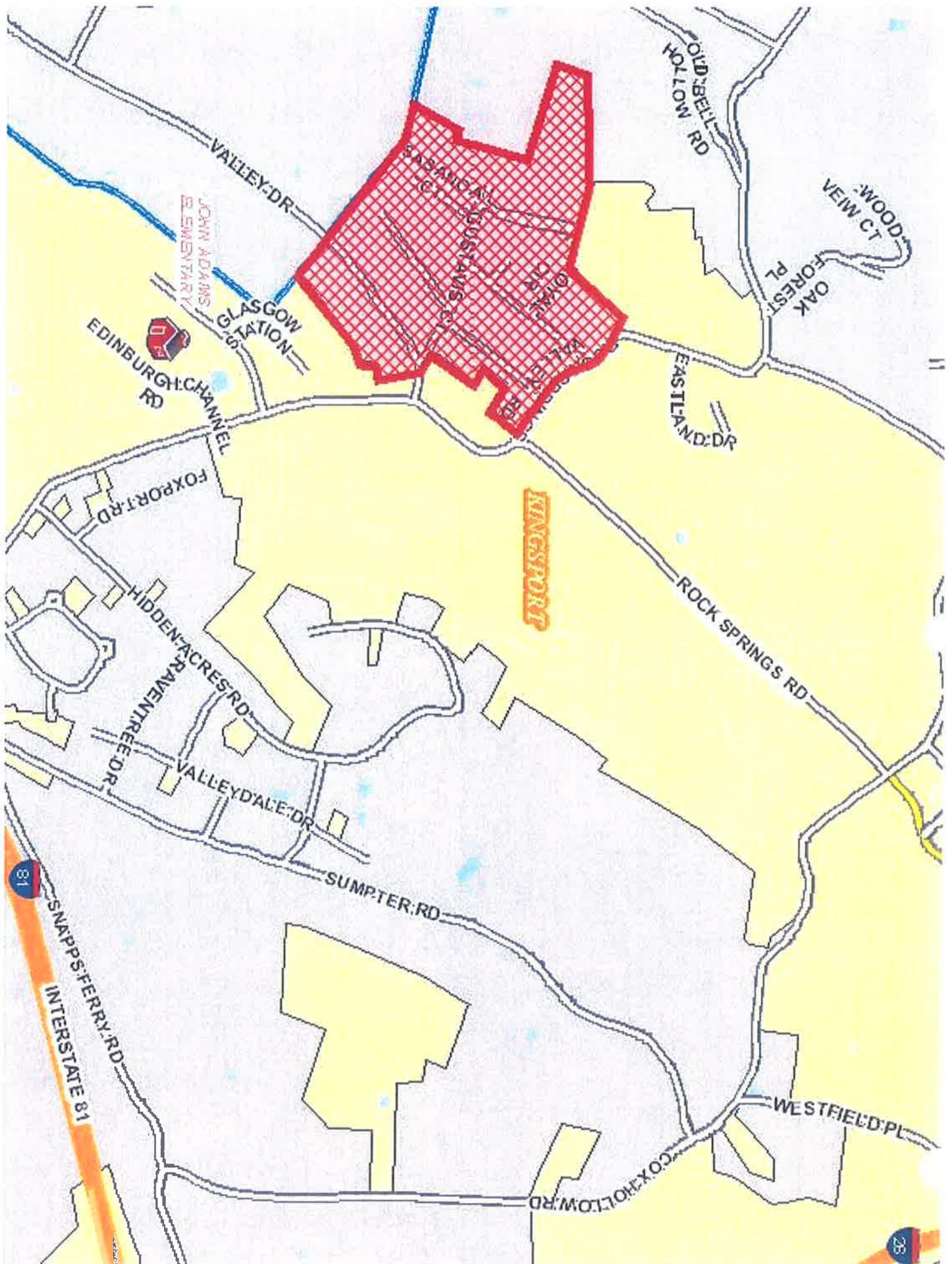
Revenues	One Time	Reoccurring (annual)	
Property Taxes	X	\$59,236.00	(new 1.94% tax rate)
State Shared	X	\$26,640.00	240 res x 111 (estimated)
Sewer Tap Fees	\$187,200.00	X	96 homes to connect
Water Rev (loss)	X	-\$38,084.00	new city rate
Sewer Rev (gain)	X	\$49,056.00	once sewer installed
<b>Total</b>	<b>\$187,200.00</b>	<b>\$96,848.00</b>	

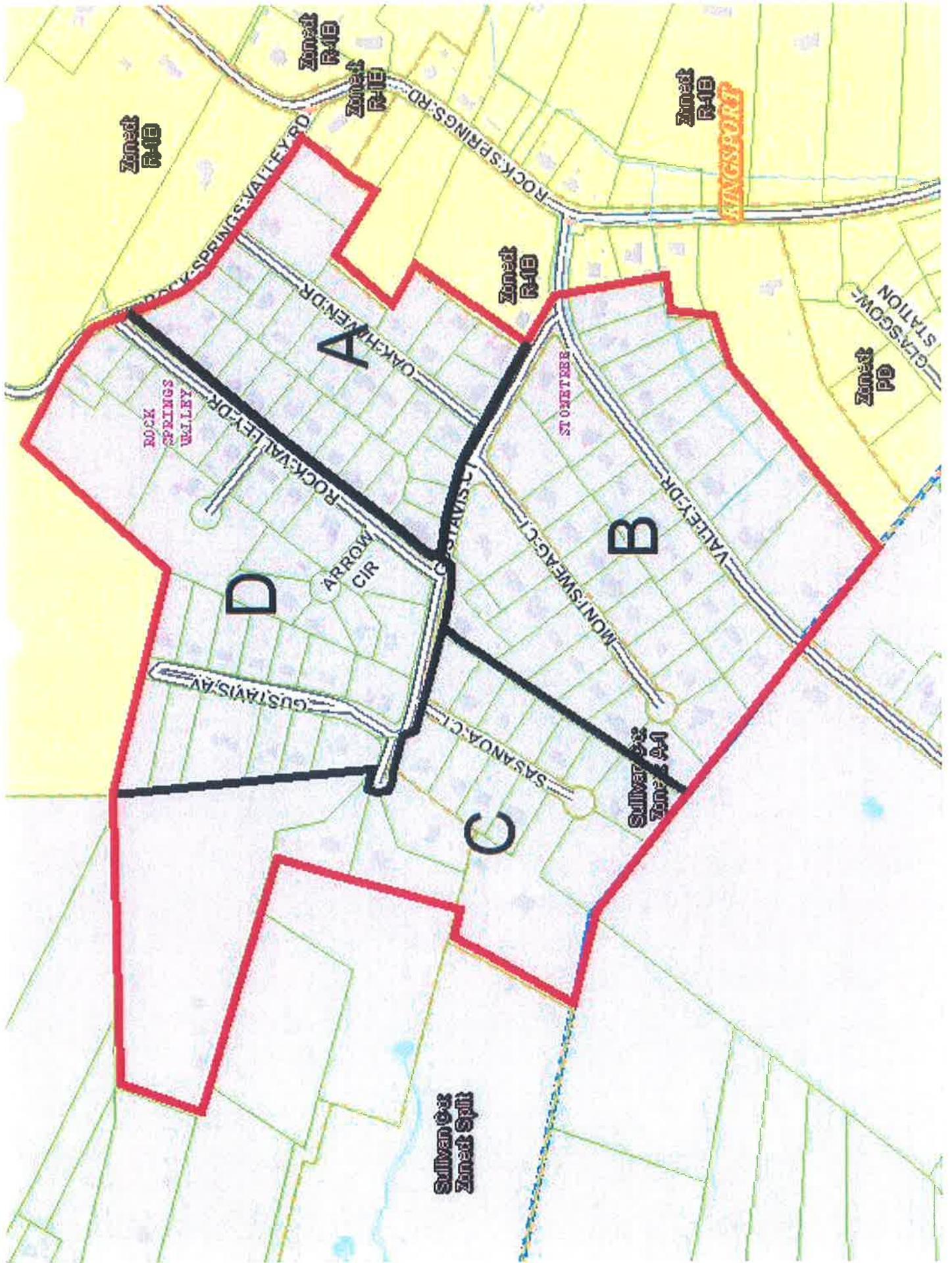
Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
Street Lighting	6,278.00	6,279.00
Traffic Controls	3,150.00	0.00
Streets & Sanitation	41,383.00	34,785.00
Subtotal	50,811.00	41,064.00
<b>Capital Budget</b>		
Water	426,293.00	0.00
Sewer	1,653,060.00	0.00
Subtotal	2,079,353.00	0.00
<b>Grand Total</b>	<b>2,130,164.00</b>	<b>41,064.00</b>

**Stonetree Annexation (Part D breakout)**  
**COST ANALYSIS (tax records as of 20 August 2009)**

Revenues	One Time	Reoccurring (annual)	
Property Taxes	X	\$14,843.00	(new 1.94% tax rate)
State Shared	X	\$6,660.00	60 res x 111 (estimated)
Sewer Tap Fees	\$46,800.00	X	24 homes to connect
Water Rev (loss)	X	-\$9,521.00	new city rate
Sewer Rev (gain)		\$12,264.00	once sewer installed
<b>Total</b>	<b>\$46,800.00</b>	<b>\$24,246.00</b>	

Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
Street Lighting	1,946.00	1,946.00
Traffic Controls	9,765.00	0.00
Streets & Sanitation	12,829.00	10,783.00
Subtotal	24,540.00	12,729.00
<b>Capital Budget</b>		
Water	132,150.00	0.00
Sewer	351,000.00	0.00
Subtotal	483,150.00	0.00
<b>Grand Total</b>	<b>507,690.00</b>	<b>12,729.00</b>





## 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 an Ordinance to amend the zoning code, text and map, to zone property along Peach Orchard Drive to R-3, Multi- Family Residential District**

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

Action Form No.:	AF-323-2009	Work Session:	October 19, 2009
First Reading:	October 20, 2009	Final Adoption:	November 3, 2009
Staff Work By:	Karen Combs	Presentation By:	Karen Combs

**Recommendation:**

- Hold public hearing.
- Approve ordinance amending the zoning ordinance to rezone property along Peach Orchard Drive to R-3, Multi-Family Residential District.

**Executive Summary:**

The request is to rezone property along Peach Orchard Drive from R-1B, Single Family Residential District to R-3, Multi- Family Residential District. The rezoning request is made by Mike Hartgrove as part of a project to develop this location. The Kingsport Regional Planning Commission unanimously sent a favorable recommendation for this request during their September 17, 2009 meeting to the Board of Mayor and Alderman. There were no objections to the rezoning. The Notice of Public Hearing was published October 5, 2009

**Attachments:**

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

Funding source appropriate and funds are available: \_\_\_\_\_

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

## **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 October 20, 2009 to consider the rezoning for Parcel 44 on tax map 29E Group D located along Peach Orchard Drive from R-1B, Single Family Residential District to R-3, Multi- Family Residential District. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

Beginning at point, said point being located along the southern edge of Peach Orchard Drive and the northwest corner of Parcel 44 on tax map 29E, Group D of the 2008 Sullivan County Tax Maps; thence along the southern right-of way of Peach Orchard Drive approximately 220 feet to a point said point being the northeast corner of Parcel 44; thence in a southern direction approximately 527 feet to a point, said point being the southeast corner of Parcel 44; thence in an eastern direction approximately 420 feet to a point, said point being the south eastern corner of Parcel 44 and western right-of-way of Fairview Drive; thence northeastern direction approximately 540 feet to the point of beginning. Said parcel contains 4.1 Acres, more or less as shown on the April 2008 Sullivan County tax map 29E, Group D, Parcel 44.

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

CITY OF KINGSPORT  
Liz Gilbert, City Clerk  
PIT: 10/5/09

**PRE-FILED  
CITY RECORDER**

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG PEACH ORCHARD DRIVE TO R-3, MULTI-FAMILY RESIDENTIAL DISTRICT, IN THE 12<sup>TH</sup> 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 Peach Orchard Drive to R-3, Multi-Family Residential District in the 12<sup>th</sup> Civil District of Sullivan County; said property to be rezoned being further and more particularly described as follows:

Beginning at point, said point being located along the southern edge of Peach Orchard Drive and the northwest corner of Parcel 44 on tax map 29E, Group D of the 2008 Sullivan County Tax Maps; thence along the southern right-of way of Peach Orchard Drive approximately 220 feet to a point said point being the northeast corner of Parcel 44; thence in a southern direction approximately 527 feet to a point, said point being the southeast corner of Parcel 44; thence in an eastern direction approximately 420 feet to a point, said point being the south eastern corner of Parcel 44 and western right-of-way of Fairview Drive; thence northeastern direction approximately 540 feet to the point of beginning. Said parcel contains 4.1 Acres, more or less as shown on the April 2008 Sullivan County tax map 29E, Group D, Parcel 44.

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:

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J. MICHAEL BILLINGSLEY  
City Attorney

PASSED ON 1ST READING \_\_\_\_\_  
PASSED ON 2ND READING \_\_\_\_\_

**REZONING REPORT**  
**File No.: 09-101-00008**

**TO:** KINGSFORT REGIONAL PLANNING COMMISSION

**FROM:** Karen B. Combs, PRINCIPAL PLANNER

**DATE:** October 14, 2009

**APPLICANT:** Mike Hartgrove, Property Owner

**REQUESTED ACTION:** City rezoning of approximately 4.1 acres of property from R1-B, Single Family Residential District to R-3, Multi-Family Residential District.

**LOCATION:** Property is located at the corner of Fairview Avenue and Peach Orchard Drive as identified on Tax Map 29E, Group D, Parcel 44 on the 2008 Sullivan County Tax Maps. The lot is located in 12<sup>th</sup> Civil District.

**EXISTING LAND USE:** Vacant

**PROPOSED USE:** Multi-Family Residential Dwellings

**SURROUNDING ZONING AND LAND USE:**

**North:** R1-B, Single Family Residential District with single family homes.

**South:** R-3, Multi Family Residential District and is currently vacant.

**East:** Mixture of R-3 and R1-B with residential uses.

**West:** R-3, Multi Family Residential District and is currently vacant.

**LAND USE PLAN (S):** The site is inside the 2010 Conceptual Land Use Plan (Kingsport Land use Plan, 1988) and the recommended land use for this area according to the plan is Multi Family Residential.

**UTILITIES:** Water and Sanitary sewer are furnished to the site and are adequate for the development.

**TRANSPORTATION:** The property is located at the corner of Fairview Avenue and Peach Orchard Drive both are listed as collector streets according

to the Major Street & Road Plan (2000). The entrance to the property will be constructed off of Peach Orchard Drive.

**PHYSICAL CHARACTERISTICS:**

The property requesting rezoning totals approximately 4 acres in area and fronts along Peach Orchard Drive. This property will not be difficult to develop due though the topography sloping in a southern direction.

**OPTIONS:**

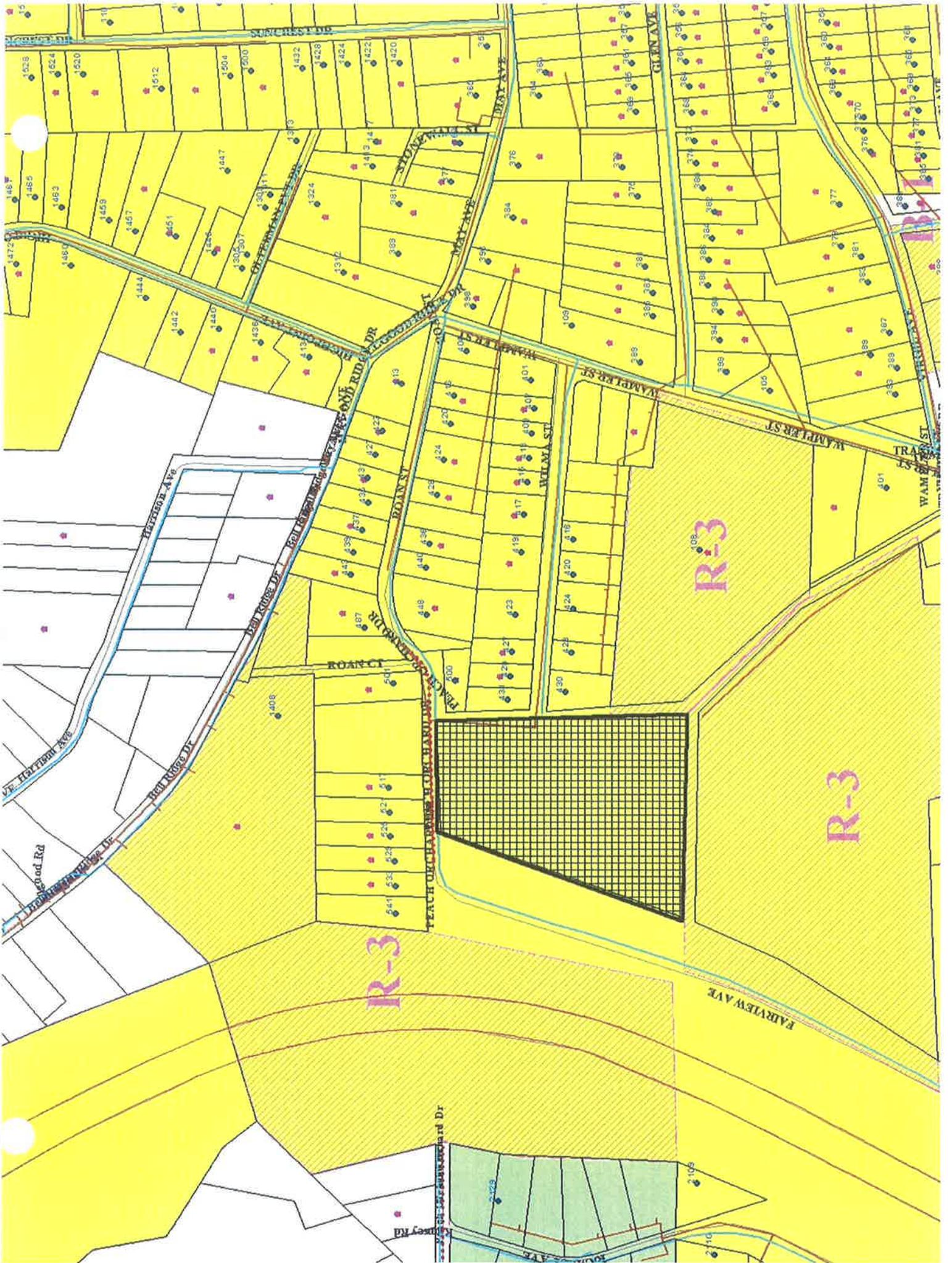
The Planning Commission's options are as follows:

1. Approve the rezoning.
2. Disapprove the rezoning and state the reasons for denial in writing.
3. Postpone action pending receipt of additional information.

**STAFF**

**RECOMMENDATION:** The Kingsport Planning Division recommends Option 1 for the following reasons:

1. This request is compatible and in keeping with the existing surrounding zoning and land uses.
2. In order to utilize the property for its intended use, it must be rezoned to a R-3 zoning classification.



R-3

R-3

R-3

BR



## AGENDA ACTION FORM

### Consideration of Ordinances to Annex/ Amend Zoning of the RS7 Annexation

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

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

Action Form No.: AF: 309-2009  
 Work Session: October 5, 2009  
 First Reading: October 6, 2009

Final Adoption: October 20, 2009  
 Staff Work By: Ken Weems  
 Presentation By: Ken Weems

### Recommendation:

- Approve ordinance for the RS7 annexation
- Approve ordinance amending the zoning ordinance for the RS7 annexation

### Executive Summary:

This is the "RS7" annexation of approximately 50 acres along Hidden Acres Road, with an approximate population of 84 residents (single family use). The current county zoning of the area is R-1 (Single Family Residential) and A-1 (residential and agricultural). The proposed City zoning for the area is R-1B (Single Family Residential). Both water and sanitary sewer require an upgrade for this annexation. During their August 2009 regular meeting, the Kingsport Regional Planning Commission voted unanimously (9-0) to send a favorable recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen for this annexation. This item has received opposition from two residents of the affected area as of September 28, 2009 (the two opposed property owners voiced opposition during the Planning Commission meeting). Both of the property owners were concerned with the future sanitary sewer location and how it would affect their property. The Notice of Public Hearing was published on September 21, 2009.

### Attachments:

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

Funding source appropriate and funds are available: \_\_\_\_\_

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

**Rock Springs 2009 Annexation Area  
COST ANALYSIS (tax records as of 2 April 2009)**

Revenues	One Time	Reoccurring (annual)	
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
Water Rev (loss)	X	-\$49,946.00	
Sewer Rev (gain)	X	\$48,532.00	
<b>Total</b>	<b>\$430,950.00</b>	<b>\$252,861.00</b>	

Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
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
<b>Capital Budget</b>		
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
<b>Grand Total</b>	<b>5,820,225.00</b>	<b>95,177.00</b>

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)**

**RS7 & RS8 costs only (break out from cost of whole Rock Springs 2009 cost analysis)  
 COST ANALYSIS (tax records as of 2 April 2009)**

Revenues	One Time	Reoccurring (annual)	
Property Taxes	X	\$57,967.00	
State Shared	X	\$18,981.00	171 res x 111 (estimated)
Sewer Tap Fees	\$111,150.00	X	57 homes total
Water Rev (loss)	X	-\$12,825.00	
Sewer Rev (gain)	X	\$12,517.00	
<b>Total</b>	<b>\$111,150.00</b>	<b>\$76,640.00</b>	

Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
Street Lighting	51,860.00	6,860.00
Traffic Controls	2,205.00	0.00
Streets & Sanitation	0.00	21,693.00
Subtotal	54,065.00	28,553.00
<b>Capital Budget</b>		
Water	339,875.00	0.00
Sewer	1,875,000.00	0.00
Roads	30,039.00	0.00
Subtotal	2,244,914.00	0.00
<b>Grand Total</b>	<b>2,298,979.00</b>	<b>28,553.00</b>



## AGENDA ACTION FORM

### Consideration of Ordinances to Annex/ Amend Zoning of the RS8 Annexation

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

Action Form No.: AF: 310-2009  
 Work Session: October 5, 2009  
 First Reading: October 6, 2009

Final Adoption: October 20, 2009  
 Staff Work By: Ken Weems  
 Presentation By: Ken Weems

### Recommendation:

- Approve ordinance for the RS8 annexation
- Approve ordinance amending the zoning ordinance for the RS8 annexation

### Executive Summary:

This is the "RS8" annexation of approximately 42 acres along Sumpter Road, Morningdale Drive, Valleydale Drive, and Hidden Pines Drive, with an approximate population of 87 residents (single family use). The current county zoning of the area is R-1 (Single Family Residential) and A-1 (residential and agricultural). The proposed City zoning for the area is R-1B (Single Family Residential). Both water and sanitary sewer require an upgrade for this annexation. During their August 2009 regular meeting, the Kingsport Regional Planning Commission voted unanimously (9-0) to send a favorable recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen for this annexation. This item has received opposition from one resident of the affected area as of September 28, 2009 (please see email attached for various reasons cited by the property owner). The Notice of Public Hearing was published on September 21, 2009.

### Attachments:

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

Funding source appropriate and funds are available: \_\_\_\_\_

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

**Rock Springs 2009 Annexation Area  
COST ANALYSIS (tax records as of 2 April 2009)**

Revenues	One Time	Reoccurring (annual)	
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
Water Rev (loss)	X	-\$49,946.00	
Sewer Rev (gain)	X	\$48,532.00	
<b>Total</b>	<b>\$430,950.00</b>	<b>\$252,861.00</b>	

Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
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
<b>Capital Budget</b>		
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
<b>Grand Total</b>	<b>5,820,225.00</b>	<b>95,177.00</b>

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)**

**RS7 & RS8 costs only (break out from cost of whole Rock Springs 2009 cost analysis)  
 COST ANALYSIS (tax records as of 2 April 2009)**

Revenues	One Time	Reoccurring (annual)	
Property Taxes	X	\$57,967.00	
State Shared	X	\$18,981.00	171 res x 111 (estimated)
Sewer Tap Fees	\$111,150.00	X	57 homes total
Water Rev (loss)	X	-\$12,825.00	
Sewer Rev (gain)	X	\$12,517.00	
<b>Total</b>	<b>\$111,150.00</b>	<b>\$76,640.00</b>	

Expenses	One Time	Reoccurring (annual)
<b>Operating Budget</b>		
Street Lighting	51,860.00	6,860.00
Traffic Controls	2,205.00	0.00
Streets & Sanitation	0.00	21,693.00
Subtotal	54,065.00	28,553.00
<b>Capital Budget</b>		
Water	339,875.00	0.00
Sewer	1,875,000.00	0.00
Roads	30,039.00	0.00
Subtotal	2,244,914.00	0.00
<b>Grand Total</b>	<b>2,298,979.00</b>	<b>28,553.00</b>



## AGENDA ACTION FORM

### 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

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

Action Form No.:	AF-345-2009	Final Adoption:	October 20, 2009
Work Session:	October 19, 2009	Staff Work By:	Keith Smith
First Reading:	N/A	Presentation By:	James Demming

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#### **Recommendation:**

Request Board of Mayor and Aldermen approve resolutions designating the City Manager John G. Campbell or Assistant City Manager Tilden J. Fleming, and City Recorder James H. Demming or Comptroller Lisa E. Winkle as the authorized officials to execute banking transactions on behalf of the City of Kingsport.

#### **Executive Summary:**

The resolutions designating the signatories authorized to execute transactions with authorized depositories as designated by ordinance should be amended to delete City Treasurer Keith E. Smith as an authorized signatory due to his forthcoming retirement on October 30, 2009 and designate the City Manager John G. Campbell or Assistant City Manager Tilden J. Fleming, and City Recorder James H. Demming or Comptroller Lisa E. Winkle as the authorized officials to execute banking transactions on behalf of the City of Kingsport..

#### **Attachments:**

1. Resolutions

Funding source appropriate and funds are available: \_\_\_\_\_

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

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH REGIONS BANK

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That Regions Bank (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records.

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
AND		
City Recorder	James H. Demming	
OR		
Comptroller	Lisa E. Winkle	

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport

225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption,  
the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

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DENNIS R. PHILLIPS  
Mayor

ATTEST:

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JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

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J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH BB&T BANK

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That BB&T Bank (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records.

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
AND		
City Recorder	James H. Demming	
OR		
Comptroller	Lisa E. Winkle	

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

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DENNIS R. PHILLIPS  
Mayor

ATTEST:

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JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

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J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH THE BANK OF  
TENNESSEE

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That the Bank of Tennessee (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records, and that accounts currently established at the Bank in the name of, for and on behalf of this municipality, are identified as follows:

<u>NAME</u>	<u>ACCOUNT NOS.</u>
City of Kingsport - Water Department Collection Account	001-438-9
City of Kingsport - GO Refunding Bond 2004	7052936
City of Kingsport - GO Bonds 2005	9801811
City of Kingsport - Water & Sewer R&T Bonds 2005	9801812
City of Kingsport - Water Sewer Refunding Bonds Series 2004	7062435
City of Kingsport - GO Public Improvement Bonds 2006	131776

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	

OR

Assistant City Manager            Tilden J. Fleming

AND

City Recorder                        James H. Demming

OR

Comptroller                          Lisa E. Winkle

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

---

DENNIS R. PHILLIPS  
Mayor

ATTEST:

---

JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH CITIZENS BANK

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That Citizens Bank (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records, and that accounts currently established at the Bank in the name of, for and on behalf of this municipality, are identified as follows:

<u>NAME</u>	<u>ACCOUNT NOS.</u>
City of Kingsport - Water Department Collection Account	10-0208-8

SECTION II. That either the City Manager or the Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	

AND

City Recorder James H. Demming

OR

Comptroller Lisa E. Winkle

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption,  
the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

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DENNIS R. PHILLIPS  
Mayor

ATTEST:

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JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

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J. MICHAEL BILLINGLSEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH THE STATE OF  
TENNESSEE LOCAL GOVERNMENT INVESTMENT POOL

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That the State of Tennessee Local Government Investment Pool (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records, and that accounts currently established at the Bank in the name of, for and on behalf of this municipality, are identified as follows:

<u>NAME</u>	<u>ACCOUNT NOS.</u>
Cattails FF&E Sinking Fund	182027 1
City of Kingsport – Pooled Cash Fund	182027 3
Regional Sales Tax Fund	182027 4
Water Sinking FBUD Debt Service	182027 6
Water Sinking FBUD Repair	182027 7
Fleet Maintenance Sinking Fund	182027 8
Library Commission Fund	182027 9
Meadowview Conf Sinking Fund	182027 10
Bays Mountain Park Commission Fund	182027 11
Palmer Center Trust Fund	182027 12
Allandale Trust Fund	182027 13
Steadman Cemetery Trust Fund	182027 14
Sewer Debt Service Sinking Fund	182027 16
Water Debt Service Sinking Fund	182027 17
Criminal Forfeited Property Federal	182027 18
Senior Citizens Advisory Fund	182027 19
Solid Waste Sinking Fund - Debt Service	182027 20
GO School & PI Bonds 2006 & 2007	182027 21
GO School & PI Bonds 06 & 07 Prin to Int	182027 22
GO School & PI Bonds 06-07 Invest Earnings	182027 23
GO School & PI bonds 2007	182027 24
GO Public Imp 2007-Prin to Cap Interest	182027 25
GO Public Imp 2007-Interest Earnings-DS	182027 26
GO CONs 2007-Energy Imp	182027 27
CONs GO 2 <sup>nd</sup> Series 2007	182027 28
Arbitrage Res GO	182027 29
MeadowView Debt Service Reserve	182027 30

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the LGIP's savings, time deposit, wire transfer, or cash management

and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said LGIP, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the LGIP of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the LGIP to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
AND		
City Recorder	James H. Demming	
OR		
Comptroller	Lisa E. Winkle	

SECTION V. That the LGIP is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. The LGIP is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the LGIP:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at LGIP by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the LGIP shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the LGIP from and after its adoption, and that the LGIP shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the LGIP shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the LGIP in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the LGIP as public funds.

SECTION X. That no official correspondence and/or official notice from the LGIP shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day October 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS  
Mayor

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH STATE OF FRANKLIN  
SAVINGS BANK

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That State of Franklin Savings Bank (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records.

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
AND		
City Recorder	James H. Demming	
OR		
Comptroller	Lisa E. Winkle	

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

---

DENNIS R. PHILLIPS  
Mayor

ATTEST:

---

JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH BANK OF AMERICA

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That Bank of America (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records.

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
AND		
City Recorder	James H. Demming	
OR		
Comptroller	Lisa E. Winkle	

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

---

DENNIS R. PHILLIPS  
Mayor

ATTEST:

---

JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

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J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH FIRST TENNESSEE  
BANK NATIONAL ASSOCIATION

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That First Tennessee Bank National Association (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records, and that accounts currently established at the Bank in the name of, for and on behalf of this municipality, are identified as follows:

<u>NAME</u>	<u>ACCOUNT NOS.</u>
City of Kingsport - Treasurer's Account	001015619
City of Kingsport - Water Department Collection Account	001007012
City of Kingsport - Water Department Collection Account	000209201
City of Kingsport - Reserve Account	006093515
City of Kingsport - Deposit Clearing	100041379
City of Kingsport - DIA Health Plan	100618782
City of Kingsport - Medical Spending and Dependent Care	100618694
City of Kingsport - Self Insurance Health Claim	100172367
Red Light Camera Enforcement	175141814
UT Lockbox	179763634
UT Lockbox Exceptions	179763641

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly

appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
AND		
City Recorder	James H. Demming	
OR		
Comptroller	Lisa E. Winkle	

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

---

DENNIS R. PHILLIPS  
Mayor

ATTEST:

---

JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH SUNTRUST BANK

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That SunTrust Bank (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records, and that accounts currently established at the Bank in the name of, for and on behalf of this municipality, are identified as follows:

<u>NAME</u>	<u>ACCOUNT NOS.</u>
City of Kingsport - Water & Sewer Bonds Series 2002	1000009119958
City of Kingsport - Water & Sewer R & T Bonds 2004	1000025123547
City of Kingsport - Water & Sewer R & T Bonds 2006	1000056001562
City of Kingsport - GO Pub Imp & Refunding Bonds Series A 2008	1000061919675
City of Kingsport - GO Bonds Series B 2008	1000061919667
City of Kingsport - Water System Revenue & Tax Bonds Series 2008	1000061919683

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of this municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
AND		
City Recorder	James H. Demming	
OR		
Comptroller	Lisa E. Winkle	

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said accounts which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens, which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of

the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS  
Mayor

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR  
ACCOUNTS ON DEPOSIT WITH GREENE BANK

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That Greene Bank (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records.

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
AND		
City Recorder	James H. Demming	
OR		
Comptroller	Lisa E. Winkle	

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

---

DENNIS R. PHILLIPS  
Mayor

ATTEST:

---

JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR  
ACCOUNTS ON DEPOSIT WITH FIRST COMMUNITY BANK

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That First Community Bank (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records.

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
AND		
City Recorder	James H. Demming	
OR		
Comptroller	Lisa E. Winkle	

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

---

DENNIS R. PHILLIPS  
Mayor

ATTEST:

---

JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH FIRST TENNESSEE  
BANK NATIONAL ASSOCIATION

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That First Tennessee Bank National Association (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that an account established at the Bank in the name of, for and on behalf of this municipality exclusively for the purpose of receiving deposits and processing disbursements for employee payroll is identified as follows:

<u>NAME</u>	<u>ACCOUNT NOS.</u>
City of Kingsport - Payroll Account	100172003

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements to process the municipality's payroll deposits and/or disbursements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager or City Recorder or Comptroller herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
OR		



SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of October 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS  
Mayor

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY  
City Attorney

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES  
FOR ACCOUNTS ON DEPOSIT WITH TRISUMMIT BANK

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That TriSummit Bank (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipality, and that accounts established at the Bank, for and on behalf of this municipality shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport as well as by account name/description, account number and/or any other means as the Bank and/or municipality may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records.

SECTION II. That either the City Manager or Assistant City Manager and the City Recorder or Comptroller, the officers herein listed below, are hereby authorized on behalf of this municipality to enter into any of the Bank's checking, savings, time deposit, wire transfer, night deposit, or cash management and corporate service agreements, or other deposit account agreements and that the municipality shall be bound by the terms and conditions of the said agreements.

SECTION III. That any of the officers designated herein and listed below are authorized on behalf of this municipality to endorse for deposit with said Bank, any and all checks, drafts, certificate of deposits, savings certificates, or other instruments or written orders for the payment of money payable to this municipality and such endorsements may be in writing, by stamp or otherwise affixed.

SECTION IV. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipality, and such credits may be withdrawn by check, draft or instrument executed for the municipality by the duly appointed City Manager or Assistant City Manager and the City Recorder or Comptroller as herein identified:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>SIGNATURE</u>
City Manager	John G. Campbell	
OR		
Assistant City Manager	Tilden J. Fleming	
AND		
City Recorder	James H. Demming	
OR		
Comptroller	Lisa E. Winkle	

SECTION V. That the Bank is hereby requested, directed, and authorized to honor checks, drafts, and other instruments on said account which bear or purport to bear the facsimile signatures appearing below. Bank is entitled to charge said account regardless of by whom or by what means the facsimile signature or signatures may be affixed if such signature resembles the following facsimile specimens which are hereby certified to the Bank:

<u>TITLE</u>	<u>TYPED NAME</u>	<u>FACSIMILE SIGNATURE</u>
City Manager	John G. Campbell	
Assistant City Manager	Tilden J. Fleming	
City Recorder	James H. Demming	
Comptroller	Lisa E. Winkle	

SECTION VI. That any of the officers designated herein and listed above are authorized on behalf of this municipality to execute the Funds Transfer Agreement to authorize the transfer of funds to other financial institutions or other accounts at Bank by written instructions, telephone or terminal communication device and to appoint persons from time to time who are authorized to request such transfers on behalf of the municipality.

SECTION VII. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipality executing the same, and the funds be withdrawn for his individual use or credit.

SECTION VIII. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of the officials designated herein as authorized signatures on behalf of the City of Kingsport, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION IX. That the accounts established at the Bank in the name of, for and on behalf of this municipality shall be classified and identified on the accounts and in the records of the Bank as public funds.

SECTION X. That no official correspondence and/or official notice from the Bank shall be effective unless directed to the office of the City Recorder at the following address:

James H. Demming  
City Recorder  
City of Kingsport  
225 West Center Street

Kingsport, Tennessee 37660

SECTION XI. That this resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of October 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 for Annual Renewal of the public Library Maintenance of Effort Agreement with the Tennessee State Library and Archives for Services via Watauga Regional library.**

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

Action Form No.:	AF-348-2009	Final Adoption:	October 20, 2009
Work Session:	October 19, 2009	Staff Work By:	Helen Whittaker
First Reading:	October 20, 2009	Presentation By:	Helen Whittaker

**Recommendation:**

Approve the resolution

**Executive Summary:**

This is an annual agreement we sign which makes us eligible to receive funds for books and training from the State library through the Watauga Regional Library system and to use the Watauga Regional Library's courier system and automation system, online catalog.

**Attachments:**

1. Resolution
2. Agreement

Funding source appropriate and funds are available: \_\_\_\_\_

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

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A PUBLIC LIBRARY MAINTENANCE OF EFFORT AGREEMENT AND A PUBLIC LIBRARY SERVICE AGREEMENT WITH THE TENNESSEE STATE LIBRARY AND ARCHIVES TO RECEIVE FUNDING FOR BOOKS AND TRAINING AND FOR SERVICES THROUGH THE WATAUGA REGIONAL LIBRARY SYSTEM FOR FISCAL YEAR 2009/2010

WHEREAS, the City of Kingsport is eligible to receive fiscal year 2009/2010 Tennessee State Library and Archives funding for books and training and use of courier service, the automation system and internet service through the Watauga Regional Library System; and

WHEREAS, receipt of the funding and services requires execution of a Public Library Maintenance of Effort Agreement and a Public Library Service Agreement with the Tennessee State Library and Archives;

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 Public Library Maintenance of Effort Agreement and a Public Library Service Agreement with the Tennessee State Library and Archives to receive funding for books and training and allow use of courier service, the automation system and internet service through the Watauga Regional Library System for fiscal year 2009/2010.

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

ADOPTED this the 20th day of October, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

**OFFICE OF THE SECRETARY OF STATE  
 TENNESSEE STATE LIBRARY AND ARCHIVES  
 Planning and Development  
 2009/2010 Public Library Maintenance of Effort Agreement\***

**Kingsport Public Library (Sullivan County)**

**Watauga Regional Library**

**Information for Regional Library Service \***

The Office of the Secretary of State, Tennessee State Library and Archives, Regional Office is hereby notified that public funds were appropriated and expended in the fiscal year just completed. This amount will be matched or exceeded during the current fiscal year.

**Public funds appropriated and expended for operation of local libraries. Do not include one time expenditures or pass-through money appropriated by another county or city.**

**A. Appropriated and Expended by the Sullivan County Commission**

COUNTY	Appropriated 2007-2008	Expended 2007-2008	Appropriated 2008-2009	Expended 2008-2009	Appropriated 2009-2010
Sullivan	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**B. Appropriated and Expended by City(ies) of: Kingsport**

CITY(IES)	Appropriated 2007-2008	Expended 2007-2008	Appropriated 2008-2009	Expended 2008-2009	Appropriated 2009-2010
Kingsport	\$1,077,300.00	\$1,008,066.40	\$1,120,800.00	\$1,071,429	\$1,196,200
<b>TOTALS</b>	<b>\$1,077,300.00</b>	<b>\$1,008,066.40</b>	<b>\$1,120,800.00</b>	<b>\$1,071,429</b>	<b>\$1,196,200</b>

**C. TOTALS**

	Appropriate 2007-2008	Expended 2007-2008	Appropriated 2008-2009	Expended 2008-2009	Appropriated 2009-2010
Kingsport	\$1,077,300.00	\$1,008,066.40	\$1,120,800.00	\$1,071,429	\$1,196,200
<b>TOTALS</b>	<b>\$1,077,300.00</b>	<b>\$1,008,066.40</b>	<b>\$1,120,800.00</b>	<b>\$1,071,429</b>	<b>\$1,195,200</b>

**D. Official Signatures**

\_\_\_\_\_  
(Signed) Mayor of Kingsport

\_\_\_\_\_  
Date

*M. Gail Pruslar*

\_\_\_\_\_  
(Signed) Kingsport Public Library Board Chair

*12 Oct 09*

\_\_\_\_\_  
Date

For Regional Office Use Only

I have reviewed this document and find the information correct

Signature \_\_\_\_\_ Date \_\_\_\_\_

Watauga Regional Library Director

Additional notes:

**\*This document will be signed where applicable and will be returned to TSLA, Planning and Development each year as soon as budget information is available. (Revised December, 2003)**

**OFFICE OF THE SECRETARY OF STATE  
TENNESSEE STATE LIBRARY AND ARCHIVES  
Planning and Development**

**2009/2010 PUBLIC LIBRARY SERVICE AGREEMENT**

**Responsibilities of the Kingsport Public Library**

The Public Library Board of Trustees will:

1. Furnish annual documents for participation in the Tennessee State Library and Archives regional system, which include the amount of public funds appropriated for the operation of public library service to the citizens in the City of Kingsport from the City Commission with the signature(s) of the respective executive(s).
2. Support the allocation of locally appropriated public funds at a level not less than the amount appropriated in the last fiscal year as well as the expenditure of locally appropriated funds at a level not less than the total amount expended in the last fiscal year. This is referred to as 'Maintenance of Effort' (MOE) in various documents.
3. Furnish to the Regional Library such statistics and information as may be required, and provide annual reports to the county legislative body and/or city governing body, as stated in T.C.A. 10-3-104.
4. Review and approve the 'Official Library Service Area' certification form each year and work with the Regional Library Director to make any necessary revisions with the 'Public Library Maintenance of Effort Agreement for Regional Library Service'.
5. Maintain a schedule of service hours which best meets the needs of the residents and which will not fall below the level set in the preceding year.
6. Display and provide the mail-in Application for Voter Registration within the library facilities. (National Registration Act of 1993, known as "Motor Voter.")
7. Extend the privileges and facilities of the library to persons residing outside the county or city upon such terms as it may deem proper.
8. Develop and submit annually to the Regional Library a Long-Range Program for Library Services, including a Technology Plan, which follow the guidelines prescribed by the Tennessee State Library and Archives.
9. Allow library staff to participate in a minimum of four continuing education workshops and training classes per year as provided by the regional and/or state offices in order to improve services and retain professional skills.
10. Cooperate with the Regional Library in the development of the Regional Long-Range Plan and/or proposals for library service submitted annually to qualify for state and federal funds.
11. Include Regional Director, or director's designee, in all board meetings as a non-voting participant.

12. Provide written board by-laws in addition to library policies as described in *Tennessee Minimum Standards for Non-Metropolitan Public Libraries, 1996*.
13. Provide MARC compatible cataloging records to TELiNet (the statewide catalog database).

### **Responsibilities of the State Library Regional Offices**

The State, subject to availability of resources, will furnish and provide:

1. Upon request, training, professional and technical assistance to the library board and staff, which may include, but not be limited to: collection management, cataloging, processing, and automation guidance upon agreement between the public library and the State.
2. A collection of materials. Materials may be considered to be on either temporary or indefinite loan. The public library will be responsible for maintenance of materials according to standard policies as prescribed by the State.
3. A collection of professional materials to support the improvement of the library and management skills of local library boards and staff.
4. Upon agreement between the public library and the State, may provide delivery of library materials to selected locations within the county where residents are unable to access conventional library service.
5. Assistance to county and city officials and the library board(s) in developing a unified system of public library service for all residents of each county.
6. Statistical information and data pertaining to the operation and use made of Regional services on an annual basis to boards, county, city and state officials.
7. Workshops and training for library boards and staff.
8. Professional consultant services to local public library boards and staff.

M. Gil Presler Date 12 Oct 09  
Signature, Chair, Kingsport Library Board

\_\_\_\_\_  
Date \_\_\_\_\_  
Jeanne D. Sugg, State Librarian and Archivist

**This document will be due no later than July 1 each year.**





**AGENDA ACTION FORM**

**Consideration of a Resolution to Authorize the Mayor to Sign all Documents Necessary to Apply for and Receive a Tennessee Department of Transportation Enhancement Grant – Greenbelt Pedestrian Bridge Connection Project**

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

Action Form No.: AF-347-2009  
 Work Session: October 19, 2009  
 First Reading: October 20, 2009  
 Final Adoption: October 20, 2009  
 Staff Work By: C. Campbell, Albright, Whaley, Baker  
 Presentation By: Chris Campbell

**Recommendation:** Approve the resolution.

**Executive Summary:**

The Tennessee Department of Transportation administers the Federal "Transportation Enhancements" program which offers funding for 12 specific types of activities. In the past, the City has successfully applied for a received this type of grant for construction of the Greenbelt, Broad Street streetscaping, and Netherland Inn Bank Barn. This year's application seeks funding to construct an extension of the Greenbelt that will be a pedestrian/bicycle connection from its current terminus at the confluence of the Holston River to the top of the old Rotherwood Bridge. The City has applied for the same project the previous two years under this program but was not selected. We have been assured by the TDOT Enhancement Office that our application is excellent and they encouraged the City to continue to apply for the project. Because the program has fewer funds due to Federal rescissions, TDOT continues to suggest the project be broken into phases thereby lessening the upfront cost. Phase 1 of the project proposal calls for the Greenbelt to be extended from its current terminus at the confluence of the Holston Rivers. It will continue north along the riverbank under both bridges where it will then make a loop up the bank and tie into the old Rotherwood Bridge (near Riverwood PL). Other pedestrian amenities such as public art, benches, lighting, landscaping, and interpretive signage will be included in the application. The next phase(s) of the project will include improvements to the pedestrian bridge deck and a connecting trail on the western side of Rotherwood Bridge. The total amount of federal funds requested is \$384,000, which will require a 20% local match of \$96,000 making the total project \$480,000. If awarded, the required local match is built into the FY 2010 CIP Budget. The Transportation Enhancement Grant application is due November 2.

**Attachments:**

1. Resolution
2. Map

Funding source appropriate and funds are available: \_\_\_\_\_

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

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A TENNESSEE DEPARTMENT OF TRANSPORTATION ENHANCEMENT GRANT FOR THE GREENBELT PEDESTRIAN BRIDGE CONNECTION PROJECT

WHEREAS, the city desires to apply for and receive grant funds for the Greenbelt Pedestrian Bridge Connection project from the Tennessee Department of Transportation, which administers the Federal Transportation Enhancements Grant program; and

WHEREAS, the Tennessee Department of Transportation has requested that the project be divided into two phases; and

WHEREAS, phase one will extend the Greenbelt from its current terminus at the confluence of the Holston River, to continue north along the riverbank under both bridges where it will then make a loop up the bank and tie into the old Rotherwood Bridge, and will include pedestrian amenities such as public art, benches, lighting, landscaping, and interpretive signage; and

WHEREAS, phase two will include improvements to the pedestrian bridge deck and a connecting trail on the western side of Rotherwood Bridge and the city expects to apply for a grant for this phase at a later date; and

WHEREAS, the total amount of federal funds requested for phase one is \$384,000, requiring a twenty percent local match of \$96,000 for a total of \$480,000; and

WHEREAS, before executing any contract for the grant or receiving grant funds the board will need to appropriate funds for the match; and

WHEREAS, the Transportation Enhancement Grant application is due November 2, 2009;

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 for phase one of the Greenbelt Pedestrian Bridge Connection project, as described herein, and receipt of the grant funds and the execution of any contract for such funds is contingent of the appropriation of the matching funds.

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

ADOPTED this the 20th of October, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

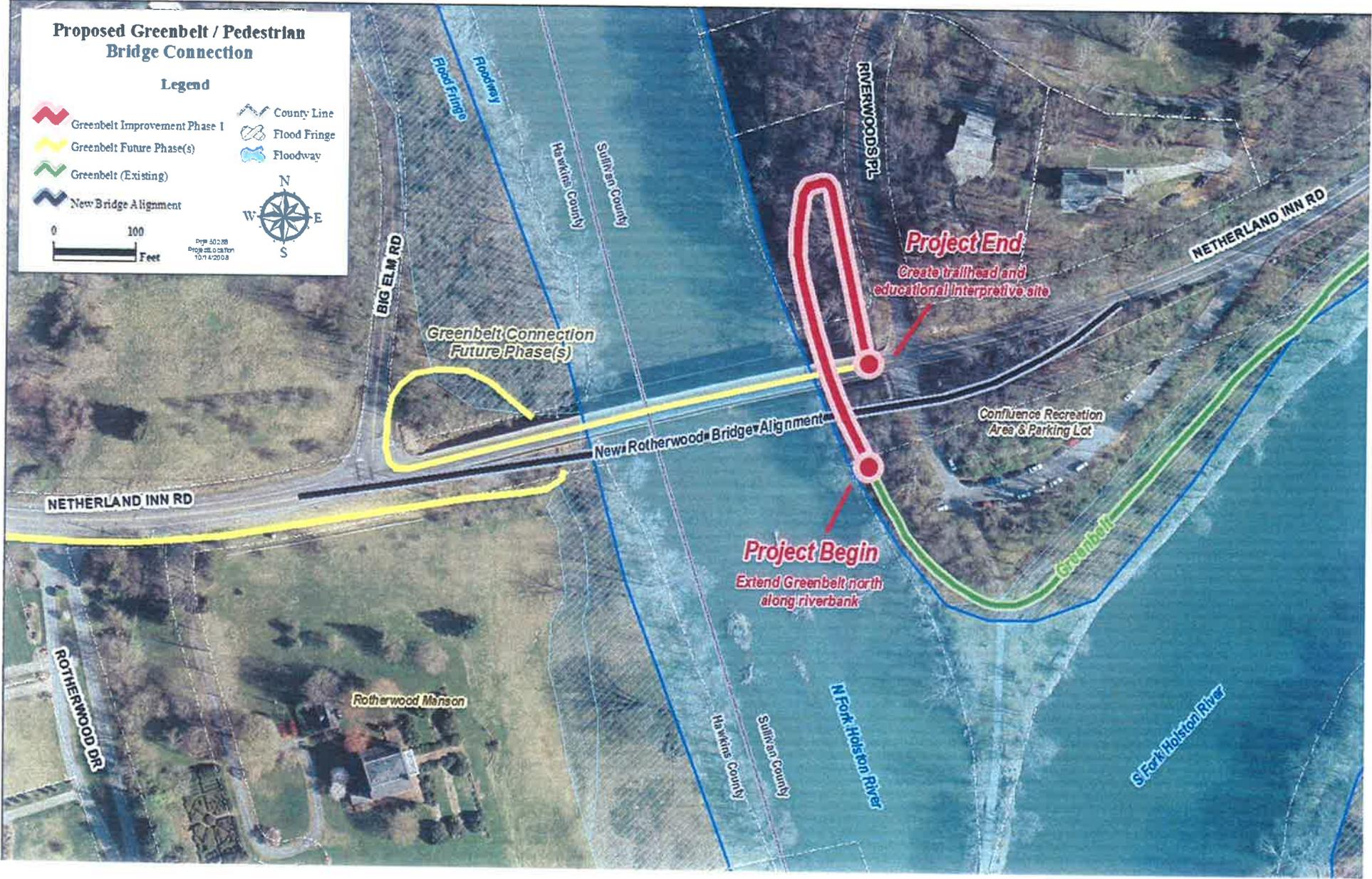
# Proposed Greenbelt / Pedestrian Bridge Connection

## Legend

-  Greenbelt Improvement Phase 1
-  Greenbelt Future Phase(s)
-  Greenbelt (Existing)
-  New Bridge Alignment
-  County Line
-  Flood Fringe
-  Floodway



DWG 452-08  
PROJECT LOCATION  
10/14/2008





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-350-2009  
Work Session: October 19, 2009  
First Reading: October 20, 2009  
Final Adoption: October 20, 2009  
Staff Work By: R. Trent, R. McReynolds  
Presentation By: R. McReynolds

**Recommendation:** Approve the Resolution.

**Executive Summary:**

American Electric Power has requested an additional right-of-way easement from the City of Kingsport for new underground power line and transformer required by the new addition to the VO Dobbins building. While the easement is for American Electric Power, it is in the name of its subsidiary, Kingsport Power Company.

**Attachments:**

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

Funding source appropriate and funds are available: \_\_\_\_\_

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

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 additional electrical power to the VO Dobbins building once the renovations are completed; and

WHEREAS, in order to provide and install an additional underground power line and transformer required by the addition to the VO Dobbins building, 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 20th day of October, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

City of Kingsport \_\_\_\_\_ Eas No. \_\_\_\_\_ R/W Map No. 3783-1127-C2  
225 West Center Street W. O. No. W001885301 Job No. 09560068 Prop No. 1  
Kingsport, TN 37660 \_\_\_\_\_ Line VO Dobbins

THIS AGREEMENT, made this \_\_\_\_\_ day of October, 2009, by and between CITY OF KINGSPORT, a municipal corporation organized and existing under the laws of the State of Tennessee, herein called "Grantor", and KINGSPORT 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 11th Civil District, County of Sullivan, State of Tennessee.

Being a right of way and easement 20 feet in width (10' on each side of powerline) as shown shaded on that certain Kingsport Power Company drawing entitled " Proposed Right of Way on the City Of Kingsport, V-2038 dated 09/23/2009", attached hereto and made a part hereof.

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 Tennessee Eastman Corporation, by deed dated September 21, 1949, and recorded in Sullivan County, Deed Book No. 111A, Page 589.

Map 061G, Group A, CTL Map 061G, Parcel 011.00.

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 )

) To-wit:

COUNTY OF \_\_\_\_\_ )

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 bargainer, 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 )

) To-wit:

COUNTY OF SULLIVAN )

Subscribed and sworn to before me this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

My Commission Expires:

\_\_\_\_\_  
Notary Public

\_\_\_\_\_



## AGENDA ACTION FORM

### Consideration of a Resolution Awarding the Bid for the Purchase of one (1) Cab/Chassis Automated Truck Mounted Debris Collection System to Smoky Mountain Truck Center, LLC.

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

Action Form No.: AF-353-2009  
 Work Session: October 19, 2009  
 First Reading: N/A

Final Adoption: October 20, 2009  
 Staff Work By: Committee  
 Presentation By: R. McReynolds

**Recommendation:** Approve the resolution.

**Executive Summary:** Bids were opened on September 15, 2009 for the purchase of one (1) cab/chassis automated truck mounted debris collection system for use by Public Works. It is the recommendation of the Committee to accept the bid from Smoky Mountain Truck Center, LLC for a 2010 Freightliner M2 106 with Pendpac Predator Body & ODB SKB700 Leaf Collector as follows:

	\$174,686.00	Unit Cost
Less	<u>\$1,000.00</u>	Trade-In Allowance Vehicle # 413
	\$173,686.00	Total Purchase Cost

The bid received from Smoky Mountain Truck Center, LLC 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.

A lower dollar amount bid was received from Premier Equipment, LLC but the unit offered did not comply with specifications as outlined in the recommendation memo.

Funding is identified in Account #511-5008-501-9010.

### **Attachments:**

1. Resolution
2. Bid Opening Minutes
3. Recommendation Memo from PW
4. Recommendation Memo from Fleet
5. Description

Funding source appropriate and funds are available: \_\_\_\_\_

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

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION AWARDING THE BID FOR  
PURCHASE OF ONE (1) CAB/CHASSIS  
AUTOMATED TRUCK MOUNTED DEBRIS  
COLLECTION SYSTEM TO SMOKY MOUNTAIN  
TRUCK CENTER, LLC**

WHEREAS, bids were opened September 15, 2009 for the purchase of one (1) cab/chassis automated truck mounted debris collection system for use by the public works department; and

WHEREAS, upon review of the bids, the board finds Smoky Mountain Truck Center, LLC is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to purchase one (1) 2010 Freightliner M2 106 with Pendpac Predator Body and ODB SKB700 Leaf Collector from Smoky Mountain Truck Center, LLC at a total purchase cost of \$173,686.00; and

WHEREAS, funding is identified in Account Number 511-5008-501-9010;

Now therefore,

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

SECTION I. That the bid for purchase of one (1) 2010 Freightliner M2 106 with Pendpac Predator Body and ODB SKB700 Leaf Collector, at a total purchase cost of \$173,686.00 is awarded to Smoky Mountain Truck Center, LLC 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 20th day of October, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

**MINUTES  
BID OPENING  
September 15, 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:

<b>AUTOMATED LEAF COLLECTION TRUCK</b>					
Vendor:	Qty.	Unit Cost:	Trade-In #413	Delivery Time:	Comments:
Smoky Mountain Truck Center, LLC	1	\$174,686.00	\$1,000.00	120-180 Days	2010 Freightliner M2106 W/Pend Pac Predator Body and ODBSKB700 Leaf Collector.
Municipal Equipment, Inc.	N/A	No Bid	N/A	N/A	N/A
Richmond Machinery	N/A	No Bid	N/A	N/A	N/A
Worldwide Equipment	N/A	No Bid	N/A	N/A	N/A
Premier Equipment, LLC	1	\$149,970.00	\$1,000.00	90-120 Days	2010 Mitsubishi Fuso FM330 W/Tarco Typhoon Model 4025 Leaf Loader. Add \$1,217.00 for Right Side Gauge Package
CMI Equipment Sales, Inc.	1	\$174,686.00	\$800.00	150-180 Days	2010 Freightliner M2 W/Pend Pac Predator Body and ODBSKB700 Tri-Axis Leaf Collector.

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

MEMORANDUM

October 1, 2009

TO: Sandy Crawford, Procurement Manager  
FROM: Ronnie Hammonds, Streets and Sanitation Manager *RE*  
SUBJECT: Automated Leaf Collection Vehicle Bid

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We have carefully reviewed the bids received for the Automated Leaf Collection Vehicle and have concluded the bid received from Premier Equipment, LLC does not meet the specifications for the vehicle. It appears to be deficient in at least 15 areas. Several of these (no compaction, engine size, vehicle size, no heavy duty dual frame, fuel tank size and others) we consider to be major deficiencies. It appears that neither the truck or leaf collection body meets specifications.

We specified a hydraulically compacted unit for several reasons. Our experience has shown with our current equipment that the compacting unit is able to collect 2 to 3 times as much leaves per load. This is based on comparisons between our compacting unit and the tow behind units that have only "air" compaction. The units have approximately the same (21 cubic yards) capacity. The towed behind "air" compaction units make two to four trips per day to the landfill whereas the hydraulically compacted unit makes either 1 trip per day or 3 trips every two days during the heavier periods. This allows us to keep the crew on the job picking up leaves rather than driving back and forth to the landfill. It takes approximately a little over an hour for each trip from the job site to the landfill and back. Staying on the route also saves money in that fewer miles are being driven with each trip to the landfill. This will result in a substantial fuel savings. Production and efficiency in our work are major factors in providing the best possible service to our citizens.

Additionally, with figures supplied to us from Steve Hightower, Fleet Maintenance Manager, we figure that if upgrades were made to the bid from Premier Equipment, LLC to bring it into compliance that this bid would then be in excess of \$177,487.

Therefore we recommend that the bid from Smoky Mountain Truck Center be accepted as the lowest compliant bidder that meets the specifications on our bid.

*Rec'd in purchasing 10/9/09 - A.M. - SKC*



FLEET MAINTENANCE DIVISION
City of Kingsport, Tennessee

Memo

To: Brent Morelock, Assistant Procurement Manager
From: Steve Hightower, Fleet Manager
Date: October 13, 2009
Re: Cab/Chassis with Automated Leafloader Purchase Recommendation

This will confirm my review and recommendation to purchase the compliant bid of the following vendor and accept the trade in offered.

Table with 5 columns: Item, Quantity, Description, Award to Vendor, Fuel Economy. Row 1: 1, 1, 2010 Freightliner w/ Bendpac Leaf Body, Smoky Mountain Truck, 7 MPG

Compliant Bidder

- 1. Trade in: #413 1988 F-700 Trash Type Dump Truck - 159,552 miles
2. New Unit Origin of Manufacture:
a. Cab/ Chassis - Mexico
b. Leaf Body - Oklahoma
c. Automated Collection Unit - North Carolina

The unit specifications were reviewed and discussed with Ronnie Hammonds and Greg Willis, who are in agreement with this recommendation.

Should you have any questions on this recommendation, please do not hesitate to contact me.

Thank you.



### Automated Leaf Collection Vehicle

The automated leaf collection vehicle is a solo operation compared to our existing three (3) man leaf crew supporting our existing vehicles. Operating a joystick from the cab, the operator will be able to guide the suction hose to each leaf pile along the route. Utilizing a hydraulic compaction unit allows this vehicle to stay on-route two (2) to three (3) times longer than conventional units saving time and fuel. Each round trip between the collection route and the compost pile average just over one hour and can travel over twenty (20) miles.



RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION APPROVING RENEWAL OF THE RECYCLING SERVICES AGREEMENT WITH TRI-CITY WASTE PAPER, INC. FOR A CURBSIDE COLLECTION OF RECYCLABLE MATERIALS PROGRAM AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE RENEWAL OF THE AGREEMENT**

WHEREAS, on December 1, 2003 the City entered into a Recycling Services Agreement with Tri-Cities Waste Paper, Inc. for a curbside collection of recyclable materials program for a three (3) year period with the option to renew for five (5) successive renewal terms of one (1) year each; and

WHEREAS, the current agreement terminates on November 30, 2009; and

WHEREAS, Tri-Cities Waste Paper, Inc. and the city desires to renew the agreement for a one year period; and

WHEREAS, certain documents must be executed to allow renewal of the agreement;

Now therefore,

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

**SECTION I.** That renewal of the December 1, 2003 Recycling Services Agreement with Tri-Cities Waste Paper, Inc. for a curbside collection of recyclable materials program for a one (1) year period from December 1, 2009 to November 30, 2010 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 and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, all documents necessary and proper to effectuate renewal of the agreement.

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

ADOPTED this the 20th day of October, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

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J. MICHAEL BILLINGSLEY, CITY ATTORNEY

# Tri-City Waste Paper, Inc.



Phone 423-246-7801  
Toll Free 1-800-467-8332  
1501 Riverport Rd.

Fax 423-246-0053  
Cell 423-741-3021  
Kingsport, TN 37660

Sept 22, 09

City of Kingsport

To: Director of Public Works

Cc: City Recorder

This is to inform you that we wish to extend the existing recycling contract for (1) year. The extension will run from Dec 1, 09 thru Nov 30, 10. Thank you for your continued support of the recycling program and we look forward to working with you for another year.

A handwritten signature in cursive script that reads "Dallas Bernard".

Dallas Bernard  
General Manager



**AGENDA ACTION FORM**

**Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Enter into an Agreement with Camp, Dresser and McKee, Inc. for the Stormwater Master Plan**

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

Action Form No.: AF-354-2009  
Work Session: October 19, 2009  
First Reading: October 20, 2009  
Final Adoption: October 20, 2009  
Staff Work By: Dan Wankel  
Presentation By: Ryan McReynolds

**Recommendation:** Approve the resolution

**Executive Summary:**

Requests for Qualifications (RFQs) for the Stormwater Master Plan were received on August 18, 2009. The selection committee evaluated each RFQ and short-listed three candidates. Presentations by each were held on September 1, 2009. From the evaluation process, the consulting firm of Camp, Dresser and McKee Inc. was selected based on established criteria. Exhibit A is provided for review of the scope of services. The dollar amount in the agreement with Camp, Dresser and McKee, Inc. is not to exceed \$245,586.00. Funding for the project is available and is identified in GP0912 – Stormwater Management.

This project will benefit the City by providing a mechanism to ensure that the stormwater management program will be effective in terms of water quality and quantity controls, responsive to federal regulations, and financially sensitive to the needs and budget of the community. The plan will identify needs, find cost effective solutions, and balance their implementation with the cost of achieving compliance along with community expectations.

**Attachments:**

- 1. Resolution
- 2. Bid Minutes
- 3. Exhibit A (16 pages)

Funding source appropriate and funds are available: \_\_\_\_\_

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

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE  
AN AGREEMENT WITH CAMP, DRESSER AND McKEE, INC.  
FOR THE STORMWATER MASTER PLAN

WHEREAS, the City of Kingsport desires to enter into an agreement with Camp, Dresser and McKee, Inc. for the storm water master plan; and

WHEREAS, requests for qualifications were received on August 18, 2009, and presentations were held on September 1, 2009; and

WHEREAS, Camp, Dresser and McKee, Inc. was selected based on established criteria; and

WHEREAS, the amount of the agreement will not exceed \$245,586.00 and funding for the project is available and is identified in GP0912- Storm Water Management;

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 in an amount not to exceed \$245,586.00 with Camp, Dresser and McKee, Inc. for the storm water master plan.

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

ADOPTED this the 20th day of October, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES  
BID OPENING  
August 18, 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:

EOI / RFQ STORM WATER MASTER PLAN
Clearwater Engineering
CDM and McGill Associates
Cannon and Cannon, Inc. and Tetra Tech.
Smith Seckman Reid, Inc.
Milone and MacBroom, Inc.
Stantec Consulting Services, Inc. and BWSC
Southern Design Group, Inc.
Arcadis
Lamar Dunn and Associates
Jordan, Jones and Goulding

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

**EXHIBIT A  
TO AGREEMENT BETWEEN  
OWNER AND ENGINEER  
(STUDY AND REPORT)  
Kingsport Stormwater Master Plan and Stormwater Utility Development**

This is an exhibit attached to and made a part of the Agreement dated \_\_\_\_\_, 2009, between City of Kingsport, TN (City) or (OWNER) and Camp Dresser & McKee Inc. (CDM Team) or (ENGINEER) for professional services.

**1.0 ENGINEER'S SERVICES**

**1.1 Study and Report Phase**

Upon this Agreement becoming effective, ENGINEER shall:

- 1.1.1 Consult with OWNER to clarify and define OWNER's requirements for the Project and review available data.
- 1.1.2 Advise OWNER as to the necessity of OWNER's providing or obtaining from others data or services which are not part of ENGINEER's Services, and assist OWNER in obtaining such data and services.
- 1.1.3 Identify and analyze requirements of governmental authorities having jurisdiction to approve the portions of the Project specified by ENGINEER with whom consultation is to be undertaken in connection with the Project.
- 1.1.4 Evaluate various alternate solutions available to OWNER as described herein, and, after consultation with OWNER, recommend to OWNER those solutions which in ENGINEER's judgment best meet OWNER's requirements for the Project.
- 1.1.5 Prepare a report (the "Report") which will contain the statement of OWNER's requirements for the Project and, as appropriate, will contain schematic layouts, sketches and conceptual design criteria with appropriate exhibits to indicate the considerations involved and those alternate solutions available to OWNER which ENGINEER recommends. This Report will be accompanied by ENGINEER's opinion of Total Project Costs for each solution which is so recommended for the Project, including the following: opinion of probable Construction Cost, allowances for contingencies including costs of design professional and related services based on information furnished by OWNER for allowances and other items and services included within the definition of Total Project Costs.
- 1.1.6 Furnish the Report to and review it with OWNER.
- 1.1.7 Revise the Report in response to OWNER's comments, as appropriate, and furnish final copies of the Report in the number set forth herein.
- 1.1.8 Submit the Report within the stipulated period indicated herein.

1.1.9 ENGINEER's Services under the Study and Report Phase will be considered complete at the earlier of (1) the date when the Report has been accepted by OWNER or (2) thirty days after the date when such Report is delivered to OWNER for final acceptance, plus in each case such additional time as may be considered reasonable for obtaining approval of governmental authorities having jurisdiction to review the portions of the Project specified by ENGINEER, if such approval is to be obtained during the Study and Report Phase.

The duties and responsibilities of ENGINEER during the Study and Report Phase as set forth in this paragraph 1.1 are amended and supplemented as follows:

The first step in a successful program is the assessment of program needs and the determination of a feasible funding mechanism to support the needs of the program. CDM has structured this Scope of Work to be consistent with the City's funding priorities in a phased approach.

**Phase 1: Stormwater Program Needs Assessment and Stormwater Funding Feasibility Study**

**Task 1 - Stormwater Master Plan Goals, Objectives and Priorities Development**

CDM's team will meet with the City to establish goals for the program. The CDM team understands the City's desire for water quality protection and improvement, history of parks and recreation, and the vision to create a riparian buffer and linear park system along Horse and Reed Creeks. Additional goals may also include flood control, erosion control, and wetlands management and enhancement. Based on these goals, performance standards will be established for those goals that can be quantified (e.g., water quality standards, flood control levels of service). Specific objectives will be defined for each goal so that measurable achievement can be identified as implementation progresses.

***Task 1.1 – Project Initiation Workshop***

In order to inform all members of the City's organization about the project and to provide an understanding of the process and goals of the effort, the CDM team will hold a Project Initiation workshop at the outset of the project. The focus of the project initiation workshop will be to define goals and objectives for the stormwater program and explore the issues generated by the workshop participants. The following departments are requested to attend, at a minimum:

- City Manager's Office
- Public Works
- City Engineer's Office
- Stormwater Management
- Streets & Drainage
- Geographic Information System (GIS)
- Finance & Customer Services

CDM's team will conduct an "overview" session with all involved participants to provide an introduction and background of the stormwater master plan and funding mechanism development process, and to determine overall stormwater program expectations of the participants. During the remainder of the day, our team (with attendance by the City's project manager) will meet individually with selected groups of participants to obtain their input and concerns and to explain their role in the stormwater program process and overall program implementation. The specific data needs will be identified, and each participant's role in the stormwater master plan and funding mechanism process will be defined.

As part of the project initiation workshop and further definition of project activities, CDM and the City's project manager will evaluate further integration of City resources and optimization of CDM's services within this scope of work.

The workshop will be directed toward:

- Identifying existing data resources to support the analysis process
- Identifying stormwater management issues and needs
- Delineating the stormwater management program services and associated costs
- Establishing the goals and objectives for the stormwater master plan and funding program
- Establish the initial goals for stormwater system maintenance, CIP improvements, and continued property acquisition
- Establish the goals for hydrologic and hydraulic modeling for Horse and Reedy Creek
- Establish water quality goals for Horse, Reedy, and Mad Branch
- Providing details on the stormwater user fee concept and the level of service process
- Establishing the role of City staff and Board of Mayor and Aldermen in the public education/information program and stormwater program implementation
- Assessing the stormwater fee structure in terms of legal defensibility, revenue capacity, equity, fairness, billing system requirements, and public acceptance

#### ***Deliverables***

- Workshop including common overview session presentation for all participants and individual meetings with selected City staff
- Workshop minutes identifying data, responsible party, and schedule for delivering requested information
- Technical report section describing any problems with sources of data

#### ***Task 1.2 – Confirmation of Stormwater Master Plan Goals, Objectives and Priorities***

Based on the project initiation workshop, CDM's team will compile feedback from the general overview session and City staff interviews regarding the City's goals, objectives and priorities for the stormwater master plan and initial vision for the City's future stormwater management program. A draft report section will be prepared documenting the initial stormwater program objectives and priorities that will provide direction to the consultant and City staff throughout the stormwater master plan process. The draft report section will also include any recommended modifications to the project work plan based the established goals and objectives.

Following City review of the draft report section, a selected focus group will meet to confirm or modify the master plan description, objectives, and priorities document. CDM's team will then finalize the document to guide the team's activities through the master plan project. This document will be reviewed with the City at major milestones through the project life to incorporate input from the Stormwater Action Committee, funding feasibility analysis, and water quality master plan.

#### ***Deliverables***

- Draft Stormwater Master Plan Description, Goals, Objectives, and Priorities Report Section
- Final Stormwater Master Plan Description, Goals, Objectives, and Priorities Report Section

#### ***Task 1.3 – Public Information Program Development***

The CDM team will develop a public information program that includes the following:

- An explanation of the stormwater programs benefits and limitations for improving water quality and conveyance
- An explanation of program expenditures by category

- A listing of program expenditures by fiscal year
- An explanation of the allocation process for charges to all geographic areas within the City
- An explanation of the billing method to be utilized for all properties
- A complete understanding of the resulting credit process for those parcels that are eligible for reduced charges

Based on the above themes, the CDM team will assist the City with identifying the appropriate messages and materials for this project that have built upon previous efforts that have been successful in the community. Following these discussions and evaluations, the CDM team will assist City staff in implementing the Public Information Program for the stormwater master plan and program funding.

A second element of the Public Information Program is a community involvement campaign. The CDM team will develop a public involvement program that includes the following:

- **Stormwater Action Committee (SWAC)** – Our team will work with City staff to delineate the structure, content, membership, and interaction necessary for successfully achieving a consensus regarding a recommendation to the elected officials
- **Speaker Bureaus** – Our team will identify the members, messages, and processes that should be considered in utilizing this important communication forum
- **Elected Officials** – Our team will outline procedures that have been used for other local governments that have been successful in maintaining communication between the project development group and the elected officials

Implementation of the SWAC by the CDM team is included in Task 2. Implementation services for the Speaker Bureaus and Elected Officials involvement program will be executed as a future services by written amendment to this agreement.

#### ***Deliverables***

- A program that coordinates the various information methods to the community
- A schedule to deliver messages to various audiences
- A list of audiences by category

#### ***Task 1.4 – Monthly Reports***

Under this task, our team will provide monthly reports over the duration of the project to track progress in meeting the established stormwater master plan objectives. Each report will provide:

- A synopsis of work activities and deliverables from the previous month
- Activities, deliverables, and other project milestones anticipated in the next month
- Any project issues and concerns to be resolved
- Suggested resolution to these issues and concerns

#### ***Deliverable***

- Project status reports with monthly invoices

#### **Task 2 - Citizen's Stormwater Action Committee**

In order to appropriately communicate the messages involving the stormwater master plan and program funding mechanism, the CDM team will rely upon all three approaches described in Task 1.3. With respect to the SWAC, the goal is to:

- Guide and assist the project team in establishing overall stormwater management program goals
- Develop an appropriate and affordable level of service for the stormwater management program
- Gauge the level of interest in public participation in stormwater management program activities within the City's communities
- Provide feedback and advice on the preliminary recommendations of the various stormwater management program need assessments, regulations and policies, financial requirements, and proposed stormwater program funding structure

For the purposes of this scope of work, this task has assumed four SWAC meetings covering the topics described in the bullets above. This scope assumes that up to three members of the CDM team will attend each meeting. Venues for the meetings are to be provided by the City. Meetings are anticipated to be two hours in duration. The City will be responsible for providing refreshments if requested. The CDM team will be responsible for production of all handouts and meeting facilitation.

***Deliverables***

- Identify the key stormwater program stakeholders (e.g., the business community, developers, tax-exempt properties, etc.)
- Develop meeting agendas and resource materials
- Provide meeting facilitation and technical presentations
- Document and resolve concerns, identify actions and meeting outcomes, and circulate meeting summary notes to committee members

**Task 3 – Stormwater Management Program Assessment**

In order to properly develop a defensible stormwater funding mechanism, a community must specifically identify the functions, activities, levels of service (LOS) and resources necessary for each component of its stormwater management program. The CDM team will complete a needs analysis of the City's current stormwater management practices and plans to determine the current level of service for operations and maintenance, capital improvements, and program management/administration and regulatory compliance. The CDM team will provide recommendations and conceptual cost estimates regarding improvements to the level of service which will be used as the basis for estimating the funding required to support the program. The assessment will include the following elements:

***Task 3.1 Review of NPDES Phase II Permit Information***

The CDM team will review the NPDES Phase II Permit for the City and budgets that were developed by the City for implementation of the Phase II permit. This information will be used to establish minimum regulatory requirements and obligations for the City. The CDM team will also identify activities necessary to achieve Qualified Local Program status, including administration, system inventory, permitting, technical support, monitoring, maintenance, and funding.

***Task 3.2 Development of Independent Assessment of Current Program***

The CDM team will develop an independent stormwater management program assessment that will be used to identify the program's current levels of service and available funding options. This assessment will serve as a baseline for determining the changes, if any, to program structure, staffing, and funding needed to achieve an increased level of service.

The CDM team will meet and/or interview appropriate staff members to identify and describe programs and services provided by the City's stormwater management program in four functional areas – Program Management, Regulatory Compliance, Operations & Maintenance, and Capital Improvements. CDM will prepare, using available information, an estimate of the current budget for stormwater management-related activities that are provided by other City departments. CDM will

also consider programs in other City departments that potentially could be funded by the final stormwater department funding source, such as greenway maintenance, maintenance of ponds in City parks, street sweeping, management of hazardous materials, snow removal, and/or information services that provide direct and indirect support to the City's stormwater program.

The CDM team will review the City's stormwater system maintenance plan (if available), ten-year Capital Improvement Program (if available), local/state/federal regulatory requirements, and State 303(d) reports to US EPA (if any) to gain a better understanding of minimum commitments the City has related to stormwater. The CDM team will also review existing City stormwater management and development standards and requirements to develop an understanding of basic program administration requirements for projecting existing and future staffing and funding needs.

As part of an operations and maintenance evaluation, an adequacy of service evaluation will be performed through interviews with personnel responsible for constructing and maintaining the drainage system. This assessment will assist in identifying the allocable cost for maintenance to a stormwater funding source based upon the present level of service, and will also establish a basis for projecting increased O&M activities associated with increased levels of service. Included in this evaluation will be potential increased staffing, assessment of allocable equipment purchases, and annual charges to budgets for maintenance equipment, as appropriate.

To provide for a completely self-sustaining comprehensive stormwater program, other pertinent stormwater-related activities will be identified and included in the program cost. These costs include stormwater planning, complaint response, regulatory compliance and enforcement and project design and inspection.

The CDM team will provide a list of potential services to be included for review by the City prior to including these services within various proposed level of service alternatives developed as part of Task 3.3 below.

### ***Task 3.3 Levels of Service Evaluations***

Based on the information gathered in Task 3.2, the CDM team will assign a level of service "grade" to the existing stormwater program in four key service areas: Operations and Maintenance, Program Management, Regulatory Compliance, and Capital Improvements. Grades will range from an "A" for an advance, proactive program to "F" for a non-compliant and reactive program. The CDM team will also develop up to three optional Levels of Service in order to compare program alternatives and solicit input from staff on the services that may be provided by the City's stormwater management program. The three levels of service will be developed including the existing program, a moderate increase in the programs to meet regulatory compliance, and a significant increase in the programs to include all of the elements that are desirable to the City.

Once the existing level of service is established, The CDM team will facilitate discussions with the SWAC to consider alternative levels of service. Costs and benefits of various levels of service will be presented to the SWAC in order to determine the community's desired level of service for the stormwater management program. Based on information provided by the City through existing documents, anecdotal information from staff, and the CDM team's experience on similar projects, annual budget estimates for all these services and recommended improvements to services will be developed. These estimates will be a lump sum allocation by major activity or department/division to the capital budget or debt service for the City's budget. The cost estimates will be tied to specific regulatory requirements, desired programs as identified by staff and the SWAC, and programs recommended as an element of a comprehensive stormwater management program. These costs will provide the basis for the funding study evaluation.

Building upon the information supplied by the City in Task 1.1 and the proposed Water Quality Master Planning efforts in Task 4, the CDM team will compile the total annual costs (operations and maintenance, administrative, regulatory and capital costs) for a five-year planning period. In order to compare the impacts upon user funding, the CDM team will generate estimates for three different

levels of service. The information will be presented in tabular form for the above.

**Task 3.4 – Stormwater Management Organizational Structure**

Based on the selected level of service, related operations and maintenance and capital program requirements, and the results of the funding feasibility analysis, the CDM team will develop a recommended organizational structure to support a sustainable stormwater management program. The organizational structure will define key department roles, staffing levels, and responsibilities for the stormwater management department and other impacted City departments. CDM's team will work with City staff to identify the stormwater related activities (e.g. BMP maintenance, street sweeping, drainage way maintenance, etc.) and which City department should be responsible for each activity.

**Deliverables**

- Report Section outlining:
  - A determination of the City's existing level of service
  - An estimate of current annual program expenditures based on a review of expenditures for three-prior budget years.
  - Projected expenditures for three, alternate levels of service for a five-year planning period (2010-2014)
  - The recommended organizational structure with proposed staffing levels to support the selected level of service. A determination of the City's existing level of service

**Task 4 – Preliminary Water Quality Master Planning**

The CDM team proposes to establish a framework for future master planning efforts in the Reedy Creek and Horse Creek basins, which are both targeted watersheds within the City of Kingsport's urban growth boundary. A needs assessment and plan of action for each basin will be developed to meet the stormwater management program goals identified in Tasks 1 and 2. A preliminary analysis of existing watershed conditions will be performed to support the Level of Service and Stormwater Program cost analysis in Task 3. However, this proposed Phase 1 scope of work does not include detailed field survey or full-scale hydrologic/hydraulic modeling. It does include the identification of conceptual capital improvements projects which would be refined in greater detail in future phases. The following sections summarize the various subtasks included in the analysis.

**Task 4.1 - Compilation and Review of Available Data**

The CDM team will compile and review existing GIS and pertinent information to support the subsequent tasks of the Water Quality Master Plan. Anticipated information to be reviewed and considered includes, but is not limited to:

- GIS base mapping data (e.g. aerials, parcels, land use, contours, LiDAR, etc.)
- Stormwater and other utility mapping
- Stormwater BMP locations
- Local rainfall data
- Federal Emergency Management Agency (FEMA) floodplain information
- US Geological Survey (USGS) / Tennessee Department of Environment & Conservation data
- Historic flooding information (High water marks, stormwater requests, flood damage claims information)
- Proposed project and development plans
- The City's National Pollutant Discharge Elimination System (NPDES) Phase II permit
- Previous studies / reports from local or state resources (if any)

**Task 4.2 – Field Investigation**

The CDM team will conduct a two-day windshield survey and investigation of Reedy Creek and

Horse Creek basins with City staff to develop an understanding for the condition and operation of the stormwater system. The CDM team will review and document known watershed impairments as identified by City staff or as discovered in the field. The CDM team will identify areas in need of repair due to visible failure, including culvert crossings, stormwater BMPs and streambanks. The CDM team will estimate the size and scale of each noted impairment to be used for planning level cost analysis in a later task.

#### ***Task 4.3 - Watershed Characterization***

A general characterization of the watershed is necessary in the development of a water quality plan as it provides a baseline, context, and focus for analysis and evaluation performed in subsequent tasks as well as helps establish a cause and effect relationship for the findings from those tasks. The CDM team will perform a characterization of the Reedy Creek and Horse Creek watershed (within the City limits) using the data collected in previous tasks. The characterization will include/identify the following elements:

- Physical features/characteristics (e.g. topography, drainage patterns, predominant soils and geologic base, etc.)
- Watershed development trends and impacts (e.g. land use/land cover, population, land disturbance, etc.)
- Documented existing watershed conditions (e.g. Division of Water Pollution Control publications, etc.)
- Watershed stressors and impact trends
- The watershed characterization will be an “office-based” effort used to target future field work and to provide indicators for potential flooding and water quality impacts.

#### ***Task 4.4 - Establishment of a Stormwater System Performance Standard***

In order to execute a Stormwater Master Plan, the City must evaluate the drivers and costs of maintaining an efficient stormwater system. One important driver is the community choice for performance standards for the stormwater management system in terms of flood control, erosion control, and stormwater quality. These standards will establish City-wide goals to protect homes and buildings from flooding, keep emergency access available for roads, and/or manage erosion. These standards also help to define the priorities for the program.

CDM's team will assist in guiding the discussion with the SWAC in order to identify and summarize the objectives of the City stormwater program. CDM's team will promote discussion between the different committee members to disseminate and share information from experiences in other cities regarding stormwater goals, associated costs, current City's capabilities, and future goals. The objective is to create a set of goals and objectives that the City will strive to achieve, which will serve as the framework for evaluation in future stormwater master planning/modeling efforts. The performance standards will consider the following questions:

- How much protection should the City provide to infrastructure such as evacuation routes, hospitals, fire stations, and other government buildings (e.g., 100 year)?
- How often can the City afford to have nuisance flooding in residential roads (depth frequency and duration)?
- How much protection can the City provide to dwellings and building structures (100 year)?
- How to apply green technologies to reduce urban runoff?
- How to apply development and redevelopment standards?
- At what rate does the City intend to address water quality indicators in individual watersheds (On a TDEC schedule or proactive based on City-wide programs)?

With the establishment of the stormwater system performance standards, City staff will have a benchmark for the identification and prioritization of recommended capital improvement projects; thereby properly allocating limited resources available to solve the most serious stormwater problems.

A draft report section will be prepared summarizing the level of service decisions and priorities for the program.

***Task 4.5 - Stormwater Quantity Model Review, Validation and Selection***

The CDM team will acquire all existing models (e.g. FEMA floodplain models) that encompass the Horse Creek and Ready Creek basins for review. Each model will be reviewed to determine its usefulness for future master planning efforts. CDM modelers will identify the relative accuracy of the models as compared to documented flooding conditions in the watersheds. The CDM team will also compare the results of the existing models to the performance standards defined in Task 4.4 to develop a list of predicted watershed impairments. These impairments will support the identification of capital projects to be funded by the stormwater program.

Following a review of the existing models, the CDM team will present the results of the review to City staff. For future, full-scale modeling efforts, the City has the option of selecting among numerous models such as SWMM 5 or HEC HMS-RAS. The model selection will be driven by parameters such as ease of use, usefulness of the existing models mentioned above, ongoing work in adjacent communities, local engineering standards, FEMA acceptance, license cost, and ultimately City staff's preference. The CDM team will develop a comparison matrix of all available models for use by the City in its selection.

***Task 4.6 – Identification of Field Data Requirements***

Following a review of existing City data and the model selection described in subtasks above, the CDM team will develop a plan for all field data collection necessary to support the master planning effort. The data collection plan will consider the following:

- Identification of number and location of proposed field cross sections
- Identification of number and location of all stream crossings
- Identification and extend of closed pipe systems
- Identification of potential water quality sampling locations
- Development of scope and scale of future in-stream assessment efforts

A planning-level cost for future field data collection efforts will be provided.

***Task 4.7 – Stormwater Needs Assessment Memorandum***

CDM's team will summarize the findings of the preliminary water quality master planning tasks into a technical memorandum which will be suitable for use in future, master planning reports. The memorandum will document the extent of existing data, identify data gaps necessary to complete future master planning, summarize the results of the watershed characterization and provide an analysis of planning-level costs for capital improvements in the watersheds. The cost evaluations will be suitable for use in Stormwater Program Assessment task (Task 3) above. This memorandum will not provide specific project details or costs suitable for use in a CIP planning document.

The CDM team will prepare up to five (5) copies of the draft memorandum for review and comment by City staff and will provide an electronic file in Adobe Acrobat PDF format for all members of the SWAC. The CDM team will incorporate one round of comments made by the City and the SWAC on the draft report into a final report. The CDM team will provide the City with ten (10) bound, printed copies and one electronic copy (in Adobe Acrobat PDF format) of the final report. The CDM team will prepare the reports from a laymen's point of view, justifying recommended approaches.

As an additional deliverable, the CDM team will also prepare an overall map of existing issues as documented throughout the study. The project deliverable will also include electronic files of all GIS data generated as a part of this task.

***Deliverables***

- Map of existing problem areas as identified by City staff, field investigations and desktop watershed characterization efforts
- Draft Technical Memorandum (5) including electronic transmittal
- Final Technical Memorandum (10) including electronic transmittal

## **Task 5 – Funding Alternatives Evaluation**

### ***Task 5.1 – Summary of Available Funding Methods***

The CDM team will outline the available funding methods for supporting the City's stormwater management program. A summary matrix will be prepared that highlights the capabilities of each method to support the functional aspects of the City's stormwater management program. The specific City data and information that will support the funding analysis process includes:

- Parcel identification number
- Name and address of parcel owner
- Site address
- Land data (local land use code and area/dimensions of the parcel)
- Building characteristics (base area, number of stories, number of dwelling units or apartments)
- Miscellaneous improvements/extra features (description/code and area of extra feature)
- Codes that will allow the disaggregation of the parcels within the City versus the County
- Digital data describing parcel boundaries
- Orthographically corrected aerial photography
- Horizontal and vertical control completed within City boundaries
- Digital data for the entire City's jurisdictional limits

### ***Deliverables***

- Report section summarizing advantages and disadvantages of funding mechanisms
- Report section identifying data deficiencies

### ***Task 5.2 – Base Equivalent Residential Unit (ERU) Calculations***

The CDM team will outline the process required to estimate billing units utilizing both impervious area and total land area within the City. CDM will provide information to the City on the following types of fee structure methodologies for the City's consideration:

- Flat Fee
- Runoff Coefficient
- Intensity of Development Factor
- Residential Flat Fee
- Equivalent Residential Unit (ERU)
- Single Family Unit (SFU)
- Tiered Residential Fee
- Level-of-Service/Geography Base
- Impervious Area Measurements (for all properties)

For the purposes of this scope of work, the ERU and SFU approaches were assumed for the core program. The CDM team will perform a random sampling (typically between 500 and 1,000 dwelling units) of various residential land use categories (e.g., single family, multi-family, condominium, etc.) to develop impervious area estimates. The preliminary calculation of equivalent residential units will be based upon compiling the appropriate information, calculating impervious surface data from photogrammetry, and determining selected ERU ranges for the appropriate land use categories. To provide confidence in the estimates of impervious area, the CDM team will compare sample data from Kingsport with data from previous studies for other communities. These

values will establish the base unit for the final stormwater user fee algorithm.

During the data development process, the CDM team will load the data into the master data file and will review the exception reports for data deficiencies. Any data deficiencies found will be corrected as necessary. The CDM team will determine the impervious area, number of dwelling units, and other parcel information for developed non-single family residential parcels within the City.

***Deliverables***

- Residential base unit statistics
- Preliminary estimate of billing units for ERU and SFU residential options

***Task 5.3 – Revenue Scenarios***

The CDM team will utilize ERUs and SFUs developed in Task 5.2 along with the total annual costs developed in Task 3 to determine the preliminary estimate of the user fee per ERU and SFU that is adequate to produce sufficient revenue coverage. Based on the efforts defined in previous tasks, the CDM team will determine preliminary values for the charge per ERU and SFU for a variety of stormwater funding levels (i.e., High, Medium and Low) and will be illustrated in tabular formats. The preliminary values will be available by May 2010; final values will be available by October 2010. These findings will be incorporated into the Final Report (Task 6).

***Deliverables***

- Preliminary projected user fee per residential dwelling unit for three different level-of-service expenditure scenarios (i.e., High, Medium, and Low)
- Final user fee per residential dwelling unit for the suggested expenditure scenario
- Funding feasibility document summarizing the background, findings, and recommendations of the funding feasibility analysis

**Task 6 – Feasibility Report and Presentations**

The CDM team will prepare a final feasibility report summarizing the efforts defined in previous tasks. The report will also include an action plan that identifies future milestones and implementation activities for the second phase of the project. The plan will be submitted to the City for its review. Following the review by the City, a meeting will be held to discuss the City's comments. The CDM team will incorporate the City's comments into a final report to be prepared and delivered to the City.

The report will include an Executive Summary to document the Citizen's Stormwater Action Committee process, Stormwater Program Assessment, the Preliminary Water Quality Master Planning and the Funding Alternatives Evaluation.

The CDM team will prepare up to ten (10) copies of the draft report for review and comment by City staff and will provide an electronic file in Adobe Acrobat PDF format for all members of the SWAC. The CDM team will incorporate one round of comments made by the City and the SWAC on the draft report into a final report. The CDM team will provide the City with twenty (20) printed copies bound in 3-ring binders and one electronic copy (in Adobe Acrobat PDF format) of the final report. The CDM team will prepare the reports from a laymen's point of view, justifying recommended approaches.

In addition to the report, the CDM team will present the findings of the above tasks at the following meetings:

- Presentation of the preliminary results to the Board of Mayor and Aldermen during May 2010

- Presentation of the final results will be made to the Board of Mayor and Aldermen in October 2010

***Deliverables***

- Presentation materials for each identified meeting
- Hard copies as noted of the Feasibility Report at the Draft and Final stage
- A CD containing digital files of the Feasibility Report incorporating the City's draft review comments

***PROJECT TEAM:***

To the extent practical this scope of work will be executed using the project team presented in the August 2009 Expression of Interest/Request for Qualifications response. The proposed project team is provided at the end of this attachment for information purposes.

***FUTURE SERVICES:***

As the objectives and priorities for the City's stormwater program are defined, it is anticipated that the City will authorize additional related services for more detailed planning, modeling, funding mechanism implementation, and/or design of recommended improvements through written amendment to this authorization.

**2.0 OWNER'S RESPONSIBILITIES**

- 2.1 Furnish to ENGINEER, as requested by ENGINEER for performance of Services as required by the Contract Documents, the following:
  - 2.1.1 Data prepared by or services of others, including without limitation explorations and tests of subsurface conditions at or contiguous to the site, drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the site, or hydrographic surveys;
  - 2.1.2 The services of an independent testing laboratory to perform all inspections, tests and approvals of samples, materials and equipment;
  - 2.1.3 Appropriate professional interpretation of all of the foregoing;
  - 2.1.4 Environmental assessments, audits, investigations and impact statements, and other relevant environmental or cultural studies as to the Project, the site and adjacent areas;
  - 2.1.5 Field surveys for design purposes and property, boundary, easement, right-of-way, topographic and utility surveys or data, including relevant reference points;
  - 2.1.6 Property descriptions;
  - 2.1.7 Zoning, deed and other land use restrictions; and
  - 2.1.8 Other special data or consultations not covered in Article 1.0.

OWNER shall be responsible for, and ENGINEER may rely upon, the accuracy and completeness of all reports, data, and other information furnished pursuant to this paragraph. ENGINEER may use such reports, data, and information in performing or furnishing services under this Agreement.

- 2.2 Provide access to and make all provisions for ENGINEER to enter upon public and private property

as required for ENGINEER to perform services under this Agreement.

- 2.3 Provide labor and safety equipment to open and protect manholes and/or to operate valves and hydrants as required by the ENGINEER.
- 2.4 Provide, as may be required for the Project:
  - 2.4.1 Accounting, bond and financial advisory, independent cost estimating and insurance counseling services;
  - 2.4.2 Such legal services as OWNER may require or ENGINEER may reasonably request with regard to legal issues pertaining to the Project, including any that may be raised by Contractor; and
  - 2.4.3 Such auditing services as OWNER may require to ascertain how or for what purpose Contractor has used the moneys paid on account of the Contract Price.
- 2.5 Bear all costs incident to compliance with the requirements of the OWNER's Responsibilities.

The OWNER's responsibilities as set forth in this paragraph 2.0 are amended and supplemented as follows:

The key anticipated City responsibilities for this project are supplemented by task below. Responsibilities that span several tasks include:

- Provide review comments to all meeting minutes, draft report submittals, and documents prepared for public review within 2 weeks
- Release of project information (external to City staff and the CDM team)

**Task 2:**

- Establish SWAC with the appropriate stakeholder representatives in the City
- Assistance of City staff for SWAC participation, meeting venue selection, etc.
- Assistance of City staff for meeting participation, venue selection, etc.

**Task 3:**

- Presence of requested City staff for project interviews
- Current expenditures for all stormwater management program activities including prioritized capital improvement projects
- Assist with defining appropriate additional functions, including frequency of activities and cost items for suggested expenditure scenarios

**Task 4:**

- Identification of all known data sets related to the stormwater drainage system
- Participation in two-day field investigation by the CDM team to assist in the identification of known drainage system impairments

**Task 5:**

- Provide billing system information, including database of customer accounts and descriptions of all fields
- Provide most recent tax parcel database with description of all fields.

3.0 TIME PERIOD FOR PERFORMANCE

The time periods for the performance of ENGINEER's Services as set forth in Article 2 of said Agreement are as follows:

The project team has evaluated the necessary activities required to develop the stormwater funding system and begin preliminary work on a Stormwater Master Plan. In order to accomplish this objective, the necessary time to perform each of the tasks, and the interrelationship between tasks has been incorporated into the Project Schedule found in the project request for qualifications response. As displayed on this chart, initial projections for annual stormwater management program costs would be completed between March 1, 2010 and June 1, 2010, to allow the City staff and elected officials to compare preliminary expenditures with potential charges per billing unit. All tasks including project closeout are estimated to be completed by March 2011.

4.0 METHOD OF PAYMENT

The method of payment for Services rendered by ENGINEER shall be as set forth below:

The City shall compensate the Engineer for providing services set forth herein in accordance with the terms of the Agreement on a billing rate and expense reimbursement basis. The upper limit cost for this Authorization shall not exceed \$245,586.00 without an amendment to this authorization. An estimated breakdown of hours by task is provided for informational purposes as shown on the following page.

5.0 SPECIAL PROVISIONS

The following special provisions and/or other considerations or requirements are applicable to their Agreement:

n/a



Joshua M. Norton, P.E., BCEE  
Project Manager

Technical Review Committee

Christopher A. Provost, P.E., BCEE  
Michael F. Schmidt, P.E., BCEE  
Scott I. McClelland

Stormwater Action Committee  
Gary McGill, P.E.  
Denne Martin  
Tom Bennett, P.E.  
David Mason, P.E.

Public Communications Plan  
Jessica Martin-Lane, MBA, MSIE  
Christopher A. Provost, P.E., BCEE

Stormwater Master Plan  
Description, Objectives  
and Priorities  
Joshua M. Norton, P.E., BCEE  
David Mason, P.E.  
Gary McGill, P.E.

Funding Feasibility Document  
Stephen R. Sedgwick, P.E., BCEE  
Denne Martin  
Steven Miller

Service Charge Billing  
Denne Martin  
Steven Miller  
Zack A. Daniel, P.E.  
Stephen R. Sedgwick, P.E., BCEE

NPDES Assessment  
J.P. Johns, P.E.  
Forrest Westall, P.E.  
Brian J. Keel, P.E.

Ordinances  
J.P. Johns, P.E.  
Gary McGill, P.E.  
Stephen R. Sedgwick, P.E., BCEE

Water Quality Master Plan  
David Mason, P.E.  
Benjamin J. Sherman, P.E.  
Kimberly M. Martin, P.E.  
Leeann Williams  
Michael K. Sloop, P.E., CFM

Action Plan Report  
Joshua M. Norton, P.E., BCEE  
David Mason, P.E.  
Gary McGill, P.E.

● McGill Associates Staff  
● CDM Staff

**Camp Dresser & McKee Inc.**  
**Cost of Engineering Services**  
**City of Kingsport**  
**Stormwater Master Plan and Utility Implementation**  
**October 14, 2009**  
  
**Estimated Task Budgets**

Description	Total Hours	Cost of Labor	Expenses	Cost of Task
<b>1.0 - Stormwater Master Plan Goals, Objectives and Priorities Development</b>	<b>260</b>	<b>\$31,188</b>	<b>\$4,200</b>	<b>\$35,388</b>
1.1 - Project Initiation Workshop	102	\$12,724	\$3,000	\$15,724
1.2 - Confirmation of Goals, Objectives & Priorities	78	\$8,594	\$0	\$8,594
1.3 - Public Information Program Development	52	\$7,200	\$1,000	\$8,200
1.4 - Monthly Reports	28	\$2,670	\$200	\$2,870
<b>2.0 - Citizen's Stormwater Action Committee</b>	<b>186</b>	<b>\$25,280</b>	<b>\$8,000</b>	<b>\$33,280</b>
<b>3.0 - Stormwater Management Program Assessment</b>	<b>268</b>	<b>30,300</b>	<b>1,500</b>	<b>31,800</b>
3.1 - Review of NPDES Phase II Permit Information	30	\$3,390	\$0	\$3,390
3.2 - Development of Independent Assessment of Current Program	158	\$16,750	\$1,500	\$18,250
3.3 - Level of Service Evaluations	66	\$8,370	\$0	\$8,370
3.4 - Stormwater Management Organizational Structure	14	\$1,790	\$0	\$1,790
<b>4.0 - Preliminary Water Quality Master Planning</b>	<b>712</b>	<b>\$76,280</b>	<b>\$2,900</b>	<b>\$79,180</b>
4.1 - Compilation and Review of Available Data	154	\$15,530	\$200	\$15,730
4.2 - Field Investigation	70	\$8,030	\$1,500	\$9,530
4.3 - Watershed Characterization	132	\$11,840	\$0	\$11,840
4.4 - Establishment of Stormwater System Performance Standards	80	\$10,360	\$0	\$10,360
4.5 - Stormwater Quantity Model Review, Validation and Selection	92	\$10,760	\$200	\$10,960
4.6 - Identification of Field Data Requirements	36	\$4,160	\$0	\$4,160
4.7 - Stormwater Needs Assessment Memorandum	148	\$15,600	\$1,000	\$16,600
<b>5.0 - Funding Alternatives Evaluation</b>	<b>788</b>	<b>\$36,668</b>	<b>\$1,500</b>	<b>\$38,168</b>
5.1 - Summary of Available Funding Methods	56	\$4,260	\$0	\$4,260
5.2 - Base Equivalent Residential Unit Calculations	632	\$24,380	\$1,500	\$25,880
5.3 - Revenue Scenarios	100	\$8,028	\$0	\$8,028
<b>6.0 - Feasibility Report &amp; Presentations</b>	<b>212</b>	<b>\$24,770</b>	<b>\$3,000</b>	<b>\$27,770</b>
<b>Total</b>	<b>2,426</b>	<b>224,486</b>	<b>\$21,100</b>	<b>\$245,586</b>



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute a Memorandum of Understanding with the Kingsport City School System for the Kingsport/Sullivan County GED Program for Funding of GED Testing Scholarships for City Residents

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

Action Form No.: AF- 352-2009 Final Adoption: October 20, 2009
Work Session: October 19, 2009 Staff Work By: Duncan/Billingsley
First Reading: N/A Presentation By: John Campbell

Recommendation: Approve the resolution.

Executive Summary:

The attached resolution will authorize the mayor to execute a memorandum of understanding with the Kingsport City School System for the Kingsport/Sullivan County GED program to provide funding of up to thirteen thousand dollars (\$13,000) for payment of the examination fee for city residents enrolled in the GED program. For an individual to attend an institution of higher learning, a General Educational Development Diploma (GED) is required. Classes are provided at no cost to the participants by the Kingsport/Sullivan County GED Program (funding 80% federal, 20% state – the school system provides in kind services equal to 5%) to prepare for the GED examination. An individual must pay a fee of \$65 to take the exam. If passed the individual receives a GED diploma. Until this year, the state assisted with the testing fee. However, with state budget cuts that assistance is no longer available. There were approximately two hundred city residents who obtained a GED last year.

Providing this testing scholarship is a means to assist city residents in their efforts and provides a stepping stone to higher education, It also meet the city's economic development goal of providing opportunity for an educated workforce. Enrollment at Northeast Sate for this year includes 742 students with a GED, which is an indicator of the positive impact this has on our community.

The criteria for the scholarship are attached.

Attachments:

- 1. Resolution
2. Testing Scholarship Award Criteria
3. Memorandum of Understanding

Funding source appropriate and funds are available:\_\_\_\_\_

Table with columns Y, N, O and rows for names: Joh, Mallicote, Marsh, Munsey, Parham, Phillips, Shupe

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE KINGSPORT CITY SCHOOL SYSTEM FOR THE KINGSPORT/SULLIVAN COUNTY GED PROGRAM TO IMPLEMENT A SCHOLARSHIP PROGRAM FOR KINGSPORT RESIDENTS FOR THE GED EXAMINATION FEE

WHEREAS, the state has reduced funding for the GED program so that it no longer provides the funds for the examination fee of sixty-five dollars for an individual to take the examination to earn a General Educational Development Diploma (GED); and

WHEREAS, a GED allows individuals to obtain higher education and better job opportunities; and

WHEREAS, the board finds that it is in the best interest and protects the public welfare and safety of its citizens to ensure that its citizens have the opportunity to acquire a GED and that a scholarship program to pay for the examination fee will further that opportunity; 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 Memorandum of Understanding with the Kingsport City School System for the Kingsport/Sullivan County GED Program to implement a scholarship program, for Kingsport residents for the sixty-five dollar GED examination, up to a total amount of not more than ten thousand dollars.

SECTION II. That the criteria for the award of such scholarships shall include the following factors: the student is unemployed and/or in significant need for financial assistance; has excellent attendance in the GED program; demonstrates a commitment to obtaining his/her GED based on teacher observation; is eligible for voucher according to OPT scores with a minimum score of 430-average 480; demonstrated financial need based on teacher observation and dialog with the student; other extenuating circumstances as determined by the program director and student's teacher; and the student's willingness to volunteer for three (3) class sessions after receiving his/her GED to give back to others in the program.

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

ADOPTED this the 20th of October, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

Kingsport/Sullivan County GED

Criteria for GED Testing Scholarships

Total Cost Per Student: \$65.00

2009 – 2010

*Updated: August 20, 2009*

- Unemployed and/or in significant need for financial assistance
- Excellent Attendance
- Commitment to obtaining his/her GED based on teacher observation
- Eligible for voucher according to OPT scores: Minimum Score of 430-average 480
- Demonstrated financial need based on teacher observation and dialog with the student
- Other extenuating circumstances as determined by the program director and student's teacher
- The student will volunteer for three (3) class sessions after receiving his/her GED to give back to others in the program.

## **MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding made and entered into as of this \_\_\_\_ day of October, 2009, by and between the City of Kingsport, hereafter called City, and the Kingsport City School System for the Kingsport/Sullivan County GED Program, hereafter called GED Program.

### **WITNESSETH:**

WHEREAS, the GED Program is operated by the Kingsport City School System to assist adults obtain a General Educational Development Diploma (GED); and

WHEREAS, this Memorandum of Understanding will establish the parameters of this scholarship program; and

WHEREAS, the State of Tennessee has reduced funding for the program resulting in elimination of the payment of the examination fee of sixty-five dollars such that the participants, many of whom are unemployed and without financial means to pay the examination fee, must now pay the fee; and

WHEREAS, the examination must be taken to acquire a GED; and

WHEREAS, a GED provides the recipient with the an opportunity to pursue higher education and better job prospects; and

WHEREAS, the City desires to provide funding for scholarships for the examination fee for Kingsport residents based on certain criteria;

NOW THEREFORE, the parties memorialize the following understanding:

1. During the term of this Memorandum of Understanding the City will provide funding to the GED Program of an amount not to exceed ten thousand dollars for the provision of scholarships for the GED examination fee of sixty-five dollars to eligible Kingsport city residents.

2. The term for this Memorandum of Understanding is from the date first above written to June 30, 2010.

3. The GED Program will be responsible for administering the scholarship program by verifying the resident status of the scholarship recipients.

4. The GED Program will include the following criteria, which it developed, to determine whether a city resident is eligible to receive the scholarship:

- a) Unemployed and/or in significant need for financial assistance;
- b) Excellent Attendance;
- c) Commitment to obtaining his/her GED based on teacher observation;
- d) Eligible for voucher according to OPT scores: Minimum Score of 430-average 480;
- e) Demonstrated financial need based on teacher observation and dialog with the student;

- f) Other extenuating circumstances as determined by the program director and student's teacher; and
- g) The student will volunteer for three (3) class sessions after receiving his/her GED to give back to others in the program.

5. It is expressly understood and agreed that the total amount to be paid by City to the GED Program for this scholarship program will not exceed ten thousand dollars. The GED Program will submit requests for payment of such scholarships to the City Manager on forms required by the City. The City will review the request and provide payment if the request is properly made, which determination will be made by the City Recorder.

6. This Memorandum of Understanding may be terminated by either party by giving written notice to the other at least thirty days before the effective date of such termination.

7. The GED Program will immediately notify the City of any change in conditions or of any other event which may significantly affect its ability to perform in accordance with the provisions of this Memorandum of Understanding.

8. The amount for this scholarship program will be not included in any maintenance of effort requirement.

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

**KINGSPORT CITY SCHOOL SYSTEM for the  
KINGSPORT/SULLIVAN COUNTY GED  
PROGRAM**

\_\_\_\_\_  
RICHARD KITZMILLER  
Superintendent

**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 Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Bonds (Aquatic Center) in an Amount not to Exceed \$15,000,000**

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

Action Form No.: AF-338-2009  
Work Session: October 19, 2009  
First Reading: N/A  
Final Adoption: October 20, 2009  
Staff Work By: Jim Demming  
Presentation By: Jim Demming/John Campbell

**Recommendation:**

Approve the initial and detailed bond resolutions authorizing the issuance of General Obligation Bonds in an amount not to exceed \$15,000,000.

**Executive Summary:**

Attached, for Board of Mayor and Aldermen consideration, is an initial and detailed bond resolution authorizing the City to issue up to \$15,000,000 of General Obligation Bonds to finance the development and construction of an Aquatic Center. This project is included in the FY2010 Capital Improvement Program (CIP).

See attached summary for a more complete explanation.

**Attachments**

- 1. Initial Resolution
- 2. Detailed Resolution

Funding source appropriate and funds are available: \_\_\_\_\_

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

**SUPPLEMENTAL INFORMATION** Action Form 338-2009

Executive Summary *continued*:

**SUBJECT: Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Bonds in an Amount not to Exceed \$15,000,000.**

The approved FY2010 CIP included funding for the development and construction of an Aquatic Center. The total estimated cost of this project is approximately \$15,000,000.

Because of the proposed relationship with the YMCA (a non-profit entity), as their proposed facility is being located on the same site and connected with the Aquatic Center, our bond counsel has advised that a portion of these bonds will be issued as private activity bonds in accordance with IRS regulations. At this time, the appropriate amount of the total funding to be provided through these private activity bonds has not been finalized. Therefore, the resolutions recommended for adoption in this action form have been drafted to authorize funding for the full project cost. The actual amount of these private activity bonds that will be ultimately issued will be limited to only those project costs that were not able to be funded through a separate Build America bond issue that is being proposed for funding the remainder of the FY2010 CIP. The Build America bond issue is being presented as a separate action item for BMA consideration.

It is recommended that the BMA adopt this initial bond resolution and detailed bond resolution that authorize the issuance of these General Obligation Bonds in an amount not to exceed \$15,000,000. The proposed amount of the bond issue includes estimated costs associated with issuing the bonds.

RESOLUTION NO. \_\_\_\_\_

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$15,000,000 GENERAL OBLIGATION BONDS OF THE CITY OF KINGSPORT, TENNESSEE, TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

WHEREAS, it is necessary and in the public interest of the City of Kingsport, Tennessee (the "Municipality"), to issue its General Obligation Bonds (the "Bonds"), for the purpose of financing certain public works projects, as hereinafter specified.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF KINGSPORT, TENNESSEE:

SECTION 1. That for the purpose of financing a portion of the costs of certain public works projects, consisting of the acquisition of public art; the acquisition, construction, renovation, improvement and equipping of a municipal recreational center and related facilities, including a public swimming pool; and the acquisition of all property real and personal, appurtenant thereto or connected with such work; and to pay legal, fiscal, administrative, and engineering costs, to reimburse the Municipality for the costs of the above project, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds, the issuance of the Bonds of the Municipality in the aggregate principal amount of not to exceed Fifteen Million Dollars (\$15,000,000) is hereby authorized. The Bonds shall be issued at a date, at a rate or rates of interest not to exceed the maximum rate allowed by law, and upon terms and conditions to be later determined.

SECTION 2. That the principal of, premium, if any, and interest on, the Bonds, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, and amount and for the punctual payment of said principal of, premium, if any, and interest on, the Bonds, the full faith and credit of the Municipality will be irrevocably pledged, and from revenues to be derived from the one-quarter percent (0.25%) local option sales tax levied by the Municipality within the corporate limits of the Municipality within Sullivan County, Tennessee.

SECTION 3. That the Bonds described and authorized by this Resolution shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act").

SECTION 4. That after the adoption of this Resolution, the City Recorder is directed to cause this Resolution, with the notice prescribed by the Act, to be published in full once in a newspaper published and having general circulation in the Municipality.

SECTION 5. That this Resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

Adopted and approved this 20<sup>th</sup> day of October, 2009.

\_\_\_\_\_  
MAYOR

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY RECORDER

\_\_\_\_\_  
CITY ATTORNEY

NOTICE

The foregoing Resolution has been adopted. Unless within twenty (20) days from the date of publication hereof a petition, signed by at least ten percent (10%) of the registered voters of the City of Kingsport, Tennessee, shall have been filed with the City Recorder protesting the issuance of the Bonds, such Bonds will be issued as proposed.

STATE OF TENNESSEE)  
COUNTIES OF HAWKINS AND)  
SULLIVAN)

I, James H. Demming, hereby certify that I am the duly qualified and acting City Recorder of the City of Kingsport, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of an Initial Resolution excerpted from the minutes of the meeting of the Board of Mayor and Aldermen of said Municipality held on October 20, 2009; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates to, among other matters, the authorization of the issuance of not to exceed \$15,000,000 General Obligation Bonds of said Municipality; (4) that the actions by the said Board of Mayor and Aldermen including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purpose; and, (5) that a quorum of the members of said Board of Mayor and Aldermen was present and acting throughout the meeting.

WITNESS my official signature and seal of said Municipality this 20<sup>th</sup> day of October, 2009.

(SEAL)

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CITY RECORDER

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$15,000,000 GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, OF THE CITY OF KINGSPORT, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

WHEREAS, on October 20, 2009, the Board of Mayor and Aldermen (the "Board") of the City of Kingsport, Sullivan and Hawkins Counties, Tennessee (the "Municipality"), adopted an "Initial Resolution Authorizing the Issuance of Not to Exceed \$15,000,000 General Obligation Bonds of the City of Kingsport, Tennessee, to Provide Funding for Certain Public Works Projects and to Fund the Incidental and Necessary Expenses Related Thereto" (the "Initial Resolution"), authorizing and directing, among other things, the issuance by the Municipality of its general obligation bonds for the purpose of financing certain public works projects, consisting of the acquisition of public art; the acquisition, construction, renovation, improvement and equipping of a municipal recreational center and related facilities, including a public swimming pool; and the acquisition of all property real and personal, appurtenant thereto or connected with such work (collectively, the "Project"); and to pay legal, fiscal, administrative, and engineering costs, to reimburse the Municipality for the costs of any of the above projects, to pay capitalized interest, and to pay costs incident to the financing thereof;

WHEREAS, the Recorder of the Municipality published a copy of the Initial Resolution and the Notice required by Section 9-21-206, Tennessee Code Annotated, as amended, in a newspaper of general circulation within the Municipality;

WHEREAS, the Municipality is authorized by Title 9, Chapter 21, Tennessee Code Annotated, as amended, to issue and sell bonds for the purpose of financing the Project;

WHEREAS, the Initial Resolution authorized payment of the principal of, interest on, and the premium, if any, of the bonds from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, or amount, and from revenues to be derived from the one-quarter percent (0.25%) local option sales tax levied by the Municipality within the corporate limits of the Municipality within Sullivan County, Tennessee;

WHEREAS, the Board finds that it is necessary and desirable to issue not to exceed \$15,000,000 General Obligation Bonds, in one or more series (the "Bonds"), for the purpose of financing the costs of the Project, reimbursing the Municipality, paying capitalized interest, and paying costs incident to the financing thereof;

WHEREAS, it is necessary to authorize an official statement in connection with the issuance of the Bonds; and,

WHEREAS, it is now, therefore, necessary and desirable to provide for the execution, terms, issuance, sale, and payment of the Bonds:

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

Section 1. Authority. The Bonds herein authorized shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. Without limiting any other definitions of terms and words in other sections of this Resolution, the following words and terms shall have the meanings indicated unless otherwise plainly apparent from the context:

“Act” shall mean Title 9, Chapter 21, Tennessee Code Annotated, as amended.

“Authorized Representative of the Municipality” means the then Mayor, the then Recorder, or the then Treasurer, of the Municipality, authorized by resolution or by law to act on behalf of and bind the Municipality.

“Board” means the Board of Mayor and Aldermen of the Municipality.

“Bond”, means individually, and “Bonds” means collectively, the General Obligation Bonds of the Municipality, authorized to be issued by this Resolution of the Board.

“Bond Counsel” means an attorney or firm of attorneys recognized as having experience in matters relating to the issuance of municipal obligations.

“Bondholder”, “Owner”, or any similar term, when used with reference to the Bonds, means any Person who shall be the registered owner of any then Outstanding Bond or Bonds.

“City Attorney” means the duly appointed City Attorney of the Municipality, or his or her successors.

“Closing Date” means the date of sale, delivery, and payment of the Bonds.

“Code” means the United States Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of the Treasury promulgated thereunder, as in effect on the date of issuance of the Bonds, and as hereafter amended, supplemented, or revised insofar as such amendments, supplements, or revisions shall pertain to or effect the Bonds.

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed by the Municipality and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“DTC” means The Depository Trust Company, New York, New York.

“Government Obligations” means any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of Federal agencies to the extent unconditionally guaranteed by the United States of America, which Bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

“Interest Payment Date” means each date on which interest shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

“Mayor” means the duly elected, qualified, and acting Mayor of the Municipality, or his or her successors.

“Outstanding,” “Bonds Outstanding,” or “Outstanding Bonds” means, as of a particular date, all Bonds issued and delivered and authenticated under this Resolution except: (1) any Bond paid or redeemed or otherwise canceled by the Municipality at or before such date; (2) any Bond for the payment of which cash, equal to the principal amount thereof with interest to date of maturity, shall have theretofore been deposited prior to maturity by the Municipality for the benefit of the Owner thereof; (3) any Bond in lieu of or in substitution for which another Bond shall have been delivered and authenticated pursuant to this Resolution, unless proof satisfactory to the Municipality is presented that any Bond, for which a Bond in lieu of or in substitution therefor shall have been delivered, is held by a bona fide purchaser, as that term is defined in Article 8 of the Uniform Commercial Code of the State, as amended, in which case both the Bond in lieu of or in substitution for which a new Bond has been delivered and such new Bond so delivered therefor shall be deemed Outstanding; and, (4) any Bond deemed paid under the provisions of this Resolution, except that any such Bond shall be considered Outstanding until the maturity thereof only for the purposes of being exchanged, transferred, or registered.

“Person” means an individual, partnership, corporation, trust, or unincorporated organization, or a governmental entity or agency or political subdivision thereof.

“Principal Payment Date” means each date on which principal shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

“Recorder” means the duly appointed, qualified, and acting Recorder of the Municipality, or his or her successors.

“Registration Agent” means Regions Bank, or its successor, or successors hereafter appointed in the manner provided in this Resolution.

“Resolution” means this Resolution, as supplemented and amended.

“State” means the State of Tennessee.

“Treasurer” means the duly appointed, qualified, and acting Treasurer of the Municipality, or his or her successors.

Section 3. Authorization. For the purpose of providing funds to finance the Project, to reimburse the Municipality, to pay capitalized interest, to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the financing thereof, there is hereby authorized to be issued general obligation school and public improvement bonds of the Municipality, in one or more series, in the aggregate principal amount of not to exceed Fifteen Million Dollars (\$15,000,000), or such lesser aggregate amount as may be determined by the Authorized Representatives of the Municipality executing the Bonds. No Bonds may be issued under the provisions of this Resolution except in accordance herewith.

Section 4. Form of Bonds; Execution. (a) The Bonds, or any series thereof, are issuable only as fully registered bonds, without coupons, in the denomination of \$5,000 or any integral multiple thereof. All Bonds issued under this Resolution shall be substantially in the form set forth in Exhibit "A" attached hereto, and by this reference incorporated herein as fully as though copied, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution, the blanks therein to be appropriately completed when the Bonds are prepared, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto or as otherwise desired by the Municipality. Each series of Bonds shall be numbered consecutively from one upwards.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name, and on behalf, of the Municipality with the manual or facsimile signature of the Mayor and attested with the manual or facsimile signature of the Recorder, and with the official seal, or a facsimile thereof, of the Municipality impressed or imprinted thereon, and shall be approved as to form by the manual or facsimile signature of the City Attorney. The Bonds shall not be valid for any purpose unless authenticated by the manual signature of an officer of the Registration Agent on the certificate set forth on the Bonds.

(c) In the event any officer whose manual or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such manual or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be manually signed by, such individuals who, at the actual time of the execution of such Bond, were the proper officers of the Municipality to sign such Bond, although on the respective dates of the adoption by the Municipality of this Resolution, such individuals may not have been such officers.

Section 5. Maturities, Interest Rates, Payment, and Certain Other Provisions of Bonds. (a) The Bonds shall be issued in one or more series, and subject to the adjustments permitted under Section 19 hereof shall be known as "General Obligation Bonds," shall be dated as of the date of issuance and delivery, and shall have such series designation or other dated date as shall be determined by the Mayor pursuant to Section 19 hereof. The Bonds shall be issued at a date, at a rate or rates of interest not to exceed the maximum rate allowed by law, and upon terms and conditions to be determined. The Bonds shall bear interest from the date thereof at a rate or rates to be hereafter determined by the Municipality when said Bonds, or any series

thereof, are sold, but not exceeding the maximum rate allowed by law, such interest being payable (subject to the adjustments permitted under Section 19 hereof) semi-annually on the first day of March and September of each year, commencing September 1, 2010. Subject to the adjustments permitted pursuant to Section 19 hereof, the Bonds shall mature serially or be subject to mandatory redemption and be payable on March 1 of each year, subject to prior optional redemption, as hereinafter provided, either serially or through mandatory redemption, in the years 2012 through 2030, inclusive.

In the event that any amount payable on any Bond as interest shall at any time exceed the rate of interest lawfully chargeable thereon under applicable law, then any such excess shall, to the extent of such excess, be applied against the principal of such Bond as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

The principal of, and the premium, if any, and all installments of interest on, any Bond shall bear interest from and after their respective due dates at a rate of interest equal to the rate of interest payable on the principal of such Bond.

(b) Interest on the Bonds shall be payable by check or other form of draft of the Registration Agent deposited by the Registration Agent in the United States mail, first class postage prepaid, in sealed envelopes, addressed to the Owners of such Bonds, as of the applicable Interest Payment Date, at their respective addresses as shown on the registration books of the Municipality maintained by the Registration Agent as of the close of business on the fifteenth (15th) calendar day of the month next preceding the applicable Interest Payment Date (the "Regular Record Date"). The principal or redemption price, if any, of all Bonds shall be payable upon presentation and surrender of such Bonds at the principal corporate trust office of the Registration Agent. All payments of the principal of, premium, if any, and interest on, the Bonds shall be made in any coin or currency of the United States of America which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

(c) Any interest on any Bond which is payable but is not punctually paid or duly provided for on any Interest Payment Date on which interest is due (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the Owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by check or other form of draft of the Registration Agent to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the Municipality shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Municipality shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangement satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) calendar days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the

payment of such Defaulted Interest which date shall be not more than fifteen (15) nor less than ten (10) calendar days prior to the date of the proposed payment to the Owners. The Registration Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, not less than ten (10) calendar days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Owner at the address thereof as it appears in the registration books of the Municipality maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any Owner arising as a result of the failure of the Municipality to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on, the Bonds when due.

(d) The Bonds will be made eligible for processing by DTC. The Bonds in the form of one global Bond for each maturity need not be lithographed or printed on steel engraved or printed borders. Except as otherwise provided in this Section, the Bonds shall be registered in the name of Cede & Co. as nominee of DTC. The Municipality may discontinue use of DTC as depository for the Bonds at any time upon determination by the Municipality that the use of DTC is no longer in the best interest of the beneficial owners of the Bonds. Registered ownership of the Bonds may be transferred on the registration books maintained by the Registration Agent and the Bonds may be delivered in physical form to the following:

(i) any successor of DTC or its nominee;

(ii) any substitute depository upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Municipality that DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; or,

(iii) any Person, upon (a) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (b) termination by the Municipality of the use of DTC (or substitute depository or its successor).

(e) The Registration Agent is hereby authorized to take such actions as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including, but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. The Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this subsection (e) of this Section 5.

Section 6. Redemption. (a) Subject to the adjustments permitted under Section 19 hereof, the Bonds maturing March 1, 2012, through March 1, 2020, are not subject to redemption prior to maturity. The Bonds maturing on and after March 1, 2021, are subject to redemption prior to maturity on March 1, 2020, and at any time thereafter, at the option of the Municipality, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to

be selected by lot by the Registration Agent), at the price of par, plus accrued interest to the date fixed for redemption.

(b) Notice of intended redemption shall be given by the Registration Agent on behalf of the Municipality to the Owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration books kept by the Registration Agent. Notice of intended redemption shall be given not less than thirty (30) calendar days, nor more than sixty (60) calendar days prior to the date fixed for redemption. Each such notice of redemption shall state: (1) the redemption date; (2) the redemption price; (3) if less than all Outstanding Bonds are to be redeemed, the registered number and the CUSIP number printed on the Bonds (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (4) that on the redemption date, the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date provided sufficient funds are available on such redemption date to fully pay the redemption price of and the interest on the Bonds called for redemption; and, (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Registration Agent. Neither failure to mail any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which notice was correctly given.

(c) If notice of redemption shall have been given in the manner and under the conditions provided herein and if on the date so designated for redemption the Registration Agent shall hold sufficient monies to pay the redemption price of, and interest to the redemption date on, the Bonds to be redeemed as provided in this Resolution, then: (1) the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date; (2) interest on the Bonds so called for redemption shall cease to accrue; and, (3) such Bonds shall no longer be Outstanding or secured by, or be entitled to, the benefits of this Resolution, except to receive payment of the redemption price thereof and interest thereon from monies then held by the Registration Agent.

(d) Prior to any redemption date, the Municipality shall deposit with the Registration Agent an amount of money sufficient to pay the redemption price of all of the Bonds or portions of Bonds which are to be redeemed on that date.

(e) If on the redemption date, monies for the redemption of all Bonds or portions thereof to be redeemed, together with interest thereon to the redemption date, shall not be held by the Registration Agent so as to be available therefor on such date, the Bonds or portions thereof so called for redemption shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and shall continue to be secured by and be entitled to the benefits of this Resolution.

(f) In case any Bond is of a denomination larger than \$5,000, a portion of such Bond - \$5,000 or any integral multiple thereof - may be redeemed, but Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. In selecting Bonds for redemption, the Municipality shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. If part but not all of a

Bond shall be selected for redemption, the Owner thereof or his, her, or its legal representative shall present and surrender such Bond to the Registration Agent for payment of the principal amount thereof so called for redemption and the premium, if any, on such principal amount thereof so called for redemption, and the Municipality shall execute and the Registration Agent shall authenticate and deliver to such Owner or legal representative, without charge therefor, for the unredeemed portion of the Bond surrendered, a Bond or Bonds of the same maturity, bearing the same interest rate, and of authorized denomination or denominations.

Section 7. Negotiability of Bonds. All Bonds issued under this Resolution shall be negotiable, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds.

Section 8. Registration Books and Registration Agent. (a) The Municipality hereby appoints Regions Bank as registration agent and paying agent (the "Registration Agent") with respect to the Bonds and authorizes the Registration Agent so long as any of the Bonds shall remain Outstanding, to maintain at the principal corporate trust office of the Registration Agent, books for the registration and transfer of the Bonds on behalf of the Municipality. The Registration Agent shall register in such books and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Bond entitled to registration or transfer and to authenticate and deliver the Bonds either at original issuance, upon transfer, or as otherwise directed by the Municipality. The Registration Agent is authorized to make all payments of principal, interest, and redemption premium, if any, with respect to the Bonds.

(b) The Registration Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by a written instrument of acceptance executed and delivered to the Recorder prior to or on the Closing Date.

Section 9. Exchange of Bonds. Bonds upon surrender thereof at the principal corporate trust office of the Registration Agent, together with an assignment of such Bonds duly executed by the Owner thereof, or his, her, or its attorney or legal representative, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this Resolution, and bearing interest at the same rate as the Bonds surrendered for exchange.

Section 10. Transfer of Bonds. (a) Each Bond shall be transferable only on the registration books maintained by the Registration Agent at the principal corporate trust office of the Registration Agent, upon the surrender for cancellation thereof at the principal corporate trust office of the Registration Agent, together with an assignment of such Bond duly executed by the Owner thereof or his, her, or its attorney or legal representative, and upon payment of the charges hereinafter provided, and subject to such other limitations and conditions as may be provided therein or herein. Upon the cancellation of any such Bond, the Registration Agent shall, in exchange for the surrendered Bond or Bonds, deliver in the name of the transferee or transferees a new Bond or Bonds of authorized denominations, of the same aggregate principal amount and maturity and rate of interest as such surrendered Bond or Bonds, and the transferee or transferees shall take such new Bond or Bonds subject to all of the conditions herein contained.

(b) The Municipality and the Registration Agent may deem and treat the Person in whose name any Bond shall be registered upon the registration books maintained by the Registration Agent as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal or redemption price of, and the interest on, such Bond and for all other purposes. All such payments so made to the registered Owner thereof shall be valid and effectual to satisfy and discharge the liability of the Municipality or the Registration Agent upon such Bond to the extent of the sum or sums so paid. Neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary.

Section 11. Regulations with Respect to Exchanges and Transfers. (a) In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Municipality shall execute, and the Registration Agent shall deliver, Bonds in accordance with the provisions of this Resolution. For every exchange or transfer of Bonds, whether temporary or definitive, the Municipality and the Registration Agent may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer.

(b) Neither the Municipality nor the Registration Agent shall be obligated to exchange or transfer any Bond during the fifteen (15) calendar days next preceding an Interest Payment Date or the first mailing of any notice of redemption or with respect to any Bond, after such Bond has been called for redemption.

Section 12. Mutilated, Lost, Stolen, or Destroyed Bonds. (a) In the event any Bond is mutilated, lost, stolen, or destroyed, the Municipality may execute, and upon the request of an Authorized Representative of the Municipality and the Registration Agent shall deliver, a new Bond of like maturity, interest rate, and principal amount, and bearing the same number (but with appropriate designation indicating that such new Bond is a replacement Bond) as the mutilated, destroyed, lost, or stolen Bond, in exchange for the mutilated Bond or in substitution for the Bond so destroyed, lost, or stolen. In every case of exchange or substitution, the Bondholder shall furnish to the Municipality and the Registration Agent: (1) such security or indemnity as may be required by an Authorized Representative of the Municipality to save the Municipality and the Registration Agent harmless from all risks, however remote; and, (2) evidence to their satisfaction of the mutilation, destruction, loss, or theft of the subject Bond and the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, an Authorized Representative of the Municipality and the Registration Agent may require the Owner thereof to pay a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including printing costs and counsel fees, of the Municipality and the Registration Agent. In the event any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen, an Authorized Representative of the Municipality may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the Owner thereof shall pay all costs and expenses, including attorneys fees, incurred by the Municipality and the Registration Agent in connection therewith, as well as a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and shall furnish to the Municipality and the Registration Agent such security or indemnity as an

Authorized Representative of the Municipality and the Registration Agent may require to save the Municipality and the Registration Agent harmless and evidence to the satisfaction of an Authorized Representative of the Municipality and the Registration Agent, of the mutilation, destruction, loss, or theft of such Bond and of the ownership thereof.

(b) Every Bond issued pursuant to the provisions of this Section shall constitute an additional contractual obligation of the Municipality (whether or not the destroyed, lost, or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

(c) All Bonds shall be held and owned upon the express condition that the provisions of this Section are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and, to the maximum extent legally permissible, shall preclude all other rights or remedies, notwithstanding any law or statute now existing or hereafter enacted to the contrary.

Section 13. Authentication. Only such of the Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit "A" hereto duly executed by the Registration Agent shall be entitled to the rights, benefits, and security of this Resolution. No Bond shall be valid or obligatory for any purpose unless, and until, such certificate of authentication shall have been duly executed by the Registration Agent. Such executed certificate of authentication by the Registration Agent upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution as of the date of authentication. The certificate of authentication of the Registration Agent on any Bond shall be deemed to have been duly executed if manually signed by an authorized officer of the Registration Agent, but it shall not be necessary that the same officer sign and date the certificate of authentication on all Bonds that may be issued hereunder.

Section 14. Permitted Acts and Functions of Registration Agent. The Registration Agent may become the Owner of any Bonds, with the same rights as it would have if it were not a Registration Agent.

Section 15. Resignation or Removal of the Registration Agent and Appointment of Successors. (a) The Registration Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) calendar days' written notice to the Recorder; provided, however, until a successor Registration Agent is appointed the Registration Agent shall continue to carry out the duties and obligations of the Registration Agent created by this Resolution. The Registration Agent may be removed at any time by resolution of the Municipality filed with such Registration Agent. Any successor Registration Agent shall be appointed by resolution of the Municipality and shall be a trust company or a bank having the powers of a trust company, having, at the time of such appointment, a combined capital, surplus, and undivided profits aggregating at least Fifty Million Dollars (\$50,000,000), and be willing and able to accept the office of Registration Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

(b) In the event of the resignation or removal of the Registration Agent, such Registration Agent shall pay over, assign, and deliver any monies held by it as Registration Agent, and all books and records held by it as Registration Agent, to its successor, or if there be no successor then appointed, to the Recorder until such successor be appointed.

Section 16. Merger or Consolidation of Registration Agent. Any corporation or association into which the Registration Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole, or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party shall be and become successor Registration Agent hereunder and shall be vested with all the trusts, powers, discretion, immunities, privileges, and other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein contained to the contrary notwithstanding.

Section 17. Source of Payment and Security. The Bonds, including the principal thereof, the premium, if any, and the interest thereon, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. Said Bonds shall be a direct general obligation of the Municipality, for which the punctual payment of the principal of, premium, if any, and interest on the Bonds the full faith and credit of the Municipality is hereby irrevocably pledged. The Bonds shall also be payable from and be secured by a pledge of the revenues to be derived from the one-quarter percent (0.25%) local option sales tax levied by the Municipality within the corporate limits of the Municipality within Sullivan County, Tennessee.

Section 18. Levy of Taxes. For the purpose of providing for the payment of the principal of, premium, if any, and interest on, the Bonds, to the extent necessary, there shall be levied in each year in which such Bonds shall be outstanding a direct tax on all taxable property in the Municipality, fully sufficient, to pay all such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected, and paid at the time, and in the same manner, as the other taxes of said Municipality, shall be in addition to all other taxes, and shall be without limitation as to time, rate, or amount. The Board of the Municipality is required by law and shall and does hereby pledge to levy such tax. Principal, premium, if any, and interest, or any of the foregoing, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from the General Fund or other available funds of the Municipality, but reimbursement therefor may be made from the taxes herein provided when the same shall have been collected. Such taxes levied and collected therefor shall be deposited in General Fund of the Municipality, and used for the payment of principal and interest on the Bonds as the same shall become due. There is also hereby pledged for such payments on the Bonds the revenues to be derived from the one-quarter percent (0.25%) local option sales tax levied by the Municipality within the corporate limits of the Municipality within Sullivan County, Tennessee.

Section 19. Sale of Bonds. (a) The Bonds shall be sold at public sale (the "Public Sale") in the manner provided by law, in one or more series, at a price of not less than ninety-

nine and one-fourth percent (99.25%) of par, as a whole or in part from time to time as shall be determined by the Mayor, in consultation with Morgan Keegan & Company, Inc. Nashville, Tennessee, the Municipality's financial advisor (the "Financial Advisor"). The Bonds, or any series thereof, shall be sold at public sale by physical delivery of bids or by electronic bidding by means of an internet bidding service as shall be determined by the Mayor, in consultation with the Financial Advisor.

(b) If the Bonds are sold in more than one series, the Mayor is authorized to cause to be sold in each series an aggregate principal amount of Bonds less than that shown authorized in Section 3 hereof for each series, and to make corresponding adjustments to the maturity dates of each series designated in Section 5 hereof; provided, however, that the total aggregate principal amount of all series issued does not exceed the total aggregate amount of Bonds authorized to be issued hereunder.

(c) The Mayor is further authorized:

(1) to change the dated date of the Bonds or any series thereof;

(2) to specify the series designation of the Bonds, or any series thereof, to a designation;

(3) to change the first interest payment date on the Bonds, or any series thereof, to a date other than September 1, 2010, provided that such date is not later than twelve months from the dated date of such series of Bonds;

(4) to adjust the principal and interest payment dates and determined maturity or mandatory redemption amounts of the Bonds, or any series thereof, provided that (i) the total principal amount of all series of Bonds does not exceed the total amount of Bonds authorized herein, (ii) the first maturity date of the Bonds, or any series thereof, is a date not earlier than March 1, 2012, and (iii) the final maturity date of each series of Bonds shall not exceed twenty (20) fiscal years from the dated date of its series;

(5) to change the optional redemption provisions of the Bonds, provided that the premium amount to be paid on Bonds, or any series thereof, does not exceed two percent (2%) of the principal amount thereof;

(6) to sell the Bonds, or any series thereof, or any maturities thereof, as term bonds with mandatory redemption requirements as determined by the Mayor, as the Mayor shall deem most advantageous to the Municipality; and,

(7) to cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company to achieve the purposes set forth herein and to serve the best interests of the Municipality and to enter into agreements with such insurance company with respect to any series of Bonds to the extent not inconsistent with this Resolution.

(d) The Mayor of the Municipality is authorized to sell the Bonds, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Board. The Mayor is further authorized to sell the Bonds, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Board, in one or more series, as the Mayor shall deem to be advantageous to the Municipality, and in doing so, the Mayor is authorized to change the designation of the Bonds to a designation other than "General Obligation Bonds"; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this Resolution or bonds authorized by other resolution or resolutions adopted by the Board.

(e) The Mayor is authorized to award the Bonds, or any series thereof, in each case to the bidder whose bid results in the lowest true interest cost to the Municipality, provided the rate or rates on the Bonds does not exceed the maximum rate allowed by law. The award of the Bonds by the Mayor to the lowest bidder shall be binding on the Municipality, and no further action of the Board with respect thereto shall be required. The form of the Bond attached hereto as Exhibit A, shall be conformed to reflect any changes made pursuant to this Section.

(f) The Mayor and the Recorder are authorized to cause the Bonds to be authenticated and delivered to the successful bidder and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. Notice of such Public Sale shall be given in accordance with the provisions of the Act. The Mayor and Recorder are hereby authorized to enter into a contract with the Financial Advisor, for financial advisory services in connection with the sale of the Bonds.

Section 20. Approval of Preliminary Official Statement and Official Statement. (a) The Mayor, the Recorder, and the City Manager, or any of them, working with the Financial Advisor, are hereby authorized to cause the preparation and distribution, which may include electronic distribution, of a Preliminary Official Statement in connection with the sale of the Bonds in such form and containing such information as the Mayor shall determine appropriate and consistent with the terms of this Resolution and to deem the Preliminary Official Statement final for the purpose of Securities and Exchange Commission Rule 15c(2)(12).

(b) The Board hereby authorizes an Official Statement of the Municipality substantially in the form of the Preliminary Official Statement relating to the Bonds, with such modifications thereto as the Mayor and the Recorder approve. The Mayor and Recorder are hereby authorized and directed to execute copies of said Official Statement and to deliver said Official Statement to the purchaser of such Bonds, which execution and delivery shall be conclusive evidence of the approval of any such modifications; and the Board hereby consents to the lawful use of said Official Statement and the information contained therein in connection with the public offering and sale of the Bonds by the initial purchaser of such Bonds. The Mayor and the Recorder are authorized to deem the Official Statement final for the purpose of Securities and Exchange Commission Rule 15(c)(2)(12).

(c) The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the Municipality except for the omission in the Preliminary Official Statement of pricing and other information.

Section 21. Disposition of Bond Proceeds and Other Funds. The proceeds of the sale of the Bonds and certain other funds shall be used and applied as follows:

(a) Accrued interest, if any, shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof and used to pay interest on the Bonds on the first Interest Payment Date following delivery of the Bonds.

(b) The proceeds from the sale of the Bonds (including premium, if any, received) shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof to be deposited in a special fund, which is hereby authorized to be created, to be known as the "General Obligation Bonds, Series 2009E, Project Fund," or such other series designation as shall be determined by the Mayor (the "Project Fund"), to be kept separate and apart from all other funds of the Municipality. The funds in the Project Fund shall be disbursed solely to pay the costs of the Project, to reimburse the Municipality, to pay capitalized interest, and to pay costs incurred in connection with the issuance of the Bonds, including necessary legal, accounting, engineering, and fiscal expenses, printing, advertising, and similar expenses, administrative and clerical costs, Registration Agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Bonds and the financing of the Project. Monies in the Project Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any. Monies in the Project Fund shall be expended only for the purposes authorized by this Resolution. Monies if any, remaining in the Project Fund upon completion of the purposes authorized by this Resolution shall be transferred to the Bond Fund and used to pay principal of and interest on the Bonds. Monies in the Project Fund may be invested as directed by an Authorized Representative of the Municipality in any investment authorized for municipal funds under the applicable laws of the State of Tennessee. All income derived from such investments shall be deposited in the Bond Fund and used to pay principal and interest on the Bonds, unless, by resolution, the Municipality directs retention of such earning in the Project Fund to pay the costs of the Project.

(c) Any amounts remaining from the principal proceeds of the sale of the Bonds shall be used for the purpose of paying the costs incurred in connection with the issuance of the Bonds.

Section 22. Reimbursement Provisions. The Municipality is in the process of causing certain capital expenditures to be made with respect to the Project, including, but not necessarily limited to, planning, design, and architectural expenses, and the Municipality desires to establish its official intent that certain of the expenditures related to the Project and certain other related

expenditures be reimbursed from the proceeds of the Bonds. Therefore, the Board of the Municipality finds and determines, as follows:

- (a) that it is in the best interest of the Municipality to proceed immediately with the Project, thereby incurring certain capital expenditures;
- (b) that the Municipality has certain funds available which may be used temporarily for this purpose, pending the issuance of the Bonds;
- (c) that pursuant to the provisions of this Resolution, the Board anticipates that the Municipality will issue the Bonds for the purpose of financing the Project;
- (d) that the Board reasonably expects to reimburse such amounts to such fund or source from which such expenditures may be made on a temporary basis as soon as proceeds from the issuance of such Bonds are available; and,
- (e) that this declaration of official intent is consistent with the budgetary and financial circumstances of the Municipality.

The Board of the Municipality by this Resolution hereby establishes its official intent to issue the Bonds to finance the costs of the Project and other related expenditures in an amount not to exceed \$15,000,000. Pending the issuance of such Bonds, funds necessary to finance such costs shall be advanced from such source of funds on hand and available for such purpose, and any amounts so advanced shall be reimbursed from the proceeds of the Bonds.

Section 23. Non-Arbitrage Certification. The Municipality certifies and covenants with the Owners of any series of tax-exempt Bonds issued hereunder that so long as the principal of any Bond remains unpaid, monies on deposit in any fund or account in connection with the Bonds, whether or not from any other source, will not be used in a manner which will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code. The Municipality reserves the right, however, to make any investment of such monies permitted by Tennessee law and this Resolution if, when and to the extent that said Section 148 or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

The Municipality covenants that it shall comply with Section 148(f) of the Code, unless legally exempted therefrom, and the Municipality represents that in the event it shall be required by Section 148(f) of the Code to pay “Rebatable Arbitrage,” as such term is defined and used in the Code, pursuant to the Code, to the United States Government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bonds from becoming subject to inclusion in the gross income of the Owners of the Bonds for purposes of federal income taxation.

Section 24. Continuing Disclosure. The Municipality hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the Municipality to comply with the Continuing Disclosure Certificate shall not be considered an event of default; however, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Municipality to comply with its obligations under this Section. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the Owner of any Bonds for federal income tax purposes.

Section 25. Amendments. After the issuance of the Bonds, no change, variation, or alteration of any kind in the provisions of this Resolution shall be made in any manner, until such time as all of the principal of and interest on the Bonds shall have been paid in full unless the consent of all of the Owners of all the Outstanding Bonds have been obtained; provided, however, that the Municipality is hereby authorized to make such amendments to this Resolution as will not impair the rights of the Bondholders. The laws of the State of Tennessee shall govern this Resolution.

Section 26. No Action to be Taken Affecting Validity of the Bonds. The Board hereby covenants and agrees that it will not take any action, that would in any manner affect the validity of the Bonds or limit the rights and remedies of the Owners from time to time of such Bonds or affect the exclusion of interest thereon from the gross income of the owners thereof for purposes of federal income taxation.

Section 27. Discharge and Satisfaction of Bonds. If the Municipality shall pay and discharge the entire indebtedness evidenced by any of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of, premium, if any, and interest on, the Bonds, as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or bank whose deposits are insured by the Federal Deposit Insurance Corporation and which has trust powers ("a Trustee"; which Trustee may be the Registration Agent), in trust, at or before the date of maturity or redemption, sufficient monies or Government Obligations, the principal of and interest on which, when due and payable, will provide sufficient monies to pay or redeem the Bonds Outstanding hereunder and to pay premium, if any, and interest thereon when due until the maturity or redemption date; provided, if such Bonds are to be redeemed prior to the maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice; or,

(c) By delivering such Bonds to the Registration Agent, for cancellation by such Registration Agent.

If the Municipality shall also pay or cause to be paid all other sums payable hereunder by the Municipality with respect to such Bonds, or make adequate provision therefor, and by resolution of the Board instruct any such Trustee to pay amounts when and as required to the Registration Agent for the payment of principal of, premium, if any, and interest on, such Bonds when due, then and in that case indebtedness evidenced by such Bonds shall be discharged and satisfied, and all covenants, agreements, and obligations of the Municipality to the owners of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate, and become void.

If the Municipality shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the Owners thereof shall thereafter be entitled only to payment out of the monies or Government Obligations deposited as aforesaid.

Except as otherwise provided in this Section neither Government Obligations nor monies deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium, if any, and interest on, said Bonds; provided that any cash received from such principal or interest payments on such Government Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Municipality as received by the Registration Agent, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the principal of, premium, if any, and interest, to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Municipality, as received by the Registration Agent.

Nothing contained in this Section shall be construed to alter or change the redemption provisions set forth herein. No redemption privilege shall be exercised with respect to the Bonds except at the option and election of the Municipality. The optional right of redemption shall not be exercised by the Registration Agent unless expressly so directed by an Authorized Representative of the Municipality.

Section 28. Miscellaneous Acts. The Mayor, the Recorder, the Treasurer, the City Manager, and the City Attorney, and all other appropriate officials of the Municipality are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, specifically including but not limited to, entering into an agreement with the Financial Advisor to provide financial advisory services for the Municipality and services related to the issuance, sale, and delivery of the bonds, and making arbitrage certifications, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery of the Bonds. The Municipality hereby appoints and authorizes the Mayor or the City

Manager to conduct a public hearing in accordance with and pursuant to terms and provisions of Section 147(f) of the Code in connection with the issuance of the Bonds.

Section 29. Failure to Present Bonds. (a) In the event any Bond shall not be presented for payment when the principal becomes due at maturity and in the event monies sufficient to pay such Bond shall be held by the Registration Agent for the benefit of the Owner thereof, all liability of the Municipality to such Owner for the payment of such Bond shall forthwith cease, terminate, and be completely discharged. Thereupon, the Registration Agent shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under the Resolution or on, or with respect to, said Bond.

(b) If any Bond shall not be presented for payment within a period of five years following the date when such Bond becomes due, whether by maturity or otherwise, the Registration Agent shall, subject to the provisions of any applicable escheat or other similar law, pay to the Treasurer or the official of the Municipality designated by law as the custodian of such funds, any monies then held by the Registration Agent for the payment of such Bond and such Bond shall (subject to the defense of any applicable statute of limitation) thereafter constitute an unsecured obligation of the Municipality.

Section 30. Payments Due on Saturdays, Sundays, and Holidays. In any case where the date of maturity or interest on or principal of any Bond shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions similar to the Registration Agent are authorized by law to close, then the payment of the interest on, or the principal of such Bonds need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions similar to the Registration Agent are authorized by law to close, with the same force and effect as if made on the date of maturity and no interest shall accrue for the period after such date.

Section 31. No Recourse Under Resolution or on Bonds. All stipulations, promises, agreements, and obligations of the Municipality contained in the Initial Resolution or this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the Municipality and not of any officer, director, or employee of the Municipality in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on the Initial Resolution or this Resolution against any officer, director, or employee of the Municipality or against any official or individual executing the Bonds.

Section 32. Partial Invalidity. If any one or more of the provisions of this Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but this Resolution, and the exhibits and attachments thereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

Section 33. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or enforceability of such section, paragraph, or provision shall not affect any of the remaining provisions hereof.

Section 34. Repeal of Conflicting Resolutions and Effective Date. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption, the welfare of the Municipality requiring it.

Section 35. Aggregate Issuance. Notwithstanding the foregoing, in no event shall the total principal amount of Bonds issued hereunder, together with those certain General Obligation Public Improvement Bonds, Series 2009D, exceed \$41,835,000 principal amount in the aggregate.

Approved and adopted this 20<sup>th</sup> day of October, 2009.

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MAYOR

ATTEST:

APPROVED AS TO FORM:

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RECORDER

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CITY ATTORNEY

STATE OF TENNESSEE  
COUNTIES OF SULLIVAN AND HAWKINS

I, James H. Demming, hereby certify that I am the duly qualified and acting Recorder of the City of Kingsport, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the Board of Mayor and Aldermen (the "Board") of said Municipality held on October 20, 2009; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates, to, among other matters, the authorization, issuance, and sale of not to exceed \$15,000,000 General Obligation Bonds of said Municipality; (4) that the actions by said Board including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purposes; and, (5) that a quorum of the members of said Board was present and acting throughout said meeting.

WITNESS my official signature and the seal of said Municipality this 20<sup>th</sup> day of October, 2009.

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RECORDER

(SEAL)

EXHIBIT "A"  
FORM OF BOND

Registered  
No. \_\_\_\_\_

Registered  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TENNESSEE  
COUNTIES OF SULLIVAN AND HAWKINS  
CITY OF KINGSPORT  
GENERAL OBLIGATION BOND,  
SERIES 2009E

Interest Rate:

Maturity Date:

Dated Date:

CUSIP:

Registered Owner: CEDE & CO.

Principal Amount:

THE CITY OF KINGSPORT, TENNESSEE (the "Municipality"), a lawfully organized and existing municipal corporation located in Sullivan and Hawkins Counties, Tennessee, for value received, hereby acknowledges itself indebted and promises to pay, as hereinafter provided, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, unless this bond shall have been duly called for prior redemption and payment of the redemption price shall have been made or provided for, upon the presentation and surrender hereof at the principal corporate trust office of Regions Bank, or its successor as paying agent and registration agent (the "Registration Agent"), the Principal Amount identified above, in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay interest on said Principal Amount from the date hereof, or such later date as to which interest has been paid, semiannually on \_\_\_\_ 1 and \_\_\_\_\_ 1 of each year (the "Interest Payment Date"), commencing \_\_\_\_\_, \_\_\_\_\_, to said Registered Owner hereof by check or other form of draft of the Registration Agent mailed to the Registered Owner at the address shown on the registration books of the Municipality, maintained by the Registration Agent, as of the close of business on the fifteenth (15th) calendar day of the month next preceding an Interest Payment Date (the "Regular Record Date"), in like coin or currency at the Interest Rate per annum set forth above until payment of said Principal Amount. Provided, however, that should the Municipality default in the payment of interest on such Interest Payment Date, such defaulted interest (the "Defaulted Interest") shall be payable to the person in whose name this bond is registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest established by notice mailed by the Registration Agent on behalf of the Municipality not less than ten (10) calendar days preceding such Special Record Date by first class mail, postage prepaid, to the Registered Owner hereof at the address thereof as it appears on the registration books of the Municipality maintained by the Registration Agent as of the date of such notice, which notice shall identify the proposed payment of such Defaulted Interest and the Special Record Date therefor.

In the event that any amount payable hereunder as interest shall at any time exceed the rate of interest lawfully chargeable on this bond under applicable law, any such excess shall, to the

extent of such excess, be applied against the principal hereof as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

The principal hereof and all installments of interest hereon, shall bear interest from and after their respective due dates at the same rate of interest payable on the principal hereof.

This bond is authorized and issued pursuant to and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended. Section 9-21-117, Tennessee Code Annotated, as amended, provides that this bond and the income therefrom shall be exempt from all state, county, and municipal taxation in the State of Tennessee, except inheritance, transfer and estate taxes, and except as otherwise provided in said Code.

This bond is one of a series of bonds known as "General Obligation Bonds, Series 2009E" (the "Bonds"), issued by the Municipality in the aggregate principal amount of \$15,000,000. The Bonds, which are issued for the purpose of financing certain public works projects, consisting of the acquisition of public art; the acquisition, construction, renovation, improvement and equipping of a municipal recreational center and related facilities, including a public swimming pool; the acquisition of all property real and personal, appurtenant thereto or connected with such work, to pay legal, fiscal, administrative, and engineering costs, to reimburse the Municipality for the costs of any of the above projects, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds, are authorized by appropriate resolutions of the Board of Mayor and Aldermen and particularly that certain Resolution of the Board of Mayor and Aldermen, adopted on October 20, 2009, entitled "Resolution Authorizing the Execution, Terms, Issuance, Sale, and Payment of Not to Exceed \$15,000,000 General Obligation Bonds, in One or More Series, of the City of Kingsport, Tennessee, and Providing the Details Thereof", as such resolution may be from time to time amended or supplemented in accordance with its terms (such resolution as so amended or supplemented, being herein called the "Resolution"), and is issued pursuant to, and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"). Copies of said Resolution are on file at the office of the Recorder of the Municipality, and reference is hereby made to said Resolution and the Act, for a more complete statement of the terms and conditions upon which the Bonds are issued thereunder, the rights, duties, immunities, and obligations of the Municipality, and the rights of the Registered Owner hereof.

This bond is payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. For the prompt payment of this bond, both principal, premium, if any, and interest, as the same shall become due, the full faith, and credit of the Municipality is hereby irrevocably pledged. This bond is also payable from revenues derived from the one-quarter percent (0.25%) local option sales tax levied by the Municipality within the corporate limits of the Municipality within Sullivan County, Tennessee.

The Municipality and the Registration Agent may deem and treat the person or entity in whose name this bond is registered as the absolute owner hereof, whether such bond shall be overdue or not, for the purpose of receiving payment of the principal of, premium, if any, and

interest on, this bond and for all other purposes. All such payments so made shall be valid and effectual to satisfy and discharge the liability upon this bond to the extent of the sum or sums so paid, and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary.

The Bonds are issuable only as fully registered Bonds, without coupons, in the denomination of \$5,000, or any authorized integral multiple thereof. At the principal corporate trust office of the Registration Agent, in the manner and subject to the limitations, conditions, and charges provided in the Bond Resolution, Bonds may be exchanged for an equal aggregate principal amount of fully registered Bonds of the same maturity, of authorized denominations, and bearing interest at the same rate.

The Bonds will be made eligible for processing by DTC. The Bonds in the form of one global bond for each maturity need not be lithographed or printed on steel engraved or printed borders. Except as otherwise provided in this paragraph, the Bonds shall be registered in the name of Cede & Co. as nominee of DTC. The Municipality may discontinue use of DTC as depository for the Bonds at any time upon determination by the Municipality that the use of DTC is no longer in the best interest of the beneficial owners of the Bonds. Registered ownership of the Bonds may be transferred on the registration books maintained by the Registration Agent and the Bonds may be delivered in physical form to the following:

- (i) any successor of DTC or its nominee;
- (ii) any substitute depository upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Municipality that DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; or,
- (iii) any Person, as defined in the Resolution, upon (a) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (b) termination by the Municipality of the use of DTC (or substitute depository or its successor).

Subject to the provisions for registration and transfer contained herein and in the Resolution, this bond shall be transferable by the Registered Owner at the principal office of the Registration Agent upon surrender and cancellation of this bond, and thereupon a new Bond of the same series, principal amount, interest and maturity will be issued to the transferee as provided in the Resolution and upon payment of the transfer charges therein prescribed. Upon any such transfer, the Municipality shall execute and the Registration Agent shall authenticate and deliver in exchange for this bond a new fully registered bond or bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same maturity and bearing interest at the same rate. For every exchange or transfer of bonds, whether temporary or definitive, the Municipality and the Registration Agent may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, or other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Municipality and the Registration Agent, and any other person, may treat

the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment hereof, and for all other purposes, and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

The Bonds maturing \_\_\_\_\_, \_\_\_\_\_, through \_\_\_\_\_, \_\_\_\_\_, are not subject to redemption prior to maturity. The Bonds maturing on and after \_\_\_\_\_, \_\_\_\_\_, are subject to redemption prior to maturity on \_\_\_\_\_, \_\_\_\_\_, and at any time thereafter, at the option of the Municipality, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to be selected by lot by the Registration Agent), at the price of par plus accrued interest to the date fixed for redemption.

Notice of intended redemption shall be given by the Registration Agent on behalf of the Municipality to the Registered Owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration books kept by the Registration Agent. Notice of intended redemption shall be given not less than thirty (30) calendar days, nor more than sixty (60) calendar days prior to the date fixed for redemption.

This bond shall have all the qualities and incidents of, and shall be a negotiable instrument under, the Uniform Commercial Code of the State of Tennessee, subject only to provisions respecting registration of such bond. This bond is issued with the intent that the laws of the State of Tennessee shall govern its construction.

It is hereby certified, recited, and declared that all acts and conditions required to be done and to exist precedent to, and in the issuance of, this bond in order to make this bond a legal, valid, and binding obligation of the Municipality, have been done, and did exist in due time and form as required by the Constitution and statutes of the State of Tennessee, and that this bond and the issue of which it is a part, together with all other indebtedness of such Municipality, does not exceed any limitation prescribed by the Constitution or statutes of the State of Tennessee.

IN WITNESS WHEREOF, THE CITY OF KINGSPORT, TENNESSEE, by its Board of Mayor and Aldermen has caused this bond to be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Recorder, to have its official seal, or a facsimile thereof, to be impressed or imprinted hereon, and to be approved as to form by the manual or facsimile signature of the City Attorney, all as of \_\_\_\_\_.

\_\_\_\_\_  
MAYOR

(SEAL)

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
RECORDER

\_\_\_\_\_  
CITY ATTORNEY

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds described in the provisions of the within mentioned Resolution and is one of the General Obligation Bonds, Series 2009E of the City of Kingsport, Tennessee.

REGIONS BANK,  
as Registration Agent

By: \_\_\_\_\_  
Authorized Officer

**FORM OF ASSIGNMENT**

For value received, the undersigned do(es) hereby sell, assign and transfer unto

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(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Bond and do(es) hereby irrevocably constitute and appoint, attorney, to transfer the same on the registration books of the Registration Agent, with full power of substitution in the premises.

Dated: \_\_\_\_\_

**SIGNATURE GUARANTEED:**

**SIGNATURE:**

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.



**SUPPLEMENTAL INFORMATION** Action Form 339-2009

Executive Summary *continued*:

**SUBJECT: Consideration of an Initial and Detailed Bond Resolution Authorizing the Issuance of General Obligation Public Improvement Bonds in an Amount not to Exceed \$41,835,000.**

The majority of these projects are included in the approved FY2010 Capital Improvement Program (CIP). Additional items proposed to be funded in this bond issue include, \$1,716,000 to fund certain energy efficiency related improvements for various City facilities that were addressed at a recent BMA work session, \$300,000 to provide funding for certain land acquisitions for expansion of the City's landfill, additional funding for the previously approved Convention Center expansion project (\$1,000,000), \$100,000 for downtown parking improvements, and \$2,550,000 has been included to address certain School System improvements (see Attachment II). The total amount of these projects to be included in this proposed bond issue is \$41,116,000.

It is anticipated that the City will be issuing a new type of bond that was recently authorized under the federal government's Stimulus Program. These bonds are called Build America Bonds (BABs). These bonds are essentially taxable bonds where the federal government subsidizes 35% of the issuer's interest cost. Under recent market conditions, the net interest cost of the BABs has been significantly lower than the regular tax exempt rates. The proceeds from these BABs can generally be used for any purpose allowable under regular governmental purpose debt regulations. One of the uses that are not permitted relates to private use issues.

Because of the proposed relationship with the YMCA (a non-profit entity), as their proposed facility is being located on the same site and connected with the Aquatic Center, our bond counsel has advised that a portion of the bonds needed to fund this project will be issued as private activity bonds in accordance with IRS regulations. At this time, the appropriate amount of the total funding to be provided through these private activity bonds has not been finalized. Therefore, the resolutions recommended for adoption in this action form have been drafted to authorize funding for the full project cost. The actual amount of BABs that will be ultimately issued will be limited to only those project costs that are able to be funded through these bonds.

It is recommended that the BMA adopt this initial bond resolution and detailed bond resolution that authorize the issuance of these General Obligation Public Improvement Bonds in an amount not to exceed \$41,835,000. The proposed amount of the bond issue includes estimated costs associated with issuing the bonds.

RESOLUTION NO. \_\_\_\_\_

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$41,835,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS OF THE CITY OF KINGSPORT, TENNESSEE, TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

WHEREAS, it is necessary and in the public interest of the City of Kingsport, Tennessee (the "Municipality"), to issue its General Obligation Public Improvement Bonds (the "Bonds"), for the purpose of financing certain public works projects, as hereinafter specified.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF KINGSPORT, TENNESSEE:

SECTION 1. That for the purpose of financing a portion of the costs of certain public works projects, consisting of the acquisition, construction, renovation, improvement and equipping of a municipal recreational center and related facilities, including a public swimming pool; the acquisition of public art; the acquisition, construction, improvement, and equipping of public parks and recreational facilities; the acquisition, construction and improvement to streets, roads, bridges, and walk/bike paths within the Municipality; the acquisition of land; the expansion of the demolition landfill; the improvement of the Municipality's stormwater system, including land acquisition; the improvement of public parking, including the downtown public parking garage; the acquisition, construction, improvement, and equipping of public buildings within the Municipality, including the library and the Justice Center; the improvement and equipping of the Municipality's telecommunication system; the improvement, renovation, and equipping of schools and related school facilities, including parking lots, buildings and security enhancements; the improvement and expansion of the wastewater system, including the acquisition of new lines, land and easements; the improvement, expansion, and replacement of water system facilities, including the acquisition of new lines; the improvement and expansion of the Meadowview Conference Center; the acquisition of all property real and personal, appurtenant thereto or connected with such work; and to pay legal, fiscal, administrative, and engineering costs, to reimburse the Municipality for the costs of the above project, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds, the issuance of the Bonds of the Municipality in the aggregate principal amount of not to exceed Forty-One Million Eight Hundred Thirty-Five Thousand Dollars (\$41,835,000) is hereby authorized. The Bonds shall be issued at a date, at a rate or rates of interest not to exceed the maximum rate allowed by law, and upon terms and conditions to be later determined.

SECTION 2. That the principal of, premium, if any, and interest on, the Bonds, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, and amount and for the punctual payment of said principal of, premium, if any, and interest on, the Bonds, the full faith and credit of the Municipality will be irrevocably pledged.

SECTION 3. That the Bonds described and authorized by this Resolution shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended (the “Act”).

SECTION 4. That after the adoption of this Resolution, the City Recorder is directed to cause this Resolution, with the notice prescribed by the Act, to be published in full once in a newspaper published and having general circulation in the Municipality.

SECTION 5. That this Resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

Adopted and approved this 20<sup>th</sup> day of October, 2009.

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MAYOR

ATTEST:

APPROVED AS TO FORM:

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CITY RECORDER

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CITY ATTORNEY

NOTICE

The foregoing Resolution has been adopted. Unless within twenty (20) days from the date of publication hereof a petition, signed by at least ten percent (10%) of the registered voters of the City of Kingsport, Tennessee, shall have been filed with the City Recorder protesting the issuance of the Bonds, such Bonds will be issued as proposed.

STATE OF TENNESSEE)  
COUNTIES OF HAWKINS AND)  
SULLIVAN)

I, James H. Demming, hereby certify that I am the duly qualified and acting City Recorder of the City of Kingsport, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of an Initial Resolution excerpted from the minutes of the meeting of the Board of Mayor and Aldermen of said Municipality held on October 20, 2009; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates to, among other matters, the authorization of the issuance of not to exceed \$41,835,000 General Obligation Public Improvement Bonds of said Municipality; (4) that the actions by the said Board of Mayor and Aldermen including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purpose; and, (5) that a quorum of the members of said Board of Mayor and Aldermen was present and acting throughout the meeting.

WITNESS my official signature and seal of said Municipality this 20<sup>th</sup> day of October, 2009.

(SEAL)

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CITY RECORDER

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$41,835,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, IN ONE OR MORE SERIES, OF THE CITY OF KINGSPORT, TENNESSEE, AND PROVIDING THE DETAILS THEREOF.

WHEREAS, on October 20, 2009, the Board of Mayor and Aldermen (the "Board") of the Municipality adopted an "Initial Resolution Authorizing the Issuance of Not to Exceed \$41,835,000 General Obligation Public Improvement Bonds of the City of Kingsport, Tennessee, to Provide Funding for Certain Public Works Projects and to Fund the Incidental and Necessary Expenses Related Thereto" (the "Initial Resolution"), authorizing and directing, among other things, the issuance by the Municipality of its General Obligation Public Improvement bonds for the purpose of financing a portion of the costs of certain public works projects, consisting of the acquisition, construction, renovation, improvement and equipping of a municipal recreational center and related facilities, including a public swimming pool; the acquisition of public art; the acquisition, construction, improvement, and equipping of public parks and recreational facilities; the acquisition, construction and improvement to streets, roads, bridges, and walk/bike paths within the Municipality; the acquisition of land; the expansion of the demolition landfill; the improvement of the Municipality's stormwater system, including land acquisition; the improvement of public parking, including the downtown public parking garage; the acquisition, construction, improvement, and equipping of public buildings within the Municipality, including the library and the Justice Center; the improvement and equipping of the Municipality's telecommunication system; the improvement, renovation, and equipping of schools and related school facilities, including parking lots, buildings and security enhancements; the improvement and expansion of the wastewater system, including the acquisition of new lines, land and easements; the improvement, expansion, and replacement of water system facilities, including the acquisition of new lines; the improvement and expansion of the Meadowview Conference Center; the acquisition of all property real and personal, appurtenant thereto or connected with such work (collectively, the "Project"); and to pay legal, fiscal, administrative, and engineering costs, to reimburse the Municipality for the costs of the above project, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds;

WHEREAS, the Recorder of the Municipality published a copy of the Initial Resolution and the Notice required by Section 9-21-206, Tennessee Code Annotated, as amended, in a newspaper of general circulation within the Municipality;

WHEREAS, the Municipality is authorized by Title 9, Chapter 21, Tennessee Code Annotated, as amended, to issue and sell bonds for the purpose of financing the Project;

WHEREAS, the Initial Resolution authorized payment of the principal of, interest on, and the premium, if any, of the bonds from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, or amount;

WHEREAS, the Board finds that it is necessary and desirable to issue not to exceed \$41,835,000 General Obligation Public Improvement Bonds, in one or more series, as either Federally Taxable Build America Bonds (as defined herein) or as Federally Tax-Exempt Bonds (as defined herein), as shall be determined by the Mayor in accordance with the provisions herein (the "Bonds"), for the purpose of financing the costs of the Project, reimbursing the Municipality, paying capitalized interest, and paying costs incident to the financing thereof;

WHEREAS, it is necessary to authorize an official statement in connection with the issuance of the Bonds; and,

WHEREAS, it is now, therefore, necessary and desirable to provide for the execution, terms, issuance, sale, and payment of the Bonds:

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

Section 1. Authority. The Bonds herein authorized shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. Without limiting any other definitions of terms and words in other sections of this Resolution, the following words and terms shall have the meanings indicated unless otherwise plainly apparent from the context:

"Act" shall mean Title 9, Chapter 21, Tennessee Code Annotated, as amended.

"Authorized Representative of the Municipality" means the then Mayor, the then Recorder, or the then Treasurer, of the Municipality, authorized by resolution or by law to act on behalf of and bind the Municipality.

"Board" means the Board of Mayor and Aldermen of the Municipality.

"Bond", means individually, and "Bonds" means collectively, the General Obligation Public Improvement Bonds of the Municipality, authorized to be issued by this Resolution of the Board.

"Bond Counsel" means an attorney or firm of attorneys recognized as having experience in matters relating to the issuance of municipal obligations.

"Bondholder", "Owner", or any similar term, when used with reference to the Bonds, means any Person who shall be the registered owner of any then Outstanding Bond or Bonds.

"City Attorney" means the duly appointed City Attorney of the Municipality, or his or her successors.

"Closing Date" means the date of sale, delivery, and payment of the Bonds.

“Code” means the United States Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of the Treasury promulgated thereunder, as in effect on the date of issuance of the Bonds, and as hereafter amended, supplemented, or revised insofar as such amendments, supplements, or revisions shall pertain to or effect the Bonds.

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed by the Municipality and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Direct Payment Credit” means any refundable direct payment credit received by the Municipality from the United States Treasury pursuant to Section 54AA and Section 6431 of the Code with respect to any series of Bonds qualifying as Federally Taxable Build America Bonds under Section 54AA(g) of the Code for which the Municipality makes an irrevocable election as set forth herein.

“DTC” means The Depository Trust Company, New York, New York.

“Federally Taxable Build America Bonds” means for purposes of this resolution, any series of Bonds, the interest on which is includable in gross income of the holders thereof for federal income tax purposes and that, when issued, are “qualified bonds” within the meaning of Section 54AA(g)(2) of the Code qualifying to receive Direct Payment Credits.

“Federally Tax-Exempt Bonds” means any series of Bonds, the interest on which is intended to be excludable from gross income of the holders thereof for federal income tax purposes.

“Government Obligations” means any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of Federal agencies to the extent unconditionally guaranteed by the United States of America, which Bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

“Interest Payment Date” means each date on which interest shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

“Mayor” means the duly elected, qualified, and acting Mayor of the Municipality, or his or her successors.

“Outstanding,” “Bonds Outstanding,” or “Outstanding Bonds” means, as of a particular date, all Bonds issued and delivered and authenticated under this Resolution except: (1) any Bond paid or redeemed or otherwise canceled by the Municipality at or before such date; (2) any Bond for the payment of which cash, equal to the principal amount thereof with interest to date of maturity, shall have theretofore been deposited prior to maturity by the Municipality for the

benefit of the Owner thereof; (3) any Bond in lieu of or in substitution for which another Bond shall have been delivered and authenticated pursuant to this Resolution, unless proof satisfactory to the Municipality is presented that any Bond, for which a Bond in lieu of or in substitution therefor shall have been delivered, is held by a bona fide purchaser, as that term is defined in Article 8 of the Uniform Commercial Code of the State, as amended, in which case both the Bond in lieu of or in substitution for which a new Bond has been delivered and such new Bond so delivered therefor shall be deemed Outstanding; and, (4) any Bond deemed paid under the provisions of this Resolution, except that any such Bond shall be considered Outstanding until the maturity thereof only for the purposes of being exchanged, transferred, or registered.

“Person” means an individual, partnership, corporation, trust, or unincorporated organization, or a governmental entity or agency or political subdivision thereof.

“Principal Payment Date” means each date on which principal shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

“Recorder” means the duly appointed, qualified, and acting Recorder of the Municipality, or his or her successors.

“Registration Agent” means Regions Bank, or its successor, or successors hereafter appointed in the manner provided in this Resolution.

“Resolution” means this Resolution, as supplemented and amended.

“State” means the State of Tennessee.

“Treasurer” means the duly appointed, qualified, and acting Treasurer of the Municipality, or his or her successors.

Section 3. Authorization. For the purpose of providing funds to finance the Project, to reimburse the Municipality, to pay capitalized interest, to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the financing thereof, there is hereby authorized to be issued general obligation public improvement bonds of the Municipality, in one or more series, in the aggregate principal amount of not to exceed Forty-One Million Eight Hundred Thirty-Five Thousand Dollars (\$41,835,000), or such lesser aggregate amount as may be determined by the Authorized Representatives of the Municipality executing the Bonds. No Bonds may be issued under the provisions of this Resolution except in accordance herewith.

Section 4. Form of Bonds; Execution. (a) The Bonds, or any series thereof, are issuable only as fully registered bonds, without coupons, in the denomination of \$5,000, or any integral multiple thereof. All Bonds issued under this Resolution shall be substantially in the form set forth in Exhibit “A” attached hereto, and by this reference incorporated herein as fully as though copied, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution, the blanks therein to be appropriately completed when the Bonds are prepared, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or

any usage or requirement of law with respect thereto or as otherwise desired by the Municipality. Each series of Bonds shall be numbered consecutively from one upwards.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name, and on behalf, of the Municipality with the manual or facsimile signature of the Mayor and attested with the manual or facsimile signature of the Recorder, and with the official seal, or a facsimile thereof, of the Municipality impressed or imprinted thereon, and shall be approved as to form by the manual or facsimile signature of the City Attorney. The Bonds shall not be valid for any purpose unless authenticated by the manual signature of an officer of the Registration Agent on the certificate set forth on the Bonds.

(c) In the event any officer whose manual or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such manual or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be manually signed by, such individuals who, at the actual time of the execution of such Bond, were the proper officers of the Municipality to sign such Bond, although on the respective dates of the adoption by the Municipality of this Resolution, such individuals may not have been such officers.

Section 5. Maturities, Interest Rates, Payment, and Certain Other Provisions of Bonds. (a) The Bonds shall be issued in one or more series, and subject to the adjustments permitted under Section 19 hereof shall be known as "General Obligation Public Improvement Bonds," shall be dated as of the date of issuance and delivery, and shall have such series designation or other dated date as shall be determined by the Mayor pursuant to Section 19 hereof. The Bonds shall be issued at a date, at a rate or rates of interest not to exceed the maximum rate allowed by law, and upon terms and conditions to be later determined. The Bonds shall bear interest from the date thereof at a rate or rates to be hereafter determined by the Municipality when said Bonds, or any series thereof, are sold, but not exceeding the maximum rate allowed by law, such interest being payable (subject to the adjustments permitted under Section 19 hereof) semi-annually on the first day of March and September of each year, commencing September 1, 2010. Subject to the adjustments permitted pursuant to Section 19 hereof, each series of Bonds shall be issued as either Federally Tax-Exempt Bonds or Federally Taxable Build America Bonds, and the Bonds shall mature serially or be subject to mandatory redemption and be payable on March 1 of each year, subject to prior optional redemption, as hereinafter provided, either serially or through mandatory redemption, in the years 2011 through 2030, inclusive.

In the event that any amount payable on any Bond as interest shall at any time exceed the rate of interest lawfully chargeable thereon under applicable law, then any such excess shall, to the extent of such excess, be applied against the principal of such Bond as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

The principal of, and the premium, if any, and all installments of interest on, any Bond shall bear interest from and after their respective due dates at a rate of interest equal to the rate of interest payable on the principal of such Bond.

(b) Interest on the Bonds shall be payable by check or other form of draft of the Registration Agent deposited by the Registration Agent in the United States mail, first class postage prepaid, in sealed envelopes, addressed to the Owners of such Bonds, as of the applicable Interest Payment Date, at their respective addresses as shown on the registration books of the Municipality maintained by the Registration Agent as of the close of business on the fifteenth (15th) calendar day of the month next preceding the applicable Interest Payment Date (the "Regular Record Date"). The principal or redemption price, if any, of all Bonds shall be payable upon presentation and surrender of such Bonds at the principal corporate trust office of the Registration Agent. All payments of the principal of, premium, if any, and interest on, the Bonds shall be made in any coin or currency of the United States of America which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

(c) Any interest on any Bond which is payable but is not punctually paid or duly provided for on any Interest Payment Date on which interest is due (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the Owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by check or other form of draft of the Registration Agent to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the Municipality shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Municipality shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangement satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) calendar days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall be not more than fifteen (15) nor less than ten (10) calendar days prior to the date of the proposed payment to the Owners. The Registration Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, not less than ten (10) calendar days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Owner at the address thereof as it appears in the registration books of the Municipality maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any Owner arising as a result of the failure of the Municipality to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on, the Bonds when due.

(d) The Bonds will be made eligible for processing by DTC. The Bonds in the form of one global Bond for each maturity need not be lithographed or printed on steel engraved or printed borders. Except as otherwise provided in this Section, the Bonds shall be registered in

the name of Cede & Co. as nominee of DTC. The Municipality may discontinue use of DTC as depository for the Bonds at any time upon determination by the Municipality that the use of DTC is no longer in the best interest of the beneficial owners of the Bonds. Registered ownership of the Bonds may be transferred on the registration books maintained by the Registration Agent and the Bonds may be delivered in physical form to the following:

(i) any successor of DTC or its nominee;

(ii) any substitute depository upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Municipality that DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; or,

(iii) any Person, upon (a) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (b) termination by the Municipality of the use of DTC (or substitute depository or its successor).

(e) The Registration Agent is hereby authorized to take such actions as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including, but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. The Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this subsection (e) of this Section 5.

Section 6. Redemption. (a) Subject to the adjustments permitted under Section 19 hereof, the Bonds maturing March 1, 2011, through March 1, 2020, are not subject to redemption prior to maturity. The Bonds maturing on and after March 1, 2021, are subject to redemption prior to maturity on March 1, 2020, and at any time thereafter, at the option of the Municipality, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to be selected by lot by the Registration Agent), at the price of par, plus accrued interest to the date fixed for redemption.

(b) Notice of intended redemption shall be given by the Registration Agent on behalf of the Municipality to the Owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration books kept by the Registration Agent. Notice of intended redemption shall be given not less than thirty (30) calendar days, nor more than sixty (60) calendar days prior to the date fixed for redemption. Each such notice of redemption shall state: (1) the redemption date; (2) the redemption price; (3) if less than all Outstanding Bonds are to be redeemed, the registered number and the CUSIP number printed on the Bonds (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (4) that on the redemption date, the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date provided sufficient funds are available on such redemption date to fully pay the redemption price of and the interest on the Bonds called for redemption; and, (5) the

place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Registration Agent. Neither failure to mail any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which notice was correctly given.

(c) If notice of redemption shall have been given in the manner and under the conditions provided herein and if on the date so designated for redemption the Registration Agent shall hold sufficient monies to pay the redemption price of, and interest to the redemption date on, the Bonds to be redeemed as provided in this Resolution, then: (1) the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date; (2) interest on the Bonds so called for redemption shall cease to accrue; and, (3) such Bonds shall no longer be Outstanding or secured by, or be entitled to, the benefits of this Resolution, except to receive payment of the redemption price thereof and interest thereon from monies then held by the Registration Agent.

(d) Prior to any redemption date, the Municipality shall deposit with the Registration Agent an amount of money sufficient to pay the redemption price of all of the Bonds or portions of Bonds which are to be redeemed on that date.

(e) If on the redemption date, monies for the redemption of all Bonds or portions thereof to be redeemed, together with interest thereon to the redemption date, shall not be held by the Registration Agent so as to be available therefor on such date, the Bonds or portions thereof so called for redemption shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and shall continue to be secured by and be entitled to the benefits of this Resolution.

(f) In case any Bond is of a denomination larger than \$5,000, a portion of such Bond - \$5,000 or any integral multiple thereof - may be redeemed, but Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. In selecting Bonds for redemption, the Municipality shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. If part but not all of a Bond shall be selected for redemption, the Owner thereof or his, her, or its legal representative shall present and surrender such Bond to the Registration Agent for payment of the principal amount thereof so called for redemption and the premium, if any, on such principal amount thereof so called for redemption, and the Municipality shall execute and the Registration Agent shall authenticate and deliver to such Owner or legal representative, without charge therefor, for the unredeemed portion of the Bond surrendered, a Bond or Bonds of the same maturity, bearing the same interest rate, and of authorized denomination or denominations.

Section 7. Negotiability of Bonds. All Bonds issued under this Resolution shall be negotiable, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds.

Section 8. Registration Books and Registration Agent. (a) The Municipality hereby appoints Regions Bank, as registration agent and paying agent (the "Registration Agent") with respect to the Bonds and authorizes the Registration Agent so long as any of the Bonds shall

remain Outstanding, to maintain at the principal corporate trust office of the Registration Agent, books for the registration and transfer of the Bonds on behalf of the Municipality. The Registration Agent shall register in such books and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Bond entitled to registration or transfer and to authenticate and deliver the Bonds either at original issuance, upon transfer, or as otherwise directed by the Municipality. The Registration Agent is authorized to make all payments of principal, interest, and redemption premium, if any, with respect to the Bonds.

(b) The Registration Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by a written instrument of acceptance executed and delivered to the Recorder prior to or on the Closing Date.

Section 9. Exchange of Bonds. Bonds upon surrender thereof at the principal corporate trust office of the Registration Agent, together with an assignment of such Bonds duly executed by the Owner thereof, or his, her, or its attorney or legal representative, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this Resolution, and bearing interest at the same rate as the Bonds surrendered for exchange.

Section 10. Transfer of Bonds. (a) Each Bond shall be transferable only on the registration books maintained by the Registration Agent at the principal corporate trust office of the Registration Agent, upon the surrender for cancellation thereof at the principal corporate trust office of the Registration Agent, together with an assignment of such Bond duly executed by the Owner thereof or his, her, or its attorney or legal representative, and upon payment of the charges hereinafter provided, and subject to such other limitations and conditions as may be provided therein or herein. Upon the cancellation of any such Bond, the Registration Agent shall, in exchange for the surrendered Bond or Bonds, deliver in the name of the transferee or transferees a new Bond or Bonds of authorized denominations, of the same aggregate principal amount and maturity and rate of interest as such surrendered Bond or Bonds, and the transferee or transferees shall take such new Bond or Bonds subject to all of the conditions herein contained.

(b) The Municipality and the Registration Agent may deem and treat the Person in whose name any Bond shall be registered upon the registration books maintained by the Registration Agent as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal or redemption price of, and the interest on, such Bond and for all other purposes. All such payments so made to the registered Owner thereof shall be valid and effectual to satisfy and discharge the liability of the Municipality or the Registration Agent upon such Bond to the extent of the sum or sums so paid. Neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary.

Section 11. Regulations with Respect to Exchanges and Transfers. (a) In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Municipality shall execute, and the Registration Agent shall deliver, Bonds in accordance with the provisions of this Resolution. For every exchange or transfer of Bonds, whether temporary or definitive, the Municipality and the Registration Agent may make a charge, unless otherwise herein to the

contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer.

(b) Neither the Municipality nor the Registration Agent shall be obligated to exchange or transfer any Bond during the fifteen (15) calendar days next preceding an Interest Payment Date or the first mailing of any notice of redemption or with respect to any Bond, after such Bond has been called for redemption.

Section 12. Mutilated, Lost, Stolen, or Destroyed Bonds. (a) In the event any Bond is mutilated, lost, stolen, or destroyed, the Municipality may execute, and upon the request of an Authorized Representative of the Municipality and the Registration Agent shall deliver, a new Bond of like maturity, interest rate, and principal amount, and bearing the same number (but with appropriate designation indicating that such new Bond is a replacement Bond) as the mutilated, destroyed, lost, or stolen Bond, in exchange for the mutilated Bond or in substitution for the Bond so destroyed, lost, or stolen. In every case of exchange or substitution, the Bondholder shall furnish to the Municipality and the Registration Agent: (1) such security or indemnity as may be required by an Authorized Representative of the Municipality to save the Municipality and the Registration Agent harmless from all risks, however remote; and, (2) evidence to their satisfaction of the mutilation, destruction, loss, or theft of the subject Bond and the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, an Authorized Representative of the Municipality and the Registration Agent may require the Owner thereof to pay a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including printing costs and counsel fees, of the Municipality and the Registration Agent. In the event any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen, an Authorized Representative of the Municipality may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the Owner thereof shall pay all costs and expenses, including attorneys fees, incurred by the Municipality and the Registration Agent in connection therewith, as well as a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and shall furnish to the Municipality and the Registration Agent such security or indemnity as an Authorized Representative of the Municipality and the Registration Agent may require to save the Municipality and the Registration Agent harmless and evidence to the satisfaction of an Authorized Representative of the Municipality and the Registration Agent, of the mutilation, destruction, loss, or theft of such Bond and of the ownership thereof.

(b) Every Bond issued pursuant to the provisions of this Section shall constitute an additional contractual obligation of the Municipality (whether or not the destroyed, lost, or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

(c) All Bonds shall be held and owned upon the express condition that the provisions of this Section are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and, to the maximum extent legally permissible, shall preclude all other

rights or remedies, notwithstanding any law or statute now existing or hereafter enacted to the contrary.

Section 13. Authentication. Only such of the Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit "A" hereto duly executed by the Registration Agent shall be entitled to the rights, benefits, and security of this Resolution. No Bond shall be valid or obligatory for any purpose unless, and until, such certificate of authentication shall have been duly executed by the Registration Agent. Such executed certificate of authentication by the Registration Agent upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution as of the date of authentication. The certificate of authentication of the Registration Agent on any Bond shall be deemed to have been duly executed if manually signed by an authorized officer of the Registration Agent, but it shall not be necessary that the same officer sign and date the certificate of authentication on all Bonds that may be issued hereunder.

Section 14. Permitted Acts and Functions of Registration Agent. The Registration Agent may become the Owner of any Bonds, with the same rights as it would have if it were not a Registration Agent.

Section 15. Resignation or Removal of the Registration Agent and Appointment of Successors. (a) The Registration Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) calendar days' written notice to the Recorder; provided, however, until a successor Registration Agent is appointed the Registration Agent shall continue to carry out the duties and obligations of the Registration Agent created by this Resolution. The Registration Agent may be removed at any time by resolution of the Municipality filed with such Registration Agent. Any successor Registration Agent shall be appointed by resolution of the Municipality and shall be a trust company or a bank having the powers of a trust company, having, at the time of such appointment, a combined capital, surplus, and undivided profits aggregating at least Fifty Million Dollars (\$50,000,000), and be willing and able to accept the office of Registration Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

(b) In the event of the resignation or removal of the Registration Agent, such Registration Agent shall pay over, assign, and deliver any monies held by it as Registration Agent, and all books and records held by it as Registration Agent, to its successor, or if there be no successor then appointed, to the Recorder until such successor be appointed.

Section 16. Merger or Consolidation of Registration Agent. Any corporation or association into which the Registration Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole, or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party shall be and become successor Registration Agent hereunder and shall be vested with all the trusts, powers, discretion, immunities, privileges, and other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein contained to the contrary notwithstanding.

Section 17. Source of Payment and Security. The Bonds, including the principal thereof, the premium, if any, and the interest thereon, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. Said Bonds shall be a direct general obligation of the Municipality, for which the punctual payment of the principal of, premium, if any, and interest on the Bonds the full faith and credit of the Municipality is hereby irrevocably pledged. If issued as a “Federally Taxable Build America Bond” the Bonds are additionally payable from, but not secured by, Direct Payment Credits received in respect of such series of Bonds.

Section 18. Levy of Taxes. For the purpose of providing for the payment of the principal of, premium, if any, and interest on, the Bonds, to the extent necessary, there shall be levied in each year in which such Bonds shall be outstanding a direct tax on all taxable property in the Municipality, fully sufficient, to pay all such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected, and paid at the time, and in the same manner, as the other taxes of said Municipality, shall be in addition to all other taxes, and shall be without limitation as to time, rate, or amount. The Board of the Municipality is required by law and shall and does hereby pledge to levy such tax. Principal, premium, if any, and interest, or any of the foregoing, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from the General Fund or other available funds of the Municipality, but reimbursement therefor may be made from the taxes herein provided when the same shall have been collected. Such taxes levied and collected therefor shall be deposited in the General Fund of the Municipality, and used solely for the payment of principal and interest on the Bonds as the same shall become due. The tax herein provided may be reduced to the extent of any appropriations from Direct Payment Credits and from any other funds, taxes and revenues of the Municipality to the payment of debt service on the Bonds.

Section 19. Sale of Bonds. (a) The Bonds shall be sold at public sale (the “Public Sale”) in the manner provided by law, in one or more series, at a price of not less than ninety-nine and one-fourth percent (99.25%) of par, as a whole or in part from time to time as shall be determined by the Mayor, in consultation with Morgan Keegan & Company, Inc., Nashville, Tennessee, the Municipality’s financial advisor (the “Financial Advisor”); provided that no series of Federally Taxable Build America Bonds may be sold at a premium in excess of that permitted by Section 54AA(d)(2)(C) of the Code. The Bonds, or any series thereof, shall be sold at public sale by physical delivery of bids or by electronic bidding by means of an internet bidding service as shall be determined by the Mayor, in consultation with the Financial Advisor.

(b) If the Bonds are sold in more than one series, the Mayor is authorized to cause to be sold in each series an aggregate principal amount of Bonds less than that shown authorized in Section 3 hereof for each series, and to make corresponding adjustments to the maturity dates of each series designated in Section 5 hereof; provided, however, that the total aggregate principal amount of all series issued does not exceed the total aggregate amount of Bonds authorized to be issued hereunder.

(c) The Mayor is further authorized:

(1) to make an irrevocable election in accordance with subsection (d) below directing that any series of Bonds be issued as Federally Taxable Build America Bonds pursuant to Section 54AA(g)(2) of the Code or directing that any series of Bonds be issued as Federally Tax-Exempt Bonds;

(2) to change the dated date of the Bonds or any series thereof;

(3) to specify the series designation of the Bonds, or any series thereof, to a designation;

(4) to change the first interest payment date on the Bonds, or any series thereof, to a date other than September 1, 2010, provided that such date is not later than twelve months from the dated date of such series of Bonds;

(5) to adjust the principal and interest payment dates and determined maturity or mandatory redemption amounts of the Bonds, or any series thereof, provided that (i) the total principal amount of all series of Bonds does not exceed the total amount of Bonds authorized herein, (ii) the first maturity date of the Bonds, or any series thereof, is a date not earlier than March 1, 2011, and (iii) the final maturity date of each series of Bonds shall not exceed twenty (20) fiscal years from the dated date of its series;

(6) to change the optional redemption provisions of the Bonds, provided that the premium amount to be paid on Bonds, or any series thereof, does not exceed two percent (2%) of the principal amount thereof;

(7) to sell the Bonds, or any series thereof, or any maturities thereof, as term bonds with mandatory redemption requirements as determined by the Mayor, as the Mayor shall deem most advantageous to the Municipality; and,

(8) to cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company to achieve the purposes set forth herein and to serve the best interests of the Municipality and to enter into agreements with such insurance company with respect to any series of Bonds to the extent not inconsistent with this Resolution.

(d) Each series of Bonds shall be sold as either Federally Tax-Exempt Bonds or as Federally Taxable Build America Bonds as determined by the Mayor, in consultation with the Financial Advisor, by taking into account which type of Bond will result in the lowest cost to the Municipality with respect to such series of Bonds taking into consideration the Direct Payment Credit projected to be received if such series of Bonds is issued as Federally Taxable Build America Bonds and such other factors affecting the cost of the Municipality, including redemption provisions relating to each such series. The Mayor will cause to be filed with the transcript of proceedings for any series of Federally Taxable Build America Bonds, a report of the Financial Advisor as to the factors taken into account by the Financial Advisor in

recommending that any series be issued as Federally Taxable Build America Bonds. If issued as Federally Taxable Build America Bonds, the Mayor is directed to make the irrevocable election required under Section 54AA(g)(2) to qualify such series of Bonds for Direct Payment Credits on each interest payment date. The Mayor is further authorized to submit Form 8038-CP prior to each interest payment date for the purpose of receiving the Direct Payment Credit with respect to each interest payment date, or take such other actions required for receipt of the Direct Payment Credit required by the Internal Revenue Service of the United States Treasury. Alternatively, as shall be determined by the Mayor, application for the Direct Payment Credit pursuant to the Form 8038-CP can be made by the Registration Agent, and the Mayor and City Recorder are hereby authorized to enter into an agreement with the Registration Agent with respect to its duties under this resolution. The Mayor shall further designate and direct the deposit of the Direct Payment Credit with either the Registration Agent for the payment of the interest on the Federally Taxable Build America Bonds or with the Treasurer for application to the payment of principal and interest on the Bonds. All decisions by the Mayor made pursuant to this subsection shall be binding on the Municipality, and no further action of the Governing Body with respect thereto shall be required.

(e) The Mayor of the Municipality is authorized to sell the Bonds, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Board. The Mayor is further authorized to sell the Bonds, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Board, in one or more series, as the Mayor shall deem to be advantageous to the Municipality, and in doing so, the Mayor is authorized to change the designation of the Bonds to a designation other than “General Obligation Public Improvement Bonds”; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this Resolution or bonds authorized by other resolution or resolutions adopted by the Board.

(e) The Mayor is authorized to award the Bonds, or any series thereof, in each case to the bidder whose bid results in the lowest true interest cost to the Municipality, provided the rate or rates on the Bonds does not exceed the maximum rate allowed by law. The award of the Bonds by the Mayor to the lowest bidder shall be binding on the Municipality, and no further action of the Board with respect thereto shall be required. The form of the Bond attached hereto as Exhibit A, shall be conformed to reflect any changes made pursuant to this Section.

(f) The Mayor and the Recorder are authorized to cause the Bonds to be authenticated and delivered to the successful bidder and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. Notice of such Public Sale shall be given in accordance with the provisions of the Act. The Mayor and Recorder are hereby authorized to enter into a contract with the Financial Advisor, for financial advisory services in connection with the sale of the Bonds.

Section 20. Approval of Preliminary Official Statement and Official Statement. (a) The Mayor, the Recorder, and the City Manager, or any of them, working with the Financial Advisor, are hereby authorized to cause the preparation and distribution, which may include

electronic distribution, of a Preliminary Official Statement in connection with the sale of the Bonds in such form and containing such information as the Mayor shall determine appropriate and consistent with the terms of this Resolution and to deem the Preliminary Official Statement final for the purpose of Securities and Exchange Commission Rule 15c(2)(12).

(b) The Board hereby authorizes an Official Statement of the Municipality substantially in the form of the Preliminary Official Statement relating to the Bonds, with such modifications thereto as the Mayor and the Recorder approve. The Mayor and Recorder are hereby authorized and directed to execute copies of said Official Statement and to deliver said Official Statement to the purchaser of such Bonds, which execution and delivery shall be conclusive evidence of the approval of any such modifications; and the Board hereby consents to the lawful use of said Official Statement and the information contained therein in connection with the public offering and sale of the Bonds by the initial purchaser of such Bonds. The Mayor and the Recorder are authorized to deem the Official Statement final for the purpose of Securities and Exchange Commission Rule 15(c)(2)(12).

(c) The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the Municipality except for the omission in the Preliminary Official Statement of pricing and other information.

Section 21. Disposition of Bond Proceeds and Other Funds. The proceeds of the sale of the Bonds and certain other funds shall be used and applied as follows:

(a) Accrued interest, if any, shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof and used to pay interest on the Bonds on the first Interest Payment Date following delivery of the Bonds.

(b) Such amount as is necessary from the proceeds from the sale of the Bonds (including premium, if any, received) shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof to be deposited in a special fund, which is hereby authorized to be created, to be known as the "General Obligation Public Improvement Bonds, Series 2009D, Project Fund," or such other series designation as shall be determined by the Mayor (the "Project Fund"), to be kept separate and apart from all other funds of the Municipality. The funds in the Project Fund shall be disbursed solely to pay the costs of the Project, to reimburse the Municipality, to pay capitalized interest, and to pay costs incurred in connection with the issuance of the Bonds, including necessary legal, accounting, engineering, and fiscal expenses, printing, advertising, and similar expenses, administrative and clerical costs, Registration Agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Bonds and the financing of the Project. Monies in the Project Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any. Monies in the Project Fund shall be expended only for the purposes authorized by this Resolution. Monies if any, remaining in the Project Fund upon completion of the purposes authorized by this Resolution shall be transferred to the Bond Fund and used to pay principal of and interest

on the Bonds. Monies in the Project Fund may be invested as directed by an Authorized Representative of the Municipality in any investment authorized for municipal funds under the applicable laws of the State of Tennessee. All income derived from such investments shall be deposited in the Bond Fund and used to pay principal and interest on the Bonds, unless, by resolution, the Municipality directs retention of such earnings in the Project Fund to pay the costs of the Project.

(c) Any amounts remaining from the principal proceeds of the sale of the Bonds shall be used for the purpose of paying the costs incurred in connection with the issuance of the Bonds.

Section 22. Reimbursement Provisions. The Municipality is in the process of causing certain capital expenditures to be made with respect to the Project, including, but not necessarily limited to, planning, design, and architectural expenses, and the Municipality desires to establish its official intent that certain of the expenditures related to the Project and certain other related expenditures be reimbursed from the proceeds of the Bonds. Therefore, the Board of the Municipality finds and determines, as follows:

(a) that it is in the best interest of the Municipality to proceed immediately with the Project, thereby incurring certain capital expenditures;

(b) that the Municipality has certain funds available which may be used temporarily for this purpose, pending the issuance of the Bonds;

(c) that pursuant to the provisions of this Resolution, the Board anticipates that the Municipality will issue the Bonds for the purpose of financing the Project;

(d) that the Board reasonably expects to reimburse such amounts to such fund or source from which such expenditures may be made on a temporary basis as soon as proceeds from the issuance of such Bonds are available; and,

(e) that this declaration of official intent is consistent with the budgetary and financial circumstances of the Municipality.

The Board of the Municipality by this Resolution hereby establishes its official intent to issue the Bonds to finance the costs of the Project and other related expenditures in an amount not to exceed \$41,835,000. Pending the issuance of such Bonds, funds necessary to finance such costs shall be advanced from such source of funds on hand and available for such purpose, and any amounts so advanced shall be reimbursed from the proceeds of the Bonds.

Section 23. Non-Arbitrage Certification. The Municipality certifies and covenants with the Owners of any series of Federally Tax-Exempt Bonds issued hereunder that so long as the principal of any Bond remains unpaid, monies on deposit in any fund or account in connection with the Bonds, whether or not from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Municipality reserves the right, however, to make any investment of such monies

permitted by Tennessee law and this Resolution if, when and to the extent that said Section 148 or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

The Municipality covenants that it shall comply with Section 148(f) of the Code, unless legally exempted therefrom, and the Municipality represents that in the event it shall be required by Section 148(f) of the Code to pay "Rebatable Arbitrage," as such term is defined and used in the Code, pursuant to the Code, to the United States Government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bonds from becoming subject to inclusion in the gross income of the Owners of the Bonds for purposes of federal income taxation.

The Mayor and the City Recorder, or either of them, are authorized and directed to make such certifications in this regard in connection with the sale of the Bonds as either Federally Tax-Exempt Bonds or as Federally Taxable Build America Bonds as either or both shall deem appropriate, and such certifications shall constitute a representation and certification of the Municipality.

Section 24. Continuing Disclosure. The Municipality hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the Municipality to comply with the Continuing Disclosure Certificate shall not be considered an event of default; however, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Municipality to comply with its obligations under this Section. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the Owner of any Bonds for federal income tax purposes.

Section 25. Amendments. After the issuance of the Bonds, no change, variation, or alteration of any kind in the provisions of this Resolution shall be made in any manner, until such time as all of the principal of and interest on the Bonds shall have been paid in full unless the consent of all of the Owners of all the Outstanding Bonds have been obtained; provided, however, that the Municipality is hereby authorized to make such amendments to this Resolution as will not impair the rights of the Bondholders. The laws of the State of Tennessee shall govern this Resolution.

Section 26. No Action to be Taken Affecting Validity of the Bonds. The Board hereby covenants and agrees that it will not take any action, that would in any manner affect the validity of the Bonds or limit the rights and remedies of the Owners from time to time of such Bonds or affect the exclusion of interest thereon from the gross income of the owners thereof for purposes of federal income taxation.

Section 27. Discharge and Satisfaction of Bonds. If the Municipality shall pay and discharge the entire indebtedness evidenced by any of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of, premium, if any, and interest on, the Bonds, as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or bank whose deposits are insured by the Federal Deposit Insurance Corporation and which has trust powers ("a Trustee"; which Trustee may be the Registration Agent), in trust, at or before the date of maturity or redemption, sufficient monies or Government Obligations, the principal of and interest on which, when due and payable, will provide sufficient monies to pay or redeem the Bonds Outstanding hereunder and to pay premium, if any, and interest thereon when due until the maturity or redemption date; provided, if such Bonds are to be redeemed prior to the maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice; or,

(c) By delivering such Bonds to the Registration Agent, for cancellation by such Registration Agent.

If the Municipality shall also pay or cause to be paid all other sums payable hereunder by the Municipality with respect to such Bonds, or make adequate provision therefor, and by resolution of the Board instruct any such Trustee to pay amounts when and as required to the Registration Agent for the payment of principal of, premium, if any, and interest on, such Bonds when due, then and in that case indebtedness evidenced by such Bonds shall be discharged and satisfied, and all covenants, agreements, and obligations of the Municipality to the owners of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate, and become void.

If the Municipality shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the Owners thereof shall thereafter be entitled only to payment out of the monies or Government Obligations deposited as aforesaid.

Except as otherwise provided in this Section neither Government Obligations nor monies deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium, if any, and interest on, said Bonds; provided that any cash received from such principal or interest payments on such Government Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Municipality as received by the Registration Agent, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the principal of, premium, if any, and interest, to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the

case may be, and interest earned from such reinvestments shall be paid over to the Municipality, as received by the Registration Agent.

Nothing contained in this Section shall be construed to alter or change the redemption provisions set forth herein. No redemption privilege shall be exercised with respect to the Bonds except at the option and election of the Municipality. The optional right of redemption shall not be exercised by the Registration Agent unless expressly so directed by an Authorized Representative of the Municipality.

Section 28. Miscellaneous Acts. The Mayor, the Recorder, the Treasurer, the City Manager, and the City Attorney, and all other appropriate officials of the Municipality are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, specifically including but not limited to, entering into an agreement with the Financial Advisor to provide financial advisory services for the Municipality and services related to the issuance, sale, and delivery of the Bonds, and making arbitrage certifications, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery of the Bonds.

Section 29. Failure to Present Bonds. (a) In the event any Bond shall not be presented for payment when the principal becomes due at maturity and in the event monies sufficient to pay such Bond shall be held by the Registration Agent for the benefit of the Owner thereof, all liability of the Municipality to such Owner for the payment of such Bond shall forthwith cease, terminate, and be completely discharged. Thereupon, the Registration Agent shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under the Resolution or on, or with respect to, said Bond.

(b) If any Bond shall not be presented for payment within a period of five years following the date when such Bond becomes due, whether by maturity or otherwise, the Registration Agent shall, subject to the provisions of any applicable escheat or other similar law, pay to the Treasurer or the official of the Municipality designated by law as the custodian of such funds, any monies then held by the Registration Agent for the payment of such Bond and such Bond shall (subject to the defense of any applicable statute of limitation) thereafter constitute an unsecured obligation of the Municipality.

Section 30. Payments Due on Saturdays, Sundays, and Holidays. In any case where the date of maturity or interest on or principal of any Bond shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions similar to the Registration Agent are authorized by law to close, then the payment of the interest on, or the principal of such Bonds need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions similar to the Registration Agent are authorized by law to close, with the same force

and effect as if made on the date of maturity and no interest shall accrue for the period after such date.

Section 31. No Recourse Under Resolution or on Bonds. All stipulations, promises, agreements, and obligations of the Municipality contained in the Initial Resolution or this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the Municipality and not of any officer, director, or employee of the Municipality in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on the Initial Resolution or this Resolution against any officer, director, or employee of the Municipality or against any official or individual executing the Bonds.

Section 32. Partial Invalidity. If any one or more of the provisions of this Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but this Resolution, and the exhibits and attachments thereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

Section 33. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or enforceability of such section, paragraph, or provision shall not affect any of the remaining provisions hereof.

Section 34. Repeal of Conflicting Resolutions and Effective Date. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption, the welfare of the Municipality requiring it.

Section 35. Aggregate Issuance. Notwithstanding the foregoing, in no event shall the total principal amount of Bonds issued hereunder, together with those certain General Obligation Bonds, Series 2009E, exceed \$41,835,000 principal amount in the aggregate.

Approved and adopted this 20<sup>th</sup> day of October, 2009.

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MAYOR

ATTEST:

APPROVED AS TO FORM:

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RECORDER

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CITY ATTORNEY

STATE OF TENNESSEE  
COUNTIES OF SULLIVAN AND HAWKINS

I, James H. Demming, hereby certify that I am the duly qualified and acting Recorder of the City of Kingsport, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the Board of Mayor and Aldermen (the "Board") of said Municipality held on October 20, 2009; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates, to, among other matters, the authorization, issuance, and sale of not to exceed \$41,835,000 General Obligation Public Improvement Bonds of said Municipality; (4) that the actions by said Board including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purposes; and, (5) that a quorum of the members of said Board was present and acting throughout said meeting.

WITNESS my official signature and the seal of said Municipality this 20<sup>th</sup> day of October, 2009.

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RECORDER

(SEAL)

**FORM OF BOND**

**EXHIBIT "A"**

Registered  
No. \_\_\_\_\_

Registered  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TENNESSEE  
COUNTIES OF SULLIVAN AND HAWKINS  
CITY OF KINGSPORT  
GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND,  
SERIES 2009D  
[Federally Taxable Build America Bonds-Direct Payment]

Interest Rate:            Maturity Date:            Dated Date:            CUSIP:

Registered Owner:    CEDE & CO.

Principal Amount:

THE CITY OF KINGSPORT, TENNESSEE (the "Municipality"), a lawfully organized and existing municipal corporation located in Sullivan and Hawkins Counties, Tennessee, for value received, hereby acknowledges itself indebted and promises to pay, as hereinafter provided, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, unless this bond shall have been duly called for prior redemption and payment of the redemption price shall have been made or provided for, upon the presentation and surrender hereof at the principal corporate trust office of Regions Bank, or its successor as paying agent and registration agent (the "Registration Agent"), the Principal Amount identified above, in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay interest on said Principal Amount from the date hereof, or such later date as to which interest has been paid, semiannually on \_\_\_\_ 1 and \_\_\_\_ 1 of each year (the "Interest Payment Date"), commencing \_\_\_\_\_ 1, 2010, to said Registered Owner hereof by check or other form of draft of the Registration Agent mailed to the Registered Owner at the address shown on the registration books of the Municipality, maintained by the Registration Agent, as of the close of business on the fifteenth (15th) calendar day of the month next preceding an Interest Payment Date (the "Regular Record Date"), in like coin or currency at the Interest Rate per annum set forth above until payment of said Principal Amount. Provided, however, that should the Municipality default in the payment of interest on such Interest Payment Date, such defaulted interest (the "Defaulted Interest") shall be payable to the person in whose name this bond is registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest established by notice mailed by the Registration Agent on behalf of the Municipality not less than ten (10) calendar days preceding such Special Record Date by first class mail, postage prepaid, to the Registered Owner hereof at the address thereof as it appears on the registration books of the Municipality maintained by the Registration Agent as of the date of such notice, which notice shall identify the proposed payment of such Defaulted Interest and the Special Record Date therefor.

In the event that any amount payable hereunder as interest shall at any time exceed the rate of interest lawfully chargeable on this bond under applicable law, any such excess shall, to the extent of such excess, be applied against the principal hereof as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

The principal hereof and all installments of interest hereon, shall bear interest from and after their respective due dates at the same rate of interest payable on the principal hereof.

This bond is authorized and issued pursuant to and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended. Section 9-21-117, Tennessee Code Annotated, as amended, provides that this bond and the income therefrom shall be exempt from all state, county, and municipal taxation in the State of Tennessee, except inheritance, transfer and estate taxes, and except as otherwise provided in said Code.

This bond is one of a series of bonds known as "General Obligation Public Improvement Bonds, Series 2009D" (the "Bonds"), issued by the Municipality in the aggregate principal amount of \$41,835,000. The Bonds, which are issued for the purpose of financing a portion of the costs of certain public works projects, consisting of the acquisition, construction, renovation, improvement and equipping of a municipal recreational center and related facilities, including a public swimming pool; the acquisition of public art; the acquisition, construction, improvement, and equipping of public parks and recreational facilities; the acquisition, construction and improvement to streets, roads, bridges, and walk/bike paths within the Municipality; the acquisition of land; the expansion of the demolition landfill; the improvement of the Municipality's stormwater system, including land acquisition; the improvement of public parking, including the downtown public parking garage; the acquisition, construction, improvement, and equipping of public buildings within the Municipality, including the library and the Justice Center; the improvement and equipping of the Municipality's telecommunication system; the improvement, renovation, and equipping of schools and related school facilities, including parking lots, buildings and security enhancements; the improvement and expansion of the wastewater system, including the acquisition of new lines, land and easements; the improvement, expansion, and replacement of water system facilities, including the acquisition of new lines; the improvement and expansion of the Meadowview Conference Center; the acquisition of all property real and personal, appurtenant thereto or connected with such work (collectively, the "Project"); and to pay legal, fiscal, administrative, and engineering costs, to reimburse the Municipality for the costs of the above project, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds, are authorized by appropriate resolutions of the Board of Mayor and Aldermen and particularly that certain Resolution of the Board of Mayor and Aldermen, adopted on October 20, 2009, entitled "Resolution Authorizing the Execution, Terms, Issuance, Sale, and Payment of Not to Exceed \$41,835,000 General Obligation Public Improvement Bonds, In One or More Series, of the City of Kingsport, Tennessee, and Providing the Details Thereof", as such resolution may be from time to time amended or supplemented in accordance with its terms (such resolution as so amended or supplemented, being herein called the "Resolution"), and is issued pursuant to, and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"). Copies of said Resolution are on file at the office of the Recorder of the Municipality, and reference is hereby made to said Resolution and the Act, for a more complete

statement of the terms and conditions upon which the Bonds are issued thereunder, the rights, duties, immunities, and obligations of the Municipality, and the rights of the Registered Owner hereof.

This bond is payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. For the prompt payment of this bond, both principal, premium, if any, and interest, as the same shall become due, the full faith, and credit of the Municipality is hereby irrevocably pledged. [This Bond is additionally payable from, but not secured by, refundable credits received by the Municipality with respect to the Bonds of the issue of which this bond is one from the United States Treasury pursuant to Section 54AA and Section 6431 of the Internal Revenue Code of 1986, as amended.]

The Municipality and the Registration Agent may deem and treat the person or entity in whose name this bond is registered as the absolute owner hereof, whether such bond shall be overdue or not, for the purpose of receiving payment of the principal of, premium, if any, and interest on, this bond and for all other purposes. All such payments so made shall be valid and effectual to satisfy and discharge the liability upon this bond to the extent of the sum or sums so paid, and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary.

The Bonds are issuable only as fully registered Bonds, without coupons, in the denomination of \$5,000, or any authorized integral multiple thereof. At the principal corporate trust office of the Registration Agent, in the manner and subject to the limitations, conditions, and charges provided in the Bond Resolution, Bonds may be exchanged for an equal aggregate principal amount of fully registered Bonds of the same maturity, of authorized denominations, and bearing interest at the same rate.

The Bonds will be made eligible for processing by DTC. The Bonds in the form of one global bond for each maturity need not be lithographed or printed on steel engraved or printed borders. Except as otherwise provided in this paragraph, the Bonds shall be registered in the name of Cede & Co. as nominee of DTC. The Municipality may discontinue use of DTC as depository for the Bonds at any time upon determination by the Municipality that the use of DTC is no longer in the best interest of the beneficial owners of the Bonds. Registered ownership of the Bonds may be transferred on the registration books maintained by the Registration Agent and the Bonds may be delivered in physical form to the following:

- (i) any successor of DTC or its nominee;
- (ii) any substitute depository upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Municipality that DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; or,
- (iii) any Person, as defined in the Resolution, upon (a) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (b) termination by the Municipality of the use of DTC (or substitute depository or its successor).

Subject to the provisions for registration and transfer contained herein and in the Resolution, this bond shall be transferable by the Registered Owner at the principal office of the Registration Agent upon surrender and cancellation of this bond, and thereupon a new Bond of the same series, principal amount, interest and maturity will be issued to the transferee as provided in the Resolution and upon payment of the transfer charges therein prescribed. Upon any such transfer, the Municipality shall execute and the Registration Agent shall authenticate and deliver in exchange for this bond a new fully registered bond or bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same maturity and bearing interest at the same rate. For every exchange or transfer of bonds, whether temporary or definitive, the Municipality and the Registration Agent may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, or other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Municipality and the Registration Agent, and any other person, may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment hereof, and for all other purposes, and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

The Bonds maturing March 1, 2011, through March 1, 2020, are not subject to redemption prior to maturity. The Bonds maturing on and after March 1, 2021, are subject to redemption prior to maturity on March 1, 2020, and at any time thereafter, at the option of the Municipality, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to be selected by lot by the Registration Agent), at the price of par plus accrued interest to the date fixed for redemption.

Notice of intended redemption shall be given by the Registration Agent on behalf of the Municipality to the Registered Owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration books kept by the Registration Agent. Notice of intended redemption shall be given not less than thirty (30) calendar days; nor more than sixty (60) calendar days prior to the date fixed for redemption.

This bond shall have all the qualities and incidents of, and shall be a negotiable instrument under, the Uniform Commercial Code of the State of Tennessee, subject only to provisions respecting registration of such bond. This bond is issued with the intent that the laws of the State of Tennessee shall govern its construction.

It is hereby certified, recited, and declared that all acts and conditions required to be done and to exist precedent to, and in the issuance of, this bond in order to make this bond a legal, valid, and binding obligation of the Municipality, have been done, and did exist in due time and form as required by the Constitution and statutes of the State of Tennessee, and that this bond and the issue of which it is a part, together with all other indebtedness of such Municipality, does not exceed any limitation prescribed by the Constitution or statutes of the State of Tennessee.

IN WITNESS WHEREOF, THE CITY OF KINGSPORT, TENNESSEE, by its Board of Mayor and Aldermen has caused this bond to be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Recorder, to have its official seal, or a facsimile thereof, to be impressed or imprinted hereon, and to be approved as to form by the manual or facsimile signature of the City Attorney, all as of \_\_\_\_\_.

(SEAL)

ATTEST:

\_\_\_\_\_  
MAYOR

APPROVED AS TO FORM:

\_\_\_\_\_  
RECORDER

\_\_\_\_\_  
CITY ATTORNEY

Date of Authentication:

**CERTIFICATE OF AUTHENTICATION**

This bond is one of the Bonds described in the provisions of the within mentioned Resolution and is one of the General Obligation Public Improvement Bonds, Series 2009D of the City of Kingsport, Tennessee.

**REGIONS BANK,  
as Registration Agent**

By: \_\_\_\_\_  
Authorized Officer

**FORM OF ASSIGNMENT**

For value received, the undersigned do(es) hereby sell, assign and transfer unto

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(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Bond and do(es) hereby irrevocably constitute and appoint, attorney, to transfer the same on the registration books of the Registration Agent, with full power of substitution in the premises.

Dated: \_\_\_\_\_

**SIGNATURE GUARANTEED:**

**SIGNATURE:**

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

## Projects Funded Through Proposed Bond Proceeds

<u>General Fund Projects</u>	<u>Amount</u>	
K-Play	\$100,000	
Greenbelt Improvement	200,000	
Stormwater Management	600,000	
Riverwalk Project	900,000	
Justice Center Design	200,000	
Library Design	100,000	
Downtown Parking	100,000	
Stadium Park & Dog Park Parking Lot Improvements	200,000	
Road Improvements	6,000,000	
Rock Springs Park & Lynn View Park	500,000	
Economic Development-Land Acquisition	1,000,000	
Bridge Repair and Improvements	200,000	
Renaissance Center Roof Repair	200,000	
Energy Efficiency Projects for Various City Facilities	1,716,000	
Communication System Improvements	250,000	
	<hr/>	12,266,000
<u>Schools Facility Improvements</u>		
Reconfiguration of CTE Classrooms	250,000	
Security Modifications for Entrances to Schools	300,000	
Lincoln Parking Lot	200,000	
Overlook Road Parking	200,000	
Relocate Jefferson Library/Office	1,300,000	
Legion Center Renovations	300,000	
	<hr/>	2,550,000
<u>Solid Waste Projects</u>		
Landfill Site Expansion, Land Acquisition		300,000
<u>Wastewater System Projects</u>		
Rock Springs Areas 1-5 Sewer Expansion	1,000,000	
Rock Springs Areas 6-8 Sewer Expansion	3,000,000	
Stonetree Area Sewer Expansion	2,000,000	
	<hr/>	6,000,000
<u>Water System Projects</u>		
Water Plant Solids Treatment Improvements FY08-09	645,800	
Galvanized Pipe Replacement Program FY08-09	1,000,000	
Galvanized Pipe Replacement Program FY10	1,290,000	
Annexations-System Expansion & Improvements	1,064,200	
	<hr/>	4,000,000
Sub-Total		25,116,000
<u>Regional Sales Tax Projects</u>		
Aquatic Center	15,000,000	
Meadowview Conference Center Expansion	1,000,000	
	<hr/>	16,000,000
Bond Proceeds to Fund Projects		<hr/> <u>\$41,116,000</u>





**AGENDA ACTION FORM**

**Consideration of an Ordinance to appropriate grant funds approved by the Department of Justice, Justice Assistance Grant Program (JAG)**

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager  
 Date: September 28, 2009

Action Form No.: AF-325-2009                      Final Adoption: October 20, 2009  
 Work Session: October 5, 2009                      Staff Work By: Capt. Castle  
 First Reading: October 6, 2009                      Presentation By: Chief Osborne

**Recommendation:** Approve the Ordinance

**Executive Summary:**

The Kingsport Police Department applied for a Department of Justice, Justice Assistance Grant and has been notified that we have been approved to receive funding in the amount of \$40,325.00.00 for the purchase of equipment and technology.

The grant will be utilized to purchase equipment and/or technology.

There are no matching fund requirements.

**Attachments:**

1. Ordinance

Funding source appropriate and funds are available: \_\_\_\_\_

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



**AGENDA ACTION FORM**

**Consideration of an Ordinance to Amend the Sewer Project Fund by Appropriating Funds Received From Sullivan County Through the City-County Sewer Agreement for an addition to the Bloomingdale Sewer Line Extension**

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

Action Form No.: AF-328-2009  
 Work Session: October 5, 2009  
 First Reading: October 6, 2009

Final Adoption: October 20, 2009  
 Staff Work By: R. Reynolds/ J. Smith/ M. Hickman  
 Presentation By: Ryan McReynolds

**Recommendation:** Approve the ordinance.

**Executive Summary:**

Sullivan County has requested an additional Sanitary Sewer line to be added to the Bloomingdale Trunkline Extension Project which is currently under construction. During the July 2009 County Commission meeting (item six number 2009-06-80), a resolution was approved providing for an additional \$60,000 to complete the project.

Under the latest City-County Sewer Agreement, Sullivan County will pay 100% for the installation of sewer trunk lines 10 inches and over.

This Ordinance shall cover the entire cost of the project, which, with attached Sullivan County's promissory note guaranteeing their portion of the project, Sullivan County shall remit payment to the City for the County's portion before payment is made to the Contractor

**Attachments:**

1. Ordinance
2. Promissory note from Sullivan County
3. Breakdown of Bid
4. Project Location Map

Funding source appropriate and funds are available: \_\_\_\_\_

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



AGENDA ACTION FORM

Consideration of an Ordinance to Establish the Model City Motors Parking Lot budget by Transferring Funds From the Street Resurfacing Project

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

Action Form No.: AF-337-2009                      Final Adoption: October 20, 2009  
Work Session: October 5, 2009                      Staff Work By: Smith, McReynolds  
First Reading: October 6, 2009                      Presentation By: McReynolds

**Recommendation:**

Approve the ordinance.

**Executive Summary:**

Due to the ongoing need for downtown parking as well as the recent commercial redevelopment along Shelby Street adjacent to the Model City Motors, the City proposes to convert the Model City Motors building into public parking. This parking would be accessible from Shelby Street close to the entrance for the existing RCAT parking lot.

This ordinance will appropriate the funds for the demolition of the building and to construct the parking lot.

**Attachments:**

- 1. Ordinance

Funding source appropriate and funds are available: \_\_\_\_\_

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





**AGENDA ACTION FORM**

**Consideration of Approval of Offers for Additional Easements and Right-of-Ways for Phase I of the Rock Springs Road Project**

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

Action Form No.:	AF-330-2009	Final Adoption:	October 20, 2009
Work Session:	October 19, 2009	Staff Work By:	R. Trent, M. Thompson
First Reading:	October 20, 2009	Presentation By:	R. McReynolds

**Recommendation:** Approve the offers.

**Executive Summary:**

In order to make road improvements to Rock Springs Road, the Public Works Department has requested additional 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 #GP0920.

**Attachments:**

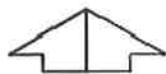
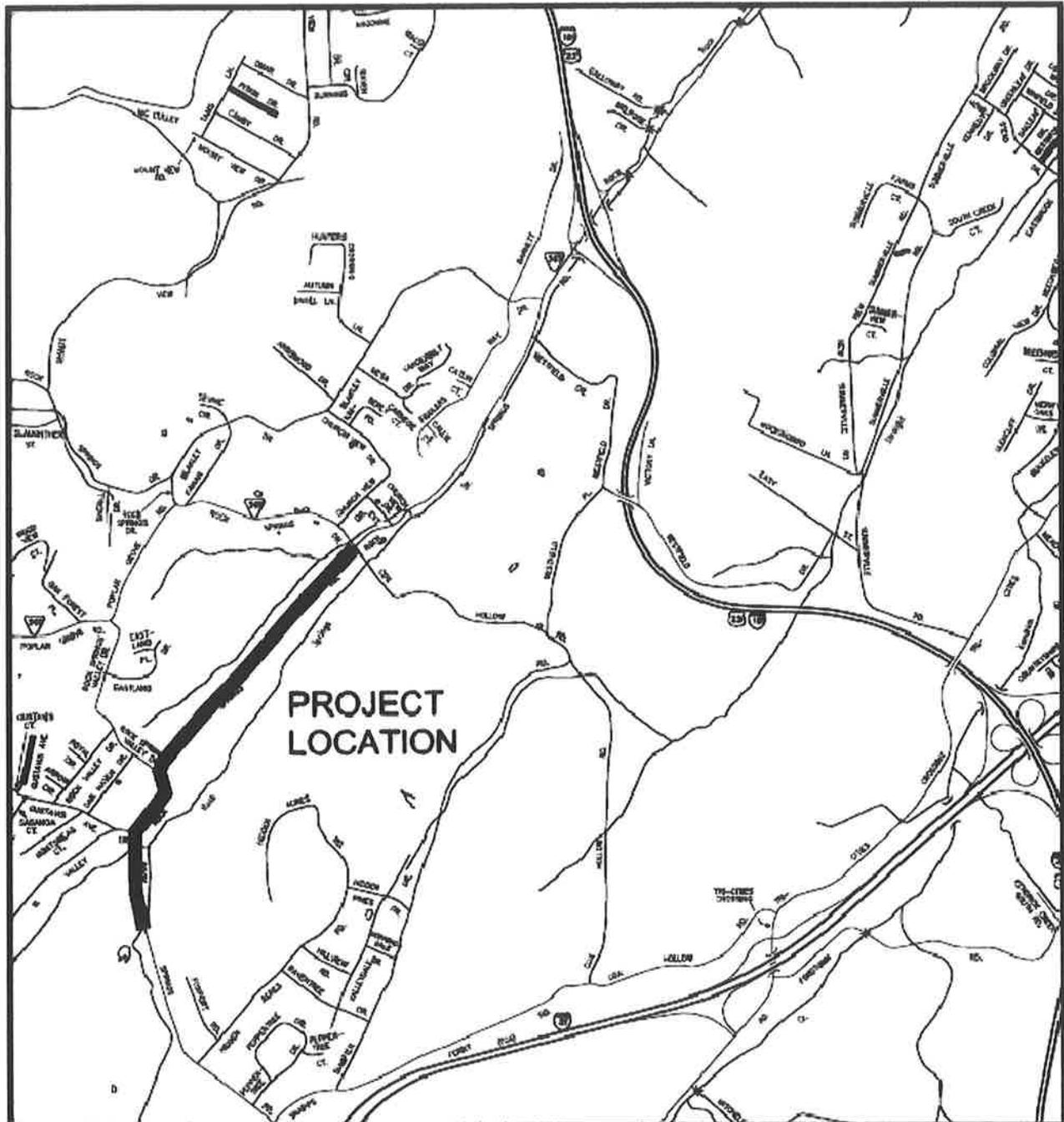
1. Rock Springs Road Project Offers
2. Project Location Map

Funding source appropriate and funds are available: \_\_\_\_\_

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

## Rock Springs Road Project Offers

<u>Tax Map &amp; Parcel</u>	<u>Property Owner</u>	<u>Easement Area</u>	<u>Appraised Value</u>
#105; 044.00	Mrs. & Mrs. John S. Watts 2179 Rock Springs Road Kingsport, TN 37664	Temp. 1,972 sq. ft.	\$190.00
#119; 126.10	Mr. & Mrs. Douglas G. Atkins P. O. Box 8516 Johnson City, TN 37615	Temp. 1,228 sq. ft.	\$112.00
#119; 126.30	Mr. & Mrs. Mickey McKamey 2295 Rock Springs Road Kingsport, TN 37664	Temp. 283 sq. ft.	\$26.00
#119A; 126.40	Mr. & Mrs. Wilfred Haselton 2277 Rock Springs Road Kingsport, TN 37664	Temp. 970 sq. ft.	\$100.00
#119A; B-010.00	Mr. & Mrs. Ronald Johnson 205 Patrick Henry Circle Kingsport, TN 37663	Temp. 895 sq. ft.	\$90.00



**NORTH**

**FIGURE 1 - PROJECT LOCATION MAP  
 ROCK SPRINGS  
 ROAD IMPROVEMENTS  
 CITY OF KINGSPORT, TENNESSEE**

**NTS**



**AGENDA ACTION FORM**

**Consideration of Approval of Offer for Additional Right-of-Way for the Cleek Road and New Beason Well Road Improvement Project**

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

Action Form No.: AF-344-2009  
 Work Session: October 19, 2009  
 First Reading: October 20, 2009

Final Adoption: October 20, 2009  
 Staff Work By: R. Trent, H. Clabaugh  
 Presentation By: R. McReynolds

**Recommendation:** Approve the offer.

**Executive Summary:**

In order to make improvements to Cleek Road and New Beason Well Road, the Public Works Department has requested additional right-of-way across affected property. An appraisal has been prepared in accordance with the City of Kingsport's Real Property Acquisition Policies & Procedures and indicates the fair market value as per the attached property owner.

<u>Tax Map &amp; Parcel</u>	<u>Property Owner</u>	<u>Easement Area</u>	<u>Appraised Value</u>
#047; 034.00	Wallace Alley, Jr., etal P. O. Box 818 Kingsport, TN 37662	ROW .917 acre	\$40,398.00

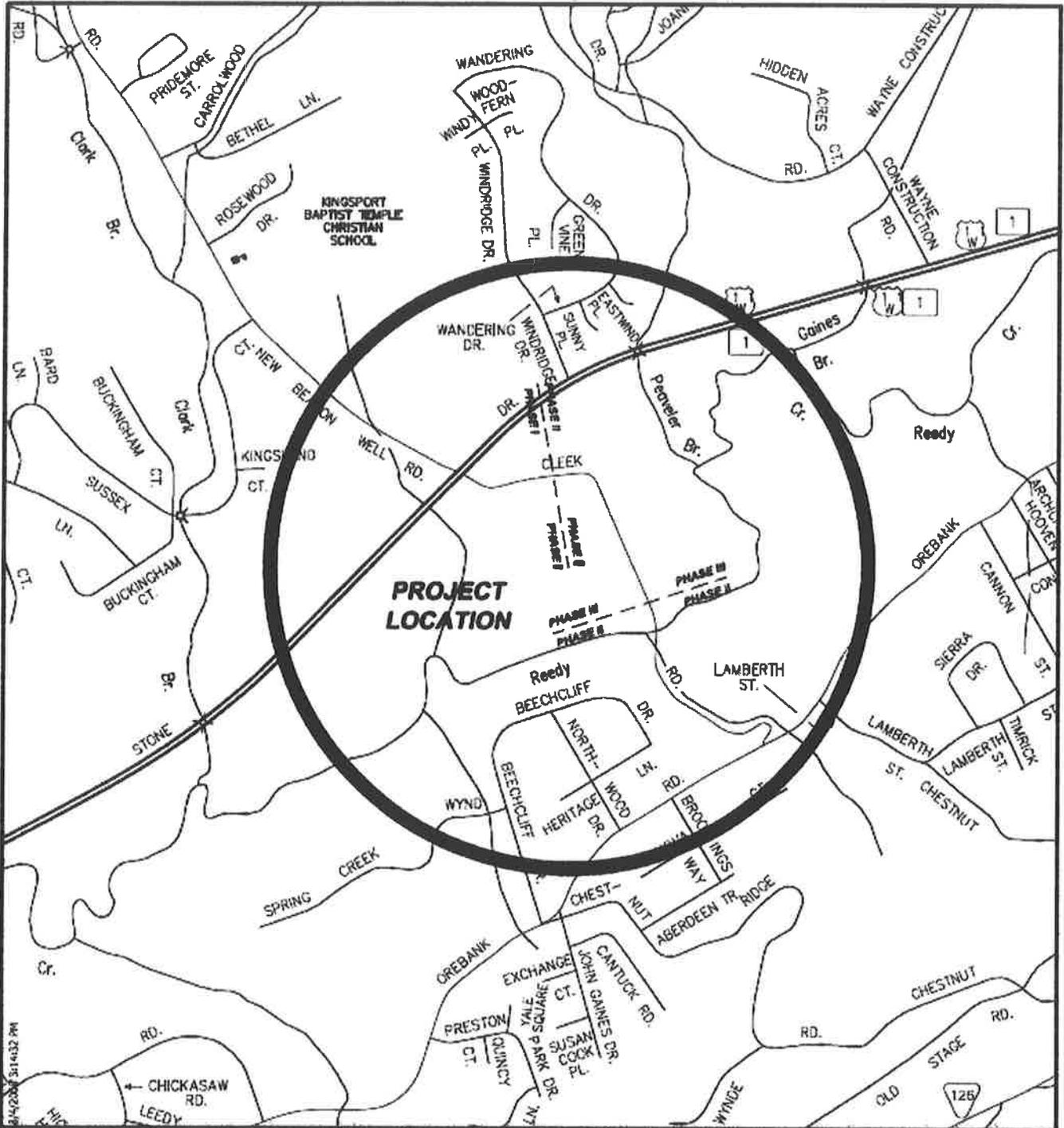
This project is funded under #GP0916.

**Attachments:**

- Project Location Map

Funding source appropriate and funds are available: \_\_\_\_\_

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



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**ALL BEARINGS NGWN  
 (KINGSFORT GEODETIC  
 REFERENCE NETWORK)**



# CLEEK ROAD, NEW BEASON WELL ROAD IMPROVEMENTS

AUGUST 4, 2008

NO SCALE



**AGENDA ACTION FORM**

**Consideration of an Approval of Offer for Easement and Right-of-Way for the Hemlock Park Improvements Project**

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

Action Form No.: AF-346-2009  
 Work Session: October 19, 2009  
 First Reading: October 20, 2009  
 Final Adoption: October 20, 2009  
 Staff Work By: R. Trent, N. Ensor  
 Presentation By: R. McReynolds

**Recommendation:** Approve the offer.

**Executive Summary:**

In order to replace the existing sewer pump station in the Shoals Road area, the Public Works Department has requested easement and right-of-way across affected property. An appraisal has been prepared in accordance with the City of Kingsport's Real Property Acquisition Policies & Procedures and indicates the fair market value as per the attached property owner.

This project is funded under #SW0803.

<u>Tax Map &amp; Parcel</u>	<u>Property Owner</u>	<u>Easement Area</u>	<u>Appraised Value</u>
#077-K; A; #011.45	Jos & Mary de Wit 205 Shoals Road Kingsport, Tennessee 37663	Perm. 400 sq. ft.	\$652.00

**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	—	—	—
Phillips	—	—	—
Shupe	—	—	—

