



AGENDA

BOARD OF MAYOR AND ALDERMEN WORK SESSION

**Monday, September 27, 2021, 4:30 p.m.
City Hall, 415 Broad Street, Boardroom**

Board of Mayor and Aldermen

Mayor Patrick W. Shull, Presiding
Vice Mayor Colette George
Alderman Betsy Cooper
Alderman Darrell Duncan

Alderman Paul W. Montgomery
Alderman Tommy Olterman
Alderman James Phillips

Leadership Team

Chris McCartt, City Manager
Michael Borders, Assistant City Manager
J. Michael Billingsley, City Attorney
Scott Boyd, Fire Chief
George DeCroes, Human Resources Director
Adrienne Batara, Public Relations Director
John Rose, Economic Development Director

Ryan McReynolds, Deputy City Manager
Jessica Harmon, Assistant to City Manager
Lisa Winkle, City Recorder/CFO
Dale Phipps, Police Chief
Ken Weems, Planning Manager
John Morris, Budget Director

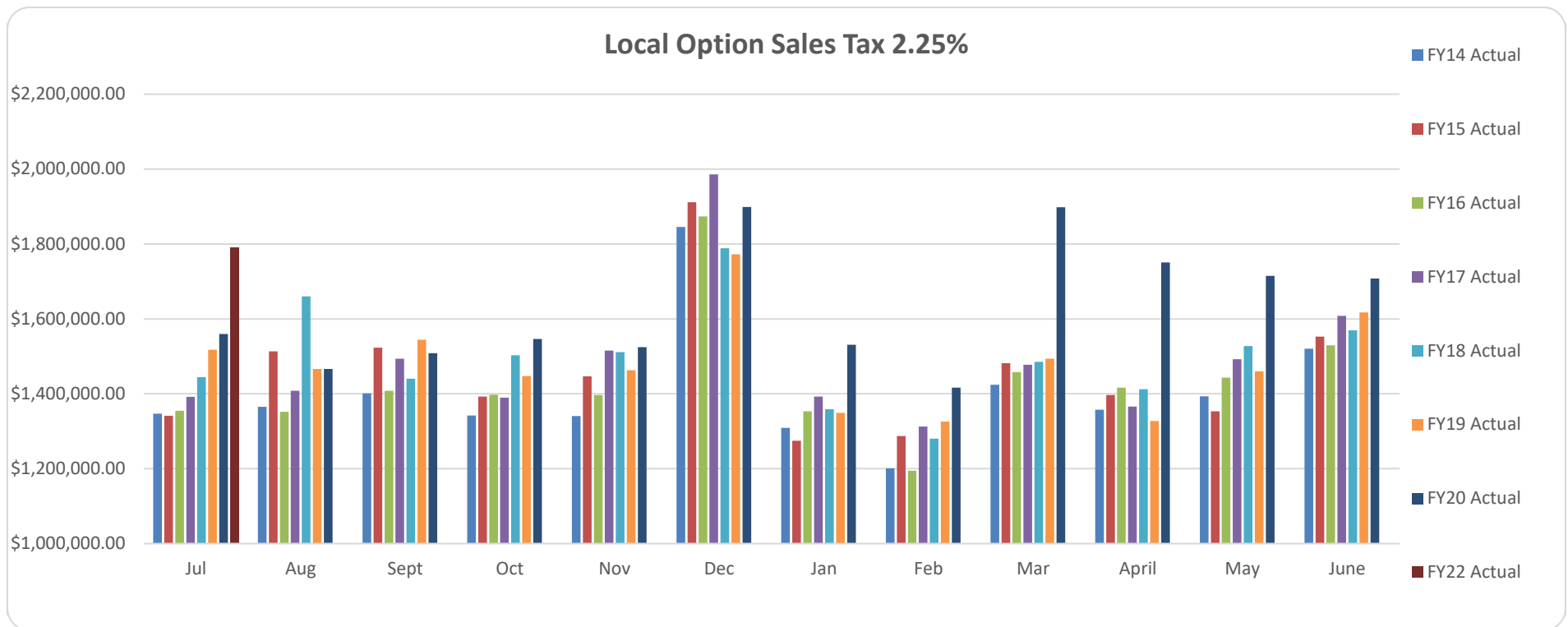
1. Call to Order
2. Roll Call
3. Drug Treatment Facility Proposal – Judge Street
4. Utility Overview – Ryan McReynolds
5. Review of items on September 28, 2021 Business Meeting Agenda
6. Adjourn

Next Work Session, Monday, October 18, 2021

Local Option Sales Tax 2.25%

July 2021

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY22 Original Budget	Over/Under FY22 Budget	% Over/Under FY22 Budget	Over/Under FY21 Actual	% Over/Under FY21 Actual
Jul	\$1,341,027.00	\$1,354,948.00	\$1,392,147.27	\$1,444,727.00	\$1,517,710.01	\$1,560,032.54	\$1,791,460.48	\$1,570,000.00	\$221,460.48	14.11%	\$231,428	14.83%
Aug	\$1,513,366.00	\$1,351,703.00	\$1,408,119.00	\$1,660,189.01	\$1,466,245.00	\$1,466,134.09		\$1,470,000.00				
Sept	\$1,523,474.00	\$1,407,707.00	\$1,493,952.13	\$1,440,056.00	\$1,544,461.94	\$1,508,122.79		\$1,510,000.00				
Oct	\$1,392,699.41	\$1,397,511.00	\$1,389,451.00	\$1,503,032.00	\$1,447,066.95	\$1,546,557.57		\$1,550,000.00				
Nov	\$1,446,687.00	\$1,396,643.00	\$1,515,210.00	\$1,510,894.40	\$1,462,498.00	\$1,524,485.85		\$1,530,000.00				
Dec	\$1,911,650.00	\$1,873,531.00	\$1,985,601.00	\$1,788,766.43	\$1,772,437.00	\$1,898,886.33		\$1,900,000.00				
Jan	\$1,274,292.00	\$1,353,575.00	\$1,392,917.00	\$1,358,902.17	\$1,348,872.00	\$1,530,774.86		\$1,420,000.00				
Feb	\$1,287,536.00	\$1,194,890.00	\$1,312,713.00	\$1,280,154.07	\$1,326,133.00	\$1,416,746.27		\$1,380,000.00				
Mar	\$1,481,645.00	\$1,457,518.00	\$1,477,699.00	\$1,484,980.00	\$1,493,996.00	\$1,898,355.80		\$1,590,000.00				
April	\$1,396,651.00	\$1,416,452.12	\$1,366,099.00	\$1,412,517.03	\$1,327,489.66	\$1,750,965.28		\$1,530,000.00				
May	\$1,353,162.00	\$1,442,889.68	\$1,492,028.00	\$1,527,469.00	\$1,460,028.68	\$1,715,204.91		\$1,590,000.00				
June	\$1,552,713.00	\$1,529,681.13	\$1,608,149.00	\$1,571,086.24	\$1,617,153.10	\$1,707,660.22		\$1,660,000.00				
Total	\$17,474,902.41	\$17,177,048.93	\$17,834,085.40	\$17,982,773.35	\$17,784,091.34	\$19,523,926.50		\$18,700,000.00	\$221,460.48	14.11%	\$231,428	14.83%



BMA Report, September 27, 2021



Kingsport Employee Wellness, George DeCroes

	01/01/2021 – 08/31/21	09/01/2021 – 09/14/2021
Total Utilization	84.8%	92.2%
City – Active Employees	64.8%	61.1%
City – Dependents	30.1%	36.1%
City – Retirees	0.3%	0.0%
Extended-Patient Services/Other	0.1%	0.0%
Work Comp	0.6%	0.0%
No Show	4.1%	2.8%

* Extended Patient Services/Other include: patient referral calls, patient follow ups, pharmacy call backs, lab follow up calls, patient record charting and clinic office management

Worker's Compensation, John Burkholder

For the month of August 2021, the City had nine worker's compensation claims. Kingsport City Schools submitted two claims during the month of August. One employee lost time and had duty restrictions beyond their initial treatment.

City of Kingsport

September 28, 2021

Project Status in Pictures

1 Legacy Trail

Since the last update, another .15 miles of the trail has been cleared and stabilized.

3 Lochwood Drainage Project

The majority of the piping, valve, and catch basins have been installed.

2 New Skate Park

The crew is working to grade, fill and prep the entire site for the future Scott Adams Memorial Skate Park.

4 Fire Training Classroom

Crews have placed the roof on the building and the building has been enclosed.



Status Updates on Active Projects sorted by Cost

Estimated Cost	Project Owner	Project Name	Project Description	Completion Date	CurrentStatus
\$13,500,000.00	Ryan McReynolds	SR 347 (Rock Springs Road) [State & MTPO funded]	TDOT Managed, joint funded reconstruction of the State portion of Rock Springs Road	12/31/2022	TDOT contract amendment approved by BMA and is routed for signatures. This reduced the local commitment from \$2.0 million to \$1.0 million MPO funds. Updated estimated cost to reflect amendment.
\$10,000,000.00	Michael Thompson	Main Street Rebuild	The reconstruction of Main Street from Sullivan Street to Clay Street. [City & MTPO Funded]	7/1/2024	Plan revision to remove easements on Holston Land Co. has been submitted to TDOT and is awaiting approval.
\$3,500,000.00	Michael Thompson	Island Road Improvements from SR-126 to Kingsport City Limits	This project will realign Island Road to the southeast to improve vertical and horizontal roadway geometry for better traffic management and safety. The remaining unused portion of Island Road will be converted into a separated buffered multi-use path co	4/30/2024	Received comments back from TDOT regarding NEPA document submittal. Consultant will begin making revisions for resubmittal.
\$2,500,000.00	Michael Thompson	2021 Main Road Paving (MTPO Funded)	Paving of functionally classified roadways: Meadowview Pkwy, Moreland Dr, Cooks Valley, Fall Creek and Netherland Inn Road	11/1/2022	NEPA document has been approved. Awaiting NTP for Design from TDOT.
\$2,300,000.00	Ryan McReynolds	Justice Center Renovations	Renovations and expansion of Justice Center that will accommodate court space and county offices currently residing in City Hall.	12/31/2021	Architect is working on plans and having discussions with staff.
\$1,866,441.00	Kitty Frazier	Scott Adams Memorial Skatepark	Construction of new skatepark at Brickyard Park.	3/31/2022	Erosion prevention and sediment controls have been installed. Mass grading is ongoing.
\$1,477,741.00	Chad Austin	Phase 5 Water Improvements	Project includes water line replacements in Fort Robinson area, Sherwood Road, Roller Street area, Gibson Mill area, and Waverly Road.	11/30/2021	Final work will be performed on the Waverly Road and Sherwood Road project areas 9/15-9/16.
\$1,044,000.00	Kitty Frazier	Kingsport Greenbelt Extension from Rotherwood Drive to Lewis Lane	This project will build an extension of the Kingsport Greenbelt walking and biking path west from the end of the current Greenbelt at Rotherwood Drive to Lewis Lane on West Stone Drive (State Route 1).	5/31/2024	Response from TDOT Environmental on 5/17 and 6/11 still in the queue for review.
\$1,041,845.18	Ryan McReynolds	2021 Area 35A Paving	Paving a portion of the Eastern Star Area to the east of I-26. This work is paving roadways that have been impacted by water and sewer work due to Border Regions Annexation plan of service requirements.	10/30/2021	Preconstruction meeting held on 9/7/2021. Contractor anticipates starting in next couple of weeks.
\$535,231.30	Michael Thompson	2021 Contracted Paving - E Sullivan Street	Paving of E. Sullivan Street from E. Center Street to Church Circle	10/15/2021	Preconstruction meeting was held on 9/7/2021. Contractor anticipates starting in next couple of weeks.

Estimated Cost	Project Owner	Project Name	Project Description	Completion Date	CurrentStatus
\$352,000.00	Chad Austin	SR 93- Horse Creek/Derby Drive Section (TDOT)	TDOT project to improve State Route 93 in the Horse Creek/Derby Drive area. Project also includes improvements with the intersection with Derby Drive, along with a new bridge crossing Horse Creek. Impacted waterlines in this area will be are to be reloc	8/31/2022	TDOT "B Date" package due date pushed back to 5/28/2021; anticipated letting December 2021
\$110,000.00	Randy Salyer	Riverfront Park Pedestrian Swinging Bridge Improvements	Structural improvements to the swinging bridge at Riverfront Park.	1/31/2022	BMA voted to reject all bids. Project will be rebid once the construction climate improves.
	Rob Cole	Bays Mountain Heritage/Legacy Trail (50th Anniversary)	Construction of new mountain bike/hiking trail at Bays Mountain Park.	11/30/2021	Approximatley 0.65 miles of the 3.5 mile trail is complete. Current work is in the vicinity of the Fire Tower Trail.

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Revised 9/27/21

AGENDA

BOARD OF MAYOR AND ALDERMEN

BUSINESS MEETING

**Tuesday, September 28, 2021, 7:00 p.m.
City Hall, 415 Broad Street, Boardroom**

Board of Mayor and Aldermen

Mayor Patrick W. Shull, Presiding
Vice Mayor Colette George
Alderman Betsy Cooper
Alderman Darrell Duncan

Alderman Paul W. Montgomery
Alderman Tommy Olterman
Alderman James Phillips

City Administration

Chris McCartt, City Manager
Michael Borders, Assistant City Manager
J. Michael Billingsley, City Attorney
Lisa Winkle, City Recorder/CFO
George DeCroes, Human Resources Director
Adrienne Batara, Public Relations Director
John Rose, Economic Development Director

Ryan McReynolds, Deputy City Manager
Jessica Harmon, Assistant to City Manager
Dale Phipps, Police Chief
Scott Boyd, Fire Chief
Ken Weems, Planning Manager
John Morris, Budget Director

I. CALL TO ORDER

II.A PLEDGE OF ALLEGIANCE TO THE FLAG - New Vision Youth

II.B INVOCATION – Pastor Mike Beverly, Indian Springs Christian Church

III.A ROLL CALL

IV.A RECOGNITIONS & PRESENTATIONS

1. Keep Kingsport Beautiful Beautification Awards
2. Good Neighbor Week Proclamation (Alderman Montgomery)

IV.B. APPOINTMENTS

1. Appointment to Board of Zoning Appeals (AF:281-2021) (Mayor Shull)
 - Appointments

V. APPROVAL OF MINUTES

1. Work Session – September 7, 2021
2. Business Meeting – September 7, 2021

VI. COMMUNITY INTEREST ITEMS

A. PUBLIC HEARINGS

None

COMMENT

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

B. BUSINESS MATTERS REQUIRING FIRST READING

1. Addition of Secretarial Position for the Building Division (AF:289-2021) (Ryan McReynolds)
 - Ordinance – First Reading

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Amend Zoning of Tax Map 064, a Portion of Parcel 138.00 Located off Shadowtown Road from B-3 (Highway Oriented Business District) to R-4 (Medium Density Apartment District) (AF:262-2021) (Ken Weems)
 - Ordinance – Second Reading and Final Adoption
2. Accept a Private Monetary Donation for the Police K-9 Program and Appropriate the Funds (AF:258-2021) (Chief Phipps)
 - Ordinance – Second Reading and Final Adoption
3. Appropriate \$44,000.00 from the Tennessee Highway Safety Office's (THSO) FY22 Grant (AF:268-2021) (Chief Phipps)
 - Ordinance – Second Reading and Final Adoption
4. Appropriate \$20,000.00 from the Tennessee Highway Safety Office's (THSO) FY22 Coordinator Grant (AF:269-2021) (Chief Phipps)
 - Ordinance – Second Reading and Final Adoption
5. An Ordinance to Amend the Code of Ordinances Chapter 98 Relating to Traffic and Vehicles (AF:273-2021) (Chief Phipps)
 - Ordinance – Second Reading and Final Adoption
6. Budget Adjustment Ordinance for Various Funds in FY22 (AF:265-2021) (Chris McCartt)
 - Ordinance – Second Reading and Final Adoption

D. OTHER BUSINESS

1. Accept a Contractual Agreement with the Tennessee Department of Transportation for Reimbursement of Capital Expenses (AF:276-2021) (Chris Campbell)
 - Resolution
2. Authorize the Reimbursement of Materials Agreement Funds to Landstar, LLC also Known As Land Star Partners LLC for the North Park Phase 1 Development (AF:182-2021) (Ryan McReynolds)
 - Resolution
3. Awarding the Bid for the Purchase of One (1) Refurb D8 Dozer (AF:279-2021) (Ryan McReynolds/Steve Leonard)
 - Resolution
4. Purchase One (1) 420 CAT Backhoe 4WD from the Tennessee State Contract (AF:280-2021) (Ryan McReynolds)
 - Resolution
5. Contract with the Tennessee Department of Transportation Accepting Federal and State Transportation Planning Funds on Behalf of the Kingsport MTPO (AF:278-2021) (Ryan McReynolds)
 - Resolution
6. Authoring the Issuance of General Obligation Public Improvement Bonds, Series 2021 in an Amount not to Exceed \$19,750,000.00 (AF:287-2021) (Chris McCartt)
 - Resolution
 - Resolution
7. Approve a Release of All Claims for Mountain Laurel Assurance Company and Its Insureds Grayson Rhea, Sara Russell, and Lisa Rhea for Payment for Damages to a Wooden Boardwalk Due to a Vehicle Crash on July 13, 2021 on Enterprise Place (AF:275-2021) (John Burkholder)
 - Resolution
8. Awarding the Bid for the Purchase of One (1) 4x4 Extended Cab/Enclosed Utility Body (AF:288-2021) (Ryan McReynolds/Steve Leonard)
 - Resolution
9. Purchase of a Global Navigation Satellite System (GNSS) Receiver, Robotic Total Station, Survey Controller (Data Collector), with Collection Software and Surveying Equipment for the Engineering Division (AF:290-2021) (Ryan McReynolds)
 - Resolution

Revised 9/27/21

is desired by any member of the board, the item will be removed from the Consent Agenda and considered separately.

VII. CONSENT AGENDA

1. Approval of Offers for Easement and Right-of-Way (AF:277-2021) (Ryan McReynolds)
 - Offers
2. Annual Renewal of Public Library Maintenance of Effort Agreement with the Tennessee State Library and Archives for Services via the Holston River Regional Library (AF:285-2021) (Michael Borders)
 - Resolution
3. Amend Lease Agreement with Mountain Region Speech and Hearing, Inc. Altering the Leased Premises (AF:286-2021) (Chris McCart/Michael Borders)
 - Resolution
4. Interlocal Agreement with Sullivan County (AF:291-2021) (Chris McCart)
 - Resolution
5. Accept Property Donation at Gibson Springs Development (AF:284-2021) (Chris McCart)
 - Resolution

Revised 9/27/21

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



AGENDA ACTION FORM

Appointment to Board of Zoning Appeals

To: Board of Mayor and Aldermen
 From: Chris McCart, City Manager *CM*

Action Form No.: AF-281-2021
 Work Session: September 27, 2021
 First Reading: N/A

Final Adoption: September 28, 2021
 Staff Work By: Ken Weems
 Presentation By: Mayor Shull

Recommendation:

Approve appointment

Executive Summary:

It is recommended to reappoint Bill Sumner to the Board of Zoning Appeals. If approved by the Board of Mayor and Aldermen the recommended table reflects term dates.

Terms are three (3) years with no term limits. The board is comprised of five (5) members who are residents of the City of Kingsport.

Current Board:			
Member	Term Expires	No. of Terms	Eligibility
Bill Sumner	12/31/21	3	KPT Resident
Tracey Childress Cleek	12/31/22	1	KPT Resident
Joe White	12/31/22	1	KPT Resident
Calvin Clifton	12/31/23	2	KPT Resident
Jeff Little	12/31/23	2	KPT Resident

Recommended Board:			
Member	Term Expires	No. of Terms	Eligibility
Bill Sumner	12/31/24	4	KPT Resident
Tracey Childress Cleek	12/31/22	1	KPT Resident
Joe White	12/31/22	1	KPT Resident
Calvin Clifton	12/31/23	2	KPT Resident
Jeff Little	12/31/23	2	KPT Resident

Attachments:

None

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Tuesday, September 7, 2021, 4:00 PM
City Hall, Boardroom, 415 Broad Street

PRESENT: Board of Mayor and Aldermen
Mayor Patrick W. Shull, Presiding
Vice-Mayor Colette George
Alderman Betsy Cooper
Alderman Darrell Duncan
Alderman Tommy Olterman
Alderman James Phillips

City Administration
Ryan McReynolds, Deputy City Manager
Michael Borders, Assistant City Manager
J. Michael Billingsley, City Attorney
Bart Rowlett, Assistant City Attorney
Angie Marshall, City Clerk/Deputy City Recorder
Scott Boyd, Fire Chief
Dale Phipps, Police Chief
John Morris, Budget Officer
Ken Weems, Planning Manager
Jessica Harmon, Assistant to City Manager
Adrienne Batara, Public Relations Director

1. **CALL TO ORDER:** 4:30 p.m. by Mayor Patrick W. Shull.
2. **ROLL CALL:** Deputy City Recorder Marshall. Absent: Alderman Paul W. Montgomery.
3. **BALLAD UPDATE.** Lindy White presented information on the current statistics regarding COVID-19 in the region. Discussion followed.
4. **REVIEW OF AGENDA ITEMS ON THE SEPTEMBER 7, 2021 REGULAR BUSINESS MEETING AGENDA.** Deputy City Manager McReynolds gave a summary for each item on the proposed agenda. No items were discussed at greater length or received specific questions or concerns.
5. **ADJOURN.** Seeing no other matters presented for discussion at this work session, Mayor Shull adjourned the meeting at 4:57 p.m.

ANGELA MARSHALL
Deputy City Recorder

PATRICK W. SHULL
Mayor

Minutes of the Regular Business Meeting of the
Board of Mayor and Aldermen of the City of Kingsport, Tennessee
Tuesday, September 7, 2021, 7:00 PM
City Hall, 415 Broad Street, Boardroom

PRESENT:

Board of Mayor and Aldermen

Mayor Patrick W. Shull, Presiding
Vice Mayor Colette George
Alderman Betsy Cooper
Alderman Darrell Duncan
Alderman Tommy Olterman
Alderman James Phillips

City Administration

Chris McCartt, City Manager
J. Michael Billingsley, City Attorney
Lisa Winkle, Treasurer/City Recorder
Angie Marshall, City Clerk/Deputy City Recorder

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor Patrick W. Shull.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Ken Weems, Planning Manager.
- II.B. **INVOCATION:** Alderman Darrell Duncan.
- III.A. **ROLL CALL:** By City Recorder Winkle. Absent: Alderman Paul Montgomery.
- IV.A. **RECOGNITIONS AND PRESENTATIONS.**
1. APWA Award Presentation - Ryan McReynolds
 2. Suicide Prevention Month - Mayor Shull
 3. Recognition - Kingsport Police Department First Place in TN Law Enforcement Challenge - Chris McCartt
- IV.B. **APPOINTMENTS/REAPPOINTMENTS.**
1. **Appointment to PETWORKS** (AF: 263-2021) (Mayor Shull).

Motion/Second: George/Cooper, to approve:

APPOINTMENT OF BONNIE MACDONALD TO **PETWORKS** FULFILLING THE UNEXPIRED TERM OF JEFF FLEMING. THE APPOINTMENT IS EFFECTIVE IMMEDIATELY AND EXPIRES ON JULY 1, 2023.

Passed: All present voting "aye."

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, September 7, 2021**

2. Appointment to the Emergency Communications District/E-911 Board (AF: 270-2021) (Mayor Shull).

Motion/Second: Duncan/Phillips, to approve:

APPOINTMENT OF JIM EVERHART TO THE **EMERGENCY COMMUNICATIONS DISTRICT/E-911 BOARD** FULFILLING THE UNEXPIRED TERM OF CRAIG DYE. THE APPOINTMENT IS EFFECTIVE IMMEDIATELY AND EXPIRES ON DECEMBER 31, 2024.

Passed: All present voting “aye.”

V. APPROVAL OF MINUTES.

Motion/Second: Olterman/Cooper, to approve minutes for the following meetings:

A. August 16, 2021 Regular Work Session

B. August 17, 2021 Regular Business Meeting

Approved: All present voting “aye.”

VI. COMMUNITY INTEREST ITEMS.

A. PUBLIC HEARINGS.

1. Amend Zoning of Tax Map 064, a Portion of Parcel 138.00 Located Off Shadowtown Road from B-3 (Highway Oriented Business District) to R-4 (Medium Density Apartment District) (AF: 262-2021) (Ken Weems).

PUBLIC COMMENT ON ITEM VI.A.1. Marcy Walker with Hunter, Smith and Davis commented.

Motion/Second: George/Olterman, to pass:

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG SHADOWTOWN ROAD FROM B-3, HIGHWAY ORIENTED BUSINESS DISTRICT TO R-4, MEDIUM DENSITY APARTMENT DISTRICT IN THE 7TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting “aye.”

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

B. BUSINESS MATTERS REQUIRING FIRST READING.

1. Accept a Private Monetary Donation for the Police K-9 Program and Appropriate the Funds (AF: 258-2021) (Chief Phipps).

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
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Motion/Second: Duncan/George, to pass:

Resolution No. 2022-050, A RESOLUTION ACCEPTING A MONETARY DONATION FOR THE KINGSPORT POLICE DEPARTMENT'S K-9 PROGRAM

Passed: All present voting "aye."

Motion/Second: George/Phillips, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT-SPECIAL REVENUE FUND BUDGET BY APPROPRIATING DONATED FUNDS FOR THE YEAR ENDING JUNE 30, 2022; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

2. Appropriate \$44,000.00 from the Tennessee Highway Safety Office (THSO) FY22 Grant (AF: 268-2021) (Chief Phipps).

Motion/Second: Duncan/George, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT/SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE TENNESSEE HIGHWAY SAFETY OFFICE (THSO) FOR THE YEAR ENDING JUNE 30, 2022; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

3. Appropriate \$20,000.00 from the Tennessee Highway Safety Office (THSO) FY22 Grant (AF: 269-2021) (Chief Phipps).

Motion/Second: Phillips/Olterman, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT/SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE TENNESSEE HIGHWAY SAFETY OFFICE (THSO) FOR THE YEAR ENDING JUNE 30, 2022; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

4. Amend Code of Ordinances, Chapter 98 Relating to Traffic and Vehicles (AF: 273-2021) (Chief Phipps).

Motion/Second: George/Cooper, to pass:

AN ORDINANCE TO AMEND THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, BY ADDING ADDITIONAL SECTIONS TO CHAPTER 98 RELATING TO TRAFFIC AND VEHICLES; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

5. Budget Adjustment for Various Funds in FY22 (AF: 265-2021) (Chris McCartt).

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, September 7, 2021**

Motion/Second: Duncan/Phillips, to pass:

AN ORDINANCE TO AMEND VARIOUS PROJECT FUND BUDGETS FOR THE YEAR
ENDING JUNE 30, 2022; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting “aye.”

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.

1. Budget Adjustment for Health Insurance Fund in FY21 Budget

(AF: 256-2021) (Chris McCartt).

Motion/Second: Duncan/Phillips, to pass:

ORDINANCE NO. 6962, AN ORDINANCE TO INCREASE THE HEALTH INSURANCE
FUND BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2021; AND TO FIX THE
EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Cooper, Duncan, George, Olterman, Phillips
and Shull voting “aye.”

2. Budget Adjustment for Fleet Maintenance Fund in FY22 (AF:

257-2021) (Chris McCartt).

Motion/Second: George/Cooper, to pass:

ORDINANCE NO. 6963, AN ORDINANCE TO INCREASE THE FLEET MAINTENANCE
FUND BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2022; AND TO FIX THE
EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Cooper, Duncan, George, Olterman, Phillips
and Shull voting “aye.”

D. OTHER BUSINESS.

1. Purchase Two (2) Ford Ranger 4x4 SuperCab XLT and Two (2)

**Ford F350 XL 4WD from Tennessee State Contract (AF: 246-2021) (Ryan
McReynolds/Steve Leonard).**

Motion/Second: George/Cooper, to pass:

Resolution No. 2022-051, A RESOLUTION AUTHORIZING THE CITY MANAGER TO
EXECUTE PURCHASE ORDERS FOR TWO FORD RANGER 4X4 SUPER CAB XLT
TRUCKS AND TWO FORD F350XL 4WD FROM LONNIE COBB FORD PURSUANT TO
TENNESSEE EDISON CONTRACT No. 64473

Passed: All present voting “aye.”

2. Award Purchase for One (1) New Holland Tractor Utilizing

**Sourcewell Cooperative Purchasing Agreement (AF: 250-2021) (Ryan
McReynolds/Steve Leonard).**

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, September 7, 2021**

Motion/Second: Duncan/Cooper, to pass:

Resolution No. 2022-052, RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER TO SOURCEWELL COOPERATIVE PURCHASING FOR ONE NEW HOLLAND TRACTOR

Passed: All present voting "aye."

3. Authorize the Mayor to Renew Instructure CASE Benchmarks Agreement by Amendment and Issue Purchase Order (AF: 264-2021) (David Frye).

Motion/Second: Phillips/George, to pass:

Resolution No. 2022-053, A RESOLUTION AUTHORIZING THE MAYOR TO SIGN THE INSTRUCTURE RENEWAL SERVICES ORDER FORM WHICH UTILIZES CASE BENCHMARK AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

4. Authorize the Purchase of SNAP Health Center for Electronic Health Records Management for Kingsport City Schools (AF: 266-2021) (David Frye).

Motion/Second: Cooper/George, to pass:

Resolution No. 2022-054, A RESOLUTION APPROVING THE PURCHASE OF SNAP SOFTWARE FROM SCHOOL HEALTH UTILIZING SOURCEWELL CONTRACT 061417-SHC

Passed: All present voting "aye."

5. Right-of-Way Easement with Kingsport Power Company for Fort Henry Drive (AF: 260-2021) (Michael Billingsley).

Motion/Second: George/Phillips, to pass:

Resolution No. 2022-055, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A RIGHT-OF-WAY EASEMENT WITH KINGSFORT POWER COMPANY

Passed: All present voting "aye."

6. Right-of-Way Easement with Kingsport Power Company for Scott Adams Skate Park (AF: 261-2021) (Michael Billingsley).

Motion/Second: Phillips/George, to pass:

Resolution No. 2022-056, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A RIGHT-OF-WAY EASEMENT WITH KINGSFORT POWER COMPANY

Passed: All present voting "aye."

7. Construction Agreement with CSX Transportation (CSXT) for the Main Street Project (AF: 271-2021) (Ryan McReynolds).

Motion/Second: Duncan/George, to pass:

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, September 7, 2021**

Resolution No. 2022-057, A RESOLUTION APPROVING A CONSTRUCTION AGREEMENT WITH CSX TRANSPORTATION, INC., (CSXT) FOR THE MAIN STREET PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting “aye.”

8. Facility Encroachment Agreement with CSX Transportation (CSXT) for the Main Street Project Waterline Construction (AF: 272-2021) (Ryan McReynolds).

Motion/Second: Olterman/George, to pass:

Resolution No. 2022-058, A RESOLUTION APPROVING A FACILITY ENCROACHMENT AGREEMENT WITH CSX TRANSPORTATION, INC. (CSXT) FOR THE CONSTRUCTION OF A WATERLINE AS PART OF THE MAIN STREET PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting “aye.”

9. Formal Acceptance of Deeds and Deeds of Easement (AF: 259-2021) (Michael Billingsley).

Motion/Second: Duncan/Cooper, to pass:

Resolution No. 2022-059, A RESOLUTION TO ACCEPT DEEDS, DEEDS OF EASEMENT, AND OTHER MUNIMENT OF TITLE FROM THE VARIOUS PROPERTY OWNERS AND OTHERS HAVING AN INTEREST IN PROPERTY AS HEREINAFTER SET OUT, CONVEYING TO THE CITY OF KINGSFORT, A MUNICIPAL CORPORATION OF THE STATE OF TENNESSEE, TITLE TO THE PROPERTY DESCRIBED IN SUCH DEEDS, DEEDS OF EASEMENT, AND OTHER MUNIMENT OF TITLE, LOCATED IN THE 10TH AND 11TH CIVIL DISTRICTS OF SULLIVAN COUNTY, TENNESSEE

Passed: All present voting “aye.”

10. Change the Meeting Date of the Business Meeting of the Board of Mayor and Aldermen from the Third Tuesday to the Fourth Tuesday in September, 2021, and Cancel the First October, 2021 Meeting (AF: 274-2021) (Michael Billingsley).

Motion/Second: Olterman/Duncan, to pass:

Resolution No. 2022-060, A RESOLUTION CHANGING THE DATE OF THE REGULAR BUSINESS MEETING OF THE BOARD OF MAYOR AND ALDERMEN IN SEPTEMBER, 2021 FROM THE THIRD TUESDAY TO THE FOURTH TUESDAY FOR SEPTEMBER 2021 AND CANCEL THE FIRST OCTOBER 2021 MEETING

Passed: All present voting “aye.”

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, September 7, 2021**

11. Reject Bid for Holiday Décor (AF: 267-2021) (Michael Borders).

Motion/Second: George/Olterman, to pass:

Resolution No. 2022-061, A RESOLUTION REJECTING ALL PROPOSALS RELATED TO THE HOLIDAY LIGHTS AND DECOR

Passed: All present voting “aye.”

VII. CONSENT AGENDA. None.

VIII. COMMUNICATIONS.

A. CITY MANAGER. Deputy City Manager McReynolds read the following agreements into the minutes that were signed by City Manager McCartt.

- Materials Agreement for Hunts Crossing
- Materials Agreement for Frylee Court

He also recognized city staff for their work on the Miracle Field.

B. MAYOR AND BOARD MEMBERS. Alderman Phillips provided information on the upcoming Racks by the Tracks festival. Alderman Olterman encouraged everyone to support the Dobyns Bennett football team, pointing out ETSU is also playing well. Alderman Duncan noted Alderman Olterman was missed on the sidelines at the football games. He stated more than 1,125 families have moved to Kingsport since the pandemic. He also commented on the upcoming 9/11 anniversary. Lastly Mr. Duncan mentioned events in Kingsport including In the Valley at Lamplight Theatre, the Wing Fling and the Wine and Whiskey Festival. Alderman Cooper mentioned the upcoming Library events and stating further details could be found on their website. She also commented on Lindy White’s presentation at the work session and encouraged people to still be vigilant in staying healthy. Vice-Mayor George stated Deputy City Manager McReynolds did a good job running the meeting tonight and wished the City Manager a speedy recovery. Mayor Shull commented on the importance of the COVID-19 vaccine.

C. VISITORS. None.

IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Shull adjourned the meeting at 8:12 p.m.

ANGELA MARSHALL
Deputy City Recorder

PATRICK W. SHULL
Mayor



AGENDA ACTION FORM

Addition of Secretarial Position for the Building Division

To: Board of Mayor and Aldermen
 From: Chris McCart, City Manager *CM*

Action Form No.: AF-289-21
 Work Session: September 27, 2021
 First Reading: September 28, 2021

Final Adoption: October 19, 2021
 Staff Work By: Staff
 Presentation By: R. McReynolds

Recommendation:

Approve the Ordinance

Executive Summary:

In order to support and encourage a vibrant housing development community within the City of Kingsport, it is recommended that an additional position be added to the Kingsport Building Division. Specifically, the addition of a Secretary Position will assist in the daily routine activity of answering phone calls and in-person inquiries related to a variety of building issues. Presently, it is not uncommon for Certified Building Officials to be performing these tasks in an effort to provide as high a customer experience as possible. This utilization of resources provides current inefficiencies in inspections and plans review. Kingsport's home building community has experienced a positive growth rate over the past few years and is anticipated to continue on this path for the foreseeable future. Therefore, in order for Kingsport to ensure as high a customer service as possible while providing efficient and effective plans review and building inspection, it is recommended that the secretarial position be added.

Funding is available and identified in the Building Department budget.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: *gm*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *aw*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL FUND BUDGET BY ADDING A SECRETARY POSITION IN THE BUILDING DIVISION FOR THE FISCAL YEAR ENDING JUNE 30, 2022; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Fund budget be amended by amending the authorized positions by adding a full time Secretary position at a pay grade A25 in Fiscal Year 2021-2022.

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

ATTEST:

PATRICK W. SHULL, Mayor

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

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



AGENDA ACTION FORM

Amend Zoning of Tax Map 064, a Portion of Parcel 138.00 Located off Shadowtown Road from B-3 (Highway Oriented Business District) to R-4 (Medium Density Apartment District)

To: Board of Mayor and Aldermen
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-262-2021
Work Session: September 7, 2021
First Reading: September 7, 2021

Final Adoption: **September 28, 2021**
Staff Work By: Ken Weems
Presentation By: Ken Weems

Recommendation:

- Approve ordinance amending the zoning ordinance to rezone the property containing Tax Map 064, a Portion of Parcel 138.00 located off Shadowtown Road from B-3 (Highway Oriented Business District) to R-4 (Medium Density Apartment District).

Executive Summary:

This is an owner-requested rezoning of approximately 10.025 acres located along Shadowtown Road from B-3, Highway Oriented Business District, to R-4, Medium Density Apartment District. The applicant desires to construct a total of 152 apartment units at the rezoning site. This rezoning has received one public comment from adjacent property owners. The comment addressed late night loitering that occurs in the existing parking lot of the rezoning site. During their August 2021 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a positive recommendation to rezone the property to the Board of Mayor and Aldermen. The notice of public hearing was published on August 23, 2021.

Attachments:

1. Zoning Ordinance

Funding source appropriate and funds are available: *JM*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *JM*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG SHADOWTOWN ROAD FROM B-3, HIGHWAY ORIENTED BUSINESS DISTRICT TO R-4, MEDIUM DENSITY APARTMENT DISTRICT IN THE 7TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property located along Shadowtown Road from B-3, Highway Oriented Business District to R-4, Medium Density Apartment District in the 7th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

BEGINNING at an iron rod on the northerly right-of-way of Shadowtown Road; Thence, leaving the northerly right-of-way of Shadowtown Road and continuing with Frances Bacon McAmis & Karen Bacon Looper (Will Book 25, Page 330) the following two courses: (1) North 12 degrees 51 minutes 37 seconds West – 490.11 feet to an iron rod; (2) North 46 degrees 37 minutes 23 seconds East – 640.86 feet to an iron rod; Thence, leaving Frances Bacon McAmis & Karen Bacon Looper and continuing through Larkspur Kingsport, LLC (Deed Book 3409, Page 1437), South 29 degrees 20 minutes 22 seconds East – 679.48 feet to an iron rod on the line of Sajjan G. Shiva & Kalpana Shiva (Deed Book 3181, Page 1590); Thence, with Sajjan G. Shiva & Kalpana Shiva the following three courses: (1) South 60 degrees 39 minutes 38 seconds West – 132.62 feet to an iron rod; (2) Around a curve to the left (Chord South 27 degrees 33 minutes 51 seconds West – 54.60 feet, Radius 50.00 feet, Delta 66 degrees 11 minutes 34 seconds, Length 57.76 feet) to an iron rod; (3) South 05 degrees 31 minutes 55 seconds East – 116.94 feet to an iron rod on the northerly right-of-way of Shadowtown Road; Thence, with the northerly right-of-way of Shadowtown Road the following three courses: (1) South 84 degrees 32 minutes 22 seconds West – 385.00 feet to an iron rod; (2) South 03 degrees 03 minutes 26 seconds East – 45.00 feet to an iron rod; (3) South 85 degrees 26 minutes 34 seconds West – 179.77 feet to the BEGINNING. Containing 10.025 Acres more or less.

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.

PATRICK W. SHULL
Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

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



AGENDA ACTION FORM

Accept a Private Monetary Donation for the Police K-9 Program and Appropriate the Funds

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-258-2021
 Work Session: September 7, 2021
 First Reading: September 7, 2021

Final Adoption: **September 28, 2021**
 Staff Work By: Commander Chambers
 Presentation By: Chief Phipps

Recommendation:

Approve the Resolution and Ordinance

Executive Summary:

Kingsport citizen, Stewart Baggett, wishes to make two monetary contributions to the police department in the amount of \$5500.00. The intended purpose of these contributions are to assist with the cost of maintaining the Kingsport Police Department's K-9 Unit. It is with this action that the police department respectfully requests the board to accept the contributions and place the funds into a project line to be utilized for the furtherance of the K-9 program.

Attachments:

1. Resolution
2. Ordinance

Funding source appropriate and funds are available: *CM*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *CM*

	<u>Y</u>	<u>N</u>	<u>O</u>
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION ACCEPTING A MONETARY DONATION FOR
THE KINGSPORT POLICE DEPARTMENT'S K-9 PROGRAM

WHEREAS, a Kingsport citizen, Stewart Baggett, wishes to make two monetary donations to the police department; and

WHEREAS, the intended purpose of these donations is to assist with the cost of maintaining the Kingsport Police Department's K-9 Unit; and

WHEREAS, the first donation is in the amount of \$3,000.00 and the second donation is in the amount of \$2,500.00 for a total donation of \$5,500.00.

Now therefore,

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

SECTION I. That the monetary donation to the city from Stewart Baggett, in the total amount of \$5,500.00, is accepted.

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

ADOPTED this the 7th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

PRE-FILED
CITY RECORDER

AN ORDINANCE TO AMEND THE GENERAL
PROJECT-SPECIAL REVENUE FUND BUDGET BY
APPROPRIATING DONATED FUNDS FOR THE
YEAR ENDING JUNE 30, 2022; AND TO FIX THE
EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Project-Special Revenue Fund budget be amended by appropriating funds received from Stewart Baggett in the amount of \$5,500 for the K-9 program.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
Fund 111: General Project-Special Revenue Fund			
<u>K-9 Donation (NC1808)</u>			
<u>Revenues:</u>	\$	\$	\$
111-0000-364.10-00 From Individuals	16,500	5,500	22,000
Totals:	16,500	5,500	22,000
<u>Expenditures:</u>	\$	\$	\$
111-0000-601.30-12 Food	2,000	00	2,000
111-0000-601.30-20 Operating Supplies & Tools	14,500	5,500	20,000
Totals:	16,500	5,500	22,000

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

PATRICK W. SHULL, Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Appropriate \$44,000.00 from the Tennessee Highway Safety Office's (THSO) FY22 Grant

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-268-2021
 Work Session: September 7, 2021
 First Reading: September 7, 2021

Final Adoption: September 28, 2021
 Staff Work By: Capt. Randall Gore
 Presentation By: Chief Phipps

Recommendation:

Approve the Budget Ordinance

Executive Summary:

On March 16, 2021 via AF-79-2021, the Board of Mayor and Aldermen approved the Mayor executing any and all documents necessary to apply for and receive a Tennessee Highway Safety Office (THSO) Grant. We have been notified that we were approved for \$44,000.00 in grant funds for the upcoming fiscal year. The grant will be utilized for traffic safety enforcement overtime and the purchase of traffic safety equipment.

There are no matching fund requirements.

Attachments:

1. Budget Ordinance

Funding source appropriate and funds are available: *Jm*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *Jm*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL PROJECT/SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE TENNESSEE HIGHWAY SAFETY OFFICE (THSO) FOR THE YEAR ENDING JUNE 30, 2022; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Project/Special Revenue Fund budget be amended by appropriating funds received from the Tennessee Highway Safety Office in the amount of \$44,000 to the TN Highway Safety Office Grant project (NC2204) to enforce traffic safety. No matching funds are required.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
<u>Fund 111: General Project/Special Rev</u>			
<u>Fund</u>			
<u>TN Highway Safety Office Grant (NC2204)</u>			
<u>Revenues:</u>	\$	\$	\$
111-0000-337.60-10 Safety/Homeland Security	0	44,000	44,000
<i>Totals:</i>	0	44,000	44,000
<u>Expenditures:</u>	\$	\$	\$
111-0000-601.10-11 Overtime	0	30,000	30,000
111-0000-601.10-20 Social Security	0	3,520	3,520
111-0000-601.10-30 Health Insurance	0	535	535
111-0000-601.10-41 TCRS Retirement	0	7,200	7,200
111-0000-601.10-43 ICMA/Retirement	0	2,135	2,135
111-0000-601.10-50 Life Insurance	0	130	130
111-0000-601.10-52 Long Term Disability	0	80	80
111-0000-601.10-60 Workmen's Comp	0	270	270
111-0000-601.10-61 Unemployment Ins.	0	130	130
<i>Totals:</i>	0	44,000	44,000

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

PATRICK W. SHULL, Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Appropriate \$20,000.00 from the Tennessee Highway Safety Office's (THSO) FY22 Coordinator Grant

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-269-2021
 Work Session: September 7, 2021
 First Reading: September 7, 2021

Final Adoption: September 28, 2021
 Staff Work By: Capt. Randall Gore
 Presentation By: Chief Phipps

Recommendation:

Approve the Budget Ordinance

Executive Summary:

On March 16, 2021 via AF-80-2021, the Board of Mayor and Aldermen approved the Mayor executing any and all documents necessary to apply for and receive a Tennessee Highway Safety Office (THSO) Coordinator grant. We have been notified that we were approved for \$20,000.00 in grant funds for the upcoming fiscal year. The grant will be utilized to pay for Officer Matt McGuire's travel/training to various traffic related workshops and conferences. Additional funds will be used for traffic enforcement/education items as well as overtime for officers engaged in traffic enforcement activities.

There are no matching fund requirements.

Attachments:

1. Budget Ordinance

Funding source appropriate and funds are available: *JM*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *mw*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL PROJECT/SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE TENNESSEE HIGHWAY SAFETY OFFICE (THSO) FOR THE YEAR ENDING JUNE 30, 2022; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Project/Special Revenue Fund budget be amended by appropriating funds received from the Tennessee Highway Safety Office in the amount of \$20,000 to the THSO Coordinator Grant project (NC2205) to enforce traffic safety. No matching funds are required.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
<u>Fund 111: General Project/Special Rev</u>			
<u>Fund</u>			
<u>THSO Coordinator Grant (NC2205)</u>			
<u>Revenues:</u>	\$	\$	\$
111-0000-337.60-10 Safety/Homeland Security	0	20,000	20,000
<i>Totals:</i>	0	20,000	20,000
<u>Expenditures:</u>	\$	\$	\$
111-0000-601.10-11 Overtime	0	450	450
111-0000-601.10-20 Social Security	0	40	40
111-0000-601.10-30 Health Insurance	0	50	50
111-0000-601.10-41 TCRS Retirement	0	120	120
111-0000-601.10-50 Life Insurance	0	30	30
111-0000-601.10-52 Long Term Disability	0	20	20
111-0000-601.10-60 Workmen's Comp	0	50	50
111-0000-601.10-61 Unemployment Ins.	0	40	40
111-0000-601.20-40 Travel Expense	0	1,500	1,500
111-0000-601.20-41 Registration Fees/Tuition	0	1,500	1,500
111-0000-601.30-20 Operating Supplies & Tool	0	16,200	16,200
<i>Totals:</i>	0	20,000	20,000

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

PATRICK W. SHULL, Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

An Ordinance to Amend the Code of Ordinances Chapter 98 Relating to Traffic and Vehicles

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-273-2021
 Work Session: September 7, 2021
 First Reading: September 7, 2021

Final Adoption: September 28, 2021
 Staff Work By: Chief Phipps
 Presentation By: Chief Phipps

Recommendation:

Approve the Ordinance

Executive Summary:

In the interest of expediency and efficiency of a court hearing for citizens who are cited for a traffic violation not found in the city ordinances, it is the desire of the police department to amend Chapter 98 of the city code to include certain traffic related violations that, historically, have been processed through the state court system that is overburdened. These infractions are minor in nature, but are commonly noticed amongst drivers in the city. With this action, drivers found to be in violation can be cited into the city court system with minimal interruption into their daily lives and still be able to come into desired compliance in short order.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: *CM*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *CM*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

PRE-FILED
CITY RECORDER

Revised 9/7/21

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, BY ADDING ADDITIONAL SECTIONS TO CHAPTER 98 RELATING TO TRAFFIC AND VEHICLES; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That Section 98-89 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended by adding the following:

Sec. 98-89. Prohibited uses of wireless telecommunications devices or stand-alone electronic devices.

(a) As used in this section:

(1) "Stand-alone electronic device" means a portable device other than a wireless telecommunications device that stores audio or video data files to be retrieved on demand by a user;

(2) "Utility services" means electric, natural gas, water, wastewater, cable, telephone, or telecommunications services or the repair, location, relocation, improvement, or maintenance of utility poles, transmission structures, pipes, wires, fibers, cables, easements, rights of way, or associated infrastructure; and

(3) "Wireless telecommunications device" means a cellular telephone, a portable telephone, a text-messaging device, a personal digital assistant, a stand-alone computer, a global positioning system receiver, or substantially similar portable wireless device that is used to initiate or receive communication, information, or data. "Wireless telecommunications device" does not include a radio, citizens band radio, citizens band radio hybrid, commercial two-way radio communication device or its functional equivalent, subscription-based emergency communication device, prescribed medical device, amateur or ham radio device, or in-vehicle security, navigation, autonomous technology, or remote diagnostics system.

(b)

(1) A person, while operating a motor vehicle on any road or highway in this state, shall not:

(A) Physically hold or support, with any part of the person's body, a:

(i) Wireless telecommunications device. This subdivision (b)(1)(A) does not prohibit a person eighteen (18) years of age or older from:

(a) Using an earpiece, headphone device, or device worn on a wrist to conduct a voice-based communication; or

(b) Using only one (1) button on a wireless telecommunications device to initiate or terminate a voice communication; or

(ii) Stand-alone electronic device;

(B) Write, send, or read any text-based communication, including, but not limited to, a text message, instant message, email, or internet data on a wireless telecommunications device or stand-alone electronic device. This subdivision (b)(1)(B) does not apply to any person eighteen (18) years of age or older who uses such devices:

(i) To automatically convert a voice-based communication to be sent as a message in a written form; or

(ii) For navigation of the motor vehicle through use of a device's global positioning

system;

(C) Reach for a wireless telecommunications device or stand-alone electronic device in a manner that requires the driver to no longer be:

(i) In a seated driving position; or

(ii) Properly restrained by a safety belt;

(D) Watch a video or movie on a wireless telecommunications device or stand-alone electronic device other than viewing data related to the navigation of the motor vehicle; or

(E) Record or broadcast video on a wireless telecommunications device or stand-alone electronic device. This subdivision (b)(1) does not apply to electronic devices used for the sole purpose of continuously recording or broadcasting video within or outside of the motor vehicle.

(2) Notwithstanding subdivisions (b)(1)(A) and (B), and in addition to the exceptions described in those subdivisions, a function or feature of a wireless telecommunications device or stand-alone electronic device may be activated or deactivated in a manner requiring the physical use of the driver's hand while the driver is operating a motor vehicle if:

(A) The wireless telecommunications device or stand-alone electronic device is mounted on the vehicle's windshield, dashboard, or center console in a manner that does not hinder the driver's view of the road; and

(B) The driver's hand is used to activate or deactivate a feature or function of the wireless telecommunications device or stand-alone electronic device with the motion of one (1) swipe or tap of the driver's finger, and does not activate camera, video, or gaming features or functions for viewing, recording, amusement, or other non-navigational functions, other than features or functions related to the transportation of persons or property for compensation or payment of a fee.

(c) This section does not apply to the following persons:

(1) Officers of the state or of any county, or the city charged with the enforcement of the laws of this state, or federal law enforcement officers when in the actual discharge of their official duties;

(2) Campus police officers and public safety officers, as defined by Tenn. Code Ann. § 49-7-118, when in the actual discharge of their official duties;

(3) Emergency medical technicians, emergency medical technician-paramedics, and firefighters, both volunteer and career, when in the actual discharge of their official duties;

(4) Emergency management agency officers of the state or of any county, or the city when in the actual discharge of their official duties;

(5) Persons using a wireless telecommunications device to communicate with law enforcement agencies, medical providers, fire departments, or other emergency service agencies while driving a motor vehicle, if the use is necessitated by a bona fide emergency, including a natural or human occurrence that threatens human health, life, or property;

(6) Employees or contractors of utility services providers acting within the scope of their employment; and

(7) Persons who are lawfully stopped or parked in their motor vehicles or who lawfully leave standing their motor vehicles.

State law reference-Similar provisions TCA § 55-8-199

SECTION II. That Section 98-411 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended by adding the following:

Sec. 98-411. Compliance with financial responsibility law required — Evidence of compliance — Issuance of citations by police service technicians.

(a) This section shall apply to every vehicle subject to the registration and certificate of title provisions.

(b)

(1)

(A) At the time a driver of a motor vehicle is charged with any violation under Chapter 98 of the Code of Ordinances, an officer shall request evidence of financial responsibility as required by this section.

(B) If the driver of a motor vehicle fails to show an officer evidence of financial responsibility, or provides the officer with evidence of a motor vehicle liability policy as evidence of financial responsibility, the officer shall utilize the vehicle insurance verification program as defined in Tenn. Code Ann. § 55-12-203 and may rely on the information provided by the vehicle insurance verification program, for the purpose of verifying evidence of liability insurance coverage.

(2) For the purposes of this section, "financial responsibility" means:

(A) Documentation, such as the declaration page of an insurance policy, an insurance binder, or an insurance card from an insurance company authorized to do business in this state, whether in paper or electronic format, stating that a policy of insurance meeting the requirements of this part has been issued;

(B) A certificate, valid for one (1) year, issued by the commissioner of safety, stating that:

(i) A cash deposit or bond in the amount required by this part has been paid or filed with the commissioner of revenue; or

(ii) The driver has qualified as a self-insurer under Tenn. Code Ann. § 55-12-111; or

(C) The motor vehicle being operated at the time of the violation was owned by a common carrier subject to the jurisdiction of the department of safety or the interstate commerce commission, or was owned by the United States, the state, or any political subdivision thereof, and that the motor vehicle was being operated with the owner's consent.

(c)

(1) It is an offense to fail to provide evidence of financial responsibility pursuant to this section.

(2) Except as provided in subdivision (c)(3), a violation of subdivision (c)(1) is a violation of the Code of Ordinances subject to the penalties set forth in City Code of Ordinances section 98-37.

(3) If the driver of a motor vehicle fails to provide evidence of financial responsibility pursuant to this section, an officer may tow the motor vehicle pursuant to Kingsport Police Department Patrol Division Standard Operating Procedures.

(d) The fines imposed by this section shall be in addition to any other fines imposed by this title for any other violation under this title.

(e)

(1) On or before the court date, the person so charged may submit evidence of financial responsibility at the time of the violation. If it is the person's first violation of this section and the court is satisfied that the financial responsibility was in effect at the time of the violation, the charge of failure to provide evidence of financial responsibility shall be dismissed. Upon the person's second or subsequent violation of this section, if the court is satisfied that the financial responsibility was in effect at the time of the violation, the charge of failure to provide evidence of financial responsibility may be dismissed. Any charge that is dismissed pursuant to this subsection (e) shall be dismissed without costs to the defendant and no litigation tax shall be due or collected, notwithstanding any law to the contrary.

(2) A person who did not have financial responsibility that was in effect at the time of being charged with a violation of subsection (c) shall not have that person's violation of subsection

(c) dismissed.

(f) For purposes of this section, acceptable electronic formats include display of electronic images on a cellular phone or any other type of portable electronic device.

(h) If a person displays the evidence in an electronic format pursuant to this section, the person is not consenting for law enforcement to access any other contents of the electronic device.

State law reference-Similar provisions TCA § 55-12-139

SECTION III. That Section 98-412-of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended by adding the following:

Sec. 98-412 Driving or moving unregistered vehicle upon highway — Exception.

(a) No person shall:

(1) Drive or move or knowingly permit to be driven or moved on any street any vehicle of a type required to be registered under chapters 1-6 of title 55 of the Tennessee Code Annotated that is not registered or for which the appropriate fee has not been paid when and as required under chapters 1-6 of title 55 of the Tennessee Code Annotated; or

(2) Operate or for any owner knowingly to permit to be operated on lands, other than a street, an off-highway motor vehicle for which certificate of title has not been issued or for which the appropriate fee has not been paid when and as required under chapters 1-6 of title 55 of the Tennessee Code Annotated.

(b) Notwithstanding subdivisions (a)(1) and (2), when application accompanied by proper fee has been made for a certificate of title for a vehicle, the vehicle may be operated temporarily pending issuance of a certificate of title upon displaying a duplicate application for the certificate of title, duly verified by the county clerk of the county in which the vehicle has been registered, which shall be prepared by the county clerk, upon request, without the payment of an additional fee.

State law reference-Similar provisions TCA § 55-3-102

SECTION IV. That Section 98-413 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended by adding the following:

Sec. 98-413. Tinted motor vehicle windows.

(a)

(1) It is a violation of this Chapter for any person to operate, upon any street, any motor vehicle in which any window that has a visible light transmittance equal to, but not less than, that specified in the Federal Motor Vehicle Safety Standard No. 205, codified in 49 CFR 571.205, has been altered, treated or replaced by the affixing, application or installation of any material that:

(A) Has a visible light transmittance of less than thirty-five percent (35%); or

(B) With the exception of the manufacturer's standard installed shade band, reduces the visible light transmittance in the windshield below seventy percent (70%).

(2) The owner of any vehicle in question has the burden of proof that the motor vehicle is in compliance with this section.

(3)

(A) The restrictions of this subsection (a) do not apply to any of the following motor vehicles:

(i) Any motor vehicle model permitted by federal regulations to be equipped with certain windows tinted so as not to conform to the specifications of subdivision (a)(1)(A) with respect to those certain windows;

(ii) Any motor vehicle bearing commercial license plates or government service license plates that are used for law enforcement purposes, for those windows

rearward of the front doors;

(iii) Any motor vehicle that is registered in another state and meets the requirements of the state of registration; and

(iv) Any motor vehicle owned or leased by private investigators or investigations companies licensed pursuant to title 62, chapter 26.

(B) This subdivision (a)(3) shall not be construed in any way to exempt the front door windows of any motor vehicle of any kind from the specifications of subdivision (a)(1)(A).

(b) This section shall not apply in any instance where a person has obtained and can provide proof of the necessary certification or authorization from the commissioner of the department of safety that the person has a medical condition that requires reduction of light transmission in the windows of the person's vehicle in excess of the standards established in subsection (a).

(c) It is a violation of this Chapter for the operator of a motor vehicle to refuse to submit to the field comparison test when directed to do so by a full-time, police officer, or for any person to otherwise violate any provisions of this section.

State law reference-Similar provisions TCA § 55-9-107

SECTION V. That Section 98-414 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended by adding the following:

Sec. 98-414 Change of address.

Whenever any person after applying for or receiving a license moves from the address named in the application or license, or when the name of a licensee is changed for any reason, the person shall within ten (10) days thereafter notify the department of the change or changes

State law reference-Similar provisions TCA § 55-50-333

SECTION VI. That Section 98-418 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended by adding the following:

Sec. 98-418 License to be carried and exhibited on demand.

Any person who has been issued a driver license pursuant to Tenn. Code Ann. § 55-50-301 shall have the licensee's license in immediate possession at all times when operating a motor vehicle and shall display it upon demand of any city police officer, except that where the licensee has previously deposited the license with the officer or court demanding bail, and has received a receipt from the officer or the court, the receipt is to serve as a substitute for the license until the specified date for court appearance of licensee or the license is otherwise returned to the licensee by the officer or court accepting the license for deposit.

State law reference-Similar provisions TCA § 55-50-351

SECTION VII. 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.

PATRICK W. SHULL, Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY City Attorney

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



AGENDA ACTION FORM

Budget Adjustment Ordinance for Various Funds in FY22

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *cm*

Action Form No.: AF-265-2021
 Work Session: September 7, 2021
 First Reading: September 7, 2021

Final Adoption: September 28, 2021
 Staff Work By: John Morris
 Presentation By: C. McCartt

Recommendation:

Approve the Ordinance

Executive Summary:

The General Fund budget is being amended by accepting the Governor's Grant from the State of Tennessee Department of Finance and Administration in the amount of \$607,194.00 and by transferring \$4,000.00 from the To MPO line (110-4804-481.70-52) to the Future Appropriations line (110-4890-901.60-01).

The General Projects-Special Revenue Fund budget is being amended by closing the Police Radio License project (NC2115) and transferring the remaining budget to the Police Training/Equipment project (NC2204).

The MPO Fund budget is being amended to correct the General Fund transfer needed to match the intended state matching funds from the State of Tennessee. The total doesn't change.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: *cm*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *cm*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

ORDINANCE NO. _____

**PRE-FILED
CITY RECORDER**

AN ORDINANCE TO AMEND VARIOUS PROJECT FUND
BUDGETS FOR THE YEAR ENDING JUNE 30, 2022;
AND TO FIX THE EFFECTIVE DATE OF THIS
ORDINANCE

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

SECTION I. That the General Fund budget be increased by appropriating a direct appropriation grant from the State of Tennessee Department of Finance and Administration in the amount of \$607,194 and by transferring \$4,000 from the To MPO line (110-4804-481.70-52) to the Future Appropriations line (110-4890-901.60-01).

SECTION II. That the General Project-Special Revenue Fund budget be amended by transferring \$132,000 from the Police Radio License project (NC2115) to the Police Training/Equipment project (NC2204). Close NC2115.

SECTION III. That the MPO Fund budget be amended by transferring \$4,000 from the From General Fund line (122-0000-391.01-00) to the TN FHWA 80% line (122-0000-337.52-10) in the amount of \$2,000 and to the TN Section 5303 80% line (122-0000-337.90-10) in the amount of \$2,000.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<u>Fund 110: General Fund</u>			
<u>Revenues:</u>	\$	\$	\$
110-0000-332.57-00 State Revenue Direct Appr	0	607,194	607,194
Total:	0	607,194	607,194
<u>Expenditures:</u>	\$	\$	\$
110-4804-481.70-52 To MPO Fund	67,713	(4,000)	63,713
110-4810-481.20-99 Miscellaneous	0	607,194	607,194
110-4890-901.60-01 Future Appropriations	35,852	4,000	39,852
Total:	103,565	607,194	710,759

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<u>Fund 111: Gen Project-Special Revenue Fund</u>			
<u>Police Radio License (NC2115)</u>			
<u>Revenues:</u>	\$	\$	\$
111-0000-391.01-00 From General Fund	132,000	(132,000)	0
Total:	132,000	(132,000)	
<u>Expenditures:</u>			
111-0000-601.20-55 Repairs/Maintenance	132,000	(132,000)	0
Total:	132,000	(132,000)	0

Police Training/Equipment (NC2204)**Revenues:**

111-0000-391.01-00 From General Fund

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	0	132,000	132,000
Total:	0	132,000	132,000

Expenditures:

111-0000-601.90-04 Equipment

	0	132,000	132,000
Total:	0	132,000	132,000

Account Number/Description:**Fund 122: MPO Fund****Revenues:**

122-0000-332.66-20 VA FHWA 10%
122-0000-332.79-10 TN Section 5303 10%
122-0000-332.79-20 VA Section 5303 10%
122-0000-332.90-95 CPG 5% State Funding
122-0000-337.52-10 TN FHWA 80%
122-0000-337.52-12 VA FHWA 80%
122-0000-337.52-25 VA FHWA 100%
122-0000-337.90-10 TN Section 5303 80%
122-0000-337.90-20 VA Section 5303 80%
122-0000-391.01-00 From General Fund

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	501	0	501
	3,000	0	3,000
	524	0	524
	17,730	0	17,730
	281,672	2,000	283,672
	4,008	0	4,008
	4,750	0	4,750
	46,000	2,000	48,000
	4,195	0	4,195
	67,713	(4,000)	63,713
Total:	430,093	0	430,093

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

PATRICK W. SHULL, Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Accept a Contractual Agreement with the Tennessee Department of Transportation for Reimbursement of Capital Expenses

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-276-2021
 Work Session: September 27, 2021
 First Reading: NA

Final Adoption: September 28, 2021
 Staff Work By: Chris Campbell
 Presentation By: Chris Campbell

Recommendation:

Approve the Resolution

Executive Summary:

The Tennessee Department of Transportation (TDOT) previously awarded Kingsport a highly competitive Improve Act grant in the amount of \$2,446,907.00 to assist with the construction of a transit garage/maintenance facility. Based on the Improve Act grant terms, that amount was the maximum allowed. In order to fully fund the construction phase another funding source is needed. The Board of Mayor and Alderman previously approved a resolution to apply for additional Federal Transit Administration (FTA) funding for this project. The purpose of this action is to approve the state match from the Tennessee Department of Transportation (TDOT).

	Federal (80%)	State (10%)	Local (10%)	Total
New FTA Grant for Construction	\$1,680,000	\$210,000	\$210,000	\$2,100,000

Attachments:

1. Resolution
1. Contract

Funding source appropriate and funds are available: *jm*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *me*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING A GRANT CONTRACT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR REIMBURSEMENT OF CAPITAL EXPENSES AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the Tennessee Department of Transportation (TDOT) previously awarded the city a highly competitive Improve Act grant in the amount of \$2,446,907.00, to assist with the construction of a transit garage/maintenance facility, and

WHEREAS, pursuant to the terms of the Improve Act grant, the amount awarded was the maximum allowed, and in order to fully fund the construction phase of the project another funding source is needed; and

WHEREAS, the board previously approved a resolution to apply for additional Federal Transit Administration (FTA) funding for this project which the city was awarded in the amount of \$1,680,000.00; and

WHEREAS, the purpose of this action is to approve the state match from the Tennessee Department of Transportation (TDOT) in the amount of \$210,000.00.

Now therefore,

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

SECTION I. That Grant Contract with the State of Tennessee, Department of Transportation to accept state funds in the amount of \$210,000.00, for the construction of a transit garage/maintenance facility is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Grant Contract with the State of Tennessee, Department of Transportation to accept state funds in the amount of \$210,000.00, for the construction of a transit garage/maintenance facility to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution, said agreement being as follows:

TDOT PROJECT NO.: 825307-S3-032
FTA PROJECT NO.: TN2021-031

GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE, DEPARTMENT OF TRANSPORTATION
AND
CITY OF KINGSFORT

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee City of Kingsport, hereinafter referred to as the "Grantee," is for the provision of capital assistance, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

Grantee Edison Vendor ID # 1562

A. SCOPE OF SERVICES AND DELIVERABLES:

A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.

A.2. The Grantee shall provide all services and deliverables as described in their 49 U.S.C. § 5307 Program application submitted to and as approved by Federal Transit Administration (FTA).

A.3. The Grantee shall abide by the provisions of 49 U.S.C. § 5307 and FTA Circular C 9030.1E "Urbanized Area Formula Program: Program Guidance and Application Instructions," to receive State funds to urbanized areas for transit capital and operating assistance, and for transportation related planning. Specifically, the funds will be used for capital assistance as detailed in 49 U.S.C. § 5307 and FTA Circular C 9030.1E "Urbanized Area Formula Program: Program Guidance and Application Instructions."

A.4. "Capital Projects" means those projects as defined in FTA Circular C9030.1E, "Urbanized Area Formula Program Guidance and Application Instructions," Chapter IV.

A.5. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Contract by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these items shall govern in order of precedence below.

a. this Grant Contract document with any attachments or exhibits (excluding the items listed at subsections b. and c., below);

b. the Grantee's 49 U.S.C. § 5307 Program application submitted to and as approved by the FTA; and

c. FTA Circular C 9030.1E, "Urbanized Area Formula Program: Program Guidance and Application Instructions", or the most recently FTA approved updated circular.

B. TERM OF GRANT CONTRACT:

This Grant Contract shall be effective for the period beginning on August 5, 2021 ("Effective Date") and ending on December 31, 2025, ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Two Hundred Ten Thousand Dollars and No Cents (\$210,000.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment One, is the maximum amount due the Grantee under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.

C.2. Compensation Firm. The Maximum Liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in Section C.6.

C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.

C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.

C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

Tennessee Department of Transportation
Multimodal Transportation Resources Division
505 Deaderick Street – James K. Polk Building,
Suite 1200

Nashville, Tennessee 37243

a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).

(1) Invoice/Reference Number (assigned by the Grantee).

(2) Invoice Date.

(3) Invoice Period (to which the reimbursement request is applicable).

(4) Grant Contract Number (assigned by the State).

(5) Grantor: Tennessee Department of Transportation, Multimodal Transportation Resources Division.

(6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).

- (7) Grantee Name.
 - (8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.
 - (9) Grantee Remittance Address.
 - (10) Grantee Contact for Invoice Questions (name, phone, or fax).
 - (11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:
 - i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).
 - ii. The amount reimbursed by Grant Budget line-item to date.
 - iii. The total amount reimbursed under the Grant Contract to date.
 - iv. The total amount requested (all line-items) for the Invoice Period.
 - b. The Grantee understands and agrees to all of the following.
 - (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.
 - (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
 - (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.
 - (4) All invoice reimbursement amounts are to be rounded down to the next lowest full dollar of the expense by source of reimbursement and by detail budget line item. If the contract includes funds previously allocated in a previous grant contract or provides for a subsequent phase of work with the same funding as a previous contract, and partial dollars were paid in the previous grant contract, then this Grant Contract's initial reimbursement by source of reimbursement and by detail budget line item shall be to achieve the remaining reimbursements in whole dollars. All remaining reimbursements after the first by source of reimbursement and by detail budget line item are to be rounded down to the next lowest whole dollar by source of reimbursement and by detail budget line item.
- C.6. Budget Line-item: Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may request revisions of Grant Budget line-items by letter, giving full details supporting such request, provided that such revisions do not increase total Grant Budget amount. Grant Budget line-item revisions may not be made without prior, written approval of the State in which the terms of the approved revisions are explicitly set forth. Any increase in the total Grant Budget amount shall require a Grant Contract amendment.
- C.7. Disbursement Reconciliation and Close Out: The Grantee shall submit any final invoice and a grant disbursement reconciliation report within ninety (90) days of the Grant Contract end date and in form and substance acceptable to the State.
- a. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet this requirement.
 - i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant contract with the State.
 - ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the Grant Budget column "Grant Contract," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.
 - b. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract (including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.
 - c. The State shall not be responsible for the payment of any invoice submitted to the state after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
 - d. The Grantee's failure to provide a final grant disbursement reconciliation report to the state as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the state pursuant to this Grant Contract.
 - e. The Grantee must close out its accounting records at the end of the contract period in such a

way that reimbursable expenditures and revenue collections are NOT carried forward.

C.8. Indirect Cost. Should the Grantee request reimbursement for indirect costs, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.

C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the Term.

C.10. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any reimbursement, invoice, or related matter. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.

C.11. Non-allowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment that are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs.

C.12. State's Right to Set Off. The State reserves the right to set off or deduct from amounts that are or shall become due and payable to the Grantee under this Grant Contract or under any other agreement between the Grantee and the State of Tennessee under which the Grantee has a right to receive payment from the State.

C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following, properly completed documentation.

a. The Grantee shall complete, sign, and return to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Grantee acknowledges and agrees that, once this form is received by the State, all payments to the Grantee under this or any other grant contract will be made by automated clearing house ("ACH").

b. The Grantee shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Grantee's Federal Employer Identification Number or Social Security Number referenced in the Grantee's Edison registration information.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this Grant Contract, the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment signed by all parties and approved by the officials who approved the Grant Contract and, depending upon the specifics of the Grant Contract as amended, any additional officials required by Tennessee laws and regulations (the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.3. Termination for Convenience. The State may terminate this Grant Contract without cause for any reason. A termination for convenience shall not be a breach of this Grant Contract by the State. The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service that has not been rendered. The final decision as to the amount for which the State is liable shall be determined by the State. The Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount for the State's exercise of its right to terminate for convenience.

D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate this Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the exercise of the State's right to terminate this Grant Contract for cause, the Grantee shall not be relieved of liability to the State for damages sustained by virtue

of any breach of this Grant Contract by the Grantee.

D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Grant Contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall remain responsible for all work performed.

D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Grantee in connection with any work contemplated or performed relative to this Grant Contract.

D.7. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:

a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

D.8. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective party as set out below:

The State:

Brenden Henderson, Program Monitor 1 Tennessee Department of Transportation Multimodal
Transportation Resources Division
James K. Polk Building, Suite 1200
505 Deaderick Street
Nashville, Tennessee 37243
Brenden.henderson@tn.gov
Telephone # (615) 253-4942
FAX # (615) 253-1482

The Grantee:

Chris Campbell, AICP
Public Transportation Manager
Kingsport Area Transit Service
900 East Main Street
Kingsport, Tennessee 37660
ChrisCampbell@KingsportTn.gov
Telephone # (423) 224-2857
FAX # (423) 224-2615

A change to the above contact information requires written notice to the person designated by the other party to receive notice.

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability

of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Grant Contract upon written notice to the Grantee. The State's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.10. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Grantee shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

D.11. HIPAA Compliance. The State and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH) and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Grant Contract.

a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.

b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.

c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering into a business associate agreement or signing another such document.

D.12. Public Accountability. If the Grantee is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The Grantee shall also display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454.

The sign shall be on the form prescribed by the Comptroller of the Treasury. The Grantor State Agency shall obtain copies of the sign from the Comptroller of the Treasury, and upon request from the Grantee, provide Grantee with any necessary signs.

D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Grant Contract shall include the statement, "This project is funded under a grant contract with the State of Tennessee." All notices by the Grantee in relation to this Grant Contract shall be approved by the State.

D.14. Licensure. The Grantee, its employees, and any approved subcontractor shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.

D.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Grant Contract. The books, records, and documents of the Grantee and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained in accordance with applicable Tennessee law. In no case shall the records be maintained for a period of less than five (5) full years from the date of the final payment. The Grantee's records shall be subject to audit at any reasonable time and upon reasonable notice by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives.

The records shall be maintained in accordance with Governmental Accounting Standards Board (GASB) Accounting Standards or the Financial Accounting Standards Board (FASB) Accounting Standards Codification, as applicable, and any related AICPA Industry Audit and Accounting guides. In addition, documentation of grant applications, budgets, reports, awards, and expenditures will be maintained in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Grant expenditures shall be made in accordance with local government purchasing policies and procedures and purchasing procedures for local governments authorized under state law.

The Grantee shall also comply with any recordkeeping and reporting requirements prescribed by the Tennessee Comptroller of the Treasury.

The Grantee shall establish a system of internal controls that utilize the COSO Internal Control - Integrated Framework model as the basic foundation for the internal control system. The Grantee shall incorporate any additional Comptroller of the Treasury directives into its internal control system. Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of the Grantor State Agency, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.

D.16. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

D.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.

D.18. Annual and Final Reports. The Grantee shall submit, within three (3) months of the conclusion of each year of the Term, an annual report. For grant contracts with a term of less than one (1) year, the Grantee shall submit a final report within three (3) months of the conclusion of the Term. For grant contracts with multiyear terms, the final report will take the place of the annual report for the final year of the Term. The Grantee shall submit annual and final reports to the Grantor State Agency. At minimum, annual and final reports shall include: (a) the Grantee's name; (b) the Grant Contract's Edison identification number, Term, and total amount; (c) a narrative section that describes the program's goals, outcomes, successes and setbacks, whether the Grantee used benchmarks or indicators to determine progress, and whether any proposed activities were not completed; and (d) other relevant details requested by the Grantor State Agency. Annual and final report documents to be completed by the Grantee shall appear on the Grantor State Agency's website or as an attachment to the Grant Contract.

D.19. Audit Report. The Grantee shall be audited in accordance with applicable Tennessee law. If the Grantee is subject to an audit under this provision, then the Grantee shall complete Attachment Two.

When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

A copy of the audit report shall be provided to the Comptroller by the licensed, independent public accountant. Audit reports shall be made available to the public.

D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, or contracted services, such procurement shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for the decision and for use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.317—200.326 when procuring property and services under a federal award.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

For purposes of this Grant Contract, the term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00).

D.21. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Grant Contract is not a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties.

D.22. Independent Contractor. The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that

they are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

D.23. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Grant Contract. In no event will the State be liable to the Grantee or any other party for any lost revenues, lost profits, loss of business, loss of grant funding, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Grant Contract or otherwise. The State's total liability under this Grant Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability originally established in Section C.1 of this Grant Contract. This limitation of liability is cumulative and not per incident.

D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party except to the extent that the non-performing party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Grantee's representatives, suppliers, subcontractors, customers or business apart from this Grant Contract is not a Force Majeure Event under this Grant Contract. Grantee will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Grantee's performance longer than forty-eight (48) hours, the State may, upon notice to Grantee: (a) cease payment of the fees until Grantee resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Grantee will not increase its charges under this Grant Contract or charge the State any fees other than those provided for in this Grant Contract as the result of a Force Majeure Event.

D.25. Tennessee Department of Revenue Registration. The Grantee shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Grant Contract.

D.26. Reserved.

D.27. State Interest in Equipment or Motor Vehicles. The Grantee shall take legal title to all equipment or motor vehicles purchased totally or in part with funds provided under this Grant Contract, subject to the State's equitable interest therein, to the extent of its *pro rata* share, based upon the State's contribution to the purchase price. The term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00). The term "motor vehicle" shall include any article of tangible personal property that is required to be registered under the "Tennessee Motor Vehicle Title and Registration Law", Tenn. Code Ann. Title 55, Chapters 1-6.

As authorized by the Tennessee Uniform Commercial Code, Tenn. Code Ann. Title 47, Chapter 9 and the "Tennessee Motor Vehicle Title and Registration Law," Tenn. Code Ann. Title 55, Chapters 1-6, the parties intend this Grant Contract to create a security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this Grant Contract. A further intent of this Grant Contract is to acknowledge and continue the security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this program's prior year Grant Contracts between the State and the Grantee.

The Grantee grants the State a security interest in all equipment or motor vehicles acquired in whole or in part by the Grantee under this Grant Contract. This Grant Contract is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment or motor vehicles herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the State a security interest in said

equipment or motor vehicles. The Grantee agrees that the State may file this Grant Contract or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment or motor vehicles herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, the Grantee agrees to execute and deliver to the State, upon the State's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproduction of this Grant Contract in such form as the State may require to perfect a security interest with respect to said equipment or motor vehicles. The Grantee shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the State may reasonably require. Without the prior written consent of the State, the Grantee shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment or motor vehicles, including replacements and additions thereto. Upon the Grantee's breach of any covenant or agreement contained in this Grant Contract, including the covenants to pay when due all sums secured by this Grant Contract, the State shall have the remedies of a secured party under the Uniform Commercial Code and, at the State's option, may also invoke the remedies herein provided.

The Grantee agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Contract. The Grantee shall maintain a perpetual inventory system for all equipment or motor vehicles purchased with funds provided under this Grant Contract and shall submit an inventory control report which must include, at a minimum, the following:

- a. Description of the equipment or motor vehicles;
- b. Vehicle identification number;
- c. Manufacturer's serial number or other identification number, when applicable;
- d. Acquisition date, cost, and check number;
- e. Fund source, State Grant number, or other applicable fund source identification;
- f. Percentage of state funds applied to the purchase;
- g. Location within the Grantee's operations where the equipment or motor vehicles is used;
- h. Condition of the property or disposition date if Grantee no longer has possession;
- i. Depreciation method, if applicable; and
- j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment or motor vehicles with an identification number which is cross referenced to the equipment or motor vehicle item on the inventory control report. The Grantee shall inventory equipment or motor vehicles annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment or motor vehicles purchased with funding through this Grant Contract within thirty (30) days of its end date and in form and substance acceptable to the State. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the State, in writing, of any equipment or motor vehicle loss describing the reasons for the loss. Should the equipment or motor vehicles be destroyed, lost, or stolen, the Grantee shall be responsible to the State for the *pro rata* amount of the residual value at the time of loss based upon the State's original contribution to the purchase price.

Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant Contract, the Grantee shall request written approval from the State for any proposed disposition of equipment or motor vehicles purchased with Grant funds. All equipment or motor vehicles shall be disposed of in such a manner as the parties may agree from among alternatives approved by the Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

D.28. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available here: http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under Tenn.

Code Ann. §§ 9-8-101 through 9-8-408.

D.30. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions agreed to by the parties. This Grant Contract supersedes any and all prior understandings, representations, negotiations, or agreements between the parties, whether written or oral.

D.31. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions shall not be affected and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.

D.32. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.

D.33. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Grant Contract. The Grantee certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

D.34. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;

b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and

d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Grantee shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified, or presently fall under any of the prohibitions of sections a-d.

D.35. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Grantee by the State or acquired by the Grantee on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Grantee to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Grantee shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Grant Contract.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, the special terms and conditions shall be subordinate to the Grant Contract's other terms and conditions.

E.2. Printing Authorization. The Grantee agrees that no publication coming within the jurisdiction of Tenn. Code Ann. § 12-7-101, *et seq.*, shall be printed pursuant to this Grant Contract unless a printing authorization number has been obtained and affixed as required by Tenn. Code Ann. § 12-7-103(d).

E.3 Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the "Children's Act for Clean Indoor Air of 1995," Tenn. Code Ann. §§ 39-17-1601 through 1606, the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract.

E.4 Grantee or its employees, agents and representatives. The State reserves the right to review

Grantee's policies and procedures used to maintain the security and confidentiality of PII and Grantee shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify or ensure that Grantee is in full compliance with its obligations under this Grant Contract in relation to PII. Upon termination or expiration of the Grant Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Grantee shall immediately return to the State any and all PII which it has received under this Grant Contract and shall destroy all records of such PII.

E.5. Transfer of Grantee's Obligations.

The Grantee shall not transfer or restructure its operations related to this Grant Contract without the prior written approval of the State. The Grantee shall immediately notify the State in writing of a proposed transfer or restructuring of its operations related to this Grant Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving a proposed transfer or restructuring.

E.6. T.C.A. Section 13-10-107 Compliance.

- 1) Grantee agrees to proceed expeditiously with and complete the project in accordance with plans approved by the Commissioner of TDOT ("Commissioner");
- 2) Grantee agrees to commence and continue operation of the project on completion of the project and not to discontinue operations or dispose of all or part of the project without Commissioner's prior written approval;
- 3) Grantee agrees to apply for and make reasonable efforts to secure federal assistance for the project, subject to any conditions the Commissioner may require in order to maximize the amounts of such assistance received or to be received for all projects in the State; and
- 4) Grantee agrees to provide Grantee's share of the cost of the project and comply with T.C.A. § 13-10-107(c)(4).

E.7. Match/Share Requirement. A Grantee Match/Share Requirement is detailed in the Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the "Grant Contract" column in the Grant Budget, shall be reduced by the amount of any Grantee failure to meet the Match/Share Requirement.

E.8. Reimbursements to Reflect Match/Share. Reimbursements to Grantee shall reflect the percentage of Grantee Match/Share detailed in the Grant Budget. Reimbursements are subject to the other provisions of this Grant Contract, including but not limited to, the maximum liability amount in Section C.1.

E.9. Capital Asset. The Grantee shall:

- (a) Use one or more vehicles, equipment, or facilities ("Capital Asset") acquired under this Grant Contract only for the purposes and the manner set forth in the Grantee's application.
 - (b) Certify at the beginning of each calendar year, that the Capital Asset acquired under this Grant Contract is still being used in accordance with the terms and provisions of this Grant Contract.
 - (c) Pay all fees on the Capital Asset acquired through this Grant Contract, including but not limited to title and registration fees.
 - (d) Be responsible for all costs and expenses related to the operation, maintenance, and repair of the Capital Asset acquired through this Grant Contract.
 - (e) Provide licensed drivers, as required by the Tennessee Department of Safety and Homeland Security, for operation of all vehicles or equipment received under this Grant Contract.
 - (f) Carry insurance on Capital Assets sufficient to cover the State interest, and the Federal interest if applicable, in the Capital Asset.
1. If the Grantee is governed by the Tennessee Governmental Tort Liability Act (Tenn. Code Ann. § 29-20-101 et seq.), then the following insurance coverage is required:
 - a) Bodily injury or death of any one person in any one accident, occurrence or act at a minimum of \$300,000.00 per person.
 - b) Bodily injury or death of all persons in any one accident, occurrence or act at a minimum of \$700,000.00 per accident.
 - c) Injury to or destruction of property of others in any one accident at a minimum of \$100,000.00.
 2. If the Grantee is not governed by the Tennessee Governmental Tort Liability Act, then the following insurance coverage is required:
 - a) Personal Injury Liability – minimum of \$300,000.00 per person and \$1,000,000.00 per incident.
 - b) Property Damage Liability – minimum of \$300,000.00 per incident.
 - c) Comprehensive – maximum deductible of \$500.00.
 - d) Collision – maximum deductible of \$500.00.
 - e) Uninsured Motorist – minimum of \$50,000.00 per person and \$100,000.00 per incident.
 3. Additionally, if applicable, the Grantee shall comply with the provisions of Section 102(a) of the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4012a(a), with respect to any

project activity involving construction or an acquisition having an insurable cost of \$10,000.00 or more.

This insurance shall be in effect at all times while the Capital Asset is used for public transportation services or service vehicle purposes in operations. The Grantee shall furnish the State with evidence of such insurance at the time the Capital Asset is delivered to the Grantee and annually on the anniversary date of the delivery of the Capital Asset. Upon demand by the State, the Grantee shall provide proof of insurance at any time during the term of useful life of the Capital Asset.

(g) Ensure that any vehicles received under this Grant Contract will comply with the Federal Motor Vehicle Safety Standards ("FMVSS") as established by the United States Department of Transportation.

(h) Ensure that any Capital Asset received under this Grant Contract shall be used for not less than the useful life, except with the State's prior written approval. The useful life of all Capital Assets purchased under the Grant Contract is as listed in the grant document filed with the Federal Transit Administration ("FTA"). Upon reaching the expiration of the useful life of the Capital Asset, the State may ask the Grantee to provide written notice to the State.

E.10. Vehicle Disposal Process. The Grantee shall adhere to disposal process as described in the State Management Plan for FTA Programs of the Tennessee Department of Transportation on file with the Federal Transit Administration (FTA)

E.11. Vehicle Disposal Proceeds. All proceeds from the disposal of the vehicle as described in the vehicle disposal process shall be accounted for and used for transportation program activity expenses.

E.12. No Retainage Allowed. The Grantee may not withhold retainage on progress payments from the prime contractor and the prime contractor may not withhold retainage from their subcontractors.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR


ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

TDOT PROJECT NO.: 825307-S3-032
FTA PROJECT NO.: TN2021-031

 GOVERNMENTAL GRANT CONTRACT (cost reimbursement grant contract with a federal or Tennessee local governmental entity or their agents and instrumentalities)					
Begin Date 8/5/2021		End Date 12/31/2025		Agency Tracking # 40100-47280	
Grantee Legal Entity Name City of Kingsport					Edison Vendor ID 1562
Subrecipient or Contractor <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Contractor		CFDA # Grantee's fiscal year end June 30			
Service Caption (one line only) FFY 2018, 2019, 2020 - 5307 Urbanized Area Program – Capital Assistance					
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Grant Contract Amount
2022	\$210,000.00				\$210,000.00
TOTAL:	\$210,000.00				\$210,000.00
Grantee Selection Process Summary					
<input type="checkbox"/> Competitive Selection		Describe the competitive selection process used.			
<input checked="" type="checkbox"/> Non-competitive Selection		Recipients apply directly to the Federal Transit Administration (FTA) for Section 5307 funds. Once their application has been approved by the FTA, recipients submit a request to TDOT Multimodal Division for matching funds.			
Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.				CPO USE – GG	
Speed Chart (optional)		Account Code (optional) 71302000			

Address #17

**GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF TRANSPORTATION
AND
CITY OF KINGSFORT**

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee City of Kingsport, hereinafter referred to as the "Grantee," is for the provision of capital assistance, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

Grantee Edison Vendor ID # 1562

A. SCOPE OF SERVICES AND DELIVERABLES:

- A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.
- A.2. The Grantee shall provide all services and deliverables as described in their 49 U.S.C. § 5307 Program application submitted to and as approved by Federal Transit Administration (FTA).
- A.3. The Grantee shall abide by the provisions of 49 U.S.C. § 5307 and FTA Circular C 9030.1E "Urbanized Area Formula Program: Program Guidance and Application Instructions," to receive State funds to urbanized areas for transit capital and operating assistance, and for transportation related planning. Specifically, the funds will be used for capital assistance as detailed in 49 U.S.C. § 5307 and FTA Circular C 9030.1E "Urbanized Area Formula Program: Program Guidance and Application Instructions."
- A.4. "Capital Projects" means those projects as defined in FTA Circular C9030.1E, "Urbanized Area Formula Program Guidance and Application Instructions," Chapter IV.
- A.5. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Contract by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these items shall govern in order of precedence below.
 - a. this Grant Contract document with any attachments or exhibits (excluding the items listed at subsections b. and c., below);
 - b. the Grantee's 49 U.S.C. § 5307 Program application submitted to and as approved by the FTA; and
 - c. FTA Circular C 9030.1E, "Urbanized Area Formula Program: Program Guidance and Application Instructions", or the most recently FTA approved updated circular.

B. TERM OF GRANT CONTRACT:

This Grant Contract shall be effective for the period beginning on August 5, 2021 ("Effective Date") and ending on December 31, 2025, ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Two Hundred Ten Thousand Dollars and No Cents (\$210,000.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment One, is the maximum amount due the Grantee under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.
- C.2. Compensation Firm. The Maximum Liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in Section C.6.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

Tennessee Department of Transportation
Multimodal Transportation Resources Division
505 Deaderick Street – James K. Polk Building, Suite 1200
Nashville, Tennessee 37243

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).
- (1) Invoice/Reference Number (assigned by the Grantee).
 - (2) Invoice Date.
 - (3) Invoice Period (to which the reimbursement request is applicable).
 - (4) Grant Contract Number (assigned by the State).
 - (5) Grantor: Tennessee Department of Transportation, Multimodal Transportation Resources Division.
 - (6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).
 - (7) Grantee Name.
 - (8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.
 - (9) Grantee Remittance Address.
 - (10) Grantee Contact for Invoice Questions (name, phone, or fax).
 - (11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:
 - i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).
 - ii. The amount reimbursed by Grant Budget line-item to date.
 - iii. The total amount reimbursed under the Grant Contract to date.

- iv. The total amount requested (all line-items) for the Invoice Period.
- b. The Grantee understands and agrees to all of the following.
- (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.
 - (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
 - (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.
 - (4) All invoice reimbursement amounts are to be rounded down to the next lowest full dollar of the expense by source of reimbursement and by detail budget line item. If the contract includes funds previously allocated in a previous grant contract or provides for a subsequent phase of work with the same funding as a previous contract, and partial dollars were paid in the previous grant contract, then this Grant Contract's initial reimbursement by source of reimbursement and by detail budget line item shall be to achieve the remaining reimbursements in whole dollars. All remaining reimbursements after the first by source of reimbursement and by detail budget line item are to be rounded down to the next lowest whole dollar by source of reimbursement and by detail budget line item.
- C.6. Budget Line-item: Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may request revisions of Grant Budget line-items by letter, giving full details supporting such request, provided that such revisions do not increase total Grant Budget amount. Grant Budget line-item revisions may not be made without prior, written approval of the State in which the terms of the approved revisions are explicitly set forth. Any increase in the total Grant Budget amount shall require a Grant Contract amendment.
- C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within ninety (90) days of the Grant Contract end date and in form and substance acceptable to the State.
- a. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet this requirement.
 - i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant contract with the State.
 - ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the Grant Budget column "Grant Contract," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.
 - b. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract (including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund

the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.

- c. The State shall not be responsible for the payment of any invoice submitted to the state after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
 - d. The Grantee's failure to provide a final grant disbursement reconciliation report to the state as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the state pursuant to this Grant Contract.
 - e. The Grantee must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.
- C.8. Indirect Cost. Should the Grantee request reimbursement for indirect costs, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.
- C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the Term.
- C.10. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any reimbursement, invoice, or related matter. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.
- C.11. Non-allowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment that are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs.
- C.12. State's Right to Set Off. The State reserves the right to set off or deduct from amounts that are or shall become due and payable to the Grantee under this Grant Contract or under any other agreement between the Grantee and the State of Tennessee under which the Grantee has a right to receive payment from the State.
- C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following, properly completed documentation.
- a. The Grantee shall complete, sign, and return to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the

Grantee acknowledges and agrees that, once this form is received by the State, all payments to the Grantee under this or any other grant contract will be made by automated clearing house ("ACH").

- b. The Grantee shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Grantee's Federal Employer Identification Number or Social Security Number referenced in the Grantee's Edison registration information.

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this Grant Contract, the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment signed by all parties and approved by the officials who approved the Grant Contract and, depending upon the specifics of the Grant Contract as amended, any additional officials required by Tennessee laws and regulations (the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.3. Termination for Convenience. The State may terminate this Grant Contract without cause for any reason. A termination for convenience shall not be a breach of this Grant Contract by the State. The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service that has not been rendered. The final decision as to the amount for which the State is liable shall be determined by the State. The Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount for the State's exercise of its right to terminate for convenience.
- D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate this Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the exercise of the State's right to terminate this Grant Contract for cause, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Grant Contract by the Grantee.
- D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Grant Contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall remain responsible for all work performed.
- D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or

consultant to the Grantee in connection with any work contemplated or performed relative to this Grant Contract.

D.7. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:

- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

D.8. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective party as set out below:

The State:

Brenden Henderson, Program Monitor 1
Tennessee Department of Transportation
Multimodal Transportation Resources Division
James K. Polk Building, Suite 1200
505 Deaderick Street
Nashville, Tennessee 37243
Brenden.henderson@tn.gov
Telephone # (615) 253-4942
FAX # (615) 253-1482

The Grantee:

Chris Campbell, AICP
Public Transportation Manager
Kingsport Area Transit Service
900 East Main Street

Kingsport, Tennessee 37660
ChrisCampbell@KingsportTn.gov
Telephone # (423) 224-2857
FAX # (423) 224-2615

A change to the above contact information requires written notice to the person designated by the other party to receive notice.

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Grant Contract upon written notice to the Grantee. The State's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.10. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Grantee shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.11. HIPAA Compliance. The State and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH) and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Grant Contract.
- a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.
 - b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.
 - c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering into a business associate agreement or signing another such document.

- D.12. Public Accountability. If the Grantee is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The Grantee shall also display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454.

The sign shall be on the form prescribed by the Comptroller of the Treasury. The Grantor State Agency shall obtain copies of the sign from the Comptroller of the Treasury, and upon request from the Grantee, provide Grantee with any necessary signs.

- D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Grant Contract shall include the statement, "This project is funded under a grant contract with the State of Tennessee." All notices by the Grantee in relation to this Grant Contract shall be approved by the State.
- D.14. Licensure. The Grantee, its employees, and any approved subcontractor shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.
- D.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Grant Contract. The books, records, and documents of the Grantee and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained in accordance with applicable Tennessee law. In no case shall the records be maintained for a period of less than five (5) full years from the date of the final payment. The Grantee's records shall be subject to audit at any reasonable time and upon reasonable notice by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives.

The records shall be maintained in accordance with Governmental Accounting Standards Board (GASB) Accounting Standards or the Financial Accounting Standards Board (FASB) Accounting Standards Codification, as applicable, and any related AICPA Industry Audit and Accounting guides.

In addition, documentation of grant applications, budgets, reports, awards, and expenditures will be maintained in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Grant expenditures shall be made in accordance with local government purchasing policies and procedures and purchasing procedures for local governments authorized under state law.

The Grantee shall also comply with any recordkeeping and reporting requirements prescribed by the Tennessee Comptroller of the Treasury.

The Grantee shall establish a system of internal controls that utilize the COSO Internal Control - Integrated Framework model as the basic foundation for the internal control system. The Grantee

shall incorporate any additional Comptroller of the Treasury directives into its internal control system.

Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of the Grantor State Agency, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.

- D.16. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.18. Annual and Final Reports. The Grantee shall submit, within three (3) months of the conclusion of each year of the Term, an annual report. For grant contracts with a term of less than one (1) year, the Grantee shall submit a final report within three (3) months of the conclusion of the Term. For grant contracts with multiyear terms, the final report will take the place of the annual report for the final year of the Term. The Grantee shall submit annual and final reports to the Grantor State Agency. At minimum, annual and final reports shall include: (a) the Grantee's name; (b) the Grant Contract's Edison identification number, Term, and total amount; (c) a narrative section that describes the program's goals, outcomes, successes and setbacks, whether the Grantee used benchmarks or indicators to determine progress, and whether any proposed activities were not completed; and (d) other relevant details requested by the Grantor State Agency. Annual and final report documents to be completed by the Grantee shall appear on the Grantor State Agency's website or as an attachment to the Grant Contract.
- D.19. Audit Report. The Grantee shall be audited in accordance with applicable Tennessee law.
- If the Grantee is subject to an audit under this provision, then the Grantee shall complete Attachment Two.
- When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- A copy of the audit report shall be provided to the Comptroller by the licensed, independent public accountant. Audit reports shall be made available to the public.
- D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, or contracted services, such procurement shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for the decision and for use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.317—200.326 when procuring property and services under a federal award.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

For purposes of this Grant Contract, the term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00).

- D.21. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Grant Contract is not a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties.
- D.22. Independent Contractor. The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that they are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.
- D.23. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Grant Contract. In no event will the State be liable to the Grantee or any other party for any lost revenues, lost profits, loss of business, loss of grant funding, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Grant Contract or otherwise. The State's total liability under this Grant Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability originally established in Section C.1 of this Grant Contract. This limitation of liability is cumulative and not per incident.
- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party except to the extent that the non-performing party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Grantee's representatives, suppliers, subcontractors, customers or business apart from this Grant Contract is not a Force Majeure Event under this Grant Contract. Grantee will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Grantee's performance longer than forty-eight (48) hours, the State may, upon notice to Grantee: (a) cease payment of the fees until Grantee resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Grantee will not increase its charges under this Grant Contract or charge the State any fees other than those provided for in this Grant Contract as the result of a Force Majeure Event.

- D.25. Tennessee Department of Revenue Registration. The Grantee shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Grant Contract.
- D.26. **Reserved.**
- D.27. State Interest in Equipment or Motor Vehicles. The Grantee shall take legal title to all equipment or motor vehicles purchased totally or in part with funds provided under this Grant Contract, subject to the State's equitable interest therein, to the extent of its *pro rata* share, based upon the State's contribution to the purchase price. The term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00). The term "motor vehicle" shall include any article of tangible personal property that is required to be registered under the "Tennessee Motor Vehicle Title and Registration Law", Tenn. Code Ann. Title 55, Chapters 1-6.

As authorized by the Tennessee Uniform Commercial Code, Tenn. Code Ann. Title 47, Chapter 9 and the "Tennessee Motor Vehicle Title and Registration Law," Tenn. Code Ann. Title 55, Chapters 1-6, the parties intend this Grant Contract to create a security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this Grant Contract. A further intent of this Grant Contract is to acknowledge and continue the security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this program's prior year Grant Contracts between the State and the Grantee.

The Grantee grants the State a security interest in all equipment or motor vehicles acquired in whole or in part by the Grantee under this Grant Contract. This Grant Contract is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment or motor vehicles herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the State a security interest in said equipment or motor vehicles. The Grantee agrees that the State may file this Grant Contract or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment or motor vehicles herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, the Grantee agrees to execute and deliver to the State, upon the State's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproduction of this Grant Contract in such form as the State may require to perfect a security interest with respect to said equipment or motor vehicles. The Grantee shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the State may reasonably require. Without the prior written consent of the State, the Grantee shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment or motor vehicles, including replacements and additions thereto. Upon the Grantee's breach of any covenant or agreement contained in this Grant Contract, including the covenants to pay when due all sums secured by this Grant Contract, the State shall have the remedies of a secured party under the Uniform Commercial Code and, at the State's option, may also invoke the remedies herein provided.

The Grantee agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Contract. The Grantee shall maintain a perpetual inventory system for all equipment or motor vehicles purchased with funds provided under this Grant Contract and shall submit an inventory control report which must include, at a minimum, the following:

- a. Description of the equipment or motor vehicles;
- b. Vehicle identification number;
- c. Manufacturer's serial number or other identification number, when applicable;
- d. Acquisition date, cost, and check number;
- e. Fund source, State Grant number, or other applicable fund source identification;
- f. Percentage of state funds applied to the purchase;
- g. Location within the Grantee's operations where the equipment or motor vehicles is used;
- h. Condition of the property or disposition date if Grantee no longer has possession;
- i. Depreciation method, if applicable; and
- j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment or motor vehicles with an identification number which is cross referenced to the equipment or motor vehicle item on the inventory control report. The Grantee shall inventory equipment or motor vehicles annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment or motor vehicles purchased with funding through this Grant Contract within thirty (30) days of its end date and in form and substance acceptable to the State. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the State, in writing, of any equipment or motor vehicle loss describing the reasons for the loss. Should the equipment or motor vehicles be destroyed, lost, or stolen, the Grantee shall be responsible to the State for the *pro rata* amount of the residual value at the time of loss based upon the State's original contribution to the purchase price.

Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant Contract, the Grantee shall request written approval from the State for any proposed disposition of equipment or motor vehicles purchased with Grant funds. All equipment or motor vehicles shall be disposed of in such a manner as the parties may agree from among alternatives approved by the Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

- D.28. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available here: http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
- D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under Tenn. Code Ann. §§ 9-8-101 through 9-8-408.
- D.30. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions

agreed to by the parties. This Grant Contract supersedes any and all prior understandings, representations, negotiations, or agreements between the parties, whether written or oral.

- D.31. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions shall not be affected and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.
- D.32. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.
- D.33. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Grant Contract. The Grantee certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
- D.34. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
 - b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
 - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
 - d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Grantee shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified, or presently fall under any of the prohibitions of sections a-d.

- D.35. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Grantee by the State or acquired by the Grantee on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Grantee to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Grantee shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Grant Contract.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, the special terms and conditions shall be subordinate to the Grant Contract's other terms and conditions.
- E.2. Printing Authorization. The Grantee agrees that no publication coming within the jurisdiction of Tenn. Code Ann. § 12-7-101, *et seq.*, shall be printed pursuant to this Grant Contract unless a printing authorization number has been obtained and affixed as required by Tenn. Code Ann. § 12-7-103(d).
- E.3. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the "Children's Act for Clean Indoor Air of 1995," Tenn. Code Ann. §§ 39-17-1601 through 1606, the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract.
- E.4. Personally Identifiable Information. While performing its obligations under this Grant Contract, Grantee may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Grant Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Grantee agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Grantee shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Grantee and in accordance with this Grant Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Grantee shall immediately notify State: (1) of any disclosure or use of any PII by Grantee or any of its employees, agents and representatives in breach of this Grant Contract; and (2) of any disclosure of any PII to Grantee or its employees, agents and representatives where the purpose of such disclosure is not known to

Grantee or its employees, agents and representatives. The State reserves the right to review Grantee's policies and procedures used to maintain the security and confidentiality of PII and Grantee shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify or ensure that Grantee is in full compliance with its obligations under this Grant Contract in relation to PII. Upon termination or expiration of the Grant Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Grantee shall immediately return to the State any and all PII which it has received under this Grant Contract and shall destroy all records of such PII.

The Grantee shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Grantee ("Unauthorized Disclosure") that come to the Grantee's attention. Any such report shall be made by the Grantee within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Grantee. Grantee shall take all necessary measures to halt any further Unauthorized Disclosures. The Grantee, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Grantee shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Grant Contract or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Grant Contract.

E.5. Transfer of Grantee's Obligations.

The Grantee shall not transfer or restructure its operations related to this Grant Contract without the prior written approval of the State. The Grantee shall immediately notify the State in writing of a proposed transfer or restructuring of its operations related to this Grant Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving a proposed transfer or restructuring.

E.6. T.C.A. Section 13-10-107 Compliance.

- 1) Grantee agrees to proceed expeditiously with and complete the project in accordance with plans approved by the Commissioner of TDOT ("Commissioner");
- 2) Grantee agrees to commence and continue operation of the project on completion of the project and not to discontinue operations or dispose of all or part of the project without Commissioner's prior written approval;
- 3) Grantee agrees to apply for and make reasonable efforts to secure federal assistance for the project, subject to any conditions the Commissioner may require in order to maximize the amounts of such assistance received or to be received for all projects in the State; and
- 4) Grantee agrees to provide Grantee's share of the cost of the project and comply with T.C.A. § 13-10-107(c)(4).

E.7. Match/Share Requirement. A Grantee Match/Share Requirement is detailed in the Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the "Grant Contract" column in the Grant Budget, shall be reduced by the amount of any Grantee failure to meet the Match/Share Requirement.

E.8. Reimbursements to Reflect Match/Share. Reimbursements to Grantee shall reflect the percentage of Grantee Match/Share detailed in the Grant Budget. Reimbursements are subject to

the other provisions of this Grant Contract, including but not limited to, the maximum liability amount in Section C.1.

E.9. Capital Asset. The Grantee shall:

- (a) Use one or more vehicles, equipment, or facilities ("Capital Asset") acquired under this Grant Contract only for the purposes and the manner set forth in the Grantee's application.
- (b) Certify at the beginning of each calendar year, that the Capital Asset acquired under this Grant Contract is still being used in accordance with the terms and provisions of this Grant Contract.
- (c) Pay all fees on the Capital Asset acquired through this Grant Contract, including but not limited to title and registration fees.
- (d) Be responsible for all costs and expenses related to the operation, maintenance, and repair of the Capital Asset acquired through this Grant Contract.
- (e) Provide licensed drivers, as required by the Tennessee Department of Safety and Homeland Security, for operation of all vehicles or equipment received under this Grant Contract.
- (f) Carry insurance on Capital Assets sufficient to cover the State interest, and the Federal interest if applicable, in the Capital Asset.
 - 1. If the Grantee is governed by the Tennessee Governmental Tort Liability Act (Tenn. Code Ann. § 29-20-101 et seq.), then the following insurance coverage is required:
 - a) Bodily injury or death of any one person in any one accident, occurrence or act at a minimum of \$300,000.00 per person.
 - b) Bodily injury or death of all persons in any one accident, occurrence or act at a minimum of \$700,000.00 per accident.
 - c) Injury to or destruction of property of others in any one accident at a minimum of \$100,000.00.
 - 2. If the Grantee is not governed by the Tennessee Governmental Tort Liability Act, then the following insurance coverage is required:
 - a) Personal Injury Liability – minimum of \$300,000.00 per person and \$1,000,000.00 per incident.
 - b) Property Damage Liability – minimum of \$300,000.00 per incident.
 - c) Comprehensive – maximum deductible of \$500.00.
 - d) Collision – maximum deductible of \$500.00.
 - e) Uninsured Motorist – minimum of \$50,000.00 per person and \$100,000.00 per incident.
 - 3. Additionally, if applicable, the Grantee shall comply with the provisions of Section 102(a) of the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4012a(a), with respect to any project activity involving construction or an acquisition having an insurable cost of \$10,000.00 or more.

This insurance shall be in effect at all times while the Capital Asset is used for public transportation services or service vehicle purposes in operations. The Grantee shall furnish the State with evidence of such insurance at the time the Capital Asset is delivered to the Grantee and annually on the anniversary date of the delivery of the Capital Asset. Upon

demand by the State, the Grantee shall provide proof of insurance at any time during the term of useful life of the Capital Asset.

- (g) Ensure that any vehicles received under this Grant Contract will comply with the Federal Motor Vehicle Safety Standards ("FMVSS") as established by the United States Department of Transportation.
 - (h) Ensure that any Capital Asset received under this Grant Contract shall be used for not less than the useful life, except with the State's prior written approval. The useful life of all Capital Assets purchased under the Grant Contract is as listed in the grant document filed with the Federal Transit Administration ("FTA"). Upon reaching the expiration of the useful life of the Capital Asset, the State may ask the Grantee to provide written notice to the State.
- E.10. Vehicle Disposal Process. The Grantee shall adhere to disposal process as described in the State Management Plan for FTA Programs of the Tennessee Department of Transportation on file with the Federal Transit Administration (FTA)
- E.11. Vehicle Disposal Proceeds. All proceeds from the disposal of the vehicle as described in the vehicle disposal process shall be accounted for and used for transportation program activity expenses.
- E.12. No Retainage Allowed. The Grantee may not withhold retainage on progress payments from the prime contractor and the prime contractor may not withhold retainage from their subcontractors.

IN WITNESS WHEREOF,

CITY OF KINGSPORT:

PATRICK SHULL, MAYOR

DATE

PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)

MICHAEL BILLINGSLEY, CITY ATTORNEY

DATE

ANGELA MARSHALL, CITY RECORDER

DATE

TDOT PROJECT NO.: 825307-S3-032
FTA PROJECT NO.: TN2021-031

DEPARTMENT OF TRANSPORTATION:

CLAY BRIGHT, COMMISSIONER

DATE

**JOHN H. REINBOLD, GENERAL COUNSEL
APPROVED AS TO FORM AND LEGALITY**

DATE

TDOT PROJECT NO.: 825307-S3-032
FTA PROJECT NO.: TN2021-031

ATTACHMENT ONE**UNIVERSAL MULTIMODAL TRANSPORTATION RESOURCES BUDGET**

	STATE SHARE	FEDERAL SHARE*	GRANT CONTRACT	GRANTEE SHARE	TOTAL
SCOPE—CAPITAL					
11.00.S0 Capital Assistance, Non-ADA - TDOT (A1)	\$210,000.00	\$1,680,000.00	\$210,000.00	\$210,000.00	\$2,100,000.00
11.00.S1 Capital Assistance, ADA - TDOT					
11.1x.xx Revenue Rolling Stock					
11.2x.xx Transitways / Line					
11.3x.xx Station Stops & Terminals					
11.4x.xx Support Equip / Facilities					
11.5x.xx Electrification / Power Dist.					
11.6x.xx Signal & Communication Equip					
11.7x.xx Other Capital Items					
11.8x.xx State / Programs Administration					
11.9x.xx Transit Enhancements					
12.xx.xx Fixed Guideway					
14.xx.xx New Start					
SCOPE—OPERATING					
30.00.00 Operating Assistance - TDOT					
30.xx.xx Operating Assistance					
SCOPE—PLANNING					
44.00.S0 Planning - TDOT					
44.xx.xx Planning					
SCOPE—MANAGEMENT TRAINING					
50.xx.xx Management Training					
SCOPE—OVERSIGHT REVIEWS					
51.xx.xx Oversight Review					
SCOPE—RESEARCH PROJECTS					
55.xx.xx Research Projects					
SCOPE—SAFETY & SECURITY					
57.xx.xx Safety and Security					
SCOPE - UNIVERSITY RESEARCH					
70.xx.xx					
SCOPE - Non-Add Scope Codes					
99.xx.xx					
SCOPE - OTHER					
63.5x.xx - Rural Technical Assistance Program					
xx.xx.xx - Other					
xx.xx.xx - Other					
xx.xx.xx - Other					
GRAND TOTAL	\$210,000.00	\$1,680,000.00	\$210,000.00	\$210,000.00	\$2,100,000.00

*Federal share not distributed in this grant contract.

TDOT PROJECT NO.: 825307-S3-032
FTA PROJECT NO.: TN2021-031

GRANT BUDGET LINE-ITEM DETAIL INFORMATION

Line Item Detail For: CAPITAL	State	Federal	Grant Contract	Grantee	Total Project
11.00.S0 Capital Assistance, Non-ADA - TDOT 114-00	\$210,000.00	\$1,680,000.00	\$210,000.00	\$210,000.00	\$2,100,000.00
TOTAL	\$210,000.00	\$1,680,000.00	\$210,000.00	\$210,000.00	\$2,100,000.00

ATTACHMENT TWO

Parent Child Information

The Grantee should complete this form and submit it with the Grant Contract. The Grantee should submit only one, completed "Parent Child Information" document to the State during the Grantee's fiscal year.

"Parent" means an entity whose IRS filing contains the information of at least one other entity.

"Child" means an entity whose information is contained in another entity's IRS filing.

Grantee's Edison Vendor ID number: 1562

Is City of Kingsport a parent? Yes ☐ No ☐

If yes, provide the name and Edison Vendor ID number, if applicable, of any child entities.

Is City of Kingsport a child? Yes ☐ No ☐

If yes, complete the fields below.

Parent entity's name: _____

Parent entity's tax identification number: _____

Note: If the parent entity's tax identification number is a social security number, this form must be submitted via US mail to:

Central Procurement Office, Grants Program Manager
3rd Floor, WRS Tennessee Tower
312 Rosa L Parks Avenue
Nashville, TN 37243

Parent entity's contact information

Name of primary contact person: _____

Address: _____

Phone number: _____

Email address: _____

Parent entity's Edison Vendor ID number, if applicable: _____



AGENDA ACTION FORM

Authorize the Reimbursement of Materials Agreement Funds to Landstar, LLC also Known As Land Star Partners LLC for the North Park Phase 1 Development

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-182-2021
 Work Session: September 27, 2021
 First Reading: NA

Final Adoption: September 28, 2021
 Staff Work By: David Harris
 Presentation By: R. McReynolds

Recommendation:

Approve the Resolution

Executive Summary:

In an effort to promote smart growth and infill development as well as encourage the new housing market within the Kingsport city limits, the City of Kingsport passed the Materials Agreement Policy as set forth in Resolution 2007-084. Developers have the opportunity to enter into an agreement with the City pursuant to which the City furnishes the water and sewer materials for the developers use within the developer's proposed subdivision. The developer would be responsible for posting a cash bond covering the cost of the materials that would be available for refund (minus sales tax) once the project is completed and has been approved by the City Engineer and the Regional Planning Commission.

Pursuant to the policy, the BMA entered into Materials Agreements with Landstar, LLC also known as Land Star Partners LLC related to North Park Phase 1 (AF-40-2021) in the amount of \$10,676.37. Upon construction adjustment due to sales tax, and close out of the necessary materials, the developer is due \$9,750.11.

To date, including this development, the program has supported 921 new/proposed lots within the City of Kingsport. Of those lots, 606 Building Permits and 532 Certificates of Occupancy have been issued to date.

Attachments:

1. Resolution
2. Closeout Workshop
3. Location Maps
4. As-Built Drawing
5. Development Chart

Funding source appropriate and funds are available: *CM*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *CM*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING REIMBURSEMENT OF
MATERIALS AGREEMENT FUNDS TO LANDSTAR, LLC ALSO
KNOWN AS LAND STAR PARTNERS, LLC FOR THE NORTH
PARK PHASE 1 DEVELOPMENT

WHEREAS, pursuant to the Materials Agreement Policy as set forth in Resolution 2007-084, Landstar, LLC also known as Land Star Partners, LLC entered into a Materials Agreement in the total amount of \$10,676.37, with the city for the provision of certain water materials by the city for North Gate Phase 1; and

WHEREAS, upon construction, adjustment due to sales tax, and close out of the necessary materials the developer is due reimbursement funds in the amount of \$9,750.11 for North Park Phase 1; and

Now, therefore,

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

SECTION I. That reimbursement of Material Agreement funds to Land Star Partners, LLC, in the amount of \$9,750.11 for North Park Phase 1, is approved.

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

Materials Agreement

Project: North Park Phase 1
 Date: September 21, 2021
 Developer: LandStar, LLC

File No.: 2020-D24

AF-182

Water

Item #	Item Description	Units	U/M	Price	Total
41810	6" x 18' D.I. Pipe	27.00	Joints	\$269.82	\$7,285.14
42120	4' Bury Hydrant	1.00	each	\$1,610.00	\$1,610.00
42325	6" MJ Gate Valve	1.00	each	\$479.70	\$479.70
43032	6x6x6 Anchor Tee	1.00	each	\$84.06	\$84.06
42845	6" x 18" MJ Anchor Coupling	1.00	each	\$92.52	\$92.52
42550	6" MJ 45 Bend	2.00	each	\$41.25	\$82.50
42555	6" MJ 22.5 Bend	3.00	each	\$38.73	\$116.19
Project #	WA2153				
	Expense To:				
Project Total	451-0000-605-9003				\$9,750.11
Sales Tax	451-0000-207-0201			9.50%	\$926.26
	Total Cost Including Tax				\$10,676.37
	Amount Paid and Receipted To:				
Contractor Paid	451-0000-208-1250				\$9,750.11
Sales Tax:	451-0000-207-0201			9.50%	\$926.26
	Total Cost Including Tax				\$10,676.37
	Sales Tax Adjustment				\$0.00
Water	Refund Due Developer				\$9,750.11
				Total Refund	\$9,750.11

All parties signing this document agree that the items listed, along with their quantities, were received, used and/or returned as shown on this document. Any items due to the City of Kingsport must be received before the materials agreement between the City of Kingsport and the developer is closed out.

City of Kingsport Warehouse: *Donna Lipman*

Date: 9-7-21

City of Kingsport Inspector: *Kurt Davis*

Date: 9-1-21

Developer: *Neil E. Keat*

Date: 9-3-21



SITE DEVELOPMENT PLAN

North Park Housing Development Kingsport Tennessee



SITE LOCATION MAP
NOT TO SCALE

SHEET INDEX

SHEET 1	COVER SHEET
SHEET 2	DEMOLITION PLAN
SHEET 3	SITE PLAN
SHEET 4	UTILITY PLAN
SHEET 5	STORM WATER PLAN
SHEET 5A	STORM STRUCTURE WATERSHED MAP
SHEET 5B	STORM SEWER PROFILES
SHEET 6	EROSION AND SEDIMENT CONTROL PLAN - PHASE I
SHEET 7	EROSION AND SEDIMENT CONTROL PLAN - PHASE II
SHEET 8	WATERSHED MAP
SHEET 9	STORM WATER DETENTION STRUCTURE
SHEET 10	NOTES AND DETAILS

PROPERTY OWNER

Land Star LLC
Parcel ID: 037022 07300
CONTACT PERSON: Brandon Stamper
ADDRESS: 800 Stonegate Road
Kingsport, TN 37664
TELEPHONE: 423 963 0198



Digitally
signed by
Paul Maggard
Date:
2021.01.14
09:29:22
-05'00'

LandStar, LLC
Cover Sheet
North Park Housing Development
Kingsport, Tennessee

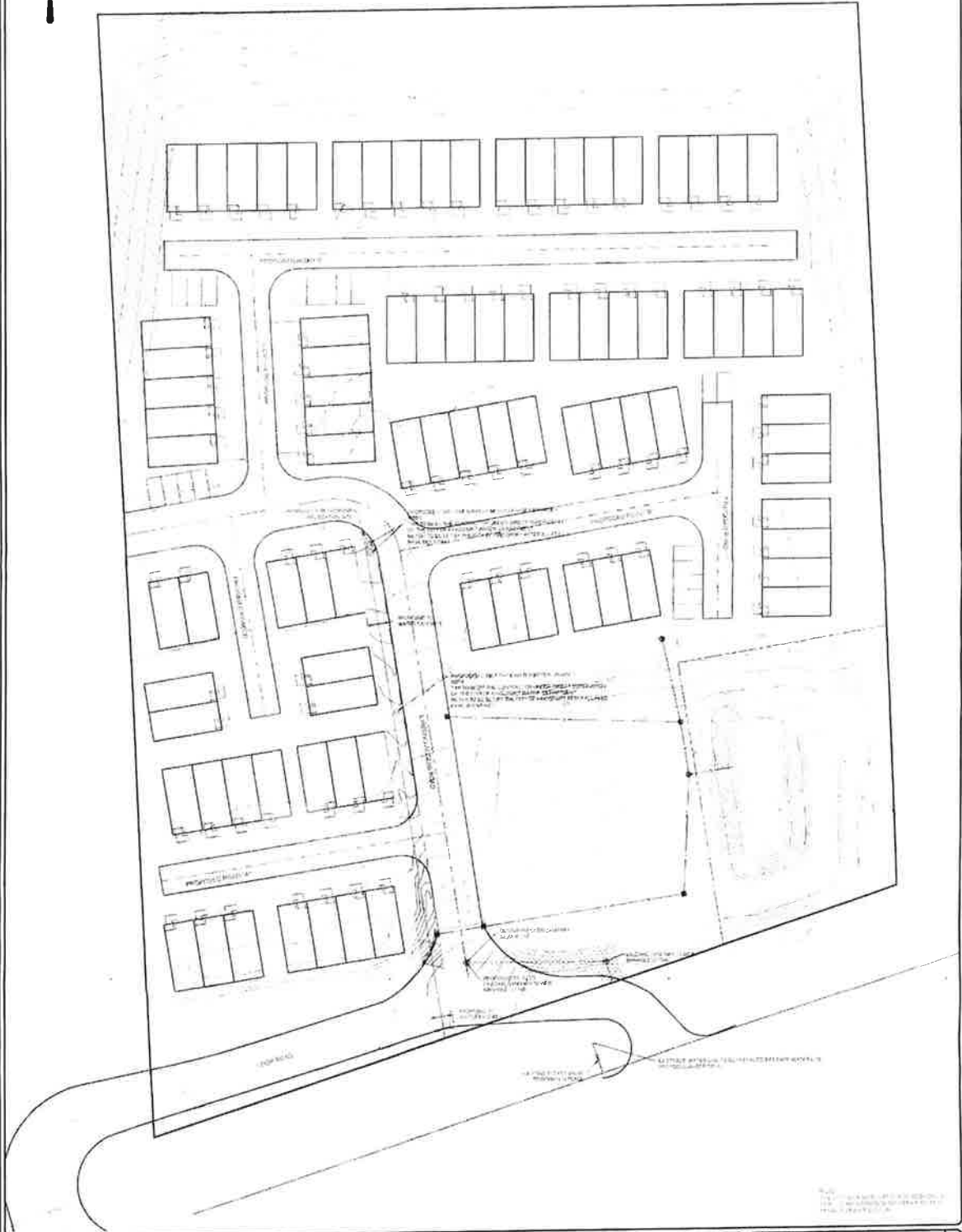
GRESS
ENGINEERING

P.O. BOX 245
Blountville, TN 37606
PHONE: 270 393 4440

DATE: 01/14/2021
APPROVED: [Signature]
CHECKED: [Signature]
SCALE: AS SHOWN
PROJECT: North Park Housing Development
SHEET: 1



• •

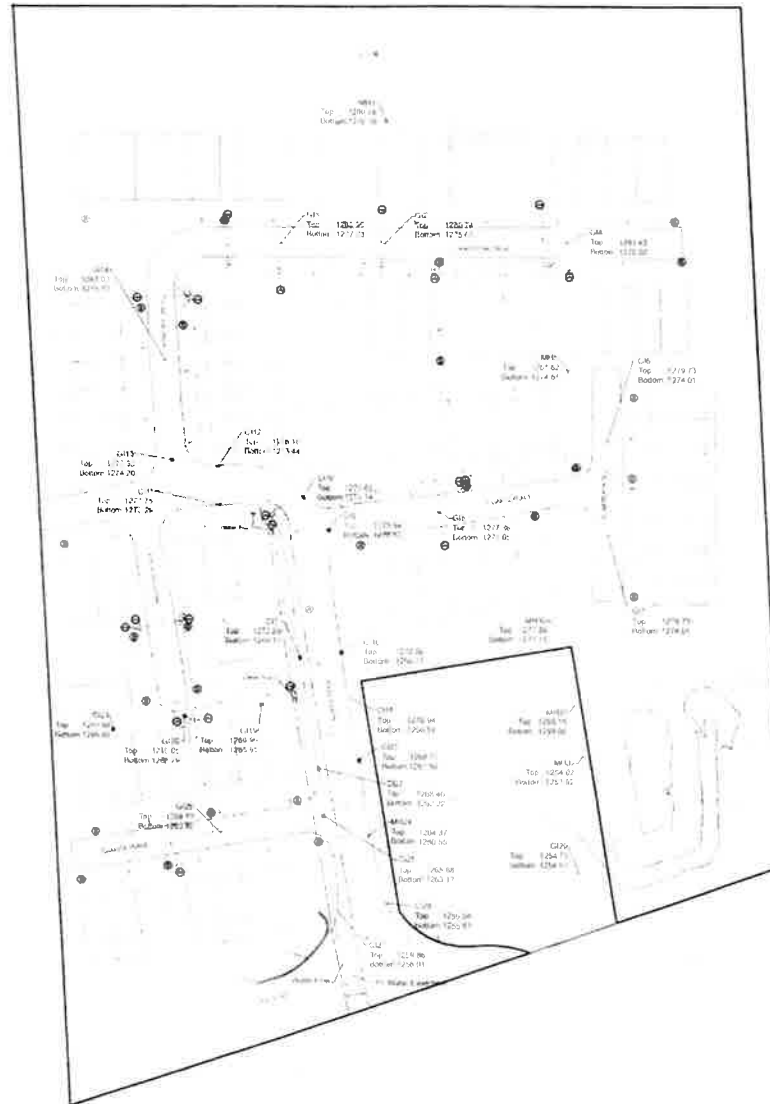


LEGEND

- AS BUILT SEWAGE LINE
- AS BUILT WATER LINE
- AS BUILT STORM SEWER PIPE
- EXISTING STORM SEWER PIPE
- AS BUILT STORM INLET
- EXISTING STORM INLET
- WATER METER
- WATER VALVE/CUTOFF
- FIRE HYDRANT

ALL AS BUILT INFORMATION IS BASED UPON A COMBINATION OF VISIBLE ITEMS MADE DURING FIELD OBSERVATION (E.G. MANHOLES, VALVES, HYDRANTS, ETC.) LOCATIONS OF UNDERGROUND ITEMS ARE APPROXIMATE AND BASED UPON A COMBINATION OF UTILITY COMPANY FIELD MARKINGS AND DESIGN PLAN.

BASED ON THE AFOREMENTIONED SURVEY AND TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE SANITARY SEWER, WATERLINE & STORM SEWER IMPROVEMENTS SHOWN ON THIS PLAN PURSUANT TO THE INTENT OF THE APPROVED DESIGN FOR THIS DEVELOPMENT.



I, LARRY M. CULBERTSON (TN RE 35883) HEREBY CERTIFY THAT I AM A LAND SURVEYOR REGISTERED IN THE STATE OF TENNESSEE. I HAVE LOCATED ALL VISIBLE MANMADE WATER LINE AND SANITARY SEWER FEATURES SHOWN ON THIS PLAN.

I CERTIFY THE LOCATION, ELEVATION AND DESCRIPTION OF THESE FEATURES.

Culbertson Surveying
P.O. Box 190, Nickelsville VA 24271
(276) 479-3093

LandStar, LLC
STORM, SANITARY SEWER & WATER AS-BUILT
North Park Housing Development
Kingsport, Tennessee

Issued Asper Jct. 202
Checked: [initials]
Approved: [initials]
Drawn: [initials]
Project No.
Drawing Name
NP AS BUILT

City of Kingsport
MATERIALS AGREEMENT

Developer	Development	Proposed Lots/Development	Agreement Amt.	Date	Bldg. Permits	CO's	Reim to Dev	Status
Butch Rose	Hillcrest Heights	6	\$5,140.09	06/19/07	3	3	\$4,636.74	Closed
	Windridge Phase IV	40	\$92,202.29	04/15/08	17	15	\$85,648.47	Closed
Jeff McKee	Settler's Ridge Phase I	41	\$45,344.29	03/20/07	Total of 7	7	\$41,214.30	Closed
	Settler's Ridge Phase II	7	\$18,822.89	11/06/07			\$17,439.89	Closed
Edinburgh Group LLC	Edinburgh Phase IA, Section 1	32	\$42,867.62	02/19/07	Total of 236	215	\$39,474.82	Closed
	Edinburgh Phase IA, Section 2	15	\$25,205.92	04/17/07			\$23,273.53	Closed
	Edinburgh Phase 2, Section 1A	6	\$2,852.48	02/02/10			\$2,659.62	Closed
	Edinburgh Phase 2, Section 2	6	\$11,976.02	11/16/10			\$11,116.69	Closed
	Edinburgh Phase 2, Section 2B	11	\$9,472.85	10/18/11			\$8,770.02	Closed
	Edinburgh Phase 2, Section 2C	14	\$20,128.29	04/03/12			\$18,549.10	Closed
	Edinburgh Phase 2, Section 2E	8	\$25,177.34	10/02/12			\$23,403.87	Closed
	Edinburgh Phase 2, Section 2F	9	\$19,382.60	05/07/13			\$17,792.14	Closed
	Edinburgh Phase 4	17	\$65,033.97	07/24/13			\$60,735.18	Closed
	Edinburgh Phase V	12	\$51,965.42	10/7/2014			\$48,501.91	Closed
	Edinburgh Phase VII	20	\$27,552.51	6/2/2015			\$25,162.11	Closed
	Edinburgh Phase 9	6	\$5,917.93	5/5/2016			\$5,386.74	Closed
	Edinburgh Phase 10	10	\$38,265.22	3/1/2017			\$34,953.21	Closed
	Edinburgh South Phase 1	23	\$36,694.42	11/1/2016			\$33,722.81	Closed
	Edinburgh Phase 11	14	\$26,250.40	6/19/2018			\$23,984.14	Closed
	Edinburgh S. Phase 2 Gibson Spr	24	\$28,924.56	5/5/2020	12			Open
	Edinburgh S. Phase 3 Gibson Spr	19	\$38,378.10	10/15/2019			\$35,631.30	Closed
	Edinburgh Phase 12	13	\$12,752.16	7/23/2019				Open
Jerry Petzoldt	Old Island Phase II	59	\$118,027.86	05/06/08	47	41	\$111,538.58	Closed
Jim Nottingham	Riverwatch	29	\$47,605.13	04/15/08	22	20	\$44,680.99	Closed
Harold Slomp & Jack McMurray	Villas at Andover - Polo Fields	104	\$76,522.72	08/07/07	46	45	\$70,722.51	Closed
George Hunt	Hunts Crossing Phase II	22	\$18,375.20	04/15/08	9	6	\$16,883.63	Closed
Rob McLean	Anchor Point	80	\$72,552.51	07/15/08	43	41	\$66,603.46	Closed
	Anchor Point - Topsail Court	Included in Anchor Point	\$3,816.08	08/05/08		0		Closed
	Stapleton Dr Phase I	7	\$8,757.81	08/19/08	4	4	\$8,203.18	Closed
Ken Bates	Chase Meadows Phase I (reim for 1)	15	\$39,418.91	07/15/08	Total of 68	56	\$31,518.06	Closed
	Chase Meadows Phase II (amt not paid)	87	(\$68,096.96)	08/19/08				Closed
Terry Orth	Autumn Woods Phase I	19	\$30,628.25	10/07/08	19	19	\$28,588.47	Closed
	Autumn Woods Phase II	51	\$97,091.46	09/01/09	43	42	\$91,166.09	Closed
Gary Alexander	Riverbend Phase I	15	\$32,767.17	02/03/09	10	0	\$26,351.32	Closed
	Riverbend - Epcon Phase II (tabled 1/10/11)	9	(\$33,171.54)	02/01/11				Closed
Leonard & Cynthia Gerber	St. Andrew's Garth Phase I	40	\$34,049.03	03/16/10	8	8	\$30,938.04	Closed
Jane Karst	Jane Karst Subdivision	4	\$4,100.78	09/20/11			\$3,799.14	Closed
M & M Builders	Brookton Park Subdivision	7	\$2,145.88	09/20/11	7	7	\$1,959.94	Closed
Vic Davis	The Summitt at Preston Park Ph. 3	20	\$79,327.82	12/03/13	5	3	\$70,967.77	Closed
	TOTAL	921	\$1,214,225.48		606	532	\$1,165,977.77	

Revised 0701/21



AGENDA ACTION FORM

Awarding the Bid for the Purchase of One (1) Refurb D8 Dozer

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-279-2021
 Work Session: September 27, 2021
 First Reading: N/A

Final Adoption: September 28, 2021
 Staff Work By: Committee
 Presentation By: R. McReynolds
 S. Leonard

Recommendation:

Approve the Resolution

Executive Summary:

Bids were opened on September 9, 2021 for the purchase of One (1) Refurb D8 Dozer for use by the Landfill. The advertisement for the Invitation to Bid was published in the Kingsport Times News on August 8, 2021 and placed on our website for 32 calendar days. It is the recommendation of the committee to accept the apparent low, responsible compliant bid from Stowers Machinery for \$428,200.00.

Only one bid was received for this item due to the fact that Stowers Machinery is the authorized Caterpillar dealer for our area.

This unit is a fleet refurbishment.

Funding is identified in Project/Account # 51150085019010

Attachments:

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

Funding source appropriate and funds are available: *pm*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *mw*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION AWARDDING THE BID FOR THE PURCHASE OF
ONE REFURBISHED D8 DOZER TO STOWERS MACHINERY
CORPORATION AND AUTHORIZING THE CITY MANAGER TO
EXECUTE A PURCHASE ORDER FOR THE SAME

WHEREAS, bids were opened September 9, 2021 for the purchase of one (1) Refurbished D8 Dozer for use by the Landfill; and

WHEREAS, upon review of the bids, the board finds Stowers Machinery Corporation 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) Refurbished D8 Dozer for use by the Landfill from Stowers Machinery Corporation, at a total purchase cost of \$428,200.00; and

WHEREAS, funding is identified in account number 51150085019010

Now therefore,

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

SECTION I. That the bid for the purchase one (1) Refurbished D8 Dozer, at a total purchase cost of \$428,200.00, is awarded to Stowers Machinery Corporation, and the city manager is authorized to execute a purchase order for same.

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES BID OPENING

September 9, 2021

4:00 P.M.

Present: Nikisha Eichmann, Assistant Procurement Manager; Olivia Nickens, Procurement Specialist

The Bid Opening was held in the Conference Room # 436, 4th Floor, City Hall

The Assistant Procurement Manager opened with the following bids:

REFURB D8 DOZER				
Vendor:	Qty.:	Unit Cost:	Delivery Time:	Make and Model:
Stowers Machinery	1	\$428,200.00	60 Bus. Days	CAT D8N with a ripper

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



FLEET MAINTENANCE DEPARTMENT

City of Kingsport

To: Nikisha Eichmann, Assistant Procurement Manager
From: Steve Leonard, Fleet Manager
Date: September 10, 2021
Re: Fleet Refurb Unit 1222 Cat D8 Dozer Recommendation

It is the recommendation of this office to refurb Fleet Unit 1222 of the Landfill. The unit bid met the expectations of the department and will fulfill the requirements of their operational needs.

Item	Quantity	Description	Award to Vendor	Fuel Economy
1	1	Cat D8 Dozer	Stowers Machinery	N/A

The Bid offerings were reviewed by, Tim Elsea, Greg Willis and Rodney Deel, and is in agreement with this recommendation.

Fuel Economy Improvement

00%

No fuel economy improvements would be realized since this is the same unit that has been operated.

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

Thank you.



AGENDA ACTION FORM

Purchase One (1) 420 CAT Backhoe 4WD from the Tennessee State Contract

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-280-2021
 Work Session: September 27, 2021
 First Reading: N/A

Final Adoption: September 28, 2021
 Staff Work By: Committee
 Presentation By: R. McReynolds
 S. Leonard

Recommendation:

Approve the Resolution

Executive Summary:

It is the recommendation of the committee to purchase One (1) CAT Backhoe 4WD from Stowers Machinery on the Tennessee State Contract # 48446 for use by Waste Water Maintenance Department. The Tennessee State Contract for vehicles are available for local government agencies to use. The delivery from the dealership to the agency is included in the price. The purchase price is \$102,749.85.

Please see the attached recommendation memo for additional information & State Contract information.

These units are fleet replacements.

Funding is identified in Project/Account # 51150085019010

Attachments:

1. Resolution
2. Recommendation Memo
3. Tennessee State Contract
4. Quote

Funding source appropriate and funds are available: *mm*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *mm*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO
EXECUTE A PURCHASE ORDER FOR ONE 420 CAT BACKHOE
4WD FROM STOWERS MACHINERY CORPORATION
PURSUANT TO TENNESSEE EDISON CONTRACT NO. 48446

WHEREAS, pursuant to Tenn. Code Ann. § 12-3-1201, the city would like to purchase one
(1) CAT 420 backhoe 4WD from Stowers Machinery Corporation pursuant to Tennessee State
Contract No. 48446 for use by the Waste Water Maintenance Department; and

WHEREAS, the purchase price for the backhoe is \$102,749.85, which includes the cost of
delivery from the dealership to the city; and

WHEREAS, funding is identified in account number 51150085019010.

Now therefore,

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

SECTION I. That the purchase of one (1) CAT 420 backhoe 4WD from Stowers Machinery
Corporation pursuant to Tennessee State Contract No. 48446 for use by the Waste Water
Maintenance Department is approved and the city manager is authorized to execute a purchase
order for same.

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



FLEET MAINTENANCE DEPARTMENT
City of Kingsport

To: Nikisha Eichmann, Assistant Procurement Manager
From: Steve Leonard, Fleet Manager
Date: September 10, 2021
Re: Fleet Replacement of 1972 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement of Waste Water Maintenance unit # 1972 utilizing the State Contract pricing of \$102,749.85. The unit bid and awarded by the State of Tennessee meet the expectations of the departments and will fulfill the requirements of their operational needs. The State of Tennessee Contract# 48446 allows a municipality to purchase off of the State Contract pricing. A copy of the State Contract is attached.

Item	Quantity	Description	Award to Vendor	Fuel Economy
1	1	420 Cat Backhoe 4wd	Stowers Machinery	N/A

These units will be a Fleet Replacements

The units listed below will be replaced and the trade in units will be disposed of utilizing the current approved City process.

The State offerings were reviewed by, Adam Williams, and is in agreement with this recommendation.

Fuel Economy Improvement 00%

No fuel economy improvements would be realized since the replacement units are similar to the current units being operated.

State Contract Number 48446

Replacements

1972 New Holland Backhoe 4807 hrs

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

Thank you.

**STATE OF TENNESSEE, DEPARTMENT OF GENERAL SERVICES
CENTRAL PROCUREMENT OFFICE**

Line Information
Caterpillar

Line 1

Item ID:

1000171676 Backhoe - Heavy Equipment - Generic Asset

Unit of Measure: EA

Small Backhoes	37 % Discount	10 % Discount on Options
Medium Backhoes	38% Discount	10 % Discount on Options
Large Backhoes	38% Discount	10% Discount on Options

Line 2

Item ID:

1000156890 Bulldozer - Heavy Equipment - Generic Asset

Unit of Measure: EA

Small Bulldozers	33.5% Discount	10% Discount on Options
Medium Bulldozers	32 % Discount	10% Discount on Options
Large Bulldozers	29% Discount	10% Discount on Options

Line 3

Item ID:

1000156097 Excavator (Track and Rubber Tire) - Heavy Equipment - Generic Asset

Unit of Measure: EA

Compact	35% Discount	10% Discount on Options
Small	33% Discount	10% Discount on Options
Medium	31% Discount	10% Discount on Options
Large	32% Discount	10% Discount on Options
Extra Large	29% Discount	10% Discount on Options

Line 4

Item ID:

1000171679 Loaders (Articulated Rubber Tire) - Heavy Equipment - Generic Asset

Unit of Measure: EA

Small	34.5% Discount	10% Discount on Options
Medium	39% Discount	10% Discount on Options
Large	29% Discount	10% Discount on Options

Line 5

Item ID:

1000156926 Graders, Motorized - Heavy Equipment - Generic Asset

Unit of Measure: EA

Small	50.5% Discount	10% Discount on Options
Medium	50.5% Discount	10% Discount on Options
Large	50.5% Discount	10% Discount on Options

Michael F. Perry/AWB
APPROVED:

CHIEF PROCUREMENT OFFICER

Digitally signed by Michael F. Perry/AWB
DN: cn=Michael F. Perry/AWB, o=Central Procurement
Office, ou, email=Tony.Bybee@tn.gov, c=US
Date: 2021.03.15 15:16:20 -05'00'

BY: Mike Neely

CATEGORY SPECIALIST

Digitally signed by Mike Neely
DN: cn=Mike Neely, o=TN CPO,
ou=CPO,
email=michael.l.neely@tn.gov,
c=US

DATE



Date: 7-Sep-21

Quote for: City of Kingsport

Respond to: Dennis Higdon

Phone: (423) 423-914-8237

Phone #:

Email: dhigdon@stowerscat.com

Mobile #

Quote - State Contract

	2017 List Price
420 Backhoe	\$ 87,070.00
Engine, 74.5KW, C4.4 Acert, T4F	\$ 7,000.00
1015 lb Counterweight	\$ 1,750.00
(8) Halogen Lights	\$ -
Air Conditioner	\$ 2,365.00
Heat	\$ -
Seat, Deluxe Fabric	\$ 915.00
Cab Deluxe	\$ 8,320.00
Extended Boom	\$ 4,780.00
HYDRAULICS, MP, 6FCN/8BNK, ST	\$ 1,450.00
PlateGroup - Boom Wear	\$ 214.00
4 Wheel Drive, Std Shift	\$ 9,510.00
Cold Weather Package, 120V	\$ 775.00
Stabilizers, Auto-Up	\$ -
1.3 Cubic Yard Bucket	\$ 3,167.00
Cutting Edge	\$ 331.00
Michelin Tires	\$ 1,305.00
Flip Over Pads	\$ 332.00
24" HD Bucket	\$ 1,683.00
FM Radio	\$ 545.00
Ride Control	\$ 1,475.00
	\$ -
24 MONTH/ 2000 HOUR PREMIER WARRANTY	\$ -
2017 Total List Price	\$ 132,987.00
January 2018 Price Increase (1.0%)	\$ 1,329.87
June 2018 Price Increase (1.5%)	\$ 2,014.75
January 2019 Price Increase (2.0%)	\$ 2,726.63
January 2020 Price Increase (1.0%)	\$ 1,390.58
January 2021 Price Increase (1.5%)	\$ 1,404.49
June 2021 Price Increase (2.0%)	\$ 2,837.07
October 2021 Price Increase (5.0%)	\$ 7,234.52
Discount of List % per TDOT Contract	38.0%
State Contract Discount	\$ 57,731.47
2022 CAT 420 Sales Price	\$ 94,193.45

Worktools	
COUPLER, PG, MAN.D.LOCK, BHL, 444-7500	\$ 2,090.00
BUCKET-HD, 18", 4.2 FT3, 219-3386	\$ 1,618.00
BUCKET-HD, 30", 8.2 FT3, 219-3388	\$ 1,868.00
PINS, BUCKET, BHL-F, 45MM-50MM, 178-3593 (2)	\$ 340.00
Subtotal	\$ 5,916.00
	\$ 591.60
2022 CAT Backhoe Worktools	\$ 5,324.40

Summary	
CAT 420 Sales Price	\$ 94,193.45
Worktools Sale Price	\$ 5,324.40
Prep	\$ 1,000.00
Cat Shipping and Storage Protection	\$ 322.00
60 Month or 3,000 Hour Powertrain/ Hydraulic	\$ 1,910.00
2022 CAT 420 Sales Price Total	\$ 102,749.85



AGENDA ACTION FORM

Contract with the Tennessee Department of Transportation Accepting Federal and State Transportation Planning Funds on Behalf of the Kingsport MTPO

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-278-2021
 Work Session: September 27, 2021
 First Reading: N/A

Final Adoption: September 28, 2021
 Staff Work By: Lesley Phillips/Susan Doran
 Presentation By: R. McReynolds

Recommendation:

Approve the Resolution

Executive Summary:

The Kingsport Metropolitan Transportation Planning Organization (MTPO) receives an allocation of funds from the Federal Highway Administration and Tennessee Department of Transportation (TDOT) to carry out transportation planning activities within the MTPO area. In Tennessee, the MTPO's jurisdiction includes the City of Kingsport, City of Church Hill, Town of Mount Carmel, and portions of Sullivan County, Hawkins County, Washington County, and Greene County. In Virginia, the MTPO's jurisdiction includes the Town of Gate City, Town of Weber City, and a portion of Scott County but funding for activities in the Virginia portion of the MTPO area is provided separately through the Virginia Department of Transportation (VDOT) and the Virginia Department of Rail and Public Transportation (DRPT). Activities include assisting in the planning and development of grant applications and grant-based projects and working with TDOT to plan and develop street and roadway projects through the Transportation Improvement Program. MTPO offices are housed and managed by the City of Kingsport and budgeting and contracts are also managed by city staff. The 2-year contract totals \$807,875.00, which consists of 80% Federal Funds (\$646,300), 5% State Funds (\$40,393.75), and a 15% Local Match (\$121,181.25 in city funds). Staff recommends the Board approve the contract.

Attachments:

1. Resolution
2. Contract

Funding source appropriate and funds are available: *JM*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *SW*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING A GRANT CONTRACT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR THE KINGSPORT METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE CONTRACT

WHEREAS, the Kingsport Metropolitan Transportation Planning Organization (MTPO) is responsible for transportation planning activities in the Kingsport urban area; and

WHEREAS, its annual operating expenses are funded primarily by the Federal Highway Administration (FHWA), with additional dollars from the Federal Transit Administration (FTA), with matching funds also provided by the Tennessee Department of Transportation and the city; and

WHEREAS, the contract totals \$807,875.00 in both state and federal funds, which requires a local match of \$121,181.25; and

WHEREAS, the local match has been approved in the FY22 budget.

Now therefore,

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

SECTION I. That the Grant Contract with Tennessee Department of Transportation for both federal and state MTPO funds is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a Grant Contract with Tennessee Department of Transportation and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the contract or this resolution, said contract being as follows:

GRANT CONTRACT BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF TRANSPORTATION
AND
CITY OF KINGSPORT

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee City of Kingsport, hereinafter referred to as the "Grantee," is for the provision of Transportation planning & coordination activities, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES." Grantee Edison Vendor ID # 1562

A. SCOPE OF SERVICES AND DELIVERABLES:

A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.

A.2. Transportation Planning and Coordination. The Grantee agrees to undertake transportation planning and coordination activities in the Unified Planning Work Program (UPWP) as endorsed by the Metropolitan Planning Organization (MPO) and approved by the U. S. Department of Transportation, Federal Highway Administration (FHWA). The UPWP includes planning priorities and work proposed by major activity and task in sufficient detail to indicate by whom the work will be

performed, the schedule for completing the work, and the resulting products.

A.3. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Contract by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these items shall govern in order of precedence below.

a. this Grant Contract document with any attachments or exhibits (excluding the items listed at subsections b. and c., below);

b. the Grantee's Unified Planning Work Program incorporated by reference to elaborate supplementary scope of services specifications.

A.4. Incorporation of Federal Award Identification Worksheet. The federal award identification worksheet, which appears as Attachment One, is incorporated in this Grant Contract.

B. TERM OF CONTRACT:

This Grant Contract shall be effective on October 1, 2021 ("Effective Date") and extend for a period of twenty-four (24) months after the Effective Date ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Six Hundred Eighty-Six Thousand Six Hundred Ninety-Three Dollars and Seventy-Five Cents (\$686,693.75) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment Two is the maximum amount due the Grantee under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.

C.2. Compensation Firm. The Maximum Liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in Section C.6.

C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.

C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.

C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

TN Department of Transportation Suite 900,

James K. Polk Building

505 Deaderick Street

Nashville TN 37243-0334

a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).

(1) Invoice/Reference Number (assigned by the Grantee).

(2) Invoice Date.

(3) Invoice Period (to which the reimbursement request is applicable).

(4) Grant Contract Number (assigned by the State).

(5) Grantor: Department of Transportation, Long Range Planning Division.

(6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).

(7) Grantee Name.

(8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.

(9) Grantee Remittance Address.

(10) Grantee Contact for Invoice Questions (name, phone, or fax).

(11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:

i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).

ii. The amount reimbursed by Grant Budget line-item to date.

iii. The total amount reimbursed under the Grant Contract to date.

iv. The total amount requested (all line-items) for the Invoice Period.

b. The Grantee understands and agrees to all of the following.

(1) An invoice under this Grant Contract shall include only reimbursement requests for actual,

reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.

(2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.

(3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.

C.6. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may vary from a Grant Budget line-item amount by up to twenty percent (20%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant Contract amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Contract.

C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Grant Contract end date, in form and substance acceptable to the State.

a. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract, the Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.

b. The State shall not be responsible for the payment of any invoice submitted to the State after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.

c. The Grantee's failure to provide a final grant disbursement reconciliation report to the State as required by this Grant Contract shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the State pursuant to this Grant Contract.

d. The Grantee must close out its accounting records at the end of the Term in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

C.8. Indirect Cost. Should the Grantee request reimbursement for indirect costs, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.

C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the Term.

C.10. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any reimbursement, invoice, or related matter. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.

C.11. Non-allowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment that are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs.

C.12. State's Right to Set Off. The State reserves the right to set off or deduct from amounts that are or shall become due and payable to the Grantee under this Grant Contract or under any other agreement between the Grantee and the State of Tennessee under which the Grantee has a right to receive payment from the State.

C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following, properly completed documentation.

a. The Grantee shall complete, sign, and return to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Grantee acknowledges and agrees that, once this form is received by the State, all payments to the Grantee

under this or any other grant contract will be made by automated clearing house ("ACH").

b. The Grantee shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Grantee's Federal Employer Identification Number or Social Security Number referenced in the Grantee's Edison registration information.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this Grant Contract, the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment signed by all parties and approved by the officials who approved the Grant Contract and, depending upon the specifics of the Grant Contract as amended, any additional officials required by Tennessee laws and regulations (the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.3. Termination for Convenience. The State may terminate this Grant Contract without cause for any reason. A termination for convenience shall not be a breach of this Grant Contract by the State. The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service that has not been rendered. The final decision as to the amount for which the State is liable shall be determined by the State. The Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount for the State's exercise of its right to terminate for convenience.

D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate this Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the exercise of the State's right to terminate this Grant Contract for cause, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Grant Contract by the Grantee.

D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Grant Contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall remain responsible for all work performed.

D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Grantee in connection with any work contemplated or performed relative to this Grant Contract.

D.7. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:

a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

D.8. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective party as set out below:

The State:

Stacy Morrison, Manager,
Office of Community Transportation
Tennessee Department of Transportation Suite 900,
James K. Polk Street
505 Deaderick Street
Nashville, TN 37243-0334
stacy.morrison@tn.gov
Telephone # 615-532-3456

The Grantee:

Bill Albright, Transportation Planning Coordinator
Kingsport Transportation Department
415 Broad Street
Kingsport, TN 37660
billalbright@kingsporttn.gov
Telephone # 423-224-0677
FAX # 423-224-2756

A change to the above contact information requires written notice to the person designated by the other party to receive notice.

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Grant Contract upon written notice to the Grantee. The State's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.10. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Grantee shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

D.11. HIPAA Compliance. The State and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH) and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Grant Contract.

a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.

b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.

c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering

into a business associate agreement or signing another such document.

D.12. Public Accountability. If the Grantee is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The Grantee shall also display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454.

The sign shall be on the form prescribed by the Comptroller of the Treasury. The Grantor State Agency shall obtain copies of the sign from the Comptroller of the Treasury, and upon request from the Grantee, provide Grantee with any necessary signs.

D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Grant Contract shall include the statement, "This project is funded under a grant contract with the State of Tennessee." All notices by the Grantee in relation to this Grant Contract shall be approved by the State.

D.14. Licensure. The Grantee, its employees, and any approved subcontractor shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.

D.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Grant Contract. The books, records, and documents of the Grantee and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained in accordance with applicable Tennessee law. In no case shall the records be maintained for a period of less than five (5) full years from the date of the final payment. The Grantee's records shall be subject to audit at any reasonable time and upon reasonable notice by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives. The records shall be maintained in accordance with Governmental Accounting Standards Board (GASB) Accounting Standards or the Financial Accounting Standards Board (FASB) Accounting Standards Codification, as applicable, and any related AICPA Industry Audit and Accounting guides. In addition, documentation of grant applications, budgets, reports, awards, and expenditures will be maintained in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Grant expenditures shall be made in accordance with local government purchasing policies and procedures and purchasing procedures for local governments authorized under state law.

The Grantee shall also comply with any recordkeeping and reporting requirements prescribed by the Tennessee Comptroller of the Treasury.

The Grantee shall establish a system of internal controls that utilize the COSO Internal Control - Integrated Framework model as the basic foundation for the internal control system. The Grantee shall incorporate any additional Comptroller of the Treasury directives into its internal control system. Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of the Grantor State Agency, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.

D.16. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

D.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.

D.18. Annual and Final Reports. The Grantee shall submit, within three (3) months of the conclusion of each year of the Term, an annual report. For grant contracts with a term of less than one (1) year, the Grantee shall submit a final report within three (3) months of the conclusion of the Term. For grant contracts with multiyear terms, the final report will take the place of the annual report for the final year of the Term. The Grantee shall submit annual and final reports to the Grantor State Agency and the Department of Finance and Administration ("F&A"). Send electronic copies of annual and final reports to F&A at fa.audit@tn.gov. At minimum, annual and final reports shall include: (a) the Grantee's name; (b) the Grant Contract's Edison identification number, Term, and total amount; (c) a narrative section that describes the program's goals, outcomes, successes and setbacks, whether the Grantee used benchmarks or indicators to determine progress, and whether any proposed activities were not completed; and (d) other relevant details requested by the Grantor State Agency.

Annual and final report documents to be completed by the Grantee shall appear on the Grantor State Agency's website or as an attachment to the Grant Contract.

D.19. Audit Report. The Grantee shall be audited in accordance with applicable Tennessee law. If the Grantee is subject to an audit under this provision, then the Grantee shall complete Attachment Three.

When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

A copy of the audit report shall be provided to the Comptroller by the licensed, independent public accountant. Audit reports shall be made available to the public.

D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, motor vehicles, or contracted services, procurements by the Grantee shall be competitive where practicable. For any procurement for which reimbursement is paid under this Grant Contract, the Grantee shall document the competitive procurement method. In each instance where it is determined that use of a competitive procurement method is not practicable, supporting documentation shall include a written justification for the decision and for the use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.318—200.326 when procuring property and services under a federal award.

The Grantee shall obtain prior approval from the State before purchasing any equipment or motor vehicles under this Grant Contract.

D.21. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Grant Contract is not a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties.

D.22. Independent Contractor. The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that they are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

D.23. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Grant Contract. In no event will the State be liable to the Grantee or any other party for any lost revenues, lost profits, loss of business, loss of grant funding, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Grant Contract or otherwise. The State's total liability under this Grant Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability originally established in Section C.1 of this Grant Contract. This limitation of liability is cumulative and not per incident.

D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party except to the extent that the non-performing party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Grantee's representatives, suppliers, subcontractors, customers or business apart from this Grant Contract is not a Force Majeure Event under this Grant Contract. Grantee will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Grantee's performance longer than forty-eight (48) hours, the State may, upon notice to Grantee: (a) cease payment of the fees until Grantee resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any

purchase order, in whole or in part, without further payment except for fees then due and payable. Grantee will not increase its charges under this Grant Contract or charge the State any fees other than those provided for in this Grant Contract as the result of a Force Majeure Event.

D.25. Tennessee Department of Revenue Registration. The Grantee shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Grant Contract.

D.26. Charges to Service Recipients Prohibited. The Grantee shall not collect any amount in the form of fees or reimbursements from the recipients of any service provided pursuant to this Grant Contract.

D.27. No Acquisition of Equipment or Motor Vehicles. This Grant Contract does not involve the acquisition and disposition of equipment or motor vehicles acquired with funds provided under this Grant Contract.

D.28. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available here: http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under Tenn. Code Ann. §§ 9-8-101 through 9-8-407.

D.30. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions agreed to by the parties. This Grant Contract supersedes any and all prior understandings, representations, negotiations, or agreements between the parties, whether written or oral.

D.31. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions shall not be affected and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.

D.32. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.

D.33. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101 et seq., addressing contracting with persons as defined at T.C.A. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Grant Contract. The Grantee certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

D.34. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Grantee shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified, or presently fall under any of the prohibitions of sections a-d.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, the special terms and conditions shall be subordinate to the Grant Contract's other terms and conditions.

E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall

be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Grantee by the State or acquired by the Grantee on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Grantee to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Grantee shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Grant Contract.

E.3. Printing Authorization. The Grantee agrees that no publication coming within the jurisdiction of Tenn. Code Ann. § 12-7-101, *et seq.*, shall be printed pursuant to this Grant Contract unless a printing authorization number has been obtained and affixed as required by Tenn. Code Ann. § 12-7-103(d).

E.4. Federal Funding Accountability and Transparency Act (FFATA).

This Grant Contract requires the Grantee to provide supplies or services that are funded in whole or in part by federal funds that are subject to FFATA. The Grantee is responsible for ensuring that all applicable FFATA requirements, including but not limited to those below, are met and that the Grantee provides information to the State as required.

The Grantee shall comply with the following:

a. Reporting of Total Compensation of the Grantee's Executives.

(1) The Grantee shall report the names and total compensation of each of its five most highly compensated executives for the Grantee's preceding completed fiscal year, if in the Grantee's preceding fiscal year it received:

i. 80 percent or more of the Grantee's annual gross revenues from Federal procurement contracts and federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and sub awards); and

ii. \$25,000,000 or more in annual gross revenues from federal procurement contracts (and subcontracts), and federal financial assistance subject to the Transparency Act (and sub awards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. § 78m(a), 78o(d)) or § 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

As defined in 2 C.F.R. § 170.315, "Executive" means officers, managing partners, or any other employees in management positions.

(2) Total compensation means the cash and noncash dollar value earned by the executive during the Grantee's preceding fiscal year and includes the following (for more information see 17 CFR § 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

b. The Grantee must report executive total compensation described above to the State by the end of the month during which this Grant Contract is established.

c. If this Grant Contract is amended to extend its term, the Grantee must submit an executive total compensation report to the State by the end of the month in which the amendment to this Grant Contract becomes effective.

d. The Grantee will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this Grant Contract. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>.

The Grantee's failure to comply with the above requirements is a material breach of this Grant Contract for which the State may terminate this Grant Contract for cause. The State will not be obligated to pay any outstanding invoice received from the Grantee unless and until the Grantee is in full compliance with the above requirements.

E.5. Printed Material Collected or Created. All plans, specifications, data, photographs, drawings, maps or other printed material collected or created under this Grant shall become the property of the State and shall be provided to the State upon request.

E.6. Notations and Statements. All reports, maps, and other documents prepared as a part of this Grant, exclusive of documents for internal use only by parties hereto, and financed with FHWA "PL" funds shall carry the following notation on the front cover or title page:

This report was prepared in cooperation with the U. S. Department of Transportation, Federal Highway Administration, and the Tennessee Department of Transportation.

E.7. Reimbursement. The Grantee understands and agrees that reimbursement shall be limited to: salaries, fringe benefits, travel, equipment, supplies, printing, reproduction, consultant and other contractual services, audit fees, computer services, and overhead.

E.8. Progress Reports. The Grantee shall prepare a quarterly progress report and it shall be presented to the State within forty-five (45) days after the end of each quarter. The progress report shall describe specific UPWP task accomplishments and problems encountered during the quarter. Such information shall be provided for each local planning task identified in the UPWP. Failure to comply with the progress reporting schedule specified herein may result in termination of this Grant and withholding of payment for work completed.

E.9. Amendments to the Unified Planning Work Program. Any modifications to the Unified Planning Work Program or the provisions of this Grant shall be approved in writing, by the State and shall be subject to prior approval by the FHWA.

E.10. Disadvantaged Business Enterprises. It is the policy of the Tennessee Department of Transportation that disadvantaged business enterprises (DBEs) as defined in 49 CFR, have the maximum opportunity to participate in the performance of subcontracts financed in whole or in part with Federal funds under this Grant. Consequently, the DBE requirements of 49 CFR apply to this Grant. In this regard, the Grantee shall take all necessary and reasonable steps in accordance with 49 CFR to ensure that DBEs have the maximum opportunity to compete for and perform subcontracts.

[Acknowledgements and Attachments Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



GOVERNMENTAL GRANT CONTRACT

(cost reimbursement grant contract with a federal or Tennessee local governmental entity or their agents and instrumentalities)

Begin Date October 1, 2021	End Date September 30, 2023	Agency Tracking # 40100-02519	Edison ID 59110		
Grantee Legal Entity Name City of Kingsport			Edison Vendor ID 1562		
Subrecipient or Contractor <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Contractor		CFDA # 20.205 Grantee's fiscal year end June 30			
Service Caption (one line only) Transportation planning & coordination activities as assigned in the Unified Planning Work Program.					
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Grant Contract Amount
2022	35,125.00	562,000.00			597,125.00
2023	5,268.75	84,300.00			89,568.75
TOTAL:	40,393.75	646,300.00			686,693.75
Grantee Selection Process Summary <input type="checkbox"/> Competitive Selection <input checked="" type="checkbox"/> Non-competitive Selection Each MPO receives a base amount of \$100,000.00 each year. After the base amount is subtracted from the total received from the Federal Highway Administration (FHWA), the remaining funds are distributed to each MPO on a percentage basis, based on their share of the 2010 Census Urbanized Area Population for all MPO areas in the State of Tennessee.					
Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.			<i>CPO USE - GG</i>		
Speed Chart (optional)		Account Code (optional)			

**GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF TRANSPORTATION
AND
CITY OF KINGSPORT**

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee City of Kingsport, hereinafter referred to as the "Grantee," is for the provision of Transportation planning & coordination activities, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

Grantee Edison Vendor ID # 1562

A. SCOPE OF SERVICES AND DELIVERABLES:

- A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.
- A.2. Transportation Planning and Coordination. The Grantee agrees to undertake transportation planning and coordination activities in the Unified Planning Work Program (UPWP) as endorsed by the Metropolitan Planning Organization (MPO) and approved by the U. S. Department of Transportation, Federal Highway Administration (FHWA). The UPWP includes planning priorities and work proposed by major activity and task in sufficient detail to indicate by whom the work will be performed, the schedule for completing the work, and the resulting products.
- A.3. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Contract by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these items shall govern in order of precedence below.
- a. this Grant Contract document with any attachments or exhibits (excluding the items listed at subsections b. and c., below);
 - b. the Grantee's Unified Planning Work Program incorporated by reference to elaborate supplementary scope of services specifications.
- A.4. Incorporation of Federal Award Identification Worksheet. The federal award identification worksheet, which appears as Attachment One, is incorporated in this Grant Contract.

B. TERM OF CONTRACT:

This Grant Contract shall be effective on October 1, 2021 ("Effective Date") and extend for a period of twenty-four (24) months after the Effective Date ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Six Hundred Eighty-Six Thousand Six Hundred Ninety-Three Dollars and Seventy-Five Cents (\$686,693.75) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment Two is the maximum amount due the Grantee under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.
- C.2. Compensation Firm. The Maximum Liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant

Contract and are not subject to escalation for any reason unless amended, except as provided in Section C.6.

- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

TN Department of Transportation
Suite 900, James K. Polk Building
505 Deaderick Street
Nashville TN 37243-0334

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).
- (1) Invoice/Reference Number (assigned by the Grantee).
 - (2) Invoice Date.
 - (3) Invoice Period (to which the reimbursement request is applicable).
 - (4) Grant Contract Number (assigned by the State).
 - (5) Grantor: Department of Transportation, Long Range Planning Division.
 - (6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).
 - (7) Grantee Name.
 - (8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.
 - (9) Grantee Remittance Address.
 - (10) Grantee Contact for Invoice Questions (name, phone, or fax).
 - (11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:
 - i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).
 - ii. The amount reimbursed by Grant Budget line-item to date.
 - iii. The total amount reimbursed under the Grant Contract to date.
 - iv. The total amount requested (all line-items) for the Invoice Period.
- b. The Grantee understands and agrees to all of the following.
- (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.
 - (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
 - (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.

- C.6. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may vary from a Grant Budget line-item amount by up to twenty percent (20%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant Contract amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Contract.
- C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Grant Contract end date, in form and substance acceptable to the State.
- a. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract, the Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.
 - b. The State shall not be responsible for the payment of any invoice submitted to the State after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
 - c. The Grantee's failure to provide a final grant disbursement reconciliation report to the State as required by this Grant Contract shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the State pursuant to this Grant Contract.
 - d. The Grantee must close out its accounting records at the end of the Term in such a way that reimbursable expenditures and revenue collections are NOT carried forward.
- C.8. Indirect Cost. Should the Grantee request reimbursement for indirect costs, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.
- C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the Term.
- C.10. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any reimbursement, invoice, or related matter. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.
- C.11. Non-allowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment that are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs.

- C.12. State's Right to Set Off. The State reserves the right to set off or deduct from amounts that are or shall become due and payable to the Grantee under this Grant Contract or under any other agreement between the Grantee and the State of Tennessee under which the Grantee has a right to receive payment from the State.
- C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following, properly completed documentation.
- a. The Grantee shall complete, sign, and return to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Grantee acknowledges and agrees that, once this form is received by the State, all payments to the Grantee under this or any other grant contract will be made by automated clearing house ("ACH").
 - b. The Grantee shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Grantee's Federal Employer Identification Number or Social Security Number referenced in the Grantee's Edison registration information.

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this Grant Contract, the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment signed by all parties and approved by the officials who approved the Grant Contract and, depending upon the specifics of the Grant Contract as amended, any additional officials required by Tennessee laws and regulations (the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.3. Termination for Convenience. The State may terminate this Grant Contract without cause for any reason. A termination for convenience shall not be a breach of this Grant Contract by the State. The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service that has not been rendered. The final decision as to the amount for which the State is liable shall be determined by the State. The Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount for the State's exercise of its right to terminate for convenience.
- D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate this Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the exercise of the State's right to terminate this Grant Contract for cause, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Grant Contract by the Grantee.
- D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Grant Contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the

section headings). Notwithstanding any use of approved subcontractors, the Grantee shall remain responsible for all work performed.

- D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Grantee in connection with any work contemplated or performed relative to this Grant Contract.
- D.7. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:
- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
 - b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
 - c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

- D.8. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective party as set out below:
- The State:

Stacy Morrison, Manager, Office of Community Transportation
Tennessee Department of Transportation
Suite 900, James K. Polk Street
505 Deaderick Street
Nashville, TN 37243-0334
stacy.morrison@tn.gov
Telephone # 615-532-3456

The Grantee:

Bill Albright, Transportation Planning Coordinator
Kingsport Transportation Department
415 Broad Street

Kingsport, TN 37660
billalbright@kingsporttn.gov
Telephone # 423-224-0677
FAX # 423-224-2756

A change to the above contact information requires written notice to the person designated by the other party to receive notice.

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Grant Contract upon written notice to the Grantee. The State's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.10. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Grantee shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.11. HIPAA Compliance. The State and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH) and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Grant Contract.
- a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.
 - b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.
 - c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering into a business associate agreement or signing another such document.
- D.12. Public Accountability. If the Grantee is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State,

the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The Grantee shall also display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454.

The sign shall be on the form prescribed by the Comptroller of the Treasury. The Grantor State Agency shall obtain copies of the sign from the Comptroller of the Treasury, and upon request from the Grantee, provide Grantee with any necessary signs.

- D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Grant Contract shall include the statement, "This project is funded under a grant contract with the State of Tennessee." All notices by the Grantee in relation to this Grant Contract shall be approved by the State.

- D.14. Licensure. The Grantee, its employees, and any approved subcontractor shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.

- D.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Grant Contract. The books, records, and documents of the Grantee and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained in accordance with applicable Tennessee law. In no case shall the records be maintained for a period of less than five (5) full years from the date of the final payment. The Grantee's records shall be subject to audit at any reasonable time and upon reasonable notice by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives.

The records shall be maintained in accordance with Governmental Accounting Standards Board (GASB) Accounting Standards or the Financial Accounting Standards Board (FASB) Accounting Standards Codification, as applicable, and any related AICPA Industry Audit and Accounting guides.

In addition, documentation of grant applications, budgets, reports, awards, and expenditures will be maintained in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Grant expenditures shall be made in accordance with local government purchasing policies and procedures and purchasing procedures for local governments authorized under state law.

The Grantee shall also comply with any recordkeeping and reporting requirements prescribed by the Tennessee Comptroller of the Treasury.

The Grantee shall establish a system of internal controls that utilize the COSO Internal Control - Integrated Framework model as the basic foundation for the internal control system. The Grantee shall incorporate any additional Comptroller of the Treasury directives into its internal control system.

Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of the Grantor State Agency, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.

- D.16. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

- D.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.18. Annual and Final Reports. The Grantee shall submit, within three (3) months of the conclusion of each year of the Term, an annual report. For grant contracts with a term of less than one (1) year, the Grantee shall submit a final report within three (3) months of the conclusion of the Term. For grant contracts with multiyear terms, the final report will take the place of the annual report for the final year of the Term. The Grantee shall submit annual and final reports to the Grantor State Agency and the Department of Finance and Administration ("F&A"). Send electronic copies of annual and final reports to F&A at fa.audit@tn.gov. At minimum, annual and final reports shall include: (a) the Grantee's name; (b) the Grant Contract's Edison identification number, Term, and total amount; (c) a narrative section that describes the program's goals, outcomes, successes and setbacks, whether the Grantee used benchmarks or indicators to determine progress, and whether any proposed activities were not completed; and (d) other relevant details requested by the Grantor State Agency. Annual and final report documents to be completed by the Grantee shall appear on the Grantor State Agency's website or as an attachment to the Grant Contract.
- D.19. Audit Report. The Grantee shall be audited in accordance with applicable Tennessee law.
- If the Grantee is subject to an audit under this provision, then the Grantee shall complete Attachment Three.
- When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- A copy of the audit report shall be provided to the Comptroller by the licensed, independent public accountant. Audit reports shall be made available to the public.
- D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, motor vehicles, or contracted services, procurements by the Grantee shall be competitive where practicable. For any procurement for which reimbursement is paid under this Grant Contract, the Grantee shall document the competitive procurement method. In each instance where it is determined that use of a competitive procurement method is not practicable, supporting documentation shall include a written justification for the decision and for the use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.318—200.326 when procuring property and services under a federal award.
- The Grantee shall obtain prior approval from the State before purchasing any equipment or motor vehicles under this Grant Contract.
- D.21. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Grant Contract is not a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties.
- D.22. Independent Contractor. The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that they are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.
- D.23. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Grant Contract. In no event will the State be liable to the Grantee or any other party for any

lost revenues, lost profits, loss of business, loss of grant funding, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Grant Contract or otherwise. The State's total liability under this Grant Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability originally established in Section C.1 of this Grant Contract. This limitation of liability is cumulative and not per incident.

- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party except to the extent that the non-performing party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Grantee's representatives, suppliers, subcontractors, customers or business apart from this Grant Contract is not a Force Majeure Event under this Grant Contract. Grantee will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Grantee's performance longer than forty-eight (48) hours, the State may, upon notice to Grantee: (a) cease payment of the fees until Grantee resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Grantee will not increase its charges under this Grant Contract or charge the State any fees other than those provided for in this Grant Contract as the result of a Force Majeure Event.
- D.25. Tennessee Department of Revenue Registration. The Grantee shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Grant Contract.
- D.26. Charges to Service Recipients Prohibited. The Grantee shall not collect any amount in the form of fees or reimbursements from the recipients of any service provided pursuant to this Grant Contract.
- D.27. No Acquisition of Equipment or Motor Vehicles. This Grant Contract does not involve the acquisition and disposition of equipment or motor vehicles acquired with funds provided under this Grant Contract.
- D.28. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available here: http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
- D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to

and limited to those rights and remedies, if any, available under Tenn. Code Ann. §§ 9-8-101 through 9-8-407.

- D.30. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions agreed to by the parties. This Grant Contract supersedes any and all prior understandings, representations, negotiations, or agreements between the parties, whether written or oral.
- D.31. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions shall not be affected and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.
- D.32. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.
- D.33. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101 et seq., addressing contracting with persons as defined at T.C.A. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Grant Contract. The Grantee certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
- D.34. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
 - b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
 - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
 - d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Grantee shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified, or presently fall under any of the prohibitions of sections a-d.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, the special terms and conditions shall be subordinate to the Grant Contract's other terms and conditions.
- E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information,

regardless of form, medium or method of communication, provided to the Grantee by the State or acquired by the Grantee on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Grantee to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Grantee shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Grant Contract.

- E.3. Printing Authorization. The Grantee agrees that no publication coming within the jurisdiction of Tenn. Code Ann. § 12-7-101, *et seq.*, shall be printed pursuant to this Grant Contract unless a printing authorization number has been obtained and affixed as required by Tenn. Code Ann. § 12-7-103(d).

- E.4. Federal Funding Accountability and Transparency Act (FFATA).

This Grant Contract requires the Grantee to provide supplies or services that are funded in whole or in part by federal funds that are subject to FFATA. The Grantee is responsible for ensuring that all applicable FFATA requirements, including but not limited to those below, are met and that the Grantee provides information to the State as required.

The Grantee shall comply with the following:

- a. Reporting of Total Compensation of the Grantee's Executives.

- (1) The Grantee shall report the names and total compensation of each of its five most highly compensated executives for the Grantee's preceding completed fiscal year, if in the Grantee's preceding fiscal year it received:
 - i. 80 percent or more of the Grantee's annual gross revenues from Federal procurement contracts and federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and sub awards); and
 - ii. \$25,000,000 or more in annual gross revenues from federal procurement contracts (and subcontracts), and federal financial assistance subject to the Transparency Act (and sub awards); and
 - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. § 78m(a), 78o(d)) or § 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

As defined in 2 C.F.R. § 170.315, "Executive" means officers, managing partners, or any other employees in management positions.

- (2) Total compensation means the cash and noncash dollar value earned by the executive during the Grantee's preceding fiscal year and includes the following (for more information see 17 CFR § 229.402(c)(2)):
 - i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial

Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

- iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax qualified.
 - vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- b. The Grantee must report executive total compensation described above to the State by the end of the month during which this Grant Contract is established.
 - c. If this Grant Contract is amended to extend its term, the Grantee must submit an executive total compensation report to the State by the end of the month in which the amendment to this Grant Contract becomes effective.
 - d. The Grantee will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this Grant Contract. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>.

The Grantee's failure to comply with the above requirements is a material breach of this Grant Contract for which the State may terminate this Grant Contract for cause. The State will not be obligated to pay any outstanding invoice received from the Grantee unless and until the Grantee is in full compliance with the above requirements.

- E.5. Printed Material Collected or Created. All plans, specifications, data, photographs, drawings, maps or other printed material collected or created under this Grant shall become the property of the State and shall be provided to the State upon request.
- E.6. Notations and Statements. All reports, maps, and other documents prepared as a part of this Grant, exclusive of documents for internal use only by parties hereto, and financed with FHWA "PL" funds shall carry the following notation on the front cover or title page:

This report was prepared in cooperation with the U. S. Department of Transportation, Federal Highway Administration, and the Tennessee Department of Transportation.
- E.7. Reimbursement. The Grantee understands and agrees that reimbursement shall be limited to: salaries, fringe benefits, travel, equipment, supplies, printing, reproduction, consultant and other contractual services, audit fees, computer services, and overhead.
- E.8. Progress Reports. The Grantee shall prepare a quarterly progress report and it shall be presented to the State within forty-five (45) days after the end of each quarter. The progress report shall describe specific UPWP task accomplishments and problems encountered during the quarter. Such information shall be provided for each local planning task identified in the UPWP. Failure to comply with the progress reporting schedule specified herein may result in termination of this Grant and withholding of payment for work completed.
- E.9. Amendments to the Unified Planning Work Program. Any modifications to the Unified Planning Work Program or the provisions of this Grant shall be approved in writing, by the State and shall be subject to prior approval by the FHWA.

E.10. Disadvantaged Business Enterprises. It is the policy of the Tennessee Department of Transportation that disadvantaged business enterprises (DBEs) as defined in 49 CFR, have the maximum opportunity to participate in the performance of subcontracts financed in whole or in part with Federal funds under this Grant. Consequently, the DBE requirements of 49 CFR apply to this Grant. In this regard, the Grantee shall take all necessary and reasonable steps in accordance with 49 CFR to ensure that DBEs have the maximum opportunity to compete for and perform subcontracts.

IN WITNESS WHEREOF,

CITY OF KINGPORT:

GRANTEE SIGNATURE

DATE

PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)

CITY ATTORNEY

DATE

DEPARTMENT OF TRANSPORTATION:

CLAY BRIGHT, COMMISSIONER

DATE

JOHN REINBOLD, GENERAL COUNSEL
APPROVED AS TO FORM AND LEGALITY

DATE

Federal Award Identification Worksheet

Subrecipient's name (must match registered name in DUNS)	City of Kingsport
Subrecipient's DUNS number	079027579
Federal Award Identification Number (FAIN)	
Federal award date	
CFDA number and name	20.205
Grant contract's begin date	October 1, 2021
Grant contract's end date	September 30, 2023
Amount of federal funds obligated by this grant contract	646,300.00
Total amount of federal funds obligated to the subrecipient	646,300.00
Total amount of the federal award to the pass-through entity (Grantor State Agency)	646,300.00
Name of federal awarding agency	Federal Highway Administration
Name and contact information for the federal awarding official	Pam Kordenbrock, Division Administrator Administration, Tennessee (615) 781-5770
Is the federal award for research and development?	n/a
Indirect cost rate for the federal award (See 2 C.F.R. §200.331 for information on type of indirect cost rate)	n/a

ATTACHMENT TWO

**GRANT
BUDGET**

CONSOLIDATED PLANNING GRANT (CPG)				
TOTAL UPWP AUTHORIZATION	FEDERAL SHARE (80%)	STATE SHARE (5%)	GRANTEE SHARE (15%)	TOTAL
\$807,875.00	646,300.00	40,393.75	121,181.25	807,875.00

Notice of Audit Report

Check one of the two boxes below and complete the remainder of this document as instructed. Send completed documents as a PDF file to cpo.auditnotice@tn.gov. ***The Grantee should submit only one, completed "Notice of Audit Report" document to the State ninety (90) days prior to the Grantee's fiscal year.***

☒ City of Kingsport is subject to an audit for fiscal year 2022.

☐ City of Kingsport not subject to an audit for fiscal year 2022.

Grantee's Edison Vendor ID Number: 1562

Grantee's fiscal year end: June 30th

Any Grantee that is subject to an audit must complete the information below.

Type of funds expended	Estimated amount of funds expended by end of Grantee's fiscal year
Federal pass-through funds	
a. Funds passed through the State of Tennessee	a.
b. Funds passed through any other entity	b.
Funds received directly from the federal government	
Non-federal funds received directly from the State of Tennessee	

Parent Child Information

The Grantee should complete this form and submit it with the Grant Contract. The Grantee should submit only one, completed "Parent Child Information" document to the State during the Grantee's fiscal year.

"Parent" means an entity whose IRS filing contains the information of at least one other entity.

"Child" means an entity whose information is contained in another entity's IRS filing.

Grantee's Edison Vendor ID number:

Is City of Kingsport a parent? ☒ Yes ☐ No

If yes, provide the name and Edison Vendor ID number, if applicable, of any child entities.

Is City of Kingsport a child? ☐ Yes ☒ No

If yes, complete the fields below.

Parent entity's name: _____

Parent entity's tax identification number: _____

Note: If the parent entity's tax identification number is a social security number, this form must be submitted via US mail to:

Central Procurement Office, Grants Program Manager
3rd Floor, WRS Tennessee Tower
312 Rosa L Parks Avenue
Nashville, TN 37243

Parent entity's contact information

Name of primary contact person: Wendi Davis

Address: 225 W. Center Street, Kingsport, TN 37660

Phone number: 423-224-2914

Email address: wendidavis@kingsporttn.gov

Parent entity's Edison Vendor ID number, if applicable: 1562



AGENDA ACTION FORM

Authoring the Issuance of General Obligation Public Improvement Bonds, Series 2021 in an Amount not to Exceed \$19,750,000.00

To: Board of Mayor and Aldermen
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-287-2021
Work Session: September 27, 2021
First Reading: NA

Final Adoption: September 28, 2021
Staff Work By: Lisa Winkle
Presentation By: C. McCartt

Recommendation:

Approve the Initial and Detailed Bond Resolutions authorizing the issuance of General Obligation Public Improvement Bonds, Series 2021 in an amount not to exceed \$19,750,000.00.

Executive Summary:

General Obligation Public Improvement Bonds, Series 2021 will fund the Capital Improvement Plan (CIP) that was approved with the FY2022 Budget. The detail list of capital projects is attached. Totals are as follows:

- ❖ General and School Fund Projects – to be repaid from General Fund Operating Revenue \$10,000,000.00
- ❖ MeadowView Convention Center Project – to be repaid from Regional Sales Tax Fund \$900,000.00
- ❖ Water Projects – to be repaid from Water System User Fees \$1,500,000.00
- ❖ Sewer Projects – to be repaid from Sewer System User Fees \$6,900,000.00

A projected debt service schedule based on recent market conditions has been prepared for the proposed GO Public Improvement Bonds, Series 2021 by our Municipal Advisor Raymond James & Associates and is attached for your review. Final schedules will be provided after the bonds are sold.

Adoption of the initial bond resolution will allow staff to proceed with the advertisement of the resolution and the City's intent to issue bonds. This will begin the required 20-day period during which protest petitions may be filed with the City.

Attachments:

1. Initial Bond Resolution
2. Detailed Bond Resolution
3. FY2022 Schedule of Capital Projects to be Funded
4. GO Bonds, Series 2021 – Estimated Debt Service Schedules
5. Amendment III to Municipal Advisory Agreement.

Y N O

Y N O

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Duncan
George
Montgomery
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Phillips
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Funding source appropriate and funds are available: *Jm*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *aw*

RESOLUTION NO. _____

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$19,750,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2021 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, Series 2021 (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; acquisition, construction, improvement and renovation of public school facilities; acquisition, construction, rehabilitation, improvement and equipping of public parks and recreational facilities, including a bike park and park lighting, Bays Mountain amphitheater, and Bays Mountain Park exhibits; acquisition, construction, renovation, improvement and equipping of public buildings within the Municipality, including the justice center, public works convenient centers, and fire facilities; construction, improvement and renovation of the Municipality's convention center, including roof replacement; construction, expansion and improvement of the Municipality's water system; construction, expansion and improvement of the Municipality's sewer system; 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 any of the above projects, 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 Nineteen Million Seven Hundred Fifty Thousand Dollars (\$19,750,000) 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. To the extent the proceeds of the Bonds are used to fund projects for the Municipality's convention center and golf course, the Bonds shall additionally be payable from, but not secured by, 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, and revenues to be derived from the operation of the Municipality's convention center and golf course. To the extent the proceeds of the Bonds are used to fund projects for the Municipality's water and sewer system, such Bonds shall additionally be payable from, but not secured by, revenues to be derived from the operation of the Municipality's water and sewer system.

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 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 28th day of September, 2021.

MAYOR

ATTEST:

APPROVED AS TO FORM:

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 Recorder protesting the issuance of the Bonds, such Bonds will be issued as proposed.

STATE OF TENNESSEE)
COUNTIES OF HAWKINS AND)
SULLIVAN)

I, Lisa E. Winkle, 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 an Initial Resolution excerpted from the minutes of the meeting of the Board of Mayor and Aldermen of said Municipality held on September 28, 2021; (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 \$19,750,000 General Obligation Public Improvement Bonds, Series 2021 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 28th day of September, 2021.

(SEAL)

RECORDER

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$19,750,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2021, OF THE CITY OF KINGSFORT, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

WHEREAS, on September 28, 2021, 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 \$19,750,000 General Obligation Public Improvement Bonds, Series 2021 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 of public art; acquisition, construction, improvement and renovation of public school facilities; acquisition, construction, rehabilitation, improvement and equipping of public parks and recreational facilities, including a bike park and park lighting, Bays Mountain amphitheater, and Bays Mountain Park exhibits; acquisition, construction, renovation, improvement and equipping of public buildings within the Municipality, including the justice center, public works convenient centers, and fire facilities; construction, improvement and renovation of the Municipality’s convention center, including roof replacement; construction, expansion and improvement of the Municipality’s water system; construction, expansion and improvement of the Municipality’s sewer system; acquisition of all property real and personal, appurtenant thereto or connected with such work; and to pay legal, fiscal, administrative, and engineering costs (collectively, the “Project”); 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;

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 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 to the extent the proceeds of the Bonds are used to fund projects for the Municipality’s convention center and golf course, such Bonds shall be additionally be payable from, but not secured by, 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, and revenues to be derived from the operation of the convention center and golf course; and to the extent the proceeds of the Bonds are used to fund projects for the Municipality's water and sewer system, such Bonds shall additionally be payable from, but not secured by, revenues to be derived from the operation of the Municipality's water and sewer system;

WHEREAS, the Board finds that it is necessary and desirable to issue not to exceed \$19,750,000 General Obligation Public Improvement Bonds, Series 2021 (the "Bonds"), for the purposes of financing the costs of the Project, reimbursing the Municipality, paying capitalized interest, and paying costs incident to the issuance of the Bonds;

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, Series 2021 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 the registration agent selected by the Municipality, 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 issuance of the Bonds, there is hereby authorized to be issued General Obligation Public Improvement Bonds, Series 2021 of the Municipality, in the aggregate principal amount of not to exceed Nineteen Million Seven Hundred Fifty Thousand Dollars (\$19,750,000), 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, Series 2021”, 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 March 1, 2022. 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 2023 through 2042, 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, 2023 through March 1, 2030, are not subject to redemption prior to maturity. The Bonds maturing on and after March 1, 2031, are subject to redemption prior to maturity on March 1, 2030, 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 shall appoint a 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. To the extent the proceeds of the Bonds are used to fund projects for the Municipality's convention center and golf course, the Bonds shall additionally be payable from, but not secured by, revenues to be derived for 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, and revenues to be derived from the operation of the Municipality's convention center and golf course. To the extent the proceeds of the Bonds are used to fund projects for the Municipality's water and sewer system, such Bonds shall additionally be payable from, but not secured by, revenues to be derived from the operation of the Municipality's water and sewer system.

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.

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 percent (99%) of par, as a whole or in part from time to time as shall be determined by the Mayor, in consultation with Raymond James & Associates, Inc., Nashville, Tennessee, the Municipality's municipal advisor (the "Municipal 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 Municipal 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 March 1, 2022, provided that such date is not later than twelve (12) 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, 2023 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 Public Improvement Bonds, Series 2021"; 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.

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 Municipal 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 remaining 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 2021, 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 \$19,750,000. 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. 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 Municipal Advisor to provide municipal advisory services for the Municipality and services related to the issuance, sale, and delivery of the Bonds, entering into an agreement with a dissemination agent to provide continuing disclosure services, 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 (5) 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.

Approved and adopted this 28th day of September, 2021.

MAYOR

ATTEST:

APPROVED AS TO FORM:

RECORDER

CITY ATTORNEY

STATE OF TENNESSEE
COUNTIES OF SULLIVAN AND HAWKINS

I, Lisa E. Winkle, 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 September 28, 2021; (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 \$19,750,000 General Obligation Public Improvement Bonds, Series 2021 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 28th day of September, 2021.

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 PUBLIC IMPROVEMENT BOND,
SERIES 2021

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 U.S. Bank National Association, 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 March 1 and September 1 of each year (the "Interest Payment Date"), commencing March 1, 2022, 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 as otherwise provided in said Code.

This bond is one of a series of bonds known as "General Obligation Public Improvement Bonds, Series 2021" (the "Bonds"), issued by the Municipality in the aggregate principal amount of \$ _____. The Bonds, which are issued for the purpose of financing a portion of the costs of certain public works projects, consisting of the acquisition of public art; acquisition, construction, improvement and renovation of public school facilities; acquisition, construction, rehabilitation, improvement and equipping of public parks and recreational facilities, including a bike park and park lighting, Bays Mountain amphitheater, and Bays Mountain Park exhibits; acquisition, construction, renovation, improvement and equipping of public buildings within the Municipality, including the justice center, public works convenient centers, and fire facilities; construction, improvement and renovation of the Municipality's convention center, including roof replacement; construction, expansion and improvement of the Municipality's water system; construction, expansion and improvement of the Municipality's sewer system; 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 any of the above projects, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds. 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 September 28, 2021, entitled "Resolution Authorizing the Execution, Terms, Issuance, Sale, and Payment of Not to Exceed \$19,750,000 General Obligation Public Improvement Bonds, Series 2021, 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. To the extent the proceeds of the Bonds are used to fund projects for the Municipality’s convention center and golf course, such Bonds shall additionally be payable from, but not secured by, 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, and revenues to be derived from the operation of the Municipality’s convention center and golf course. To the extent the proceeds of the Bonds are used to fund projects for the Municipality’s water and sewer system, such Bonds shall additionally be payable from, but not secured by, revenues to be derived from the operation of the Municipality’s water and sewer system.

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, 2023 through March 1, 2030 are not subject to redemption prior to maturity. The Bonds maturing on and after March 1, 2031, are subject to redemption prior to maturity on March 1, 2030, 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 the Dated Date.

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 Public Improvement Bonds, Series 2021 of the City of Kingsport, Tennessee.

U.S.BANK NATIONAL ASSOCIATION,
as Registration Agent

By: _____
Authorized Officer

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(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.

CITY OF KINGSPORT
FY2022 CAPITAL IMPROVEMENTS PLAN
SCHEDULE OF CAPITAL PROJECTS TO BE FUNDED

GENERAL FUND

School Facility Upgrades	\$ 6,000,000
Bike Park and Lighting	1,400,000
Bays Mountain Amphitheater	950,000
Justice Center Improvements Design	400,000
Bays Mountain Park Exhibit Improvements	375,000
Public Works Recycle Convenient Centers	300,000
Fire Facility Improvements	300,000
Fire Station #2	275,000
TOTAL GENERAL FUND	\$ 10,000,000

MEADOWVIEW CONFERENCE & CONVENTION CENTER FUND

Roof Replacement	\$ 900,000
TOTAL MEADOWVIEW CONFERENCE & CONVENTION CENTER FUND	\$ 900,000

SEWER FUND

Inflow & Infiltration Rehab	\$ 3,000,000
System Improvements Sewer Lift Stations	2,300,000
Reedy Creek Trunk Line Improvements	1,000,000
Waste Water Treatment Plant Electric Improvements	600,000
TOTAL SEWER FUND	\$ 6,900,000

WATER FUND

Water Master Plan Upgrades	\$ 1,500,000
TOTAL WATER FUND	\$ 1,500,000

GRAND TOTAL PROJECTS FUNDED	\$ 19,300,000
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\$16,070,000*

General Obligation Public Improvement Bonds, Series 2021

Preliminary Schedules

Raymond James Public Finance - Nashville

PREPARED BY: Rick Dulaney, Managing Director
Elizabeth Zuelke, Vice President

PREPARED FOR: Mayor and Board of Aldermen
Chris McCartt, City Manager
Lisa Winkle, City Recorder and Treasurer



September 21, 2021

* Subject to change

RAYMOND JAMES

\$16,070,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

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Series 2021 Combined | Issue Summary | 9/21/2021 | 10:10 AM

Raymond James

Preliminary

\$16,070,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Total Issue Sources And Uses

Dated 11/05/2021 | Delivered 11/05/2021

	General Fund Projects	Water Projects	Sewer Projects	Meadowview Conference Center	Issue Summary
Sources Of Funds					
Par Amount of Bonds	\$8,325,000.00	\$1,250,000.00	\$5,745,000.00	\$750,000.00	\$16,070,000.00
Reoffering Premium	1,803,272.45	270,675.35	1,243,893.80	162,405.35	3,480,246.95
Total Sources	\$10,128,272.45	\$1,520,675.35	\$6,988,893.80	\$912,405.35	\$19,550,246.95
Uses Of Funds					
Deposit to Project Construction Fund	10,000,000.00	1,500,000.00	6,900,000.00	900,000.00	19,300,000.00
Costs of Issuance	69,003.72	10,360.92	47,618.80	6,216.56	133,200.00
Total Underwriter's Discount (0.650%)	54,112.50	8,125.00	37,342.50	4,875.00	104,455.00
Rounding Amount	5,156.23	2,189.43	3,932.50	1,313.79	12,591.95
Total Uses	\$10,128,272.45	\$1,520,675.35	\$6,988,893.80	\$912,405.35	\$19,550,246.95

Preliminary

\$16,070,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Detail Costs Of Issuance

Dated 11/05/2021 | Delivered 11/05/2021

COSTS OF ISSUANCE DETAIL

Municipal Advisor	\$49,250.00
Bond Counsel	\$35,000.00
Moody's	\$24,000.00
S&P	\$22,000.00
Registration Agent	\$700.00
POS/Official Statement	\$1,500.00
CUSIPS	\$750.00
TOTAL	\$133,200.00

Preliminary

\$16,070,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2022	-	-	227,376.11	227,376.11
06/30/2023	505,000.00	5.000%	705,650.00	1,210,650.00
06/30/2024	525,000.00	5.000%	680,400.00	1,205,400.00
06/30/2025	550,000.00	5.000%	654,150.00	1,204,150.00
06/30/2026	575,000.00	5.000%	626,650.00	1,201,650.00
06/30/2027	605,000.00	5.000%	597,900.00	1,202,900.00
06/30/2028	640,000.00	5.000%	567,650.00	1,207,650.00
06/30/2029	665,000.00	5.000%	535,650.00	1,200,650.00
06/30/2030	705,000.00	5.000%	502,400.00	1,207,400.00
06/30/2031	745,000.00	5.000%	467,150.00	1,212,150.00
06/30/2032	770,000.00	5.000%	429,900.00	1,199,900.00
06/30/2033	815,000.00	4.000%	391,400.00	1,206,400.00
06/30/2034	850,000.00	4.000%	358,800.00	1,208,800.00
06/30/2035	880,000.00	4.000%	324,800.00	1,204,800.00
06/30/2036	910,000.00	4.000%	289,600.00	1,199,600.00
06/30/2037	955,000.00	4.000%	253,200.00	1,208,200.00
06/30/2038	990,000.00	4.000%	215,000.00	1,205,000.00
06/30/2039	1,035,000.00	4.000%	175,400.00	1,210,400.00
06/30/2040	1,075,000.00	4.000%	134,000.00	1,209,000.00
06/30/2041	1,115,000.00	4.000%	91,000.00	1,206,000.00
06/30/2042	1,160,000.00	4.000%	46,400.00	1,206,400.00
Total	\$16,070,000.00	-	\$8,274,476.11	\$24,344,476.11

Yield Statistics

Bond Year Dollars	\$197,088.11
Average Life	12.264 Years
Average Coupon	4.1983639%
Net Interest Cost (NIC)	2.4855300%
True Interest Cost (TIC)	2.2002435%
Bond Yield for Arbitrage Purposes	1.2180055%
All Inclusive Cost (AIC)	2.2705887%

IRS Form 8038

Net Interest Cost	2.0033577%
Weighted Average Maturity	12.241 Years

Series 2021 Combined | Issue Summary | 9/21/2021 | 10:10 AM

Raymond James

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Preliminary

\$16,070,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I
11/05/2021	-	-	-	-
03/01/2022	-	-	227,376.11	227,376.11
09/01/2022	-	-	352,825.00	352,825.00
03/01/2023	505,000.00	5.000%	352,825.00	857,825.00
09/01/2023	-	-	340,200.00	340,200.00
03/01/2024	525,000.00	5.000%	340,200.00	865,200.00
09/01/2024	-	-	327,075.00	327,075.00
03/01/2025	550,000.00	5.000%	327,075.00	877,075.00
09/01/2025	-	-	313,325.00	313,325.00
03/01/2026	575,000.00	5.000%	313,325.00	888,325.00
09/01/2026	-	-	298,950.00	298,950.00
03/01/2027	605,000.00	5.000%	298,950.00	903,950.00
09/01/2027	-	-	283,825.00	283,825.00
03/01/2028	640,000.00	5.000%	283,825.00	923,825.00
09/01/2028	-	-	267,825.00	267,825.00
03/01/2029	665,000.00	5.000%	267,825.00	932,825.00
09/01/2029	-	-	251,200.00	251,200.00
03/01/2030	705,000.00	5.000%	251,200.00	956,200.00
09/01/2030	-	-	233,575.00	233,575.00
03/01/2031	745,000.00	5.000%	233,575.00	978,575.00
09/01/2031	-	-	214,950.00	214,950.00
03/01/2032	770,000.00	5.000%	214,950.00	984,950.00
09/01/2032	-	-	195,700.00	195,700.00
03/01/2033	815,000.00	4.000%	195,700.00	1,010,700.00
09/01/2033	-	-	179,400.00	179,400.00
03/01/2034	850,000.00	4.000%	179,400.00	1,029,400.00
09/01/2034	-	-	162,400.00	162,400.00
03/01/2035	880,000.00	4.000%	162,400.00	1,042,400.00
09/01/2035	-	-	144,800.00	144,800.00
03/01/2036	910,000.00	4.000%	144,800.00	1,054,800.00
09/01/2036	-	-	126,600.00	126,600.00
03/01/2037	955,000.00	4.000%	126,600.00	1,081,600.00

Preliminary

\$16,070,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I
09/01/2037	-	-	107,500.00	107,500.00
03/01/2038	990,000.00	4.000%	107,500.00	1,097,500.00
09/01/2038	-	-	87,700.00	87,700.00
03/01/2039	1,035,000.00	4.000%	87,700.00	1,122,700.00
09/01/2039	-	-	67,000.00	67,000.00
03/01/2040	1,075,000.00	4.000%	67,000.00	1,142,000.00
09/01/2040	-	-	45,500.00	45,500.00
03/01/2041	1,115,000.00	4.000%	45,500.00	1,160,500.00
09/01/2041	-	-	23,200.00	23,200.00
03/01/2042	1,160,000.00	4.000%	23,200.00	1,183,200.00
Total	\$16,070,000.00	-	\$8,274,476.11	\$24,344,476.11

Yield Statistics

Bond Year Dollars	\$197,088.11
Average Life	12.264 Years
Average Coupon	4.1983639%
Net Interest Cost (NIC)	2.4855300%
True Interest Cost (TIC)	2.2002435%
Bond Yield for Arbitrage Purposes	1.2180055%
All Inclusive Cost (AIC)	2.2705887%

IRS Form 8038

Net Interest Cost	2.0033577%
Weighted Average Maturity	12.241 Years

Preliminary

\$16,070,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
03/01/2023	Serial Coupon	5.000%	0.120%	505,000.00	106.445%	-	-	-	537,547.25
03/01/2024	Serial Coupon	5.000%	0.160%	525,000.00	111.213%	-	-	-	583,868.25
03/01/2025	Serial Coupon	5.000%	0.200%	550,000.00	115.885%	-	-	-	637,367.50
03/01/2026	Serial Coupon	5.000%	0.330%	575,000.00	120.024%	-	-	-	690,138.00
03/01/2027	Serial Coupon	5.000%	0.440%	605,000.00	123.960%	-	-	-	749,958.00
03/01/2028	Serial Coupon	5.000%	0.630%	640,000.00	127.042%	-	-	-	813,068.80
03/01/2029	Serial Coupon	5.000%	0.750%	665,000.00	130.224%	-	-	-	865,989.60
03/01/2030	Serial Coupon	5.000%	0.900%	705,000.00	132.802%	-	-	-	936,254.10
03/01/2031	Serial Coupon	5.000%	1.000%	745,000.00	131.863%	c 1.351%	03/01/2030	100.000%	982,379.35
03/01/2032	Serial Coupon	5.000%	1.090%	770,000.00	131.025%	c 1.708%	03/01/2030	100.000%	1,008,892.50
03/01/2033	Serial Coupon	4.000%	1.200%	815,000.00	122.112%	c 1.829%	03/01/2030	100.000%	995,212.80
03/01/2034	Serial Coupon	4.000%	1.250%	850,000.00	121.670%	c 2.006%	03/01/2030	100.000%	1,034,195.00
03/01/2035	Serial Coupon	4.000%	1.300%	880,000.00	121.230%	c 2.158%	03/01/2030	100.000%	1,066,824.00
03/01/2036	Serial Coupon	4.000%	1.360%	910,000.00	120.704%	c 2.295%	03/01/2030	100.000%	1,098,406.40
03/01/2037	Serial Coupon	4.000%	1.410%	955,000.00	120.269%	c 2.410%	03/01/2030	100.000%	1,148,568.95
03/01/2038	Serial Coupon	4.000%	1.450%	990,000.00	119.921%	c 2.505%	03/01/2030	100.000%	1,187,217.90
03/01/2039	Serial Coupon	4.000%	1.500%	1,035,000.00	119.489%	c 2.596%	03/01/2030	100.000%	1,236,711.15
03/01/2040	Serial Coupon	4.000%	1.550%	1,075,000.00	119.058%	c 2.677%	03/01/2030	100.000%	1,279,873.50
03/01/2041	Serial Coupon	4.000%	1.590%	1,115,000.00	118.714%	c 2.745%	03/01/2030	100.000%	1,323,661.10
03/01/2042	Serial Coupon	4.000%	1.620%	1,160,000.00	118.458%	c 2.802%	03/01/2030	100.000%	1,374,112.80
Total				\$16,070,000.00					\$19,550,246.95

Bid Information

Par Amount of Bonds	\$16,070,000.00
Reoffering Premium or (Discount)	3,480,246.95
Gross Production	\$19,550,246.95
Total Underwriter's Discount (0.650%)	\$(104,455.00)
Bid (121.007%)	19,445,791.95
Total Purchase Price	\$19,445,791.95
Bond Year Dollars	\$197,088.11
Average Life	12.264 Years
Average Coupon	4.1983639%
Net Interest Cost (NIC)	2.4855300%
True Interest Cost (TIC)	2.2002435%

Series 2021 Combined | Issue Summary | 9/21/2021 | 10:10 AM

Raymond James

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Preliminary

\$8,325,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

General Fund Projects

Sources & Uses

Dated 11/05/2021 | Delivered 11/05/2021

Sources Of Funds

Par Amount of Bonds	\$8,325,000.00
Reoffering Premium	1,803,272.45
Total Sources	\$10,128,272.45

Uses Of Funds

Deposit to Project Construction Fund	10,000,000.00
Costs of Issuance	69,003.72
Total Underwriter's Discount (0.650%)	54,112.50
Rounding Amount	5,156.23
Total Uses	\$10,128,272.45

Preliminary

\$8,325,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

General Fund Projects

Detail Costs Of Issuance

Dated 11/05/2021 | Delivered 11/05/2021

COSTS OF ISSUANCE DETAIL

Municipal Advisor	\$25,513.76
Bond Counsel	\$18,131.61
Moody's	\$12,433.11
S&P	\$11,397.01
Registration Agent	\$362.63
POS/Official Statement	\$777.06
CUSIPS	\$388.54
TOTAL	\$69,003.72

Preliminary

\$8,325,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

General Fund Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2022	-	-	117,788.33	117,788.33
06/30/2023	260,000.00	5.000%	365,550.00	625,550.00
06/30/2024	270,000.00	5.000%	352,550.00	622,550.00
06/30/2025	285,000.00	5.000%	339,050.00	624,050.00
06/30/2026	300,000.00	5.000%	324,800.00	624,800.00
06/30/2027	315,000.00	5.000%	309,800.00	624,800.00
06/30/2028	330,000.00	5.000%	294,050.00	624,050.00
06/30/2029	345,000.00	5.000%	277,550.00	622,550.00
06/30/2030	365,000.00	5.000%	260,300.00	625,300.00
06/30/2031	385,000.00	5.000%	242,050.00	627,050.00
06/30/2032	400,000.00	5.000%	222,800.00	622,800.00
06/30/2033	420,000.00	4.000%	202,800.00	622,800.00
06/30/2034	440,000.00	4.000%	186,000.00	626,000.00
06/30/2035	455,000.00	4.000%	168,400.00	623,400.00
06/30/2036	475,000.00	4.000%	150,200.00	625,200.00
06/30/2037	495,000.00	4.000%	131,200.00	626,200.00
06/30/2038	515,000.00	4.000%	111,400.00	626,400.00
06/30/2039	535,000.00	4.000%	90,800.00	625,800.00
06/30/2040	555,000.00	4.000%	69,400.00	624,400.00
06/30/2041	580,000.00	4.000%	47,200.00	627,200.00
06/30/2042	600,000.00	4.000%	24,000.00	624,000.00
Total	\$8,325,000.00	-	\$4,287,688.33	\$12,612,688.33

Yield Statistics

Bond Year Dollars	\$102,127.50
Average Life	12.268 Years
Average Coupon	4.1983680%
Net Interest Cost (NIC)	2.4856463%
True Interest Cost (TIC)	2.2003537%
Bond Yield for Arbitrage Purposes	1.2180055%
All Inclusive Cost (AIC)	2.2706815%

IRS Form 8038

Net Interest Cost	2.0034643%
Weighted Average Maturity	12.244 Years

Series 2021 Combined | General Fund Projects | 9/21/2021 | 10:10 AM

Raymond James

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Preliminary

\$8,325,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

General Fund Projects

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I
11/05/2021	-	-	-	-
03/01/2022	-	-	117,788.33	117,788.33
09/01/2022	-	-	182,775.00	182,775.00
03/01/2023	260,000.00	5.000%	182,775.00	442,775.00
09/01/2023	-	-	176,275.00	176,275.00
03/01/2024	270,000.00	5.000%	176,275.00	446,275.00
09/01/2024	-	-	169,525.00	169,525.00
03/01/2025	285,000.00	5.000%	169,525.00	454,525.00
09/01/2025	-	-	162,400.00	162,400.00
03/01/2026	300,000.00	5.000%	162,400.00	462,400.00
09/01/2026	-	-	154,900.00	154,900.00
03/01/2027	315,000.00	5.000%	154,900.00	469,900.00
09/01/2027	-	-	147,025.00	147,025.00
03/01/2028	330,000.00	5.000%	147,025.00	477,025.00
09/01/2028	-	-	138,775.00	138,775.00
03/01/2029	345,000.00	5.000%	138,775.00	483,775.00
09/01/2029	-	-	130,150.00	130,150.00
03/01/2030	365,000.00	5.000%	130,150.00	495,150.00
09/01/2030	-	-	121,025.00	121,025.00
03/01/2031	385,000.00	5.000%	121,025.00	506,025.00
09/01/2031	-	-	111,400.00	111,400.00
03/01/2032	400,000.00	5.000%	111,400.00	511,400.00
09/01/2032	-	-	101,400.00	101,400.00
03/01/2033	420,000.00	4.000%	101,400.00	521,400.00
09/01/2033	-	-	93,000.00	93,000.00
03/01/2034	440,000.00	4.000%	93,000.00	533,000.00
09/01/2034	-	-	84,200.00	84,200.00
03/01/2035	455,000.00	4.000%	84,200.00	539,200.00
09/01/2035	-	-	75,100.00	75,100.00
03/01/2036	475,000.00	4.000%	75,100.00	550,100.00
09/01/2036	-	-	65,600.00	65,600.00
03/01/2037	495,000.00	4.000%	65,600.00	560,600.00

Preliminary

\$8,325,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

General Fund Projects

Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I
09/01/2037	-	-	55,700.00	55,700.00
03/01/2038	515,000.00	4.000%	55,700.00	570,700.00
09/01/2038	-	-	45,400.00	45,400.00
03/01/2039	535,000.00	4.000%	45,400.00	580,400.00
09/01/2039	-	-	34,700.00	34,700.00
03/01/2040	555,000.00	4.000%	34,700.00	589,700.00
09/01/2040	-	-	23,600.00	23,600.00
03/01/2041	580,000.00	4.000%	23,600.00	603,600.00
09/01/2041	-	-	12,000.00	12,000.00
03/01/2042	600,000.00	4.000%	12,000.00	612,000.00
Total	\$8,325,000.00		\$4,287,688.33	\$12,612,688.33

Yield Statistics

Bond Year Dollars	\$102,127.50
Average Life	12.268 Years
Average Coupon	4.1983680%
Net Interest Cost (NIC)	2.4856463%
True Interest Cost (TIC)	2.2003537%
Bond Yield for Arbitrage Purposes	1.2180055%
All Inclusive Cost (AIC)	2.2706815%

IRS Form 8038

Net Interest Cost	2.0034643%
Weighted Average Maturity	12.244 Years

Preliminary

\$1,250,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Water Projects

Sources & Uses

Dated 11/05/2021 | Delivered 11/05/2021

Sources Of Funds

Par Amount of Bonds	\$1,250,000.00
Reoffering Premium	270,675.35

Total Sources	\$1,520,675.35
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Uses Of Funds

Deposit to Project Construction Fund	1,500,000.00
Costs of Issuance	10,360.92
Total Underwriter's Discount (0.650%)	8,125.00
Rounding Amount	2,189.43

Total Uses	\$1,520,675.35
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Preliminary

\$1,250,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Water Projects

Detail Costs Of Issuance

Dated 11/05/2021 | Delivered 11/05/2021

COSTS OF ISSUANCE DETAIL

Municipal Advisor	\$3,830.90
Bond Counsel	\$2,722.46
Moody's	\$1,866.83
S&P	\$1,711.26
Registration Agent	\$54.45
POS/Official Statement	\$116.68
CUSIPS	\$58.34
TOTAL	\$10,360.92

Preliminary

\$1,250,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Water Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2022	-	-	17,690.00	17,690.00
06/30/2023	40,000.00	5.000%	54,900.00	94,900.00
06/30/2024	40,000.00	5.000%	52,900.00	92,900.00
06/30/2025	45,000.00	5.000%	50,900.00	95,900.00
06/30/2026	45,000.00	5.000%	48,650.00	93,650.00
06/30/2027	45,000.00	5.000%	46,400.00	91,400.00
06/30/2028	50,000.00	5.000%	44,150.00	94,150.00
06/30/2029	50,000.00	5.000%	41,650.00	91,650.00
06/30/2030	55,000.00	5.000%	39,150.00	94,150.00
06/30/2031	60,000.00	5.000%	36,400.00	96,400.00
06/30/2032	60,000.00	5.000%	33,400.00	93,400.00
06/30/2033	65,000.00	4.000%	30,400.00	95,400.00
06/30/2034	65,000.00	4.000%	27,800.00	92,800.00
06/30/2035	70,000.00	4.000%	25,200.00	95,200.00
06/30/2036	70,000.00	4.000%	22,400.00	92,400.00
06/30/2037	75,000.00	4.000%	19,600.00	94,600.00
06/30/2038	75,000.00	4.000%	16,600.00	91,600.00
06/30/2039	80,000.00	4.000%	13,600.00	93,600.00
06/30/2040	85,000.00	4.000%	10,400.00	95,400.00
06/30/2041	85,000.00	4.000%	7,000.00	92,000.00
06/30/2042	90,000.00	4.000%	3,600.00	93,600.00
Total	\$1,250,000.00		\$642,790.00	\$1,892,790.00

Yield Statistics

Bond Year Dollars	\$15,307.78
Average Life	12.246 Years
Average Coupon	4.1991072%
Net Interest Cost (NIC)	2.4839637%
True Interest Cost (TIC)	2.1987777%
Bond Yield for Arbitrage Purposes	1.2180055%
All Inclusive Cost (AIC)	2.2692072%

IRS Form 8038

Net Interest Cost	2.0018217%
Weighted Average Maturity	12.224 Years

Series 2021 Combined | Water Projects | 9/21/2021 | 10:10 AM

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Preliminary

\$1,250,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Water Projects

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I
11/05/2021	-	-	-	-
03/01/2022	-	-	17,690.00	17,690.00
09/01/2022	-	-	27,450.00	27,450.00
03/01/2023	40,000.00	5.000%	27,450.00	67,450.00
09/01/2023	-	-	26,450.00	26,450.00
03/01/2024	40,000.00	5.000%	26,450.00	66,450.00
09/01/2024	-	-	25,450.00	25,450.00
03/01/2025	45,000.00	5.000%	25,450.00	70,450.00
09/01/2025	-	-	24,325.00	24,325.00
03/01/2026	45,000.00	5.000%	24,325.00	69,325.00
09/01/2026	-	-	23,200.00	23,200.00
03/01/2027	45,000.00	5.000%	23,200.00	68,200.00
09/01/2027	-	-	22,075.00	22,075.00
03/01/2028	50,000.00	5.000%	22,075.00	72,075.00
09/01/2028	-	-	20,825.00	20,825.00
03/01/2029	50,000.00	5.000%	20,825.00	70,825.00
09/01/2029	-	-	19,575.00	19,575.00
03/01/2030	55,000.00	5.000%	19,575.00	74,575.00
09/01/2030	-	-	18,200.00	18,200.00
03/01/2031	60,000.00	5.000%	18,200.00	78,200.00
09/01/2031	-	-	16,700.00	16,700.00
03/01/2032	60,000.00	5.000%	16,700.00	76,700.00
09/01/2032	-	-	15,200.00	15,200.00
03/01/2033	65,000.00	4.000%	15,200.00	80,200.00
09/01/2033	-	-	13,900.00	13,900.00
03/01/2034	65,000.00	4.000%	13,900.00	78,900.00
09/01/2034	-	-	12,600.00	12,600.00
03/01/2035	70,000.00	4.000%	12,600.00	82,600.00
09/01/2035	-	-	11,200.00	11,200.00
03/01/2036	70,000.00	4.000%	11,200.00	81,200.00
09/01/2036	-	-	9,800.00	9,800.00
03/01/2037	75,000.00	4.000%	9,800.00	84,800.00

Preliminary

\$1,250,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Water Projects

Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I
09/01/2037	-	-	8,300.00	8,300.00
03/01/2038	75,000.00	4.000%	8,300.00	83,300.00
09/01/2038	-	-	6,800.00	6,800.00
03/01/2039	80,000.00	4.000%	6,800.00	86,800.00
09/01/2039	-	-	5,200.00	5,200.00
03/01/2040	85,000.00	4.000%	5,200.00	90,200.00
09/01/2040	-	-	3,500.00	3,500.00
03/01/2041	85,000.00	4.000%	3,500.00	88,500.00
09/01/2041	-	-	1,800.00	1,800.00
03/01/2042	90,000.00	4.000%	1,800.00	91,800.00
Total	\$1,250,000.00	-	\$642,790.00	\$1,892,790.00

Yield Statistics

Bond Year Dollars	\$15,307.78
Average Life	12.246 Years
Average Coupon	4.1991072%
Net Interest Cost (NIC)	2.4839637%
True Interest Cost (TIC)	2.1987777%
Bond Yield for Arbitrage Purposes	1.2180055%
All Inclusive Cost (AIC)	2.2692072%

IRS Form 8038

Net Interest Cost	2.0018217%
Weighted Average Maturity	12.224 Years

Preliminary

\$5,745,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Sewer Projects

Sources & Uses

Dated 11/05/2021 | Delivered 11/05/2021

Sources Of Funds

Par Amount of Bonds	\$5,745,000.00
Reoffering Premium	1,243,893.80

Total Sources	\$6,988,893.80
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Uses Of Funds

Deposit to Project Construction Fund	6,900,000.00
Costs of Issuance	47,618.80
Total Underwriter's Discount (0.650%)	37,342.50
Rounding Amount	3,932.50

Total Uses	\$6,988,893.80
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Preliminary

\$5,745,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Sewer Projects

Detail Costs Of Issuance

Dated 11/05/2021 | Delivered 11/05/2021

COSTS OF ISSUANCE DETAIL

Municipal Advisor	\$17,606.80
Bond Counsel	\$12,512.45
Moody's	\$8,579.96
S&P	\$7,864.97
Registration Agent	\$250.25
POS/Official Statement	\$536.25
CUSIPS	\$268.12
TOTAL	\$47,618.80

Preliminary

\$5,745,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Sewer Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2022	-	-	81,280.56	81,280.56
06/30/2023	180,000.00	5.000%	252,250.00	432,250.00
06/30/2024	190,000.00	5.000%	243,250.00	433,250.00
06/30/2025	195,000.00	5.000%	233,750.00	428,750.00
06/30/2026	205,000.00	5.000%	224,000.00	429,000.00
06/30/2027	215,000.00	5.000%	213,750.00	428,750.00
06/30/2028	230,000.00	5.000%	203,000.00	433,000.00
06/30/2029	240,000.00	5.000%	191,500.00	431,500.00
06/30/2030	250,000.00	5.000%	179,500.00	429,500.00
06/30/2031	265,000.00	5.000%	167,000.00	432,000.00
06/30/2032	275,000.00	5.000%	153,750.00	428,750.00
06/30/2033	290,000.00	4.000%	140,000.00	430,000.00
06/30/2034	305,000.00	4.000%	128,400.00	433,400.00
06/30/2035	315,000.00	4.000%	116,200.00	431,200.00
06/30/2036	325,000.00	4.000%	103,600.00	428,600.00
06/30/2037	340,000.00	4.000%	90,600.00	430,600.00
06/30/2038	355,000.00	4.000%	77,000.00	432,000.00
06/30/2039	370,000.00	4.000%	62,800.00	432,800.00
06/30/2040	385,000.00	4.000%	48,000.00	433,000.00
06/30/2041	400,000.00	4.000%	32,600.00	432,600.00
06/30/2042	415,000.00	4.000%	16,600.00	431,600.00
Total	\$5,745,000.00	-	\$2,958,830.56	\$8,703,830.56

Yield Statistics

Bond Year Dollars	\$70,481.17
Average Life	12.268 Years
Average Coupon	4.1980442%
Net Interest Cost (NIC)	2.4861666%
True Interest Cost (TIC)	2.2008593%
Bond Yield for Arbitrage Purposes	1.2180055%
All Inclusive Cost (AIC)	2.2711901%

IRS Form 8038

Net Interest Cost	2.0039700%
Weighted Average Maturity	12.245 Years

Series 2021 Combined | Sewer Projects | 9/21/2021 | 10:10 AM

Raymond James

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Preliminary

\$5,745,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Sewer Projects

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I
11/05/2021	-	-	-	-
03/01/2022	-	-	81,280.56	81,280.56
09/01/2022	-	-	126,125.00	126,125.00
03/01/2023	180,000.00	5.000%	126,125.00	306,125.00
09/01/2023	-	-	121,625.00	121,625.00
03/01/2024	190,000.00	5.000%	121,625.00	311,625.00
09/01/2024	-	-	116,875.00	116,875.00
03/01/2025	195,000.00	5.000%	116,875.00	311,875.00
09/01/2025	-	-	112,000.00	112,000.00
03/01/2026	205,000.00	5.000%	112,000.00	317,000.00
09/01/2026	-	-	106,875.00	106,875.00
03/01/2027	215,000.00	5.000%	106,875.00	321,875.00
09/01/2027	-	-	101,500.00	101,500.00
03/01/2028	230,000.00	5.000%	101,500.00	331,500.00
09/01/2028	-	-	95,750.00	95,750.00
03/01/2029	240,000.00	5.000%	95,750.00	335,750.00
09/01/2029	-	-	89,750.00	89,750.00
03/01/2030	250,000.00	5.000%	89,750.00	339,750.00
09/01/2030	-	-	83,500.00	83,500.00
03/01/2031	265,000.00	5.000%	83,500.00	348,500.00
09/01/2031	-	-	76,875.00	76,875.00
03/01/2032	275,000.00	5.000%	76,875.00	351,875.00
09/01/2032	-	-	70,000.00	70,000.00
03/01/2033	290,000.00	4.000%	70,000.00	360,000.00
09/01/2033	-	-	64,200.00	64,200.00
03/01/2034	305,000.00	4.000%	64,200.00	369,200.00
09/01/2034	-	-	58,100.00	58,100.00
03/01/2035	315,000.00	4.000%	58,100.00	373,100.00
09/01/2035	-	-	51,800.00	51,800.00
03/01/2036	325,000.00	4.000%	51,800.00	376,800.00
09/01/2036	-	-	45,300.00	45,300.00
03/01/2037	340,000.00	4.000%	45,300.00	385,300.00

Preliminary

\$5,745,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

Sewer Projects

Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I
09/01/2037	-	-	38,500.00	38,500.00
03/01/2038	355,000.00	4.000%	38,500.00	393,500.00
09/01/2038	-	-	31,400.00	31,400.00
03/01/2039	370,000.00	4.000%	31,400.00	401,400.00
09/01/2039	-	-	24,000.00	24,000.00
03/01/2040	385,000.00	4.000%	24,000.00	409,000.00
09/01/2040	-	-	16,300.00	16,300.00
03/01/2041	400,000.00	4.000%	16,300.00	416,300.00
09/01/2041	-	-	8,300.00	8,300.00
03/01/2042	415,000.00	4.000%	8,300.00	423,300.00
Total	\$5,745,000.00	-	\$2,958,830.56	\$8,703,830.56

Yield Statistics

Bond Year Dollars	\$70,481.17
Average Life	12.268 Years
Average Coupon	4.1980442%
Net Interest Cost (NIC)	2.4861666%
True Interest Cost (TIC)	2.2008593%
Bond Yield for Arbitrage Purposes	1.2180055%
All Inclusive Cost (AIC)	2.2711901%

IRS Form 8038

Net Interest Cost	2.0039700%
Weighted Average Maturity	12.245 Years

Preliminary

\$750,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

General Fund Projects

Sources & Uses

Dated 11/05/2021 | Delivered 11/05/2021

Sources Of Funds

Par Amount of Bonds	\$750,000.00
Reoffering Premium	162,405.35
Total Sources	\$912,405.35

Uses Of Funds

Deposit to Project Construction Fund	900,000.00
Costs of Issuance	6,216.56
Total Underwriter's Discount (0.650%)	4,875.00
Rounding Amount	1,313.79
Total Uses	\$912,405.35

Preliminary

\$750,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

General Fund Projects

Detail Costs Of Issuance

Dated 11/05/2021 | Delivered 11/05/2021

COSTS OF ISSUANCE DETAIL

Financial Advisor	\$2,298.54
Bond Counsel	\$1,633.48
Underwriter's Counsel	\$1,120.10
Blue Sky Opinion	\$1,026.76
Trustee & Counsel Fees	\$32.67
POS/Official Statement	\$70.01
Bond Printing	\$35.00
TOTAL	\$6,216.56

Preliminary

\$750,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

General Fund Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2022	-	-	10,617.22	10,617.22
06/30/2023	25,000.00	5.000%	32,950.00	57,950.00
06/30/2024	25,000.00	5.000%	31,700.00	56,700.00
06/30/2025	25,000.00	5.000%	30,450.00	55,450.00
06/30/2026	25,000.00	5.000%	29,200.00	54,200.00
06/30/2027	30,000.00	5.000%	27,950.00	57,950.00
06/30/2028	30,000.00	5.000%	26,450.00	56,450.00
06/30/2029	30,000.00	5.000%	24,950.00	54,950.00
06/30/2030	35,000.00	5.000%	23,450.00	58,450.00
06/30/2031	35,000.00	5.000%	21,700.00	56,700.00
06/30/2032	35,000.00	5.000%	19,950.00	54,950.00
06/30/2033	40,000.00	4.000%	18,200.00	58,200.00
06/30/2034	40,000.00	4.000%	16,600.00	56,600.00
06/30/2035	40,000.00	4.000%	15,000.00	55,000.00
06/30/2036	40,000.00	4.000%	13,400.00	53,400.00
06/30/2037	45,000.00	4.000%	11,800.00	56,800.00
06/30/2038	45,000.00	4.000%	10,000.00	55,000.00
06/30/2039	50,000.00	4.000%	8,200.00	58,200.00
06/30/2040	50,000.00	4.000%	6,200.00	56,200.00
06/30/2041	50,000.00	4.000%	4,200.00	54,200.00
06/30/2042	55,000.00	4.000%	2,200.00	57,200.00
Total	\$750,000.00	-	\$385,167.22	\$1,135,167.22

Yield Statistics

Bond Year Dollars	\$9,171.67
Average Life	12.229 Years
Average Coupon	4.1995336%
Net Interest Cost (NIC)	2.4819575%
True Interest Cost (TIC)	2.1967314%
Bond Yield for Arbitrage Purposes	1.2180055%
All Inclusive Cost (AIC)	2.2672412%

IRS Form 8038

Net Interest Cost	2.0000286%
Weighted Average Maturity	12.207 Years

Series 2021 Combined | Meadowview Conference Cen | 9/21/2021 | 10:10 AM

Raymond James

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Preliminary

\$750,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

General Fund Projects

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I
11/05/2021	-	-	-	-
03/01/2022	-	-	10,617.22	10,617.22
09/01/2022	-	-	16,475.00	16,475.00
03/01/2023	25,000.00	5.000%	16,475.00	41,475.00
09/01/2023	-	-	15,850.00	15,850.00
03/01/2024	25,000.00	5.000%	15,850.00	40,850.00
09/01/2024	-	-	15,225.00	15,225.00
03/01/2025	25,000.00	5.000%	15,225.00	40,225.00
09/01/2025	-	-	14,600.00	14,600.00
03/01/2026	25,000.00	5.000%	14,600.00	39,600.00
09/01/2026	-	-	13,975.00	13,975.00
03/01/2027	30,000.00	5.000%	13,975.00	43,975.00
09/01/2027	-	-	13,225.00	13,225.00
03/01/2028	30,000.00	5.000%	13,225.00	43,225.00
09/01/2028	-	-	12,475.00	12,475.00
03/01/2029	30,000.00	5.000%	12,475.00	42,475.00
09/01/2029	-	-	11,725.00	11,725.00
03/01/2030	35,000.00	5.000%	11,725.00	46,725.00
09/01/2030	-	-	10,850.00	10,850.00
03/01/2031	35,000.00	5.000%	10,850.00	45,850.00
09/01/2031	-	-	9,975.00	9,975.00
03/01/2032	35,000.00	5.000%	9,975.00	44,975.00
09/01/2032	-	-	9,100.00	9,100.00
03/01/2033	40,000.00	4.000%	9,100.00	49,100.00
09/01/2033	-	-	8,300.00	8,300.00
03/01/2034	40,000.00	4.000%	8,300.00	48,300.00
09/01/2034	-	-	7,500.00	7,500.00
03/01/2035	40,000.00	4.000%	7,500.00	47,500.00
09/01/2035	-	-	6,700.00	6,700.00
03/01/2036	40,000.00	4.000%	6,700.00	46,700.00
09/01/2036	-	-	5,900.00	5,900.00
03/01/2037	45,000.00	4.000%	5,900.00	50,900.00

Preliminary

\$750,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2021

General Fund Projects

Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I
09/01/2037	-	-	5,000.00	5,000.00
03/01/2038	45,000.00	4.000%	5,000.00	50,000.00
09/01/2038	-	-	4,100.00	4,100.00
03/01/2039	50,000.00	4.000%	4,100.00	54,100.00
09/01/2039	-	-	3,100.00	3,100.00
03/01/2040	50,000.00	4.000%	3,100.00	53,100.00
09/01/2040	-	-	2,100.00	2,100.00
03/01/2041	50,000.00	4.000%	2,100.00	52,100.00
09/01/2041	-	-	1,100.00	1,100.00
03/01/2042	55,000.00	4.000%	1,100.00	56,100.00
Total	\$750,000.00		\$385,167.22	\$1,135,167.22

Yield Statistics

Bond Year Dollars	\$9,171.67
Average Life	12.229 Years
Average Coupon	4.1995336%
Net Interest Cost (NIC)	2.4819575%
True Interest Cost (TIC)	2.1967314%
Bond Yield for Arbitrage Purposes	1.2180055%
All Inclusive Cost (AIC)	2.2672412%

IRS Form 8038

Net Interest Cost	2.0000286%
Weighted Average Maturity	12.207 Years

DISCLAIMER

The information contained herein is solely intended to facilitate discussion of potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement. While we believe that the outlined financial structure or marketing strategy is the best approach under the current market conditions, the market conditions at the time any proposed transaction is structured or sold may be different, which may require a different approach.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive.

Raymond James shall have no liability, contingent or otherwise, to the recipient hereof or to any third party, or any responsibility whatsoever, for the accuracy, correctness, timeliness, reliability or completeness of the data or formulae provided herein or for the performance of or any other aspect of the materials, structures and strategies presented herein.

Raymond James does not provide accounting, tax or legal advice; however, you should be aware that any proposed transaction could have accounting, tax, legal or other implications that should be discussed with your accounting, tax and other advisors and/or legal counsel.

Raymond James and affiliates, and officers, directors and employees thereof, including individuals who may be involved in the preparation or presentation of this material, may from time to time have positions in, and buy or sell, the securities, derivatives (including options) or other financial products of entities mentioned herein. In addition, Raymond James or affiliates thereof may have served as an underwriter or placement agent with respect to a public or private offering of securities by one or more of the entities referenced herein.

RAYMOND JAMES®

PROJECT AMENDMENT III

BY AND BETWEEN

**CITY OF KINGSPORT, TENNESSEE
AND
RAYMOND JAMES & ASSOCIATES, INC.**

WHEREAS, the City of Kingsport, Tennessee (the “Issuer”) and Raymond James & Associates, Inc. (the “Municipal Advisor”) have entered into a continuing Municipal Advisory Agreement, (the “Agreement”), dated September 17, 2019 (which is incorporated by reference herein) to provide financial advice and assistance to the Issuer on an on-going basis regarding the sale, issuance and administration of its Debt Obligations and perhaps other related projects if and when needed; and

WHEREAS, the Issuer has adopted a formal Debt Management Policy that requires all professionals involved in a debt transaction to disclose any existing Issuer and business relationships between and among the professionals participating in the transaction and in the interest of transparency, all costs associated with any Debt Obligations undertaken pursuant to the Agreement in a timely manner; and

WHEREAS, the Board of Mayor and Aldermen of the Issuer may consider authorizing the sale and issuance of its general obligation public improvement bonds for the purposes of (a) funding in part the City’s Fiscal Year 2021 – 2022 Capital Improvement Program; and (b) paying costs incident to the issuance and sale of the bonds; and

WHEREAS, consistent with the Agreement and the Issuer’s Debt Management Policy, the Issuer and the Municipal Advisor have agreed to disclose the proposed fees of the Municipal Advisor and all transaction participants for each transaction undertaken pursuant to the Agreement through an amendment and supplement with associated attachments, if any (the “Amendment”); and

WHEREAS, the Municipal Advisor agreed to provide disclosures including professional relationships among transaction participants in accordance with the Issuer’s Debt Management Policy, any additional possible conflicts of interest not previously disclosed in Exhibit A to the Agreement and an estimate of all transaction expenses and participants which are to be memorialized and presented in such Amendment; and

NOW, THEREFORE, in consideration of these premises and the mutual covenants contained in the Agreement, it is hereby mutually understood and acknowledged by all parties that:

Section 1. Consistent with the Issuer’s formally adopted Debt Management Policy and/or in the interest of full disclosure and transparency, the foregoing disclosures supplement those included in the Agreement and are made and hereby acknowledged as fully disclosed and waived where applicable.

Section 2. Consistent with the terms of the Agreement, it is hereby acknowledged that a copy of the services, service providers and estimated costs related to the sale, issuance and delivery of the Debt Obligations contemplated by this Project Amendment III and paid from proceeds of the Debt Obligations are as follows:

<u>Service</u>	<u>Provider</u>	<u>Estimated Cost</u>
Municipal Advisor:	Raymond James & Associates, Inc.	\$ 49,250.00
Bond Counsel:	Adams and Reese LLP	35,000.00
Credit Rating:	Moody's Investors Service, Inc.	24,000.00
	S&P Global Ratings, Inc.	22,000.00
Registration Agent	US Bank National Association	700.00
POS Posting and Distribution:	IHS IPREO	1,500.00
Cusip Numbers:	S&P Cusip Services	750.00
Estimated Total:		<u>\$ 133,200.00</u>

Section 3. Underwriter's discount is compensation paid to the bond underwriter relating to the purchase of the of the Issuer's Debt Obligations. Such compensation is determined through the formal pricing process on the date of the competitive public sale. This compensation is embedded in the bond issue bid pricing and is not separately stated cost of issuance.

Section 4. A State Form CT-0253 depicting the actual costs of issuance and actual underwriter's compensation will be prepared and executed at the closing and delivery of the Debt Obligations, presented to the Board of Mayor and Aldermen at its next scheduled meeting following the delivery of the Debt Obligations and filed with the Tennessee Comptroller of the Treasury's Director of Local Government Finance in a timely fashion as required by prevailing State law.

Section 5. To the extent other related Raymond James personnel may assist with and provide investment services to the Issuer, it is acknowledged that separate compensation will be paid for any such services and that on occasion up to one-half of any such fees paid to Raymond James may be shared internally with representatives of the Municipal Advisor acting as a solicitor and that any such fees charged will be the same regardless of whether a solicitor is used or not.

Section 6. Raymond James serves as Dissemination Agent for the Issuer and for such services receives a separate annual fee.

Section 7. From time to time, Adams and Reese LLP has represented Raymond James on matters unrelated to the Issuer and may continue to do so in the future.

Section 8. We have reviewed Exhibit A "Disclosure for Municipal Advisor Agreement" which is part of the Agreement. We are not aware of any updates that are needed nor are there any additional disclosures that should be added at this time.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE DULY CAUSED THIS PROJECT AMENDMENT III to be signed and sealed by their respective authorized officers this 28th day of September 2021.

CITY OF KINGSPORT, TENNESSEE

By: _____
Name: Patrick W. Shull
Title: Mayor

APPROVED AS TO FORM:

ATTEST:

By: _____
Name: J. Michael Billingsley
Title: City Attorney

By: _____
Name: Lisa E. Winkle
Title: City Recorder and Treasurer

RAYMOND JAMES & ASSOCIATES, INC.

By: _____
Name: Richard T. Dulaney
Title: Managing Director



AGENDA ACTION FORM

Approve a Release of All Claims for Mountain Laurel Assurance Company and Its Insureds Grayson Rhea, Sara Russell, and Lisa Rhea for Payment for Damages to a Wooden Boardwalk Due to a Vehicle Crash on July 13, 2021 on Enterprise Place

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-275-2021
 Work Session: September 27, 2021
 First Reading: N/A

Final Adoption: September 28, 2021
 Staff Work By: John Burkholder
 Presentation By: J. Burkholder

Recommendation:

Approve the Resolution

Executive Summary:

On July 13, 2021, Sara Russell was operating a motor vehicle insured by Mountain Laurel Assurance Company when she lost control of the vehicle on Enterprise Place, damaging a wooden boardwalk. The damages are estimated to be over \$3,991.92.

The policy with Mountain Laurel Assurance Company whose insureds are Grayson Rhea, Sara Russell, and Lisa Rhea, is offering the amount of \$3,991.92 to settle and close the claim.

Attachments:

1. Resolution
2. Mountain Laurel Assurance Company Release

Funding source appropriate and funds are available: *jm*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *aw*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING A FULL RELEASE OF ALL FIXED PROPERTY DAMAGE CLAIMS FROM MOUNTAIN LAUREL ASSURANCE COMPANY FOR PROPERTY DAMAGE TO A WOODEN BOARDWALK ON ENTERPRISE PLACE AND AUTHORIZING THE MAYOR TO EXECUTE THE RELEASE AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE RELEASE

WHEREAS, on July 13, 2021, Sara Russell; was operating a motor vehicle when she lost control of the vehicle on Enterprise Place, and purportedly damaged a wooden boardwalk; and

WHEREAS, the insurance policy held by Sara Russell is also held by Grayson Rhea and Lisa Rhea and on that date they had automobile insurance with Mountain Laurel Assurance Company; and

WHEREAS, damages to the wooden boardwalk were estimated to be \$3,991.92; and

WHEREAS, Mountain Laurel Assurance Company has offered to pay \$3,991.92, for damages to the wooden boardwalk, provided the city executes a release that will release the insurance company as well as the individuals named therein.

Now therefore,

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

SECTION I. That the Full Release of all Fixed Property Damage Claims in the amount of \$3,991.92, from Mountain Laurel Assurance Company for damage to the wooden boardwalk on Enterprise Place which occurred on July 13, 2021, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a Full Release of all Property Damage Claims in the amount of \$3,991.92, from Mountain Laurel Assurance Company for damage to the wooden boardwalk on Enterprise Place which occurred on July 13, 2021, and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution, said Release being as follows:

FULL RELEASE OF ALL FIXED PROPERTY DAMAGE CLAIMS

Claim number: 21-5252865

IT IS UNDERSTOOD AND AGREED, that I (We), City of Kingsport for and in consideration of the sum of Three Thousand Nine Hundred Ninety-One Dollars & Ninety-Two Cents Dollars (\$3,991.92.) the receipt and sufficiency of which is hereby acknowledged, does (do) hereby for myself (ourselves), and for my (our) heirs, executors, administrators, successors and assigns and any and all other persons, firms, employers, corporations, associations, or partnerships release, acquit and forever discharge Grayson Rhea, Sara Russell, Lisa Rhea & Mountain Laurel Assurance Company of any and all claims, actions, causes of actions, demands, rights, damages and costs, that pertain to property damage known and unknown, including rental, resulting from an automobile accident which occurred on or about 07-13-21, at or near Kingsport, TN.

It is understood and agreed this settlement is in full compromise of a disputed claim as to both questions of liability and as to the nature and extent of the property damage, and that neither this release, nor the payment pursuant thereto, shall be construed as an admission of liability, such being denied.

It is further understood and agreed that the undersigned relies wholly upon the undersigned's judgment, belief, and knowledge of the nature, extent, effect, and duration of said property damages and liability, and therefore this release is made without reliance upon any statement or representation of the party or parties hereby released or their representatives.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

FULL RELEASE OF ALL FIXED PROPERTY DAMAGE CLAIMS

Claim number: 21-5252865

IT IS UNDERSTOOD AND AGREED, that I (We), **City of Kingsport** for and in consideration of the sum of **Three Thousand Nine Hundred Ninety-One Dollars & Ninety-Two Cents Dollars (\$3,991.92.)** the receipt and sufficiency of which is hereby acknowledged, does (do) hereby for myself (ourselves), and for my (our) heirs, executors, administrators, successors and assigns and any and all other persons, firms, employers, corporations, associations, or partnerships release, acquit and forever discharge **Grayson Rhea, Sara Russell, Lisa Rhea & Mountain Laurel Assurance Company** of any and all claims, actions, causes of actions, demands, rights, damages and costs, that pertain to property damage known and unknown, including rental, resulting from an automobile accident which occurred on or about **07-13-21**, at or near **Kingsport, TN**.

It is understood and agreed this settlement is in full compromise of a disputed claim as to both questions of liability and as to the nature and extent of the property damage, and that neither this release, nor the payment pursuant thereto, shall be construed as an admission of liability, such being denied.

It is further understood and agreed that the undersigned relies wholly upon the undersigned's judgment, belief, and knowledge of the nature, extent, effect, and duration of said property damages and liability, and therefore this release is made without reliance upon any statement or representation of the party or parties hereby released or their representatives.

THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS IT.

IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSES OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

Signature Date

Title

Witness Signature Date

Signature Date

Title

Witness Signature Date

FULL RELEASE OF ALL FIXED PROPERTY DAMAGE CLAIMS



AGENDA ACTION FORM

Awarding the Bid for the Purchase of One (1) 4x4 Extended Cab/Enclosed Utility Body

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-288-2021
 Work Session: September 27, 2021
 First Reading: N/A

Final Adoption: September 28, 2021
 Staff Work By: Committee
 Presentation By: R. McReynolds
 S. Leonard

Recommendation:

Approve the Resolution

Executive Summary:

Bids were opened on September 15, 2021 for the purchase of One (1) 4x4 Extended Cab/Enclosed Utility Body for use by the Waste Water Maintenance Department. The advertisement for the Invitation to Bid was published in the Kingsport Times News on September 1, 2021 and placed on our website for 14 calendar days. It is the recommendation of the committee to accept the apparent low, responsible compliant bid from Friendship Ford of Bristol as follows:

	\$63,983.00	Unit Cost
Less	\$3,500.00	Trade-In Allowance #1944
	\$60,483.00	Total Purchase Price

This unit is a fleet replacement.

Funding is identified in Project/Account # 51150085019010

Attachments:

1. Resolution
2. Bid Opening Minutes
3. Vendor List
4. Recommendation Memo
5. Photo-Enclosed Cab Chassis Utility

Funding source appropriate and funds are available: *CM*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *CM*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION AWARDDING THE BID FOR THE PURCHASE OF ONE 4X4 EXTENDED CAB/ENCLOSED UTILITY BODY TRUCK TO FRIENDSHIP FORD OF BRISTOL AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

WHEREAS, bids were opened September 15, 2021 for the purchase of one (1) 4x4 extended cab/enclosed utility body truck for use by the Waste Water Maintenance Department; and

WHEREAS, the city will receive \$3,500.00 for a trade-in allowance for vehicle #1944; and

WHEREAS, upon review of the bids, the board finds Friendship Ford of Bristol 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) 2022 Ford F-350 Ext Cab Chassis 4x4 extended cab/enclosed utility body truck from Friendship Ford of Bristol, at a total purchase cost of \$60,483.00 which includes the deduction of the \$3,500.00 trade-in allowance; and

WHEREAS, funding is identified in account #51150085019010.

Now therefore,

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

SECTION I. That the bid for the purchase of one (1) 2022 Ford F-350 Ext Cab Chassis 4x4 extended cab/enclosed utility body truck at a total purchase cost of \$60,483.00, which includes the deduction of the \$3,500.00 trade-in allowance, is awarded to Friendship Ford of Bristol, and the city manager is authorized to execute a purchase order for same.

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES BID OPENING

September 15, 2021

4:00 P.M.

Present: Nikisha Eichmann, Assistant Procurement Manager; Olivia Nickens, Procurement Specialist

The Bid Opening was held in the Conference Room # 436, 4th Floor, City Hall

The Procurement Manager opened with the following bids:

4X4 EXTENDED CAB/ENCLOSED UTILITY BODY					
Vendor:	Qty.:	Unit Cost:	Trade-In # 1944:	Delivery Time:	Make and Model:
Friendship Ford of Bristol	1	\$63,983.00	\$3,500.00	225 Bus. Days	2022 Ford F350 Extended Cab Chassis

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

Vehicle Vendors

Email Address	Business
brian@autoworldbsg.com	Auto World of Big Stone Gap
carlarcher@billgatton.com	Bill Gatton
chite@courtesykingsport.com	Courtesy Chevrolet
crabtreebgmc@gmail.com	Crabtree Buick GMC
kp_porter@hotmail.com	Empire Ford
jason.empireford@gmail.com	Empire Ford II
alandrinnon@fairwaykingsport.com	Fairway Ford
drewjohnson32@yahoo.com	Freedom Ford/Chevrolet
herb.odom@freelandauto.com	Freeland Auto
wpickard@goldencircle.com	Golden Circle Ford
ctuckerold@lcford.com	Lance Cunningham Ford
lcag.fleet@gmail.com	Lonnie Cobb Ford
Donna.Newell@Ford1.biz	Neighborhood Ford
piper.kirk@tricitiedodge.com	Tri Cities Dodge
dmeador@heavymachinesinc.com	Heavy Machines
sales@goodpasturemotor.com	Goodpasture Motor Co
dave@g-sproducts.com	GSP Marketing
jrogers@thepetestore.com	The Pete Store
chris.jessee@mhc.com	MHC Kenworth
robert@mtjoyrv.com	Mid State Equipment
mequip@iglou.com	Municipal Equipment
nick.jennings@tricitiedodge.com	Tri-cities dodge
scott.pekar@thetruckpeople.com	Worldwide Equipment
todd.love@thetruckpeople.com	Worldwide Ford Sales
rob@ciequipment.com	Carolina Industrial Equipment
cbaton@cdjrcolumbia.com	Columbia Chrysler Dodge Jeep Ram
cmiequip@bellsouth.net	CMI Equip
cory@pweasi.com	Public Works Equipment
richmondmachinery@msn.com	Richmond Machinery
roddersandjetsco@aol.com	Rodders & Jets
dhigdon@stowerscat.com	Stowers
craig@stringfellow.bz	Stringfellow
bjanutolo@triadfreightlinertn.com	Triad Freightliner
tlove@friendshipauto.com	Friendship Automotive
jchamblee@tedrussell.com	Ted Russell Ford



FLEET MAINTENANCE

City of Kingsport

To: Nikisha Eichmann, Assistant Procurement Manager
From: Steve Leonard, Fleet Manager
Date: September 20, 2021
Re: Fleet Replacement of 1944 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement of Waste Water Maintenance unit # 1944 utilizing the low bid of \$63,983.00. The unit meets the expectations of the department and will fulfill the requirements of their operational needs.

<u>Item</u>	<u>Quantity</u>	<u>Description</u>	<u>Award to Vendor</u>	<u>Fuel Economy</u>
1	1	2022 Ford F-350 Ext Cab Chassis	Friendship Ford	N/A City/Hwy

These units will be a Fleet Replacements

The unit listed below will be replaced, and the trade in unit will be disposed of utilizing the current approved City process.

The bid offerings were reviewed by Adam Williams, and he is in agreement with this recommendation.

Fuel Economy Improvement

00%

No fuel economy improvements would be realized since the replacement units are similar to the current units being operated.

Replacements

1944	2010 Freightliner Camera Van	VIN# WDYPF4CC4A5449099	50,843 miles
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Should you have any questions on this recommendation, please do not hesitate to contact me.

Thank you.





AGENDA ACTION FORM

Purchase of a Global Navigation Satellite System (GNSS) Receiver, Robotic Total Station, Survey Controller (Data Collector), with Collection Software and Surveying Equipment for the Engineering Division

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-290-2021
 Work Session: September 27, 2021
 First Reading: N/A

Final Adoption: September 28, 2021
 Staff Work By: Hank Clabaugh, Bryan Dean
 Presentation By: R. McReynolds

Recommendation:

Approve the Resolution

Executive Summary:

Requests for Proposal (RFPs) were opened on September 17, 2021 for the purchase of a Global Navigation Satellite System (GNSS) Receiver, Robotic Total Station, Survey Controller (Data Collector), with Collection Software and Surveying Equipment. Precision Products, LLC was the only vendor to respond to this RFP.

The survey crew currently conducts surveying operations for water, storm water and sewer utility design; the Fire, Schools and Parks and Rec/Bays Mountain/Leisure Services Divisions; construction layout; sidewalk and greenbelt extensions; landfill surface modeling and monitoring as required by permits; as well as surveys for City-related land transactions. Purchase of this equipment with advanced technology and upgrades will serve to replace outdated equipment and create efficiencies within the survey crew.

It is recommended to authorize the City Manager to enter into a purchase order with Precision Products, LLC for the purchase of a Global Navigation Satellite System (GNSS) Receiver, Robotic Total Station, Survey Controller (Data Collector), with Collection Software and Surveying Equipment. The total purchase price is \$56,245.65. Funding is available and identified in the Engineering Division's operating budget line item 110 4044 462 9006.

Attachments:

1. Resolution
2. Proposal provided by Precision Products, LLC

Funding source appropriate and funds are available: *JM*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *aw*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR A GLOBAL NAVIGATION SATELLITE SYSTEM RECEIVER, ROBOTIC TOTAL STATION, SURVEY CONTROLLER WITH COLLECTION SOFTWARE AND SURVEYING EQUIPMENT FROM PRECISION PRODUCTS, LLC

WHEREAS, requests for proposals (RFPs) were opened on September 17, 2021, for the purchase of a Global Navigation Satellite System (GNSS) Receiver, Robotic Total Station, Survey Controller (Data Collector), with Collection Software and Surveying Equipment; and

WHEREAS, Precision Products, LLC was the only vendor to respond to this RFP; and

WHEREAS, staff recommends the board authorizes the city manager to enter into a purchase order with Precision Products, LLC for the purchase of a Global Navigation Satellite System (GNSS) Receiver, Robotic Total Station, Survey Controller (Data Collector), with Collection Software and Surveying Equipment; and

WHEREAS, the total purchase price is \$56,245.65, and funding is available and identified in the Engineering Division's operating budget line item 110 4044 462 9006

Now therefore,

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

SECTION I. That the city manager is authorized to execute a purchase order to Precision Products, LLC for the purchase of a Global Navigation Satellite System (GNSS) Receiver, Robotic Total Station, Survey Controller (Data Collector), with Collection Software and Surveying Equipment in the amount of \$56,245.65, for the Engineering Department.

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



CONSULTANT'S INFORMATION

Technology Solutions and Technical Expertise

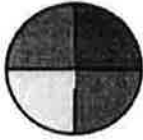
Since 1993, Precision Products has provided innovative positioning and measurement products, services, and expertise to professionals in land surveying, mapping & GIS, engineering, construction, utilities, commercial & industrial drone operations, public safety, education, federal & municipal government, and other essential sectors and industries located throughout Southern Indiana, Kentucky, and Tennessee.

As long-standing authorized dealers of globally recognized and industry-leading technologies from Trimble, Spectra Geospatial and various other top-tier manufacturers, we supply and support a wide array of geospatial equipment and expertise encompassing GNSS systems, robotic total stations, field data collection, 3D laser scanners, mobile mapping/scanning solutions, UAVs, aerial LiDAR and photogrammetry, construction lasers and instruments, and much more. We also provide the most current surveying, mapping, point cloud-processing, and forensics software to ensure users achieve optimum performance, maximize productivity and returns on their technology investments, streamline their data collection, analysis and decision-making processes, and consistently deliver the best, most accurate results possible. Additionally, each of our store locations in Tennessee and Kentucky offers a great selection of the field supplies and accessories customers need to keep their crews working safely and productively.

Precision Products' comprehensive rental program offers customers access to an excellent selection of the top technologies needed on a project or short-term basis, all with the flexibility and savings to complete jobs in the most flexible, productive and cost-effective manner possible.

But leading technology is only as good as the people standing behind it and beside you. Long recognized and highly trusted as preeminent professional-grade experts, the Precision Products team includes Professional/Registered Land Surveyors, GIS Professionals, FAA-Licensed UAV Pilots, and Certified Trainers, along with other experienced surveying, mapping/GIS and aviation professionals and a highly seasoned and competent operations and administrative staff.

PRECISION PRODUCTS QUOTATION



**PRECISION
PRODUCTS**

Dustan D. Duren
301 Winona Street
Knoxville, TN 37917

Cell: 865-389-0628
Fax: 865-549-0421
Dustan@yourprecision.com

Contact Name: Procurement Manager
Organization: City of Kingsport
Address: 415 Broad Street
City, State, Zip: Kingsport, TN 37660
Mobile: _____
Office: _____
Fax: _____
E-Mail: _____

Precision Products is pleased to quote:			Trimble Equipment		DATE	September 10, 2021
Item	Part No.	Description	Qty	Unit Price	Ext. Price	
1	R12-101-60-01	Trimble R12i, Model 60, ROW	1	\$7,870.00	\$7,870.00	
2	R12-CFG-001-40	Trimble R12 Configuration Level - R12 Base and Rover Mode	1	\$21,525.00	\$21,525.00	
3	101071-00-01	Power Supply and Power Cord (North America)	1	\$125.00	\$125.00	
4	TSC7-1-1111-00	Trimble TSC7 controller - QWERTY keypad	1	\$5,040.00	\$5,040.00	
5	TA-GENSURV-P	Trimble Access - General Survey, Perpetual License	1	\$2,500.00	\$2,500.00	
6	121354-01-1	Trimble TSC7 Accessory - Carry Case Shoulder Bag	1	\$83.00	\$83.00	
7	121349-01-1	Trimble TSC7 Accessory - Pole Mount	1	\$232.00	\$232.00	
8	121358-01-1	Ext. Battery Charger w/ Int. Cord, Battery 2-pack	1	\$490.00	\$490.00	
9	43169-00	Rod - 2.0m Carbon Fiber Range Pole with Bipod	1	\$590.00	\$590.00	
10	S5353200	Trimble S5 3" Robotic, DR Plus, Active Tracking	1	\$24,940.00	\$24,940.00	
11	101070-00-01	Dual Battery Charger with Power Supply and Power Cord	2	\$630.00	\$1,260.00	
12	99511-30	BPAck, Li-Ion, INDUS, 3S2P, 10.8V, 6500mAh, 124x74x24.8mm	3	\$336.00	\$1,008.00	
13	MT1000	Trimble MultiTrack Target, including 7.4V Li-Ion battery	1	\$3,105.00	\$3,105.00	
14	110238-00-1	Trimble EM120 2.4GHz Module	1	\$1,575.00	\$1,575.00	
15	90553	Trimax Heavy-Duty Dual Clamp Tripod	1	\$483.65	\$483.65	
16	51003007	Rod - Trimble standard telescopic rod 2.6m	1	\$419.00	\$419.00	
				Sub Total:	\$71,245.65	
				Discount:	-\$15,000.00	
				Grand Total:	\$56,245.65	

Optional Equipment & Accessories				
Item	Part No.	Description	Qty	Unit Price
A				
B				
C				
D				

**Additional
Notes:**

- * Quotation is valid for fourteen (14) business days and subject to product inventory and/or availability.
- * Pricing shown above does not include any applicable sales taxes and/or shipping costs, all of which is the customer's responsibility.
- * Standard warranty on new equipment is 2 years for Robotics Equipment and 1 year for GNSS and Data Collectors. Precision Products is a factory-authorized service center for these products. **No standard warranty is offered for demo and/or used equipment.**
- * Payment Terms: Dependent upon package configuration. Financing options may be available; consult me for details.
- * Please contact me if you have other questions or need additional information. Thank you for the opportunity to present this proposal!

Signature (Authorized Person, City of Kingsport)

Date

Dustan D. Duren

10 Sept 2021

Signature (Dustan D. Duren, Precision Products)

Date

Customer P.O. #

Precision Products, LLC

Dustan D. Duren

Dustan@yourprecision.com



AGENDA ACTION FORM

Approval of Offers for Easement and Right-of-Way

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-277-2021
 Work Session: September 27, 2021
 First Reading: NA

Final Adoption: September 28, 2021
 Staff Work By: R. Trent; N. Ensor
 Presentation: R. McReynolds

Recommendation:

Approve the Offers

Executive Summary:

In order to replace two sewer lift stations that are deteriorated due to age, the Public Works Department has requested easements and right-of-way across affected properties. Appraisals have been prepared in accordance with the City of Kingsport's Real Property Acquisition Policies & Procedures and indicate the fair market value as per the below property owners.

<u>Tax Map/Parcel</u>	<u>Owner(s)</u>	<u>ROW/Easement Area</u>	<u>Appraised Value</u>
077G; B-017.00	Arthur Winfield Stair, II 2004 Eden Roc Kingsport, TN 37664	Temp. 1,178 sq. ft.	\$150.00
030I; C-047.00	Joe Hammonds Timmy Hammonds 1016 Oak Glen Drive Kingsport, TN 37665	Perm. 868 sq. ft.	\$450.00
030I; C-048.00	Bill Gillenwater 1392 East Center Street Kingsport, TN 37664	Perm. 142 sq. ft. Temp. 670 sq. ft.	\$250.00 \$70.00

This project will be funded under #SW2005.

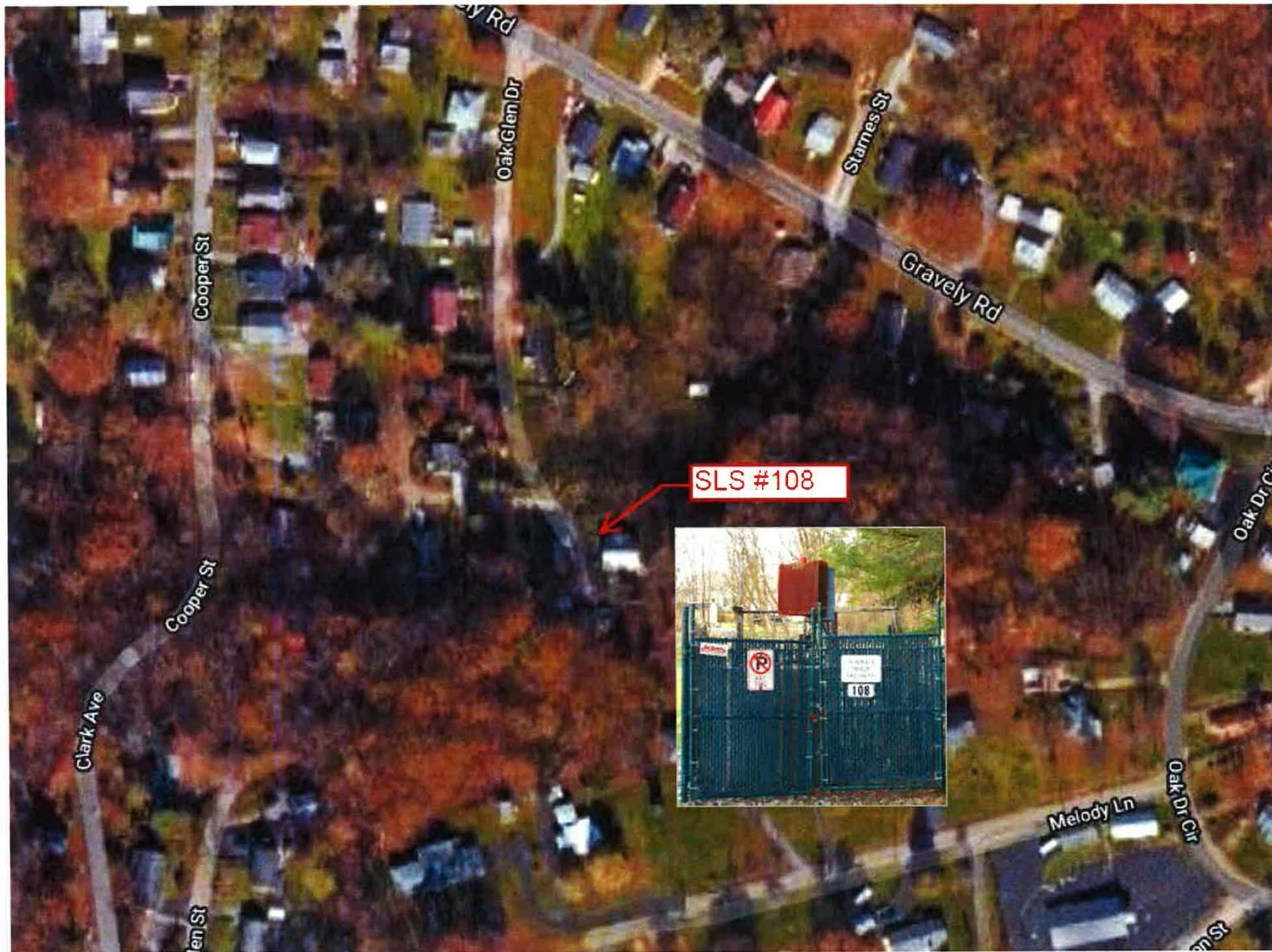
Attachments:

1. Project Location Maps

Funding source appropriate and funds are available: *CM*

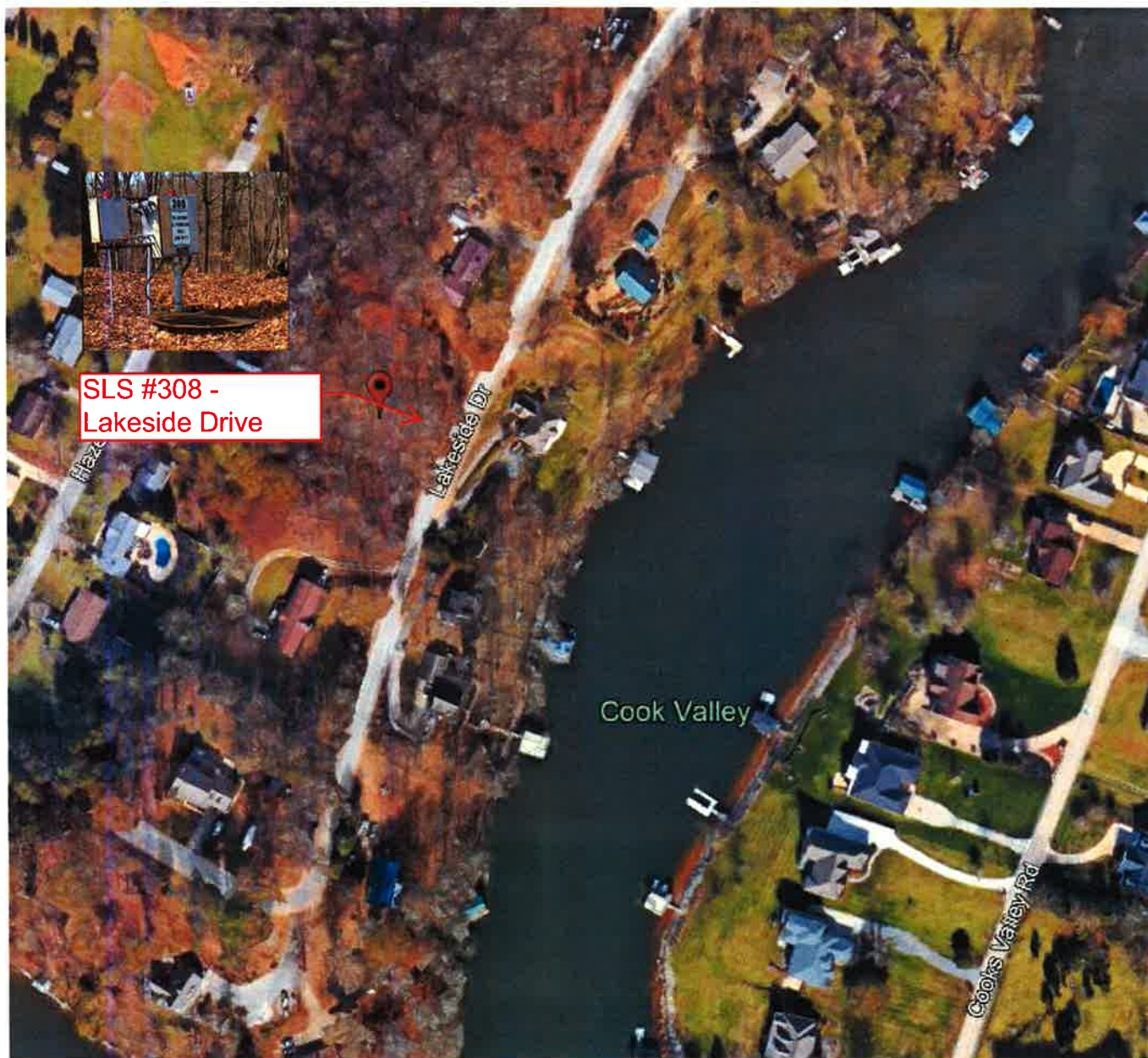
The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *CM*

	<u>Y</u>	<u>N</u>	<u>O</u>
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Otterman	—	—	—
Phillips	—	—	—
Shull	—	—	—



SLS #108





SLS #308 -
Lakeside Drive





AGENDA ACTION FORM

Annual Renewal of Public Library Maintenance of Effort Agreement with the Tennessee State Library and Archives for Services via the Holston River Regional Library

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-285-2021
 Work Session: September 27, 2021
 First Reading: NA

Final Adoption: September 28, 2021
 Staff Work By: Chris Markley
 Presentation By: M. Borders

Recommendation:

Approve the Resolution

Executive Summary:

This is an annual agreement which makes the library eligible to receive training, technical support, access to state grants, 81,000 downloadable eBooks/eaudio, 69 state-funded online databases, state-wide courier book deliveries to/from other libraries in the state, and funds (usually about \$14,000 annually) for library materials from the State Library through the Holston River Regional Library (a Multi-County Regional System). This agreement also makes it possible for the library to receive LSTA Technology Grants which provides funds to enhance the technology available in the Library.

This State assistance received by the Kingsport Public Library through the Regional Library is intended to supplement local appropriations as required in the establishment of public libraries by the Tennessee Code Annotated, Title 10, Chapter 3. In return for State assistance, each public library desiring to belong to the Multi-County Regional system must maintain "the allocation of locally appropriated funds at a level not less than the amount appropriated 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."

If the Kingsport Public Library fails to meet MOE efforts, the library would not only lose access to these services and funding, but would also have to return all the materials purchased for the library with these funds over the last 20 plus years – which amounts to 27% of our collection. The potential loss to the library would equate to \$730,000.00.

Attachments:

1. Resolution
2. Agreement

Funding source appropriate and funds are available: *JM*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *CM*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING THE PUBLIC LIBRARY SERVICE AGREEMENT WITH THE TENNESSEE STATE LIBRARY AND ARCHIVES AND AUTHORIZING THE MAYOR TO EXECUTE THE ANNUAL RENEWAL OF SAME TO RECEIVE FUNDING FOR BOOKS, TRAINING, AND SERVICES THROUGH THE HOLSTON RIVER REGIONAL LIBRARY SYSTEM FOR FISCAL YEAR 2021/2022

WHEREAS, the city is eligible to receive fiscal year 2021-2022 Tennessee State Library and Archives funding for books, access to online resources, professional training, use of the state-wide courier service, the automation system, and internet service through the Holston River Regional Library System; and

WHEREAS, receipt of the funding and services requires execution of a renewal of the 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 renewal of the Public Library Service Agreement with the Tennessee State Library and Archives which provides funding for books, access to online resources, professional training, use of the state-wide courier service, the automation system, and internet service through the Holston River Regional Library System for fiscal year 2021-2022 is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the renewal of the Public Library Service Agreement with the Tennessee State Library and Archives to receive funding for books, online resources and professional training, and allow use of courier service, the automation system and internet service through the Holston River Regional Library System for fiscal year 2021-2022, and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution.

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

2021-2022 PUBLIC LIBRARY MAINTENANCE OF EFFORT AGREEMENT

Office of the Secretary of State Tennessee State Library and Archives

Due to the Holston River Regional Office by October 15, 2021

Region: Holston River

County(ies): Sullivan

Library/Library System: Kingsport Public Library

The Office of the Secretary of State, Tennessee State Library and Archives, Regional Office is hereby notified that public funds were appropriated and expended for library services in the fiscal year just completed. This amount will be matched or exceeded during the current fiscal year. In addition, the total number of library operating hours will be maintained, per the *Public Library Service Agreement*. The undersigned acknowledge that failure to meet Maintenance of Effort (MOE) may result in the loss of all regional library services, including materials currently held at the local library(ies) paid for with State and Federal funds, and that responsibility for ensuring compliance with this agreement and the *Public Library Service Agreement* shall be shared by both the local funding entity(ies) and the Public Library Board of Trustees.

Report only public tax dollars appropriated and expended for operation of local libraries. Do not include capital or one-time appropriations or expenditures, donated funds or pass-through money appropriated by another County or City.

A. Appropriated and Expended by the County(ies):

County(ies)	Appropriated FY 2019-2020	Expended FY 2019-2020	Appropriated FY 2020-2021	Expended FY 2020-2021	Appropriated FY 2021-2022
Sullivan	\$15,000.00	\$15,000.00	\$14,700.00	\$14,700.00	\$15,000.00
TOTAL	\$15,000.00	\$15,000.00	\$14,700.00	\$14,700.00	\$15,000.00

B. Appropriated and Expended by the City(ies):

City(ies)	Appropriated FY 2019-2020	Expended FY 2019-2020	Appropriated FY 2020-2021	Expended FY 2020-2021	Appropriated FY 2021-2022
Kingsport	\$1,364,779.00	\$1,361,112.12	\$1,364,779.00	\$1,339,361.00	\$1,360,300.00
TOTAL	\$1,364,779.00	\$1,361,112.12	\$1,364,779.00	\$1,339,361.00	\$1,360,300.00

C. Totals:

	Appropriated FY 2019-2020	Expended FY 2019-2020	Appropriated FY 2020-2021	Expended FY 2020-2021	Appropriated FY 2021-2022
TOTAL	\$1,379,779.00	\$1,376,112.12	\$1,379,479.00	\$1,354,061.00	\$1,375,300.00

2021-2022 PUBLIC LIBRARY MAINTENANCE OF EFFORT AGREEMENT

Office of the Secretary of State Tennessee State Library and Archives

Due to the Holston River Regional Office by October 15, 2021

Region: Holston River

County(ies): Sullivan

Library/Library System: Kingsport Public Library

D. Number of library operating hours in a normal week:

Name of Library Building	Main or Branch Library	Number of Hours per Week FY 2018-2019	Number of Hours per Week FY 2019-2020	Number of Hours per Week FY 2020-2021	Comments: Beginning and Ending Dates Operating Hours were changed due to
Kingsport Public Library	Main	61	61	61	7/1/2020-6/1/2021
Total		61	61	61	

E. Official Signatures:

Patrick Schull, Kingsport Mayor

Date

Melissa Hamby, Library Board Chair

Date

For State Library Use Only

Reviewed by:

Signature _____

Date _____

Amy Anderson, Holston River Regional Library Director

Additional notes:

Approved by:

Signature _____

Date _____

Charles A. Sherrill, State Librarian and Archivist



AGENDA ACTION FORM

Amend Lease Agreement with Mountain Region Speech and Hearing, Inc. Altering the Leased Premises

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-286-2021
 Work Session: September 27, 2021
 First Reading: N/A

Final Adoption: September 28, 2021
 Staff Work By: Michael Borders
 Presentation By: C. McCartt/M. Borders

Recommendation:

Approve the Resolution

Executive Summary:

The city currently leases space in the V.O. Dobbins, Sr. Complex to 9 not-for profit entities. One of those entities, Mountain Region Speech and Hearing, Inc., is in need of additional space to facilitate its needs.

Currently suite 303 is available due to the relocation of the human resources department to city hall. This suite will accommodate Mountain Region Speech and Hearing's needs. By leasing suite 303 to Mountain Region Speech and Hearing the city will benefit from increased revenue and maximizing the use of the available space. The rental rate will remain at \$5.10 per square foot per annum as set by the original lease. The City will realize an additional \$10,296.90 in annual revenues.

The resolution amends section 1. And section 2. of Mountain Region Speech and Hearing's lease to reflect the space each tenant will occupy. All other terms and conditions of the original leases and Amendment 1 will remain in full force and effect. Amendment 3 supplants Amendment 2

Attachments:

1. Resolution
2. Floor Plan – Mountain Region Speech and Hearing, Inc.

Funding source appropriate and funds are available: **N/A**

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: **N/A**

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AMENDMENT TO THE LEASE
BETWEEN THE CITY OF KINGSPORT AND MOUNTAIN REGION
SPEECH AND HEARING, INC., FOR ADDITIONAL SPACE AT
THE V.O. DOBBINS SENIOR CENTER AND AUTHORIZING THE
MAYOR TO EXECUTE THE SAME

WHEREAS, the city has leases with nine not-for profit entities for space in the V. O. Dobbins, Sr. Complex; and

WHEREAS, Mountain Region Speech and Hearing, Inc. desires to lease additional space to facilitate its needs; and

WHEREAS, space is available in suite 303, formerly occupied by the city's human resources department which is now located in city hall; and

WHEREAS, except as amended, all other terms and conditions of the lease shall remain in full force and effect; and

WHEREAS, the amendment to the lease will be effective October 1, 2021.

Now therefore,

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

SECTION I. That Amendment Number 3 to the lease with Mountain Region Speech and Hearing, Inc. that increases the leased premises is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, Amendment Number 3 to the lease with Mountain Region Speech and Hearing, Inc., and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution, said agreement generally being as follows:

AMENDMENT NUMBER 3 TO LEASE

This Amendment Number 3 to the Lease between City of Kingsport, Tennessee and Mountain Region Speech and Hearing Center, Inc., is made with an effective date of October 1, 2021, by the City of Kingsport, Tennessee and Mountain Region Speech and Hearing Center, Inc.

WITNESSETH:

WHEREAS the parties desire to amend the Lease between the parties for space in the V.O. Dobbins, Sr. Complex;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That section 1. of the Lease is amended by deleting the existing language and substituting in its place the following: "Landlord hereby leases to Tenant, and Tenant hereby rents from landlord premises containing approximately 5,977 square feet shown as suites 101 and 102 on the floor plan attached hereto as Exhibit "A", as well as 2,019 square feet shown as suite 303 on the floor plan attached hereto as Exhibit "B" (collectively referred to hereinafter as "Leased Premises") located in the office building known as V. O. Dobbins Non-profit Wing (hereinafter called "Office Building") which is situated on that certain parcel of land "hereinafter called "Office Building Area") more particularly described in Exhibit "C" attached hereto. The following covenants are a

part of this Lease and shall be applicable at all times throughout the term of this Lease, any extensions or renewals thereof and as otherwise set forth herein."

2. That section 2. of the Lease is amended by deleting the existing language and substituting in its place the following: "Tenant shall pay to landlord without previous demand therefor and without any setoff or deduction whatsoever, except as may be specifically provided herein, rent for the Leased Premises at the rate of Five and 10/100 Dollars (\$5.10) per square foot per annum payable in advance in equal monthly installments of Three Thousand Three hundred Ninety-Eight and 30/100 Dollars (\$3,398.30) each on the first day of each month during the term hereof. All rentals payable by Tenant to Landlord under this Lease shall be paid to Landlord at the office of Landlord herein designated by it for notices or to such other place as Landlord may designate in writing to Tennant at least ten (10) days before such rental payment. Tenant shall promptly pay all rentals herein prescribed when and as the same shall become due and payable. If Landlord shall pay any monies or incur any expenses to cure any default of Tenant hereunder, the amounts so paid or incurred shall, at Landlord's option, and on notice to Tenant, be considered additional rentals, payable by Tenant with the first installment of rental thereafter becoming due and payable, and may be collected or enforced as by law provided in respect of rentals.

Except as amended hereby, all other terms and conditions of the Lease shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.

Additionally, this Amendment Number 3 to Lease shall nullify and replace Amendment Number 2 to the Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment Number 3 with the effective date of October 1, 2021.

[Acknowledgments Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, Mayor

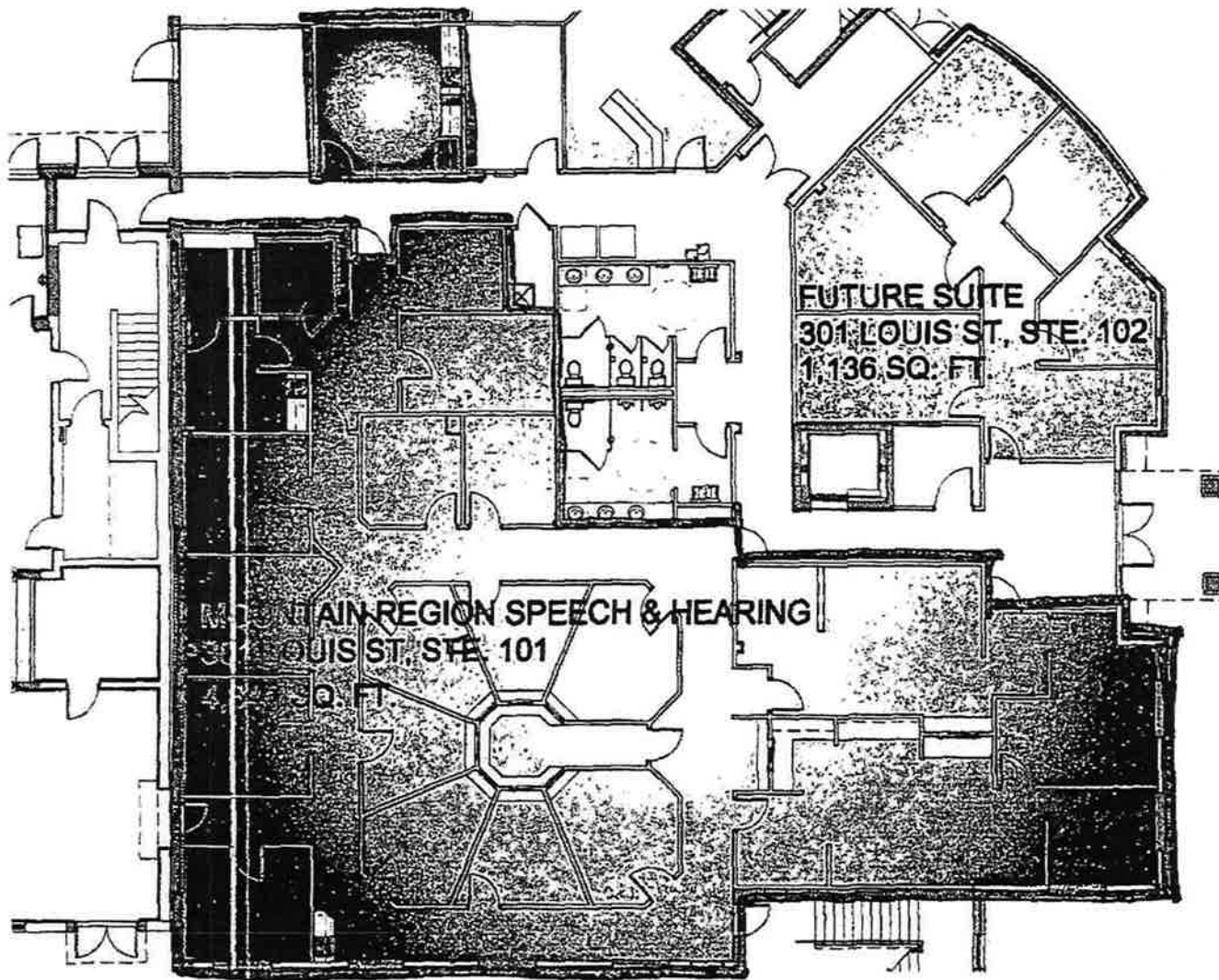
ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

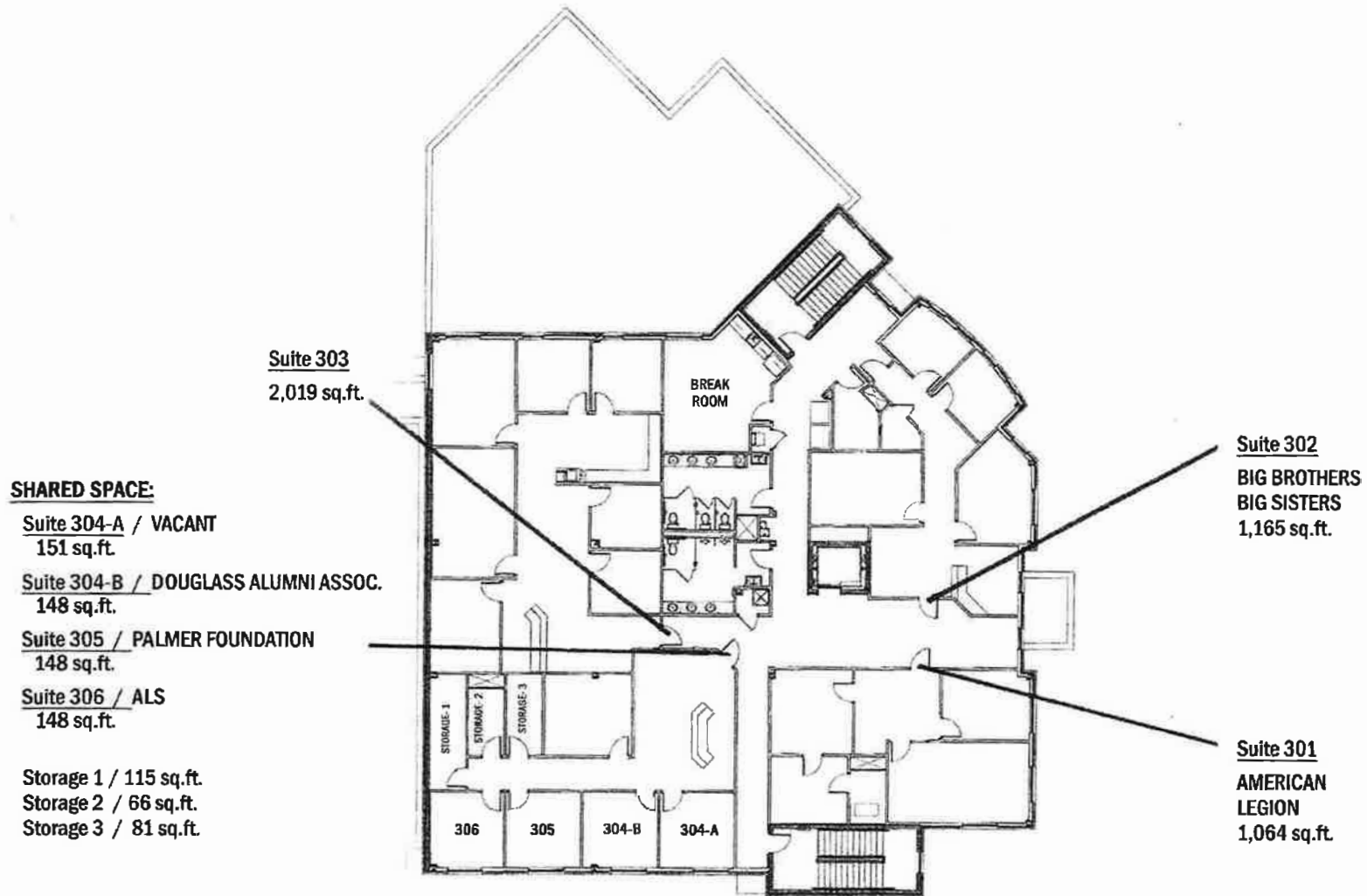
J. MICHAEL BILLINGSLEY, City Attorney

EXHIBIT A



FIRST FLOOR
KEY PLAN

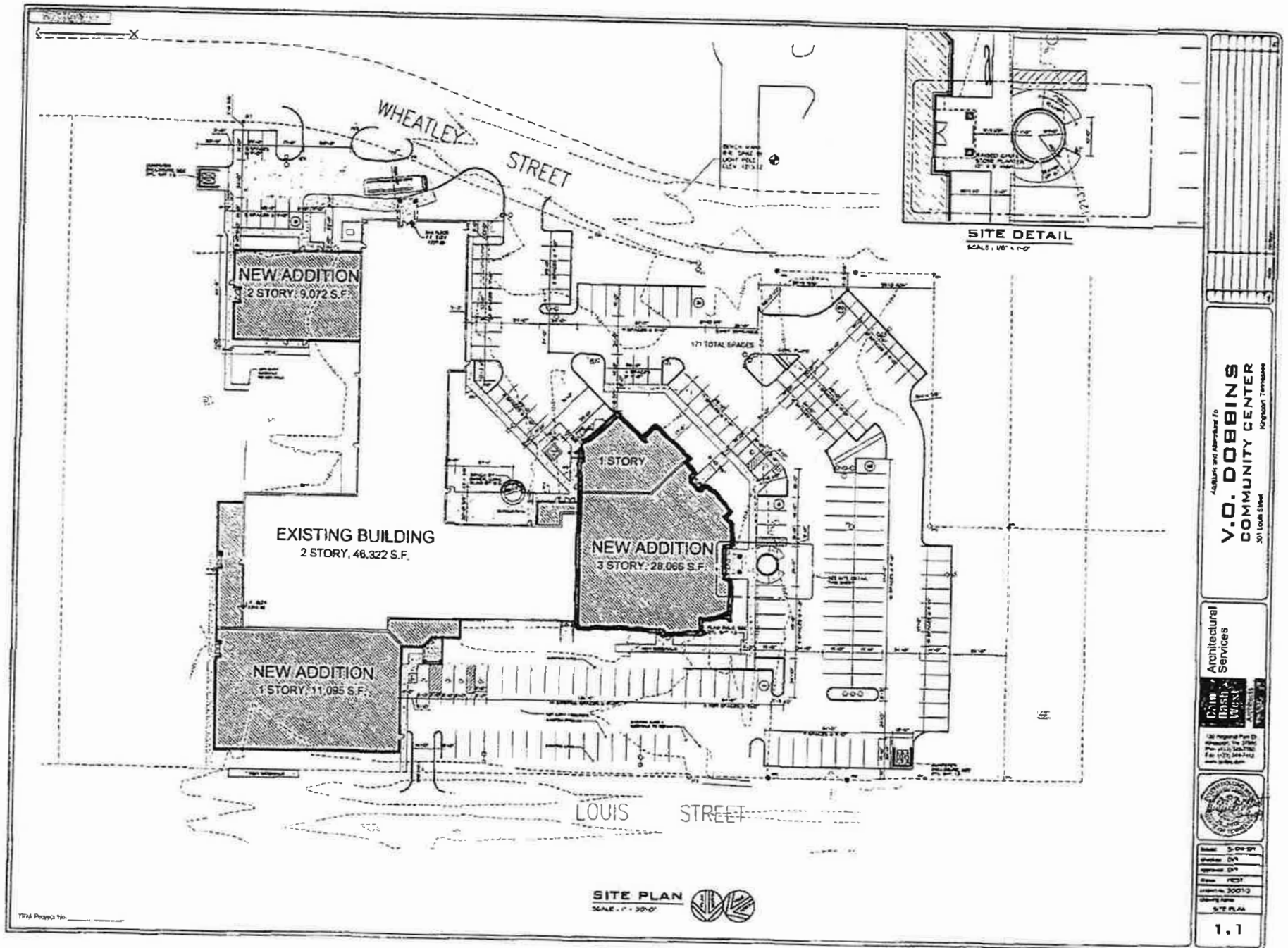
EXHIBIT B



THIRD FLOOR PLAN

SCALE: N.T.S.

EXHIBIT C





AGENDA ACTION FORM

Interlocal Agreement with Sullivan County

To: Board of Mayor and Aldermen
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-291-2021
Work Session: September 27, 2021
First Reading: N/A

Final Adoption: September 28, 2021
Staff Work By: Staff
Presentation By: C. McCartt

Recommendation:

Approve the Resolution

Executive Summary:

Sullivan County has approached the City of Kingsport to assist them in removing a tree at 1908 Stella Street. The tree is located on County owned property. An interlocal agreement is necessary in order for the city to perform work on county owned property.

The city intends to contract the work to A-1 Expert Tree Service for \$4,750.00. Per the terms of the interlocal agreement, the county will reimburse the city upon completion of the work.

Funding will be taken from 110-4034-463.20-20.

Attachments:

1. Resolution
2. Cost estimate
3. Location Map

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

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *[Signature]*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT WITH SULLIVAN COUNTY FOR THE REMOVAL OF A TREE ON PROPERTY LOCATED AT 1908 STELLA STREET AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PRUPOSE OF THE AGREEMENT

WHEREAS, Sullivan County has requested the city's assistance in removing a tree located on property at 1908 Stella Street; and

WHEREAS, Though located within the city limits the property at 1908 Stella Street is private which Sullivan County took in via a delinquent tax sale; and

WHEREAS, an interlocal agreement is necessary in order for the city or its contractors to enter and perform work on property taken in by Sullivan County; and

WHEREAS, the city will contract with a third party to perform the tree removal and subsequently be reimbursed by the county.

Now therefore,

BE IT RESOVLED BY THE BOARD OF MAYOR AND ALDERMAN AS FOLLOWS:

SECTION I. That an interlocal agreement with Sullivan County for the removal of a tree located on property at 1908 Stella Street is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an interlocal agreement with Sullivan County, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution, said agreement being as follows:

**INTERLOCAL AGREEMENT BETWEEN
THE CITY OF KINGSFORT
AND
SULLIVAN COUNTY, TENNESSEE**

THIS INTERLOCAL AGREEMENT ("Agreement") is effective as of the ____ day of _____, 2021, by and between the City of Kingsport, Tennessee, ("City"), and Sullivan County, Tennessee, ("County").

WHEREAS, *Tennessee Code Annotated* §§ 12-9-101 through 12-9-112 authorizes public agencies of the state, including the City and the County, to enter into interlocal agreements; and

WHEREAS, the county represents that it owns the real property located at 1908 Stella Street, Kingsport, Tennessee; and

WHEREAS, the County has requested the City to assist the County in the removal of a tree on the property at 1908 Stella Street, Kingsport, Tennessee; and

NOW THEREFORE, pursuant to *Tennessee Code Annotated* § 12-9-101, et seq., and in consideration of the mutual covenants contained herein, the parties agree as follows:

1. The County has requested the City to assist the County in the removal of a tree located on the real property the County owns, which address is 1908 Stella Street, Kingsport, Tennessee.

2. While the City has examined a tree on the property, the County will identify for the City the tree that needs removal located on the vacant real property with the street address of 1908 Stella Street, Kingsport, Tennessee.

3. The County will secure the written permission and license of any adjacent property owner the City deems it needs to remove the tree, as the tree is near the property line and is more than fifty feet in height. This permission must include the right of the City and its agents and contractors to use the adjacent property to locate equipment on the property needed to remove the tree and to carry out such removal.

4. Once the County has identified the tree and secured the required written permission and license from the adjacent property owners and delivered the same to the City, the City will take reasonable steps to remove the tree by contracting with a third party for such service.

5. The County will pay the City all the cost incurred by the City for the tree removal within thirty (30) days after receiving an invoice from the City. This includes any cost incurred by the City from a third party who assists the City in removal of the tree. The estimated cost to remove the tree is currently \$4,750, and this is subject to change.

6. Neither party will be liable to the other or be deemed to be in breach of this Agreement for any failure or delay in rendering performance arising out of causes beyond its reasonable control and without its fault or negligence. Such causes may include but are not limited to, acts of God or the public enemy, terrorism, severe weather, thunderstorms, severe wind, significant fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, pandemics, epidemics, labor shortages, or Governmental Authorities approval delays which are not caused by any act or omission by either party. The party whose performance is affected agrees to notify the other promptly of the existence and nature of any delay.

7. No amendment to this Interlocal Agreement will be made except upon the written consent of the parties.

8. In the event that any provision or portion of this Interlocal Agreement is found to be invalid or unenforceable, then such provision or portion thereof will be reformed in accordance with the applicable laws. The invalidity or unenforceability of any provision or portion of any of this Interlocal Agreement will not affect the validity or enforceability of any other provision or portion of the Interlocal Agreement.

9. Upon the occurrence of an alleged default, or a dispute or disagreement between the parties hereto arising out of or in connection with any term or provision of this Agreement or, the subject matter hereof, or the interpretation or enforcement hereof (the "Dispute"), the parties will engage in informal, good faith discussions and attempt to resolve the Dispute. In connection therewith, upon written notice of either party, each of the parties will appoint a designated officer whose task it will be to meet for the purpose of attempting to resolve such Dispute. The designated officers will meet as often as the parties deem to be reasonably necessary. Such officers will discuss the Dispute. If the parties are unable to resolve the Dispute in accordance with this paragraph, and in the event that either of the parties concludes in good faith that amicable resolution through continued negotiation with respect to the Dispute is not reasonably likely, then the parties may mutually agree to submit to nonbinding mediation. If the matter is not resolved by mediation either party will have the right, at its sole option, without further demand or notice, to take whatever action at law or in equity may appear necessary or desirable to enforce its rights including, but not limited to, the suspension or termination of this agreement.

10. This Agreement shall take effect upon execution by the authorized representative of each party after approval of the governing body of each party, and shall remain in full force and effect until terminated or expiration of the term.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



Expert Tree Service, LLC

Kingsport: 423-288-8733

Bristol: 423-968-7571

5155 Sullivan Gardens Parkway

Kingsport, TN 37660

Estimate

Date	6/24/2021
Estimate #	13254

Name / Address of Customer

City of Kingsport
225 West Center Street
Kingsport, TN 37660
Attention : Lewis Bausell

Customer Phone

423-229-9392

Customer Alt. Phone

Phone	Fax	Cell	E-mail Address
			labland37@yahoo.com
Service	Description of Service		Total
Tree Service	Location: 1098 Stella St Kingsport, TN Take down 1 Oak Tree over dog lot Chip brush, remove wood Cut stump 1-2 ft above ground		4,750.00
Thank You For Your Consideration			Total \$4,750.00

Signature _____

By signing this Estimate, I give A-I Expert Tree Service, LLC, permission to do the above work as described and do agree to the price on this estimate.





AGENDA ACTION FORM

Accept Property Donation at Gibson Springs Development

To: Board of Mayor and Aldermen
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-284-2021
Work Session: September 27, 2021
First Reading: NA

Final Adoption: September 28, 2021
Staff Work By: Committee
Presentation By: C. McCartt

Recommendation:

Approve Donation Resolution

Executive Summary:

The Edinburgh Group LLC, owners of the Gibson Springs development, would like to donate to the city approximately 8.74 acres of property. For 20 years from the date of conveyance, the city will receive financial support for maintenance of the property from the Gibson Springs homeowners association as well as the South Edinburgh homeowners association for so long as the property is used as a public park.

The city, by accepting this donation, will secure improved access to one of its sewer pump station that services this development.

Acceptance of the donation will be conditional however upon changes, acceptable to the city, to covenants and restrictions which currently encumber the property. The covenants and restrictions must be amended so as to except the city from their application.

The resolution accepts the donation pursuant to these terms and authorizes the Mayor to execute the deed to show acceptance by the city of the gift.

Attachments:

1. Resolution
2. Legal Description
3. Maps

Funding source appropriate and funds are available: *pm*

The money required for such contract, agreement, obligation or expenditure is in the treasury or safely assured to be forthcoming and available in time to comply with or meet such contract, agreement, obligation or expenditure: *20*

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING THE DONATION OF PROPERTY AT THE GIBSON SPRINGS DEVELOPMENT FROM THE EDINBURGH GROUP, LLC CONDITIONED UPON CHANGES TO COVENANTS AND RESTRICTIONS WHICH ENCUMBER THE PROPERTY; AND AUTHORIZING THE MAYOR TO EXECUTE THE DONATION AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE DONATION FOR THIS RESOLUTION

WHEREAS, the Edinburgh Group, owners of the Gibson Springs development, would like to donate to the city approximately 8.74 acres of property adjoining the Gibson Springs development and being off of Southbridge Road and Phillip's Way; and

WHEREAS, this property shall serve as access to a city sewer lift station which will better serve the city's needs for servicing its infrastructure than what is currently available and the property may also serve as a public park so long as such use benefits the city; and

WHEREAS, for so long as the property is utilized for a public park the Gibson Springs homeowners association and South Edinburg homeowners association have agreed to provide financial support for the maintenance thereof for a period of 20 years following conveyance of the property; and

WHEREAS, city's acceptance of the donation is conditioned upon its exclusion from application of the covenants and restrictions which currently encumber the property to be donated.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN as follows:

SECTION I. That the donation of approximately 8.74 acres of property currently a part of the Gibson Springs development and owned by The Edinburgh Group, LLC, is approved so long as the city is excepted from the covenants and restrictions which currently encumber the property.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a Donation Agreement with The Edinburgh Group, LLC of approximately 8.74 acres of property currently a part of Gibson Springs and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement, including execution of closing documents and acceptance of the Warranty Deed, or this resolution, said agreement being as follows:

DONATION AGREEMENT

THIS DONATION AGREEMENT (hereinafter "Agreement") is hereby made and entered into as of the latest of the dates of execution by the parties hereto as shown by the date of notarization of the signatures of the parties (hereinafter "Effective Date"), by and between CITY OF KINGSPORT, TENNESSEE, a Tennessee municipal corporation, (hereinafter "City") and The Edinburgh Group, LLC (hereinafter "Donor").

RECITALS

WHEREAS, the Donor is the owner of a certain parcel of land containing 8.74 acres, more or less, located in Kingsport, Sullivan County, Tennessee the legal description of which is more particularly set forth on Exhibit A attached hereto and hereby made a part hereof (the "Property"); and WHEREAS, Donor desires to donate the property to City; and WHEREAS, City is willing to accept donation of the Property.

WITNESSETH:

NOW, THEREFORE, for and in consideration of the premises and mutual promises herein contained and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged and confessed, the parties hereto agree as follows:

SECTION 1. PROPERTY DONATION. Subject to the terms and conditions herein, Donor hereby agrees to donate the Property to City, and City hereby agrees to accept a donation of the Property. Donation of the Property shall be made by the Donor's execution of a Warranty Deed conveying the Property to City, which conveyance shall be free and clear of all liens and encumbrances except those to which City consents (the "Permitted Exceptions"). All property and interests of Donor to be conveyed hereunder are herein collectively called the "Property".

SECTION 2. CONDITIONS PRECEDENT. Prior to consummation of the donation, the following conditions precedent shall be satisfied.

a. **Title Report.** At its cost, Donor shall obtain and provide to City a title report for the Property, which title report shall describe the current status of title to the Property and shall be accompanied by copies of all instruments which create exceptions to the title. City shall have a period of fifteen (15) days after its receipt of the title report and exception documents and the survey described below to examine same and to raise any objections to the title or survey that City has. If City raises any objections to the title or survey, within ten (10) days thereafter the Donor will advise City whether or not the Donor will seek to cure any such objections. If Donor agrees to undertake the cure, it shall have such time as Donor needs to successfully effect the cure. All matters of title and of survey to which City does not object, and all matters of title and survey to which City has objected and Donor cures to the City's satisfaction, shall be Permitted Exceptions. City shall not be required to accept the donation of the Property if there are any matters of title or survey to which City has objected and for which no cure satisfactory to City has been obtained.

b. **Survey.** At its cost, Donor shall have provided an acceptable survey of the Property to City.

c. **Plat.** The recordation of a plat creating the Property as a separate identifiable tract shall have been recorded in the Office of the Register of Deeds of Sullivan County.

d. **Excepted from Covenants and Restrictions.** The Declarations of Covenants, Conditions, and Restrictions recorded in Deed Book 3374 Page 985 of the Sullivan County Register of Deed's office shall be amended to except the City from all covenants, conditions, and restrictions applicable to any property in the Gibson Springs Development.

e. **Amendment to Cost Sharing Agreement.** Donor shall cause the Cost Sharing Agreement recorded in Deed Book 3374 Page 1029 of the Sullivan County Register of Deed's office to be amended so as to require financial support to the city of Kingsport for maintenance of the public park during the 20 year period in lieu of the homeowners associations maintaining the park.

SECTION 3. DONATION VALUE. Based on an appraisal dated September 13, 2021, by, Josh A. Gouge a licensed property appraiser approved by the Donor, for purposes of this Donation Agreement the value of the Property shall be the sum of Three Hundred and Thirty Thousand Dollars (\$330,000) subject to the prorations and other adjustments as hereinafter provided. At the closing of the transfer of the Property, the City shall provide proof or confirmation of donation of the Property for intended civic purposes and public benefit; provided, however, the donation value of the Property shall not be construed to create or impose any additional duty, monetary or otherwise, upon the City with respect to the other provisions of this Agreement; and provided, further, the City does not warrant or represent the deductibility of the donation for income tax purposes. Whether the donation may be treated as a proper deduction for income tax purposes is and shall remain solely the responsibility of Donor.

SECTION 4. PAYMENT OF PROPERTY TAXES. Incident to its donation of the Property to City, Donor shall provide to City a cash payment in an amount equal to the estimated property taxes owing for the Property from the beginning of the property tax year to the date of donation. Using such funds,

City shall pay the property taxes for the Property for the year of donation at such time as the bill therefore is tendered.

SECTION 5. NO LIABILITY OF CITY OFFICIALS AND EMPLOYEES. No member, official, or employee of City shall be personally liable to Donor in the event any provision of the Agreement is unenforceable, or there is any default or breach by City, or for any amount which may become due under the Agreement, or on any obligations under the terms of the Agreement.

SECTION 6. CONVEYANCE OF PROPERTY AND RIGHT-OF-WAY. Donor shall convey clear and marketable title to the Property to City by Warranty Deed to said Property, without any restrictions or encumbrances except the proration real property taxes for the year in which the closing takes place and the Permitted Exceptions.

SECTION 7. CLOSING. Subject to the conditions set out in this Agreement, the closing shall occur on or before thirty (30) days after the Effective Date (the "Closing Date"), at a time and location mutually agreed upon by the parties or, upon failure of the parties to agree, at a time and place specified by City (the "Closing"). City and Donor agree to deliver and execute such documents as may be reasonable and necessary in the opinion of counsel for Donor and City to consummate and close the Donation and sale contemplated herein pursuant to the terms and provisions hereof.

SECTION 8. TITLE INSURANCE. City, at its expense, may secure an owner's title insurance commitment to issue a title insurance policy insuring City's fee simple interest in the Property to the extent of the Donation Price.

SECTION 9. POSSESSION. Delivery of possession of the Property to City shall occur at the successful completion of Closing.

SECTION 10. NOTICE. Any notice or demand on either party hereunder shall be deemed to have been given when mailed to the other party by Certified Mail, Return Receipt Requested, postage prepaid at the addresses set forth below:

DONOR:

The Edinburgh Group, LLC
135 W MAIN ST STE 101
KINGSPORT, TN 37660
Attention: Darin Karst or Carla Karst
CITY:

City of Kingsport, Tennessee
415 Broad Street
Kingsport, Tennessee 37660
Attention: J. Michael Billingsley

SECTION 11. PRORATIONS. All real property taxes and assessments shall be prorated as of the Closing Date, using for such purpose the rate and valuation shown on the latest available tax notice.

SECTION 12. REZONING. City assumes any and all costs of rezoning the property for civic use.

SECTION 13. SPECIAL ASSESSMENTS. Donor assumes the payment of any unpaid deferred charges or special assessments for public improvements levied before the Closing on or against the Property, including any tap fees for water or sewer service.

SECTION 14. REAL PROPERTY TAXES. City shall be responsible for all real property taxes levied against the Property after title is transferred, if any.

SECTION 15. USE OF PROPERTY. Property shall serve as a means of access to a sewer lift station. Additionally, city currently intends to use the Property as a public park purposes, but nothing herein limits its use.

SECTION 16. ADDITIONAL RESPONSIBILITIES OF DONOR. Donor will prior to the donation of Property:

(a) Provide an opinion for the donation of the Property under these terms from a tax attorney or certified public accountant as to the eligibility of Donor's transfer of the Property for a charitable contribution deduction for federal income tax purposes, together with Donor's indemnity agreement whereby Donor agrees to hold the City harmless from any issues related to such tax treatment. City will not issue an opinion regarding any tax matter pertaining to the donation and will not execute any document for tax purposes without an opinion from a tax attorney or certified public accountant of Donor's choosing, reasonably acceptable to the City and paid for by Donor that City is able to lawfully and properly execute such documents and make such representations.

(b) All costs for the work described in this Section 16 will be borne by Donor.

SECTION 17. EXPENSES OF DONOR. In closing this transaction, Donor shall be charged with the following:

- (a) The cost of preparation of the warranty deed;
- (b) Any expenses needed to provide City with clear and marketable title to the Property;
- (c) The fees and expenses of any attorney or other advisor engaged by Donor in connection with this transaction; and

(d) The commission or fees charged by any real estate broker or agent retained or used by the Donor in connection with this transaction.

SECTION 18. EXPENSES OF CITY. In closing this transaction, City shall be charged with the following:

- (a) The cost of any title search and title insurance policy;
- (b) The cost of recording the deed and any transfer tax associated with such deed; and
- (c) Any fees charged in connection with any attorney or other advisor engaged by City in connection with this transaction.

SECTION 19. RISK OF LOSS. The risk of loss or damage to any of the Property described above by fire or other casualty shall remain with the Donor until Closing. In the event of such loss before Closing, this Agreement shall be voidable at the option of City by written notice of such option to the Donor prior to the scheduled Closing. Should City elect to continue with the Donation following such loss or damage before Closing, City shall have the right to close this Agreement at the stated Donation Price.

SECTION 20. DEFAULT. In addition to the default set out in subsection (b) of this Section 20, the failure of either party to perform, keep or fulfill any of the covenants, undertakings, obligations or conditions set forth in this Agreement, is a default.

(a) If City is in default of this Agreement, Donor shall give written notice to City, and City shall have ten (10) business days from the date of the receipt of such notice within which to cure such default. If the Closing contemplated by this Agreement is not consummated on account of City's default hereunder, Donor shall be entitled to terminate this Agreement.

(b) If Donor is in default of this Agreement, City shall give written notice to Donor, and Donor shall have ten (10) business days from the date of the receipt of such notice within which to cure such default, provided, however, there shall be no cure period for Donor's failure to close. If the Closing contemplated by this Agreement is not consummated on account of Donor's default hereunder City shall be entitled to terminate this Agreement and City shall be entitled to specific performance and all other rights, privileges or remedies available to City at law or in equity, severally or cumulatively. A default of Donor shall include, but is not limited to, the failure or refusal of Donor to close on the sale of the Property, when scheduled, or to convey a clear and marketable title by warranty deed to City, as set forth herein.

SECTION 21. DONOR'S WARRANTIES, REPRESENTATIONS AND COVENANTS. Donor hereby represents and warrants to City solely as to the following matters, each of which is so warranted to be true and correct as of the date hereof and shall, as a condition to City's obligations hereunder, be true and correct on the closing date:

(a) Donor has entered into no other presently effective agreement to sell the Property, or any portion thereof, nor has it granted any presently effective option for the sale of the Property, or any portion thereof, or right of first refusal or right of first offer with respect thereto;

(b) Donor has no knowledge of pending or contemplated condemnation proceedings affecting the Property, the abutting streets, or any part thereof;

(c) Donor is not now a party to any litigation with respect to the Property, and Donor knows of no litigation or threatened litigation affecting the title to the Property (and Donor shall give City prompt notice of the institution or threat of any such litigation prior to the Closing Date);

(d) Donor is not a "foreign person" as defined in the Internal Revenue Code of 1986, as amended, and as contemplated by the Foreign Investments in Real Property Tax Act (96 Stat. 2682), as amended by the Deficit Reduction Act of 1984, and City has no obligation to withhold and pay over to the U. S. Internal Revenue Service any part of the "amount realized" by Donor in the transaction contemplated hereby;

(e) The execution and entry into this Agreement, the execution and delivery of the documents and instruments to be executed and delivered by Donor on the Closing Date, and the performance by Donor of Donor's duties and obligations under this Agreement and of all other acts necessary and appropriate for the full consummation of the Donation and sale of the Property as contemplated herein, are consistent with and not in violation of, and shall not create any adverse condition under, any contract, agreement or other instrument to which Donor is a party, or any judicial order or judgment of any nature by which Donor is bound; and

(f) All necessary and appropriate action has been taken by Donor authorizing and approving the execution of and entry into this Agreement, the execution and delivery by Donor of the documents and instruments to be executed by Donor on the Closing Date, and the performance by Donor of Donor's duties and obligations under this Agreement and of all other acts necessary and appropriate for the consummation of the Donation and sale of the Property as contemplated herein.

SECTION 22. CITY'S WARRANTIES, REPRESENTATIONS AND COVENANTS. City hereby represents and warrants to Donor solely as to the following matters, each of which is so warranted to be true and correct as of the date hereof and shall, as a condition to Donor's obligations hereunder, be true and correct on the closing date:

(a) The execution and delivery of this Agreement and the performance by City of its obligations hereunder have been duly authorized by all required action of City;

(b) City does not require any consents or approvals from any third party with respect to the execution and delivery of this Agreement or with respect to the performance by City of its obligations hereunder, including the Donation of the Property from Donor;

(c) The execution and entry into this Agreement, the execution and delivery of the documents and instruments to be executed and delivered by City on the Closing Date, and the performance by City of City's duties and obligations under this Agreement and of all other acts necessary and appropriate for the full consummation of the Donation of the Property as contemplated herein, are consistent with and not in violation of, and shall not create any adverse condition under, any contract, agreement or other instrument to which City is a party, any judicial order or judgment of any nature by which City is bound; and

(d) All necessary and appropriate action has been taken by City authorizing and approving the execution of and entry into this Agreement, the execution and delivery by City of the documents and instruments to be executed by City on the Closing Date, and the performance by City of City's duties and obligations under this Agreement and of all other acts necessary and appropriate for the consummation of the Donation and sale of the Property as contemplated herein.

SECTION 23. TIME IS OF THE ESSENCE. Time is of the essence to the performance of this Agreement.

SECTION 24. MERGER CLAUSE; ENTIRE AGREEMENT; MODIFICATIONS. All understandings and agreements heretofore had between the parties are merged in this Agreement, which alone fully and completely expresses their agreement, and the same is entered into after full investigation, neither party relying upon any statement, representation, express or implied warranties, guarantees, promises, statements, "setups", representation, or information not embodied in this Agreement, made by the other, or by any agent, employee, servant, or other person representing or purporting to represent the Donor. This Agreement contains the full agreement between the parties and there are no other contracts, express or implied, which are not stated herein, and no waiver of any of its terms and conditions shall be effective unless in writing and duly executed by the parties hereto.

SECTION 25. POST CLOSING SURVIVAL. Wherever in this Agreement Donor or City shall have agreed or promised to perform certain acts or otherwise where the context of this Agreement would require such performance or grants to occur after the Closing, then those agreements and covenants shall survive the Closing and continue to bind Donor and City.

SECTION 26. CAPTIONS. The section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

SECTION 27. SEVERABILITY. In the event any provision or portion of this Agreement is held by any court of competent jurisdiction to be invalid or unenforceable, such holding shall not affect the remainder hereof, and the remaining provisions shall continue in full force and effect to the same extent as would have been the case had such invalid or unenforceable provision or portion never been a part hereof.

SECTION 28. CONTROLLING LAW; VENUE. This Agreement has been made and entered into under the laws of the State of Tennessee, and said laws shall control the interpretation thereof. Venue for any litigation concerning this Agreement shall be filed in the state or federal courts for Sullivan County, Tennessee.

SECTION 29. BINDING EFFECT. All covenants, agreements, warranties and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 30. ASSIGNMENT. City may not assign or transfer this Agreement without the written consent of Donor, which consent shall be at Donor's sole discretion.

SECTION 31. MISCELLANEOUS.

(a) This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement.

(b) This Agreement is intended to be solely for the benefit of the parties hereto and their respective successors and assigns, and the provisions of this Agreement are not intended to be, and shall not be construed, for the benefit of any third party.

(c) Each party has been represented by counsel and has had the opportunity to share in the drafting of this Agreement and accordingly this Agreement shall not be construed either for or against either party as the drafter.

(d) The rights and remedies provided by this Agreement are cumulative in nature and are in addition to, and not in lieu of, any other rights afforded by law.

(e) This Agreement may not be modified except in a writing executed by all of the parties.

(f) Where the circumstances require, the singular shall refer to the plural and the plural to the singular, and the use of one gender shall be applicable to all genders.

SECTION 32. FURTHER ACTS. Each party hereto agrees to do execute, acknowledge and deliver all such further acts, assignments, transfers, assurances, and instruments that may reasonably be required to fully effectuate the transactions contemplated in this Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands hereto in duplicate originals

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 28th day of September, 2021.

PATRICK W. SHULL, MAYOR

ATTEST:

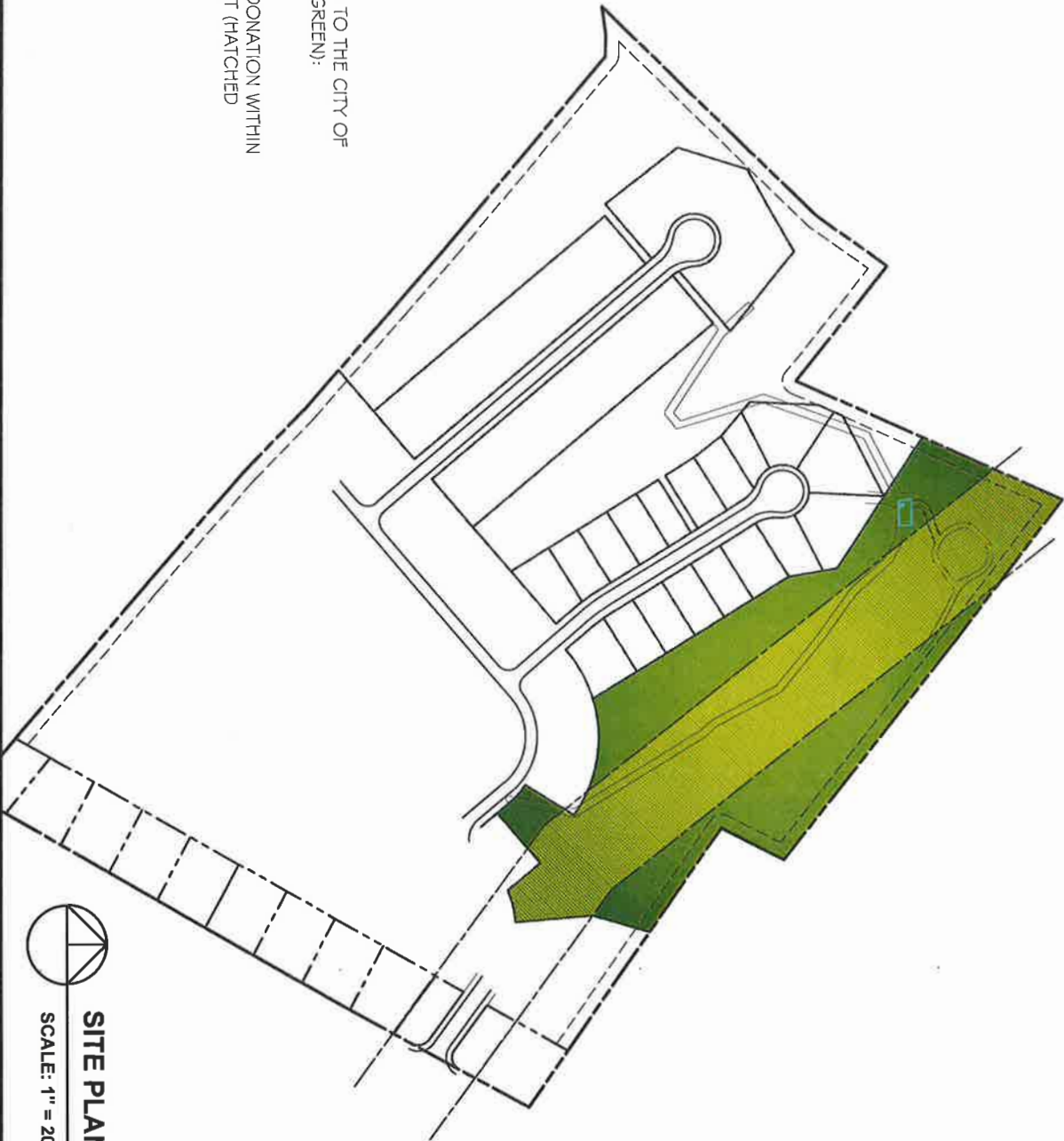
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

EXHIBIT A
LEGAL DESCRIPTION

BEGINNING AT A POINT, SAID POINT LOCATED ON THE NORTHERLY SIDELINE OF SOUTHBRIDGE ROAD AND A CORNER TO LOT 12, EDINBURGH SOUTH PHASE II (PLAT BOOK 55, PAGE 507). THENCE ALONG SAID SIDELINE WITH A CURVE TO THE LEFT HAVING A RADIUS OF 203.15, AN ARC LENGTH 62.38 AND A CHORD SOUTH $76^{\circ} 30' 13''$ WEST, A DISTANCE OF 62.13 FEET TO A POINT, SAID POINT A CORNER TO LOT 13, EDINBURGH SOUTH PHASE II. THENCE LEAVING SAID SIDELINE AND ALONG LOT 13 NORTH $40^{\circ} 19' 54''$ WEST, A DISTANCE OF 109.99 FEET TO A POINT AND SOUTH $49^{\circ} 40' 06''$ WEST, A DISTANCE OF 125.00 FEET TO A POINT, SAID POINT ON THE EASTERLY SIDELINE OF PHILLIP'S WAY. THENCE ALONG SAID SIDELINE NORTH $40^{\circ} 19' 54''$ WEST, A DISTANCE OF 15.00 FEET TO A POINT, SAID POINT A PC FOR A CURVE TO THE LEFT. THENCE ALONG SAID CURVE HAVING A RADIUS OF 150.00, AN ARC LENGTH 37.65 AND A CHORD NORTH $47^{\circ} 31' 22''$ WEST, A DISTANCE OF 37.55 FEET TO A POINT, SAID POINT A CORNER TO LOT 56, GIBSON SPRINGS PHASE I (PLAT BOOK 57, PAGE 73). THENCE LEAVING SAID SIDELINE AND ALONG LOT 56 NORTH $35^{\circ} 17' 10''$ EAST, A DISTANCE OF 102.00 FEET TO A POINT. THENCE ALONG THE REAR OF LOTS 56, 55 AND 54 BY A CURVE TO THE LEFT HAVING A RADIUS 252.00, AN ARC LENGTH 227.42 AND A CHORD NORTH $80^{\circ} 34' 02''$ WEST, A DISTANCE OF 219.78 FEET TO A POINT, SAID POINT A CORNER TO LOT 98, GIBSON SPRINGS PHASE III (PLAT BOOK 57, PAGE 444). THENCE ALONG LOTS 98, 97, 96, 95, 94 AND 93 NORTH $31^{\circ} 53' 08''$ WEST, A DISTANCE OF 438.42 FEET TO A POINT, SAID POINT A CORNER TO LOTS 92 AND 93. THENCE ALONG LOT 92 AND 91 NORTH $10^{\circ} 00' 55''$ WEST, A DISTANCE OF 92.87 FEET TO A POINT, SAID POINT A CORNER TO LOT 91. THENCE ALONG LOT 91 NORTH $57^{\circ} 06' 10''$ WEST, A DISTANCE OF 162.95 FEET TO A POINT, SAID POINT A CORNER TO LOT 90 AND 91. THENCE WITH A NEW LINE THROUGH EDINBURGH HOMES, LLC (DEED BOOK 2801C, PAGE 284) NORTH $57^{\circ} 06' 10''$ WEST, A DISTANCE OF 133.94 FEET TO A POINT, SAID POINT IS LOCATED IN THE LINE OF HUTSON (DEED BOOK 3110, PAGE 1999). THENCE ALONG HUTSON NORTH $24^{\circ} 07' 54''$ EAST, A DISTANCE OF 293.12 FEET TO A POINT, SAID POINT A CORNER TO LOT 2, ERVIN 5.65 ACRE PROPERTY PARTITION (PLAT BOOK 55, PAGE 64). THENCE ALONG LOT 2 SOUTH $52^{\circ} 37' 54''$ EAST, A DISTANCE OF 344.27 FEET TO A POINT, SAID POINT A CORNER TO LOT 2, DIVISION OF ERVIN PROPERTY (PLAT BOOK 57, PAGE 525). THENCE ALONG LOT 2 SOUTH $52^{\circ} 08' 11''$ EAST, A DISTANCE OF 303.74 FEET TO A POINT, SAID POINT A CORNER TO BLAKELY (DEED BOOK 2370C, PAGE 283). THENCE ALONG BLAKELY SOUTH $51^{\circ} 35' 59''$ EAST, A DISTANCE OF 214.89 FEET TO A POINT; SOUTH $27^{\circ} 00' 37''$ WEST, A DISTANCE OF 133.16 FEET TO A POINT AND SOUTH $55^{\circ} 29' 14''$ EAST, A DISTANCE OF 187.80 FEET TO A POINT, SAID POINT A CORNER TO EDINBURGH HOMES, LLC. THENCE ALONG EDINBURGH HOMES, LLC SOUTH $04^{\circ} 42' 00''$ EAST, A DISTANCE OF 32.27 FEET TO A POINT, SAID POINT A CORNER TO LOT 12, EDINBURGH SOUTH, PHASE II. THENCE ALONG LOT 12 SOUTH $04^{\circ} 42' 00''$ EAST, A DISTANCE OF 251.78 FEET TO THE POINT OF BEGINNING, SAID PARCEL CONTAINS 8.616 ACRES, MORE OR LESS.



A6

2017 - 0004
9/9/21

LAND TO DONATE TO CITY

South Edinburgh
Kingsport, Tennessee



COX CONCEPTS
1416 DOBYNS DRIVE
KINGSFORT, TN 37664
423-732-2940



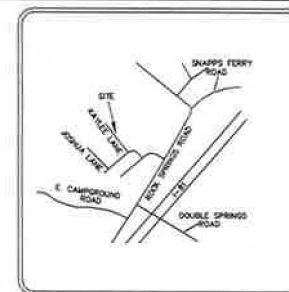
HUTSON
D.B. 3110, PG. 1999

LOT 2
ERVIN PROPERTY
P.B. 55, PG. 64

ERVIN
D.B. 2088C, PG. 280

CURVE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	133.00	15.79	N 68° 50' 23" W	15.79
C2	75.00	15.72	S 44° 35' 39" E	15.71
C3	75.00	37.40	S 44° 35' 39" E	37.33
C4	75.00	15.84	N 68° 50' 23" W	15.82
C5	50.00	35.74	S 57° 55' 42" E	35.59
C6	50.00	52.36	S 57° 55' 42" E	50.00
C7	50.00	52.36	N 32° 04' 18" W	50.00
C8	50.00	52.36	N 32° 04' 18" W	50.00
C9	50.00	28.01	S 11° 03' 12" E	27.65
C10	75.00	48.20	N 17° 02' 41" W	47.45
C11	275.00	14.22	N 87° 17' 22" W	14.07
C12	275.00	26.30	S 77° 41' 17" E	26.30
C13	252.00	108.17	S 83° 17' 12" W	107.31

BLAKLEY
D.B. 2370C, PG. 283



LOCATION MAP
N.T.S.

LEGEND

IR(0) IRON ROD (OLD)
AC ACRES
P.B. PLAT BOOK
D.B. DEED BOOK
PC PACE
123 911 ADDRESS
N.T.S. NOT TO SCALE
SQ SQUARE
⊕ RAILROAD SPIKE
OS OPEN SPACE

NOTES

- 1) NORTH BASED ON S29°53'32"W PER P.B. 53 PG. 392
- 2) PROPERTY ZONED PD
SETBACKS TO CONFORM TO CURRENT ZONING
25' PERIPHERY YARD SETBACK ALONG THE OUTER BOUNDARY
THIS IS TO CERTIFY THAT I HAVE CONSULTED THE FEDERAL
FLOOD INSURANCE ADMINISTRATION BOUNDARY MAPS 47183C0230D &
47183C0240D EFFECTIVE DATE SEPTEMBER 29, 2008 AND FOUND
THAT THE ABOVE PROPERTY IS NOT LOCATED IN A SPECIAL FLOOD
HAZARD AREA
- 3) JOB NO. 16-10404
- 4) ACAD FILE EDINBURGH SOUTH DWG
- 5) TAX MAP 119 P/PARCEL 2100
- 6) DEED REFERENCE: DB 2801C, PG. 284
- 7) THIS SURVEY MAY BE SUBJECT TO ALL RIGHTS-OF-WAY EASEMENTS, RESERVATIONS
AND RESTRICTIONS, WRITTEN AND UNWRITTEN, RECORDED AND UNRECORDED
- 8) THIS SURVEY WAS PREPARED WITHOUT BENEFIT OF ABSTRACT TITLE AND MATTERS
OF TITLE SHOULD BE REFERRED TO AN ATTORNEY AT LAW
- 9) I HEREBY CERTIFY THAT THIS IS A CATEGORY I SURVEY AND THE RATIO OF
PRECISION IS BETTER THAN 1:10,000
- 10) THIS SURVEY WAS DONE IN COMPLIANCE WITH CURRENT TENNESSEE MINIMUM
STANDARDS OF PRACTICE
- 11) ALL STRUCTURES MUST BE LOCATED 25 FEET FROM ALL AREAS DESIGNATED OPEN SPACE
- 12) 1/2" IRON RODS WITH CAP SET ON ALL CORNERS UNLESS OTHERWISE NOTED
- 13) SEE GIBSON SPRINGS PHASE 2 PLAT FOR BEARINGS AND DISTANCES FOR SEWER EASEMENTS

MAINTENANCE
ACCESS

OPEN SPACE

OPEN SPACE

* NOTE
HATCHED AREA IS A
BLANKET EASEMENT FOR
LIFT STATION ACCESS

15" SEWER
EASEMENT
FOR FORCE
MAIN

GIBSON SPRINGS
PHASE I
P.B. 57, PG. 73

LINE BEARING	DISTANCE
E-L1 S37°17'12"E	131.63
E-L2 S42°47'41"E	15.06
E-L3 N27°41'19"W	110.95
E-L4 S24°17'50"W	15.74

LOT	Acres	Sq. Feet
81	0.213	9273
82	0.176	7734
83	0.177	7718
84	0.177	7718
85	0.136	5937
86	0.177	7719
87	0.181	7873
88	0.136	5940
89	0.257	11205
90	0.257	11205
91	0.257	11205
92	0.187	8125
93	0.219	9554
94	0.179	7800
95	0.179	7800
96	0.179	7800
97	0.179	7800
98	0.241	10482

CERTIFICATE OF OWNERSHIP AND DESIGNATION I, THE UNDERSIGNED, BEING THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON, DO HEREBY CERTIFY THAT THE PLAN OF SUBDIVISION AND THE EASEMENTS THEREON ARE CORRECT AND ACCURATE AND THAT THE SAME HAVE BEEN PREPARED BY A LICENSED SURVEYOR AND THAT THE SAME COMPLY WITH THE REQUIREMENTS OF THE TENNESSEE SURVEYING ACT AND THE REQUIREMENTS OF THE KINGSPORT REGIONAL PLANNING COMMISSION AND THAT THE SAME HAVE BEEN APPROVED BY THE KINGSPORT REGIONAL PLANNING COMMISSION AND THAT THE SAME HAVE BEEN RECORDED IN THE PUBLIC RECORDS OF THE CLATSOP COUNTY, OREGON.	MAINTENANCE OF COMMON OFFICIAL AND STORMWATER DETENTION FACILITIES THE OWNER OF THIS PROPERTY HEREBY AGREES TO ASSURE FULL LIABILITY AND RESPONSIBILITY FOR THE MAINTENANCE, REPAIR, REPLACEMENT AND OPERATION OF ALL COMMON OFFICIAL AND STORMWATER DETENTION FACILITIES.	CERTIFICATE OF APPROVAL OF STREET LIGHTING SYSTEM I HEREBY CERTIFY THAT THE STREET LIGHT SYSTEM DESIGNED FOR THIS SUBDIVISION COMPLES WITH THE CITY OF KINGSPORT POLICES ON ROADWAY LIGHTING WITHIN THE CITY OF KINGSPORT AND ANY REQUIRED CHARGES FOR THE PURCHASE AND INSTALLATION HAVE BEEN MET.	CERTIFICATE OF ACCURACY I HEREBY CERTIFY THAT THE PLAN SHOWN AND DESCRIBED HEREON IS A TRUE AND CORRECT SURVEY TO THE ACCURACY REQUIRED BY THE KINGSPORT REGIONAL PLANNING COMMISSION AND THAT THE MONUMENTS SHOWN HEREON ARE SHOWN HEREON.
OWNER: <u>5078</u>	OWNER: <u>5078</u>	REGISTERED SURVEYOR: <u>5078</u>	REGISTERED SURVEYOR: <u>5078</u>
CERTIFICATION OF THE APPROVAL FOR CITY OF KINGSPORT I HEREBY CERTIFY THAT THE PLAN SHOWN AND DESCRIBED HEREON IS A TRUE AND CORRECT SURVEY TO THE ACCURACY REQUIRED BY THE KINGSPORT REGIONAL PLANNING COMMISSION AND THAT THE MONUMENTS SHOWN HEREON ARE SHOWN HEREON.	CERTIFICATION OF THE APPROVAL OF PUBLIC WATER SYSTEMS I HEREBY CERTIFY THAT THE PUBLIC WATER UTILITY SYSTEM OR SYSTEMS INSTALLED OR PROPOSED FOR INSTALLATION FULLY MEET THE REQUIREMENTS OF THE KINGSPORT REGIONAL PLANNING COMMISSION AND THAT THE SAME HAVE BEEN APPROVED BY THE KINGSPORT REGIONAL PLANNING COMMISSION.	CERTIFICATION OF APPROVAL OF STREETS I HEREBY CERTIFY THAT THE STREETS SHOWN AND DESCRIBED HEREON ARE SHOWN HEREON AND THAT THE MONUMENTS SHOWN HEREON ARE SHOWN HEREON.	CERTIFICATION OF THE APPROVAL OF THE SUBDIVISION OF THE SUBDIVISION I HEREBY CERTIFY THAT THE SUBDIVISION OF THE SUBDIVISION IS A TRUE AND CORRECT SURVEY TO THE ACCURACY REQUIRED BY THE KINGSPORT REGIONAL PLANNING COMMISSION AND THAT THE MONUMENTS SHOWN HEREON ARE SHOWN HEREON.
CITY OF KINGSPORT	CITY OF KINGSPORT	CITY OF KINGSPORT	CITY OF KINGSPORT



ALLEY & ASSOCIATES, INC.
SURVEYORS
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GIBSON SPRINGS PHASE III			
KINGSPORT REGIONAL PLANNING COMMISSION			
TOTAL ACRES	<u>1.279</u>	TOTAL LOTS	<u>18</u>
ACRES NEW ROAD	<u>0.647</u>	MILES NEW ROAD	<u>0.10</u>
OWNER	<u>SAUCES, LLC</u>	CIVIL DISTRICT	<u>14th</u>
SURVEYOR	<u>ALLEY & ASSOCIATES, INC.</u>	CLOSURE ERROR	<u>1:10,000</u>
SCALE 1"=80'			