



AGENDA

BOARD OF MAYOR AND ALDERMEN WORK SESSION

Monday, June 20, 2016, 4:30 p.m.

City Hall, 225 W. Center St., Council Room, 2nd Floor

Board of Mayor and Aldermen

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

Alderman Michele Mitchell
Alderman Tommy Olterman
Alderman Tom C. Parham

Leadership Team

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

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

1. Call to Order
2. Roll Call
3. Projects Status – Jeff Fleming
4. Review of Items on June 21, 2016 Business Meeting Agenda
5. Adjourn

Next Work Session, Tues., July 5, 2016, 4pm: Greenbelt Update; Sales Tax, Wellness Clinic, Safety and Projects Status

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

Status Updates on Active Projects sorted by Cost

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$13,537,873.00	Niki Ensor	Niki Ensor	Raw Water Intake Replacement (1.5 M EDA Grant)	WA1504	5/7/2017	Drill Tech is 603' into the main tunnel. J. Cumby is installing rebar for pump station slab.
\$7,500,000.00	Ryan McReynolds	Thompson, Michael	SR 347 (Rock Springs Road) [State & MTPO funded]	No City Funds	12/31/2020	City signed contract submitted to TDOT on 4/22/16. Awaiting fully executed contract from TDOT.
\$5,600,000.00	Chad Austin	Norman Eichmann	Reedy Creek Sewer Trunk Line	SW1400	6/30/2017	Bids were open on 6/8/16. Bids are being evaluated.
\$3,300,000.00	Michael Thompson	Thompson, Michael	Indian Trail Drive Extension	GP1615	12/31/2017	Survey and Design underway.
\$3,192,108.00	Chad Austin	Mike Hickman	Colonial Heights Ph II Sewer & Water	SW1501	3/9/2017	Crews installing water and sewer on Beechwood and Colonial View. Sewer being installed on Sharret Property.
\$2,646,731.00	Chad Austin	Mike Hickman	Colonial Heights Ph III Sewer & Water	SW1502/ WA1502	12/10/2016	Crews ready to start this week.
\$2,609,000.00	Chad Austin	Pamela Gilmer	System Wide Water Upgrades FY15 Phase 1	WA1601	7/5/2016	Contractor expects completion by end of July.
\$2,500,000.00	Chad A./Niki E.	Mike Hickman	Colonial Heights Ph IV Sewer & Water	SW1511	9/3/2017	Meeting with residents.
\$2,400,000.00	Justin Steinmann	Mason, David	Centennial Park	GP1533	6/15/2017	Awaiting appropriate private funding level prior to scheduling the bid process.
\$1,886,220.00	Chad Austin	Pamela Gilmer	System Wide Water Upgrades FY15 Phase 2	TBD	4/4/2017	Merkel Bros. has begun work on Witherspoon Drive.
\$1,700,000.00	Michael Thompson	Thompson, Michael	Main Street Rebuild [City & MTPO Funded]	GP1516	4/1/2021	RFQ advertisement is scheduled for June 26th.
\$1,123,727.93	Chad Austin	Pamela Gilmer	Ft. Henry and Moreland Dr. Sewer Rehabilitation	SW1401	12/24/2016	Work set to begin on or around June 20, 2016.
\$1,076,018.00	Ronnie Hammonds	Robbins, Steve	Demolition Landfill Clay Liner	DL 1500	7/31/2016	The project is 75% complete. Work was restarted in early April.
\$940,000.00	Kitty Frazier	Clabaugh, Hank	Kingsport Greenbelt - Eastern Extension - Phase 1 [Fed. Grant & City funded]	GP1529	11/1/2017	The layout of this extension has been completed. The centerline has been marked/staked in the field. Land acquisition documents are being prepared.
\$900,000.00	Chad Austin	Sam Chase	ARC Kingsport Sewer System Upgrade	SW1504	12/31/2016	Pre-bid meeting was held on 6/14. Bids will be open on 6/28.
\$697,475.00	Michael Thompson	Thompson, Michael	Stone Drive (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to American Way [95% State Funded 5% City]	TBD	12/8/2018	RFQ for Survey and Design services opened 6/15/2016. Selection committee will review week of June 20th.

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$683,252.64	Kitty Frazier	Clabaugh, Hank	Greenbelt (Rotherwood/Pedestrian Bridge) [Fed. Grant and City Funded]	GP1013	11/1/2016	BMA approval offer last month. Deed is being prepared and partial lein release has been requested.
\$631,700.00	Ronnie Hammonds	Elsea, Tim	Wilcox Sidewalk Phase 5 [State & MTPO funded]	MPO15D	12/31/2016	The State Attorney General has requested additional information through the District Attorney.
\$550,000.00	Michael Thompson	Grieb, Jacob	Enterprise Place Roadway Improvements	GP1611	12/31/2016	ARAP has been approved awaiting SWPPP.
\$500,000.00	Niki Ensor	Niki Ensor	WWTP Blower (175,000 CTEG Grant)	SW1507	8/1/2016	Leaks discovered in the activated sludge piping must be repaired before blower start up. Repair materials are on order.
\$450,000.00	Chad Austin	Chad Austin	Border Regions Areas 1, 2 & 3 - Water	TBD	2/17/2017	Currently in FY18 CIP.
\$438,000.00	Hank Clabaugh	Mason, David	130 Shelby St. - Engineering Bldg. Renovation	GP1514	8/31/2016	Cabinets installed. HVAC ductwork and registers in progress.
\$400,000.00	Michael Thompson	Thompson, Michael	Signalization of the SR 126 (Memorial Blvd. at Island Road Intersection [State & MTPO Funded])	MPO15A	9/30/2019	Appraisal underway.
\$278,647.00	Michael Thompson	Clabaugh, Hank	2016 Citywide Sidewalk Extension	GP1403	12/31/2016	Preconstruction conference is scheduled for June 23.
\$221,800.00	Tim Elsea	Elsea, Tim	Lynn Garden Signal System [MTPO & City funded]	MPO15C	1/31/2018	M&C working on Environmental Document
\$131,000.00	Chad Austin	Chad Austin	JB Dennis Annexation - Water	GP1405	12/31/2016	Agreement has been sent to Bloomingdale Utility District for signatures.
\$96,775.00	David Quillen	Gilmer, Pamela	Police Seize Car Lot - Landfill	GP1609	8/31/2016	Pre-bid was held June 13, 2016 at 11 a.m. Bid opening will be June 23, 2016 at 4 p.m.
\$91,060.00	Niki Ensor	Mason, David	Storage Building at Waste Water Treatment Plant	SW1607	8/31/2016	Pre-engineered building is in production.
\$90,000.00	Chad Austin	Hank Clabaugh	Kingsport South Annexation - Water	TBD	4/3/2017	Working on design for Mitchell and Pickens.
\$90,000.00	Kitty Frazier	Clabaugh, Hank	Reedy Creek Terrace Bridge	ST1503	12/31/2016	The final construction documents have been completed. We are still awaiting the final property donation/acquisition.
\$77,357.00		Mason, David	Bays Mountain Park CIP Improvements	GP1509	7/26/2016	Construction start is awaiting building permit.
\$75,000.00	Chad Austin	Hank Clabaugh	Cliffside Dr Force Main Replacement	TBD	9/30/2016	The plans have been submitted to TDEC for review and approval.
\$63,635.00	Kitty Frazier	Mason, David	Civic Auditorium Floor Replacement	GP1511		Colors have been selected and contractor preparing to mobilize. Still awaiting final contract documents.
\$60,000.00	Kitty Frazier	Mason, David	V.O. Dobbins Field Lighting	GP1214	8/19/2016	New poles are assembled. Currently excavating holes for installation. AEP 480V service will require installing a new transformer pole

Friday, June 17, 2016

Text in blue denotes changes in the past two weeks. Red box denotes past due, yellow box denotes due within 30 days, green denotes due more than 30 days

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$20,000.00	Chad Austin	Chris Alley	Robindale Subdivison Water Service	Operating	6/30/2016	Meters have been installed. Crews will work on tie-ins the week of June 20.
\$18,000.00	Chad Austin	Chris Alley	Sullivan County Agriculture Center Waterline Extension	Operating	8/31/2016	ARAP received. Coordinating easement with property owner.
\$15,000.00	Chad Austin	Harvey Page	Centennial Park sewer line replacement - Main St.	Operations	9/1/2016	Construction scheduled to begin in early August.
	Chad Austin	Mike Hickman	Colonial Heights Ph V Sewer & Water	SW1512/WA1404	12/29/2017	Project is in design phase.
	Chris McCartt	Mason, David	Meadowview Renovations	MV1600		In design.
	Kitty Frazier	Mason, David	Domtar Park Storage Building	GP1542		Preparing quoting documents for design-build project.
	Morris Baker	Mason, David	Carousel Carving Studio	GP1608		Pre-Bid Conference held June 9th. Bid Opening on June 21st.
	Morris Baker	Mason, David	Library Children's Area	GP1400		In design.

Status Updates on Active Projects sorted by Completion Date

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\$1,700,000.00	Michael Thompson	Thompson, Michael	Main Street Rebuild [City & MTPO Funded]	GP1516	4/1/2021	RFQ advertisement is scheduled for June 26th.



AGENDA

BOARD OF MAYOR AND ALDERMEN

BUSINESS MEETING

**Tuesday, June 21, 2016, 7:00 p.m.
City Hall, 225 W. Center St., Courtroom, 2nd Floor**

Board of Mayor and Aldermen

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

Alderman Michele Mitchell
Alderman Tommy Olterman
Alderman Tom C. Parham

City Administration

Jeff Fleming, City Manager
Chris McCartt, Assistant City Manager for Administration
Ryan McReynolds, Assistant City Manager for Operations
J. Michael Billingsley, City Attorney
James Demming, City Recorder/Chief Financial Officer
David Quillin, Police Chief
Craig Dye, Fire Chief
Morris Baker, Community Services Director
Lynn Tully, Development Services Director
George DeCroes, Human Resources Director
Heather Cook, Marketing and Public Relations Director

I. CALL TO ORDER

II.A. PLEDGE OF ALLEGIANCE TO THE FLAG

II.B. INVOCATION – Pastor Paul Becker, Concordia Lutheran Church

III. ROLL CALL

IV. RECOGNITIONS & PRESENTATIONS

1. Keep Kingsport Beautiful Beautification Awards – Robin Cleary
2. City Scholarship Recipients of Staff Dependents – Lesley Christian
3. Above and Beyond - Noah Rutherford and Charlotte Reasor
4. Proclamation – Claudia Moody (Alderman Olterman)

V. APPROVAL OF MINUTES

1. Work Session – June 6, 2016
2. Business Meeting – June 7, 2016

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. Accept the State of Tennessee Department of Health Project Diabetes Grant and Appropriate Funds (AF: 173-2016) (Morris Baker)
 - Resolution
 - Ordinance – First Reading
2. Amend Chapter 86 Solid Waste in Code of Ordinances (AF: 172-2016) (Michael Thompson)
 - Ordinance – First Reading
3. Budget Cleanup Ordinance for FY16 (AF: 174-2016) (Jeff Fleming)
 - Ordinance – First Reading

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Consideration of an Ordinance to Adopt the FY16-17 Budget (AF: 131-2016) (Jeff Fleming)
 - Ordinance – **Second Reading and Final Adoption**
2. Consideration of an Ordinance to Adopt the FY16-17 Water Fund Budget (AF: 132-2016) (Ryan McReynolds)
 - Ordinance - **Second Reading and Final Adoption**
3. Consideration of an Ordinance to Adopt the FY16-17 Sewer Fund Budget (AF: 133-2016) (Ryan McReynolds)
 - Ordinance - **Second Reading and Final Adoption**
4. Materials Agreement with Danny Karst Related to Edinburgh Phase 9 Development and an Ordinance to Appropriate the Funds (AF: 128-2016) (Ryan McReynolds)
 - Ordinance - **Second Reading and Final Adoption**

5. Amendment the FY 2016 Budgets for Department of Education Active Employees Health Insurance and Department of Education Retiree Health Insurance (AF: 130-2016) (David Frye)
 - Ordinance - **Second Reading and Final Adoption**
6. Amend the FY 2016 General Purpose School Fund Budget (AF: 129-2016) (David Frye)
 - Ordinance - **Second Reading and Final Adoption**
7. Amend the FY 2016 Schools Federal Projects Fund Budget (AF: 147-2016) (David Frye)
 - Ordinance - **Second Reading and Final Adoption**
8. Amend the FY 2016 School Special Projects Fund Budget (AF: 148-2016) (David Frye)
 - Ordinance - **Second Reading and Final Adoption**
9. Adopt the FY16-17 Urban Mass Transit Budget (AF: 134-2016) (Chris McCartt)
 - Ordinance - **Second Reading and Final Adoption**
10. Adopt the FY16-17 Metropolitan Planning Project Grant Budget (AF: 135-2016) (Ryan McReynolds)
 - Ordinance - **Second Reading and Final Adoption**
11. Adopt the FY16-17 School Public Law 93-380 Grant Project Fund Budget (AF: 136-2016) (Jeff Fleming, David Frye)
 - Ordinance - **Second Reading and Final Adoption**
12. Adopt the FY16-17 Special Schools Projects Grant Fund Budget (AF: 137-2016) (Jeff Fleming, David Frye)
 - Ordinance - **Second Reading and Final Adoption**
13. Ordinance Providing for the FY17 Community Development Block Grant Budget (AF: 138-2016) (Lynn Tully)
 - Ordinance - **Second Reading and Final Adoption**
14. Ordinance Providing for the FY17 Emergency Solutions Grant Budget (AF: 139-2016) (Lynn Tully)
 - Ordinance - **Second Reading and Final Adoption**
15. Amending the Code of Ordinances for the City of Kingsport which upon Approval will Prohibit Smoking Anywhere on the Property of the Kingsport Aquatic Center (AF: 163-2016) (Chris McCartt)
 - Ordinance - **Second Reading and Final Adoption**

16. Amending the Code of Ordinances for the City of Kingsport In Order to Add a Section Prohibiting the Use of Electronic Smoking Devices in Any Building Controlled by the City of Kingsport (AF: 164-2016) (Chris McCartt)

- Ordinance - **Second Reading and Final Adoption**

D. OTHER BUSINESS

1. Authorization for City Recorder to Reconcile and Adjust Uncollectible Property Tax for Tax Year 2005 (AF: 160-2016) (Joe May)
 - Resolution
2. Transferring the Use of Condo Number 214 from the Clinchfield Condominium Association to the Kingsport City Schools (AF: 141-2016) (Chris McCartt)
 - Resolution
3. Purchase of Chromebooks for the 4th, 5th, and 6th Grade Students in the Kingsport City School System (AF: 156-2016) (Scott Pierce)
 - Resolution
4. Execute Agreements with Various Agencies and Organizations for Services in Fiscal Year 2016-2017 Benefiting the General Welfare of Kingsport Residents (AF: 177-2016) (Jeff Fleming)
 - Resolution
5. Amend the Fee Resolution for FY 2017 Fees and Charges Provided for in the City Code (AF: 170-2016) (Jeff Fleming)
 - Resolution
6. Award the Sale of Three City-Owned Parcels Which Have Been Declared Surplus Property (AF: 171-2016) (Jim Demming)
 - Resolution
7. Two Replacement School Vans from Auto World of Big Stone Gap (AF: 155-2016) (Steve Hightower)
 - Resolution

E. APPOINTMENTS

1. Reappointment to the Kingsport Regional Planning Commission (AF: 175-2016) (Mayor Clark)
 - Appointment

VII. CONSENT AGENDA

1. Apply For, and Receive, a Best Buy Foundation Community Grant: Teen Potential Through Technology, for the Library (AF: 167-2016) (Morris Baker)
 - Resolution
2. Approve Issuance of Certificates of Compliance for Retail Food Stores to Sell Wine (AF: 169-2016) (Jim Demming)
 - Certificates of Compliance

3. Enter into a Contractual Agreement with the Tennessee Department of Transportation for Reimbursement of Operation Expenses for FY 16-17 (AF: 166-2016) (Chris McCartt)
 - Resolution
4. Enter into a Contractual Agreement with the Tennessee Department of Transportation for Reimbursement of Capital Expenses (AF: 165-2016) (Chris McCartt)
 - Resolution

VIII. COMMUNICATIONS

- A. City Manager
- B. Mayor and Board Members
- C. Visitors
- D. City Recorder, Acknowledgement of Reports on Debt Obligation for the Issuance of \$16,580,000 General Obligation Refunding Bond Series 2016A and \$13,360,000 General Obligation Refunding Bond Series 2016B

Citizens may speak on issue-oriented items. When you come to the podium, please state your name and address and sign the register that is provided. You are encouraged to keep your comments non-personal in nature, and they should be limited to five minutes.

IX. ADJOURN

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, June 6, 2016, 4:30 PM
Auditorium – Kingsport Center for Higher Education

PRESENT: Board of Mayor and Aldermen

Mayor John Clark

Vice-Mayor Mike McIntire

Alderman Darrell Duncan

Alderman Colette George

Alderman Michele Mitchell

Alderman Tommy Olterman

Alderman Tom C. Parham

City Administration

Jeff Fleming, City Manager

Joseph E. May, Interim City Attorney

James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:30 p.m. by Mayor Clark.
2. **PLEDGE OF ALLEGIANCE TO THE FLAG.** Ms. Mary McNabb.
3. **INVOCATION.** Vice-Mayor McIntire.
4. **ROLL CALL:** By City Recorder Demming.
5. **KHRA HOUSING REDEVELOPMENT PLAN.** Maria Catron gave a presentation on this project, noting the mid-town neighborhood is the most concentrated and distressed in the city. She provided details on the scope and timeline of this as well and answered questions from the board. There was some discussion.
6. **MONTHLY REPORT OF SALES TAX, WELLNESS CLINIC, SAFETY & PROJECT STATUS.** City Manager Fleming provided updates on each of these issues. He pointed out that the wellness center is deemed successful at 80% usage and our clinic is at 99%. Additional hours and weekends have been added and the city has still saved \$800,000 to one million dollars by implementing the clinic.
7. **BUDGET REVENUE.** City Manager Fleming summarized the operating and CIP budget and presented recommendations to the board. Mayor Clark then discussed the ONEKingsport initiative and the recommendations that resulted, as well as the responsibilities of the BMA. He outlined the proposed three cent roll back on property taxes and the creation of the \$12.75 per month sanitation fee. Discussion ensued followed by a short break.

When the meeting resumed, City Manager Fleming provided details on the fee comparison and possible discounts which may be available. The floor was then opened to the public. Aundrea Wilcox, Mary Quinn, Matt Story, John Purdue, and Mary McNabb spoke in favor of the fee. Pat Shull, Steven Jones, Ken Marsh, Larry Munsey, Nathan Vaughn, and Bruce Dotson spoke against it.

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of
Kingsport, Tennessee, Monday, June 6, 2016**

8. REVIEW OF AGENDA ITEMS ON THE JUNE 7, 2016 REGULAR BUSINESS MEETING AGENDA. City Manager Fleming and members of staff gave a summary or presentation for each item on the proposed agenda. None of the items were discussed at greater length or received specific questions or concerns.

9. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Clark adjourned the meeting at 7:30 p.m.

ANGELA MARSHALL
Deputy City Recorder

JOHN CLARK
Mayor

Minutes of the Regular Business Meeting of the
Board of Mayor and Aldermen of the City of Kingsport, Tennessee
Tuesday, June 7, 2016, 7:00 PM
Large Court Room – City Hall

PRESENT:

Board of Mayor and Aldermen

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

Alderman Michele Mitchell
Alderman Tommy Olterman
Alderman Tom C. Parham

City Administration

Jeff Fleming, City Manager
Joseph E. May, Interim City Attorney
James Demming, City Recorder/Chief Financial Officer

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor John Clark.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Led by New Vision Youth.
- II.B. **INVOCATION:** Minister Phip Sams, First Christian Church.
- III. **ROLL CALL:** By City Recorder Demming. All Present.
- IV. **RECOGNITIONS AND PRESENTATIONS.**
 1. Kingsport Mets Season Opener (Alderman Olterman).
- V. **APPROVAL OF MINUTES.**

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

- A. May 16, 2016 Regular Work Session
- B. May 17, 2016 Regular Business Meeting
- C. May 27, 2016 Called Business Meeting

Approved: All present voting "aye."

VI. COMMUNITY INTEREST ITEMS.

A. PUBLIC HEARINGS.

1. **Public Hearing and Consideration of an Ordinance to Adopt the FY16-17 Budget** (AF: 131-2016) (Jeff Fleming). Mr. Fleming clarified the board would be voting on a budget that would establish the tax rate and the concept of a garbage fee, of which the details of the fee would have to be amended before the next business meeting. Alderman Olterman, Vice-Mayor McIntire and Alderman George all emphasized that although they were not in favor of the fee, they were still in support of the ONEKingsport initiatives and finding another way to fund those projects.

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PUBLIC COMMENT ON ITEM VI.A.1. Ms. Joanne Harrington spoke against the fee. Ms. Mary McNabb spoke in favor of it. Mr. Roger Mowen and Mr. Lafe Cook spoke to the ONEKingsport initiatives.

Motion/Second: Parham/Mitchell, to pass:

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye" except Olterman, McIntire and George voting "nay."

2. Public Hearing and Consideration of an Ordinance to Adopt the FY16-17 Water Fund Budget (AF: 132-2016) (Ryan McReynolds).

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

Motion/Second: McIntire/Parham, to pass:

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL WATER FUND BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

3. Public Hearing and Consideration of an Ordinance to Adopt the FY16-17 Sewer Fund Budget (AF: 133-2016) (Ryan McReynolds).

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

Motion/Second: McIntire/Parham, to pass:

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL SEWER FUND BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

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

B. BUSINESS MATTERS REQUIRING FIRST READING.

1. Materials Agreement with Danny Karst Related to Edinburgh Phase 9 Development and an Ordinance to Appropriate the Funds (AF: 128-2016) (Ryan McReynolds).

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Motion/Second: Mitchell/Duncan, to pass:

Resolution No. 2016-177, A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A MATERIALS AGREEMENT WITH DANNY KARST RELATED TO EDINBURG PHASE IX DEVELOPMENT AND AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

Motion/Second: McIntire/Parham, to pass:

AN ORDINANCE TO AMEND THE SEWER PROJECT FUND BY TRANSFERRING FUNDS TO THE EDINBURGH PHASE 9 MATERIALS AGREEMENT PROJECT (SW1689); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

2. Amend the FY16 Budgets for Department of Education Active Employees Health Insurance and Department of Education Retiree Health Insurance (AF: 130-2016) (David Frye).

Motion/Second: McIntire/Duncan, to pass:

AN ORDINANCE TO AMEND THE FY 2015-16 BUDGETS FOR KINGSPORT CITY SCHOOLS ACTIVE EMPLOYEES HEALTH INSURANCE FUND AND RETIREE HEALTH INSURANCE FUND; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

3. Amend the FY16 General Purpose School Fund Budget (AF: 129-2016) (David Frye).

Motion/Second: Parham/Mitchell, to pass:

AN ORDINANCE TO AMEND THE FY 2015-16 GENERAL PURPOSE SCHOOL FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

4. Amend the FY16 Schools Federal Projects Fund Budget (AF: 147-2016) (David Frye).

Motion/Second: Mitchell/George, to pass:

AN ORDINANCE TO AMEND THE FY 2016 SCHOOL FEDERAL GRANT PROJECTS FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

5. Amend the FY16 Schools Special Projects Fund Budget (AF: 148-2016) (David Frye).

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Motion/Second: McIntire/Parham, to pass:

AN ORDINANCE TO AMEND THE FY 2016 SCHOOL SPECIAL PROJECTS FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

6. Adopt the FY16-17 Urban Mass Transit Budget (AF: 134-2016)
(Chris McCartt).

Motion/Second: Mitchell/Duncan, to pass:

AN ORDINANCE TO APPROPRIATE URBAN MASS TRANSIT GRANT PROJECT FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

7. Adopt the FY16-17 Metropolitan Planning Project Grant Budget
(AF: 135-2016) (Ryan McReynolds).

Motion/Second: McIntire/George, to pass:

AN ORDINANCE TO APPROPRIATE METROPOLITAN TRANSPORTATION PLANNING GRANT PROJECT FUNDS; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

8. Adopt the FY16-17 School Public Law 93-380 Grant Project Fund Budget (AF: 136-2016) (Jeff Fleming, David Frye).

Motion/Second: Parham/Duncan, to pass:

AN ORDINANCE TO ESTABLISH PL93-380 GRANT PROJECT FUND FOR THE PL93-380 GRANT, TO APPROPRIATE SUCH FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

9. Adopt the FY16-17 Special Schools Projects Grant Fund Budget (AF: 137-2016) (Jeff Fleming, David Frye).

Motion/Second: Duncan/Mitchell, to pass:

AN ORDINANCE TO ESTABLISH SPECIAL SCHOOL GRANT PROJECT FUND 145 FOR SPECIAL SCHOOL PROJECTS GRANT, TO APPROPRIATE SUCH FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

10. Ordinance Providing for the FY17 Community Development Block Grant Budget (AF: 138-2016) (Lynn Tully).

Motion/Second: Mitchell/McIntire, to pass:

AN ORDINANCE TO APPROPRIATE U. S. DEPARTMENT OF HOUSING AND

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URBAN DEVELOPMENT COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
FOR THE FISCAL YEAR ENDING JUNE 30, 2017; AND, TO FIX THE EFFECTIVE
DATE OF THIS ORDINANCE

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

**11. Ordinance Providing for the FY17 Emergency Solutions Grant
Budget (AF: 139-2016) (Lynn Tully).**

Motion/Second: Parham/McIntire, to pass:

AN ORDINANCE TO APPROPRIATE U. S. DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT EMERGENCY SOLUTIONS GRANT FUNDS FOR THE
FISCAL YEAR ENDING JUNE 30, 2017; AND, TO FIX THE EFFECTIVE DATE OF
THIS ORDINANCE

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

**12. Amend the Code of Ordinances for the City of Kingsport to
Prohibit Smoking Anywhere on the Property of the Kingsport Aquatic Center
(AF: 163-2016) (Chris McCartt).**

Motion/Second: McIntire/George, to pass:

AN ORDINANCE AMENDING THE CODE OF ORDINANCES, CITY OF KINGSPORT,
TENNESSEE BY ADDING A SECTION PROHIBITING SMOKING ANYWHERE ON
THE GROUNDS OF THE PROPERTY FOR THE CITY'S AQUATIC CENTER,
INCLUDING, BUT NOT LIMITED TO, INSIDE THE BUILDING, THE OUTDOOR
SWIMMING AREAS, SIDEWALKS, ROADS AND THE PARKING AREAS; 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."

**13. Amend the Code of Ordinances for the City of Kingsport in
Order to Add a Section Prohibiting the Use of Electronic Smoking Devices in Any
Building Controlled by the City of Kingsport (AF: 164-2016) (Chris McCartt).**

Motion/Second: McIntire/George, to pass:

AN ORDINANCE AMENDING THE CODE OF ORDINANCES, CITY OF KINGSPORT,
TENNESSEE ADDING A SECTION PROHIBITING THE USE OF VAPORIZERS, VAPE
PENS, HOOKAH PENS, ELECTRONIC CIGARETTES E-PIPES OR OTHER
ELECTRONIC NICOTINE DELIVERY SYSTEMS OR ELECTRONIC SMOKING
DEVICES IN ANY BUILDING OWNED, LEASED OR CONTROLLED BY THE CITY OR
WITHIN TWENTY-FIVE FEET OF ANY ENTRANCE OR EXIT TO SUCH BUILDING
AND CERTAIN OTHER PROPERTY OWNED, LEASED OR CONTROLLED BY THE
CITY; 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."

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C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.

**1. Annex/Adopt Plan of Services for the Westbrook Drive
Annexation and Amend Zoning (AF: 111-2016) (Jessica Harmon).**

Motion/Second: McIntire/Mitchell, to pass:

ORDINANCE NO. 6568, AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO WESTBROOK DRIVE FROM R-1, SINGLE FAMILY RESIDENTIAL DISTRICT TO R-1B, SINGLE FAMILY RESIDENTIAL IN THE 13TH 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 second reading in a roll call vote: Clark, Duncan, George, McIntire, Mitchell, Olterman and Parham voting "aye."

**2. Amend Zoning Code to Add Indoor Climate-Controlled Storage
as a Principal Use for Existing Buildings Only in the B-1 Zone (AF: 110-2016)
(Ken Weems).**

Motion/Second: McIntire/Parham, to pass:

ORDINANCE NO. 6569, AN ORDINANCE TO FURTHER AMEND THE CODE OF ORDINANCES, CITY OF KINGSFORT, TENNESSEE, SECTION 114-193 (a); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

**3. Budget Cleanup Ordinance for FY16 (AF: 118-2016)
(Jeff Fleming)**

Motion/Second: Duncan/Parham, to pass:

ORDINANCE NO. 6570, AN ORDINANCE TO AMEND VARIOUS PROJECTS FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

**4. Award Contract and Budget Ordinance to Transfer Funds and
for Sanitary Sewer Facilities and Waterline Upgrades – Colonial Heights Phase 3
Project (AF: 121-2016) (Ryan McReynolds, Chad Austin)**

Motion/Second: McIntire/Parham, to pass:

ORDINANCE NO. 6571, AN ORDINANCE TO AMEND THE WATER PROJECT FUND BUDGETS BY TRANSFERRING FUNDS TO THE COLONIAL HEIGHTS PHASE 3 PROJECT FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

D. OTHER BUSINESS.

**1. Reimbursement of Materials Agreement Funds to Danny Karst
for Edinburgh Phase II Section 1A (AF: 119-2016) (Ryan McReynolds).**

Motion/Second: McIntire/Mitchell, to pass:

**Resolution No. 2016-178, A RESOLUTION AUTHORIZING REIMBURSEMENT OF
MATERIALS AGREEMENT FUNDS TO DANNY KARST FOR EDINBURGH PHASE II
SECTION 1A**

Passed: All present voting "aye."

**2. Reimbursement of Materials Agreement Funds to Danny Karst
for Edinburgh Phase 2 Section 2 (AF: 120-2016) (Ryan McReynolds).**

Motion/Second: Parham/Duncan, to pass:

**Resolution No. 2016-179, A RESOLUTION AUTHORIZING REIMBURSEMENT OF
MATERIALS AGREEMENT FUNDS TO DANNY KARST FOR EDINBURGH PHASE 2
SECTION 2**

Passed: All present voting "aye."

**3. Approve the Rental House Agreement (AF: 154-2016)
(David Frye).**

Motion/Second: Duncan/Mitchell, to pass:

**Resolution No. 2016-180, A RESOLUTION APPROVING AN AGREEMENT WITH
ERIC BAKER FOR A HOUSE LOCATED AT 1466 WILLOW STREET, 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."

**4. Approve an Offer for Real Property and Approve Tennessee
Department of Transportation Agreement of Sale (AF: 140-2016)
(Ryan McReynolds).**

Motion/Second: Parham/McIntire, to pass:

**Resolution No. 2016-181, A RESOLUTION APPROVING AN OFFER FOR THE
PURCHASE OF A TRACT OF REAL PROPERTY FOR THE GREENBELT
PEDESTRIAN BRIDGE PROJECT; APPROVING TENNESSEE DEPARTMENT OF
TRANSPORTATION'S PURCHASE AGREEMENT; AND AUTHORIZING THE MAYOR
TO EXECUTE AN AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND
PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION**

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Passed: All present voting "aye."

E. APPOINTMENTS/REAPPOINTMENTS.

1. Appointment to the Historic Zoning Commission
(AF: 125-2016) (Mayor Clark).

Motion/Second: George/McIntire, to approve:
APPOINTMENT OF MS. DINEEN WEST TO SERVE ON THE **HISTORIC ZONING COMMISSION**. THIS APPOINTMENT FILLS MR. DAVID OAKS' UNEXPIRED TERM AND IS EFFECTIVE IMMEDIATELY AND WILL EXPIRE ON JUNE 30, 2017.

Passed: All present voting "aye."

2. Appointment to the Public Art Committee (AF: 116-2016)
(Mayor Clark).

Motion/Second: Mitchell/McIntire, to approve:
APPOINTMENT OF MS. CHRISSY IDLETTE TO SERVE ON THE **PUBLIC ART COMMISSION**. THIS APPOINTMENT FILLS JANELLE SWAFFORD'S UNEXPIRED TERM AND IS EFFECTIVE IMMEDIATELY AND WILL EXPIRE ON DECEMBER 31, 2017.

Passed: All present voting "aye."

3. Appointment to the Kingsport Regional Planning Commission
(AF: 161-2016) (Mayor Clark).

Motion/Second: McIntire/George, to approve:
APPOINTMENT OF MR. PAT BREEDING TO SERVE ON THE **REGIONAL PLANNING COMMISSION**. THIS APPOINTMENT FILLS THE UNEXPIRED VACANCY OF DENNIS WARD AND IS EFFECTIVE IMMEDIATELY AND WILL EXPIRE ON JUNE 01, 2017.

Passed: All present voting "aye."

VII. CONSENT AGENDA. (*These items are considered under one motion.*)

Motion/Second: Parham/McIntire, to adopt:

1. Approval of Easements and Right-of-Ways for SR 75 Water Line Replacement Project (AF: 124-2016) (Ryan McReynolds).

Approve:
OFFERS FOR EASEMENTS AND RIGHTS-OF-WAY FOR THE SR 75 WATER LINE REPLACEMENT PROJECT

Passed: All present voting "aye."

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2. Execute the Annual Renewal of the Public Library Service Agreement with the Tennessee State Library and Archives for Services via Holston River Regional Library (AF: 127-2016) (Morris Baker).

Pass:

Resolution No. 2016-182, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE THE ANNUAL RENEWAL OF THE PUBLIC LIBRARY SERVICE AGREEMENT WITH THE TENNESSEE STATE LIBRARY AND ARCHIVES TO RECEIVE FUNDING FOR BOOKS AND TRAINING AND FOR SERVICES THROUGH THE HOLSTON RIVER REGIONAL LIBRARY SYSTEM FOR FISCAL YEAR 2016/2017

Passed: All present voting "aye."

3. Amend the Contract between the City of Kingsport and the Tennessee Department of Environment and Conservation (TDEC) (AF: 122-2016) (Ryan McReynolds).

Pass:

Resolution No. 2016-183, A RESOLUTION APPROVING AN AMENDMENT TO THE CONTRACT IN LIEU OF PERFORMANCE BOND WITH THE TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION INCREASING THE AMOUNT OF FINANCIAL ASSURANCE FOR THE LANDFILL; AND AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT OR THIS RESOLUTION

Passed: All present voting "aye."

4. Bid Award for the Purchase of Unleaded Gasoline to Mansfield Oil Co. of Gainesville (AF: 142-2016) (Chris McCartt, Steve Hightower).

Pass:

Resolution No. 2016-184, A RESOLUTION AWARDED THE BID FOR PURCHASE OF UNLEADED GASOLINE FOR USE IN CITY EQUIPMENT FOR FISCAL YEAR 2017 TO MANSFIELD OIL COMPANY OF GAINESVILLE AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR THE SAME

Passed: All present voting "aye."

5. Bid Award for the Purchase of Ultra Low Sulfur Diesel Fuel to Mansfield Oil Co. of Gainesville (AF: 143-2016) (Chris McCartt, Steve Hightower).

Pass:

Resolution No. 2016-185, A RESOLUTION AWARDED THE BID FOR PURCHASE OF ULTRA LOW SULFUR DIESEL FUEL FOR USE IN CITY EQUIPMENT AND VEHICLES TO MANSFIELD OIL COMPANY OF GAINESVILLE AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR THE SAME

Passed: All present voting "aye."

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6. Bid Award for the Purchase of Asphalt for Use by All City Departments to W-L Construction and Paving Co., Inc., Pavewell Paving Co., Inc., and Summers-Taylor, Inc. (AF: 144-2016) (Ryan McReynolds, Chris McCartt).

Pass:

Resolution No. 2016-186, A RESOLUTION AWARDED THE BID FOR PURCHASE OF ASPHALT TO W-L CONSTRUCTION AND PAVING COMPANY, INC., PAVEWELL PAVING COMPANY, INC. AND SUMMERS-TAYLOR, AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR THE SAME

Passed: All present voting "aye."

7. Bid Award for the Purchase of Crushed Stone for Use by All City Departments to Vulcan Construction Materials, LP and Aggregates USA, LLC (AF: 145-2016) (Ryan McReynolds, Chris McCartt).

Pass:

Resolution No. 2016-187, A RESOLUTION AWARDED THE BID FOR PURCHASE OF CRUSHED STONE TO VULCAN CONSTRUCTION MATERIALS, LP AND AGGREGATES USA, LLC AND AUTHORIZING THE CITY MANAGER TO EXECUTE BLANKET PURCHASE ORDERS FOR THE SAME

Passed: All present voting "aye."

8. Bid Award for the Purchase of Copier Paper to Supplyworks, Inc. (AF: 146-2016) (Chris McCartt, Sandy Crawford).

Pass:

Resolution No. 2016-188, A RESOLUTION AWARDED THE BID FOR PURCHASE OF COPIER PAPER FOR FISCAL YEAR 2017 FOR USE BY THE CITY, INCLUDING THE CITY SCHOOLS, TO SUPPLYWORKS, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR THE SAME

Passed: All present voting "aye."

9. Extend the Award to Purchase Janitorial Supplies & Equipment from Supplyworks for FY17 (AF: 149-2016) (Chris McCartt, Sandy Crawford).

Pass:

Resolution No. 2016-189, A RESOLUTION AUTHORIZING AN AGREEMENT WITH SUPPLYWORKS FOR VARIOUS JANITORIAL ITEMS; AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE AGREEMENT; AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS

Passed: All present voting "aye."

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10. Bid Award for the Purchase of Two (2) Combination Jet/Vacuum Sewer Line Cleaner Trucks (AF: 150-2016) (Chris McCartt, Ryan McReynolds, Steve Hightower).

Pass:

Resolution No. 2016-190, A RESOLUTION AWARDED THE BID FOR THE PURCHASE OF TWO COMBINATION JET/VACUUM SEWER LINE CLEANER TRUCKS TO STRINGFELLOW, INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

Passed: All present voting "aye."

11. Amendment to Agreement with KBC Distributing, LLC (AF: 151-2016) (Jennifer Walker).

Pass:

Resolution No. 2016-191, A RESOLUTION AMENDING THE AGREEMENT WITH KBC DISTRIBUTING, LLC FOR BEADED YOGURT ITEMS FOR USE BY KINGSFORT SCHOOL NUTRITION PROGRAM AND AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT TO THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

Passed: All present voting "aye."

12. Amendment to Agreement with Crook Brothers (AF: 152-2016) (Jennifer Walker).

Pass:

Resolution No. 2016-192, A RESOLUTION AMENDING THE AGREEMENT WITH CROOK BROTHERS FOR PRODUCE ITEMS FOR USE BY KINGSFORT SCHOOL NUTRITION PROGRAM AND AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT TO THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

Passed: All present voting "aye."

13. Authorization to Issue a Blanket Order to Purchase Replacement Textbooks for the Kingsport City Schools (AF: 153-2016) (David Frye).

Pass:

Resolution No. 2016-193, A RESOLUTION AUTHORIZING THE PURCHASE OF REPLACEMENT TEXTBOOKS BY THE KINGSFORT CITY SCHOOL SYSTEM AND AUTHORIZING THE CITY MANAGER TO EXECUTE A BLANKET PURCHASE ORDER FOR THE SAME

Passed: All present voting "aye."

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**14. Contract with the Virginia Department of Transportation
Accepting Federal and State Funds on Behalf of the Kingsport MTPO
(AF: 159-2016) (Bill Albright).**

Pass:

Resolution No. 2016-194, A RESOLUTION APPROVING A LETTER OF AUTHORIZATION BETWEEN THE CITY OF KINGSFORT AND THE VIRGINIA DEPARTMENT OF TRANSPORTATION TO RECEIVE FEDERAL HIGHWAY ADMINISTRATION PLANNING FUNDS FOR USE BY THE KINGSFORT AREA METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION FOR THE FISCAL YEAR 2017; AUTHORIZING THE MAYOR TO EXECUTE THE SAME; AND AUTHORIZING THE MAYOR TO EXECUTE ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE LETTER OF AUTHORIZATION

Passed: All present voting "aye."

**15. Apply for and Receive a Grant for \$22,193 from the Department
of Justice Edward Byrne Memorial Justice Assistance Program (JAG) FY16 Local
Solicitation (AF: 126-2016) (Chief Quillin).**

Pass:

Resolution No. 2016-195, A RESOLUTION APPROVING AN APPLICATION FOR AND RECEIPT OF A UNITED STATES DEPARTMENT OF JUSTICE BUREAU OF JUSTICE ASSISTANCE EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE PROGRAM FISCAL YEAR 2016 LOCAL SOLICITATION GRANT AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER FOR SUCH APPLICATION AND RECEIPT OF GRANT FUNDS

Passed: All present voting "aye."

**16. Enter into a Contractual Agreement with the Tennessee
Department of Transportation for Reimbursement of Capital Expenses
(AF: 158-2016) (Chris McCartt).**

Pass:

Resolution No. 2016-196, A RESOLUTION APPROVING AN AGREEMENT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR REIMBURSEMENT OF CAPITAL FUNDS, 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."

**17. Approve Issuance of Certificates of Compliance for Retail
Food Stores to Sell Wine (AF: 157-2016) (Jim Demming).**

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Approve:

ISSUANCE OF CERTIFICATES OF COMPLIANCE FOR RETAIL FOOD STORES TO
SELL WINE

Passed: All present voting "aye."

VIII. COMMUNICATIONS.

- A. CITY MANAGER.** Mr. Fleming gave details on an upcoming fundraiser for Keep Kingsport Beautiful. He also stated he would be driving to Atlanta tomorrow to see Risk Manager Terri Evans inducted as President of the Public Risk Management Association.
- B. MAYOR AND BOARD MEMBERS.** Alderman Duncan congratulated Alderman George on her groundbreaking today and her investment in Kingsport. He stated his tie was signed members of the Kingsport Senior Center, giving details on the organization. He pointed out it was one of only five accredited senior centers in the state. Lastly he invited everyone to the downtown concert series. Alderman Mitchell commented on an upcoming event on June 11 called Game Plan, where successful football players, including Josh Dobbs, will tell their stories via a question and answer panel. Alderman Parham stated they have went a year at the animal shelter without euthanizing a dog, inviting everyone to a fundraiser in Bristol at Holston Brewery this weekend. He also commented positively on the dialogue and decisions from the board members regarding the budget. Alderman Olterman stated he had the opportunity to attend the Cody Sensabaugh camp and was able to present proclamations on there on behalf of the board. Alderman George on commented on the ceremony at the Veteran's Memorial on Memorial Day and expressing her gratitude to all the veterans, noting there were many in the area. Vice-Mayor thanked the citizens for expressing their opinions to the board members, no matter what they may be in the last couple of weeks. Mayor Clark stated KCVB is preparing for a big month in July, expecting to bring over 10,000 people into the city through conventions and tournaments with a positive impact of almost ten million dollars. He stated Healthy Kingsport, along with two other cities, received official recognition from the governor last week in Loudon as a pilot program for Healthy Tennessee. He also thanked the board for wrestling with the tough issues, their hard work and diligence, as well as dealing with the community and voting their conscience.
- C. VISITORS.** Mary McNabb made comments.

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IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Clark adjourned the meeting at 9:13 p.m.

ANGELA MARSHALL
Deputy City Recorder

JOHN CLARK
Mayor



AGENDA ACTION FORM

Accept the State of Tennessee Department of Health Project Diabetes Grant and Appropriate Funds

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

Action Form No.: AF-173-2016
 Work Session: June 20, 2016
 First Reading: June 21, 2016

Final Adoption: July 5, 2016
 Staff Work By: Robin DiMona
 Presentation By: Morris Baker

Recommendation:

Approve the Resolution and Ordinance for the Project Diabetes Grant.

Executive Summary:

The City of Kingsport was awarded a \$450,000 grant from the State of TN Department of Health for Project Diabetes. The intent of the project is to move the needle towards a Healthier Tennessee. Grant funding of \$150,000 per year will be distributed over a three year cycle with no match required. Funding will provide and improve infrastructure components to the oldest most centralized park named "Borden Park". By adding new infrastructure amenities to the park, and working alongside our many partners, we can provide fitness opportunities for "play" engaging all ages, and economic backgrounds, a diversity of physical fitness opportunities, education, and wellness programs. Infrastructure improvements will include a walking trail, fitness play areas, and water fountain refill stations. The City of Kingsport was one of twenty (20) projects awarded from more than 100 applicants.

Attachments:

1. Resolution
2. Ordinance

Funding source appropriate and funds are available: *js*

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL
DOCUMENTS NECESSARY AND PROPER TO RECEIVE A
PROJECT DIABETES INITIATIVE SERVICES GRANT FROM THE
STATE OF TENNESSEE DEPARTMENT OF HEALTH

WHEREAS, the city has received a Project Diabetes Initiative grant from the State of Tennessee Department of Health; and

WHEREAS, the grant funds will provide and improve infrastructure components to Borden Park; and

WHEREAS, some of the infrastructure improvements will include a walking trail, fitness play areas, and water fountain refill stations

WHEREAS, the maximum amount of the grant award is \$450,000.00, funded at \$150,000.00 per year over three years, and requires no match;

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to receive a Project Diabetes Initiative grant from the State of Tennessee Department of Health in the amount of \$450,000.00, and which will require no match.

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 agreement with State of Tennessee Department of Health and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution, said agreement being as follows:

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

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Health, hereinafter referred to as the "State" or the "Grantor State Agency" City of Kingsport, hereinafter referred to as the "Grantee," is for the provision of Project Diabetes Initiative Services, 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. Service Definitions.

a. The three (3) Grand Divisions of the State are the Eastern, Middle and Western, as defined by Tennessee Code Annotated § 4-1-201 through § 4-1-203.

b. Healthy foods are those food items recommended for increased use by the *Dietary Guidelines for Americans, 2015-2020*, published by the U.S. Departments of Agriculture and Health and Human Services and detailed at: <http://health.gov/dietaryguidelines/2015/guidelines/>

A.3. Service Goal. To reduce the incidence of overweight, obesity, pre-diabetes and/or diabetes in Tennessee.

A.4. Service Recipients. Those who are or who are at risk being overweight, obese, pre-diabetic or diabetic in Tennessee.

A.5. Service Description. The Grantee shall provide services, with measurable outcomes, as specified in its approved Project Diabetes Initiative proposal as set forth in Attachment 1 and incorporated herein by reference. The Grantee shall:

a. Incorporate, at a minimum, one (1) of two (2) strategies recommended by the Institute of Medicine (IOM) in its report *Accelerating Progress in Obesity Prevention: Solving the Weight of the Nation* into its program goals and objectives to reduce the level of obesity and the incidence of diabetes in its targeted population. Those strategies are:

(1) Make physical activity an integral and routine part of life; and

(2) Create food and beverage environments that ensure that healthy food and beverage options are the routine, easy choice.

b. Clearly define the methodology of the program and the evidence to support the method of intervention(s);

c. Provide a detailed timeline of the proposed activities, including responsible parties and dates;

d. Evaluate the implemented objective(s) and strategy (ies) using metrics defined and detailed in its approved Project Diabetes Initiative proposal;

e. Submit to the State a success story resulting from the project by the end of the Grant term. The Grantee shall submit to the State an original signed release form for any participant pictured and/or featured in its success story;

f. Participate annually in a one (1) day technical assistance meeting to be held in the Grantee's Grand Division of the State (in Knoxville, Nashville, or Jackson, as applicable).

The State shall provide the location for the one (1) day meeting; and

g. Annually provide, at a minimum, one (1) presentation of activities undertaken through this Grant. In this presentation, the Grantee shall provide information on effective methods used in its project. The State shall provide the location for the meeting.

A.6. Service Reporting. The Grantee shall submit quarterly progress reports, in a format provided by the State, no later than thirty (30) days following the end of each calendar quarter and will provide data from a menu of outcome metrics as provided by the State. The Grantee shall submit an annual report no later than July 31 of each year of the contract which evaluates in detail the health impact of its program strategies and outcomes.

A.7. 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 State grant proposal solicitation as may be amended, if any;

c. the Grantee's approved proposal (Attachment 1) incorporated to elaborate supplementary scope of services specifications.

B. TERM OF CONTRACT:

This Grant Contract shall be effective for the period beginning on July 1, 2016 ("Effective Date") and ending on June 30, 2019, ("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 Four Hundred Fifty Thousand Dollars (\$450,000) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment 2 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 (Attachment 3) 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:

Joan Cook, MS, RD, Project Diabetes Division of Family Health and Wellness
Tennessee Department of Health Andrew Johnson Tower, 8th Floor 710 James Robertson Parkway
Nashville, TN 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: TN Department of Health/ Division of Family Health and Wellness.
- (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) An invoice under this Grant Contract shall be presented to the State within thirty

(30) days after the end of the calendar month in which the subject costs were incurred or services were rendered by the Grantee. An invoice submitted more than thirty (30) days after such date will NOT be paid. The State will not deem such Grantee costs to be allowable and reimbursable by the State unless, at the sole discretion of the State, the failure to submit a timely invoice is warranted. The Grantee shall submit a special, written request for reimbursement with any such untimely invoice. The request must detail the reason the invoice is untimely as well as the Grantee's plan for submitting future invoices as required, and it must be signed by a Grantee agent that would be authorized to sign this Grant Contract.

C.6. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may move up to twenty percent (20%) of a line-item amount to another line item category provided that any increase is off-set by an equal reduction of other line-item amount(s) and the total Grant Contract amount detailed by the Grant Budget does not increase. An increase of any line item funded at zero dollars (\$0.00) shall require prior approval of the Grantor State Agency.

C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit a grant disbursement reconciliation report within thirty (30) days following the end of each quarter and a final invoice and a final grant disbursement reconciliation report within forty-five (45) days of the Grant Contract end date and in form and substance acceptable to the State (Attachment 4).

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:

Joan Cook, MS, RD, Project Diabetes Division of Family Health and Wellness
Tennessee Department of Health Andrew Johnson Tower, 8th Floor 710 James Robertson Parkway
Nashville, TN 37243

Email Address: Joan.Cook@tn.gov Telephone #: (615) 253-8745

FAX #: (615) 532-7189

The Grantee:

John Clark, Mayor City of Kingsport
225 West Center Street Kingsport, TN 37660-4285

Email Address: JohnClark@Knigsporttn.gov Telephone: (423) 229-9419

FAX: (423) 229-9350

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 5 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 6.

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. State Liability. The State shall have no liability except as specifically provided in this Grant Contract.

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. 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. Manufacturer's serial number or other identification number, when applicable;
- c. Consecutive inventory equipment or motor vehicles tag identification;
- 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. 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.

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. 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.

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. 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.5. 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.6. Healthy Eating Requirements. Grant recipients who purchase or serve snacks or meals in conjunction with their performance under this Grant Contract shall provide only healthy foods. No high sugar beverage shall be served at any time. Fruits and vegetables shall be given preference in menu selections.

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

SECTION 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 public.

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

ADOPTED this the 21st day of June, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL
PROJECT FUND BUDGET BY APPROPRIATING
GRANT FUNDS RECEIVED FROM THE
TENNESSEE DEPARTMENT OF HEALTH FOR THE
YEAR ENDING JUNE 30, 2016; AND TO FIX THE
EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Project Fund budget be amended by appropriating grant funds received from the Tennessee Department of Health in the amount of \$450,000 to the Project Diabetes (GP1700). The grant funds will be distributed over a three year period and does not require a local match.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 311: General Project Fund			
Project Diabetes (GP1700)			
<u>Revenues:</u>	\$	\$	\$
311-0000-332-8700 TN. Dept. of Health	0	450,000	450,000
Totals:	0	450,000	450,000
<u>Expenditures:</u>	\$	\$	\$
311-0000-601-3020 Operating Supplies & Tools	0	13,000	13,000
311-0000-601-9003 Improvements	0	437,000	437,000
Totals:	0	450,000	450,000

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

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

ANGIE MARSHALL
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Amend Chapter 86 Solid Waste in Code of Ordinances

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

Action Form No.: AF-172-2016
 Work Session: June 20, 2016
 First Reading: June 21, 2016

Final Adoption: July 5, 2016
 Staff Work By: Ryan McReynolds
 Presentation By: Michael Thompson

Recommendation:

Approve the Ordinance.

Executive Summary:

The attached ordinance amends the Code of Ordinances to provide for the establishment, by resolution, of fees for garbage and trash service, landfill fees and any permit fees applicable to any activity under the provisions of chapter 86 of the code pertaining to solid waste.

Attachments:

1. Ordinance

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

PRE-FILED CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, BY ADDING A SECTION TO CHAPTER 86, ARTICLE I, AUTHORIZING THE BOARD OF MAYOR AND ALDERMEN TO ESTABLISH FEES FOR GARBAGE, TRASH SERVICE AND LANDFILL FEES BY RESOLUTION; AND FIXING THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended by adding a section, to be numbered 86-6, which section reads as follows:

Sec. 86-6. Fees.

The board of mayor and aldermen may from time to time establish by resolution all garbage, trash services, landfill fees and any permit fees applicable to any activity under the provisions of this chapter of the code.

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

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

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



AGENDA ACTION FORM

Budget Cleanup Ordinance for FY16

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

Action Form No.: AF-174-2016
 Work Session: June 20, 2016
 First Reading: June 21, 2016

Final Adoption: July 5, 2016
 Staff Work By: Judy Smith
 Presentation By: Jeff Fleming

Recommendation:

Approve the Ordinance.

Executive Summary:

This ordinance will close old projects by transferring \$38,250 to FTA397 to purchase buses for Transit, by transferring \$115,547 to the new Transit Center project and close FTA 368.

Funds will be transferred from the Water Pump Station Generator project (WA1201) in the amount of \$102,785 to the Water SCADA Improvements project and close project WA1201.

Funds in the amount of \$228,768 will be transferred from the Motor Control Replace project (SW1506) to the WWTP Improvements project (SW1700) and close SW1506.

This ordinance will appropriate \$25,000 from concession revenue to the Parks and Recreation Athletic Division to purchase supplies for concessions.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: 

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

ORDINANCE NO. _____

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

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

SECTION I. That the General Fund budget be amended by appropriating \$25,000 from concession receipts revenue to the Parks and Recreation Athletics Division to purchase supplies for concessions.

SECTION II. That the Water Project Fund budgets be amended by transferring \$70,000 from the Water Fund operating budget to the Waterline Improvements project (WA1507) and by transferring \$102,785 from the Water Pump Station Generator project (WA1201) to the Water SCADA Improvements project (WA1700).

SECTION III. That the Sewer Project Fund budget be amended by transferring \$228,768 from the Motor Control Center Replace project (SW1506) to the WWTP Improvements project (SW1700).

SECTION IV. That the Urban Mass Transit Project Fund budgets be amended by transferring \$38,250 to FTA397 for the local match to purchase buses and by transferring \$115,547 to FTA162 to the Transit Center project from TN-90-X368 Grant FY14 (FTA368).

<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>	\$	\$	\$
110-0000-341-1060 Concession Receipts	155,000	25,000	180,000
<i>Totals:</i>	155,000	25,000	180,000
<u>Expenditures:</u>	\$	\$	\$
110-4504-471-3190 Food & Supply Purchases	105,500	25,000	130,500
<i>Totals:</i>	105,500	25,000	130,500

Fund 123: Urban Mass Transit Asst. Fund
TN-90-X368 Grant FY14 (FTA368)

<u>Revenues:</u>	\$	\$	\$
123-0000-331-2000 Fed Rev/UMTA Sect 9	675,250	0	675,250
123-0000-332-9000 Dept. of Transportation	321,125	153,819	474,944
123-0000-365-2009 Bus Fares	50,000	13,109	63,109
123-0000-365-2100 ADA Paratransit	30,000	(3,153)	26,847
123-0000-368-1500 Rental of Land & Building	49,000	0	49,000
123-0000-368-9900 Miscellaneous	0	8,675	8,675
123-0000-391-0100 From General Fund	321,125	(153,797)	167,328
<i>Totals:</i>	1,446,500	18,653	1,465,153

Expenditures:

	\$	\$	\$
123-5901-602-1010 Salaries & Wages	675,000	22,538	697,538
123-5901-602-1011 Overtime	15,000	12,976	27,976
123-5901-602-1020 Social Security	50,000	(163)	49,837
123-5901-602-1030 Group Health Ins.	90,000	(17,238)	72,762
123-5901-602-1040 Retirement	80,000	(6,691)	73,309
123-5901-602-1050 Life Insurance	2,000	(136)	1,864
123-5901-602-1052 Long Term Disability	2,000	(1,519)	481
123-5901-602-1060 Workmen's Comp	20,000	2,330	22,330
123-5901-602-1061 Unemployment	1,000	212	1,212
123-5901-602-2010 Advertising & Publication	5,000	625	5,625
123-5901-602-2011 Printing & Binding	12,000	(5,102)	6,898
123-5901-602-2020 Professional Consultant	20,000	(20,000)	0
123-5901-602-2021 Accounting & Auditing	5,000	(3,800)	1,200
123-5901-602-2030 Electric Service	10,000	(3,321)	6,679
123-5901-602-2033 Water & Sewer Service	2,000	(222)	1,778
123-5901-602-2034 Telephone	10,000	(2,839)	7,161
123-5901-602-2036 Natural Gas	5,000	(2,630)	2,370
123-5901-602-2040 Travel Exp	8,000	5,066	13,066
123-5901-602-2041 Registration Fees/Tuition	2,500	2,795	5,295
123-5901-602-2042 Personal Vehicle Reimburse.	300	(300)	0
123-5901-602-2043 Dues & Membership	8,000	(2,003)	5,997
123-5901-602-2044 Literature/Subscriptions	2,000	(1,427)	573
123-5901-602-2045 Training	3,000	(3,000)	0
123-5901-602-2052 Medical Services	2,000	(692)	1,308
123-5901-602-2054 Machinery/Equip Rental	5,000	(1,556)	3,444
123-5901-602-2055 Repairs & Maintenance	15,000	(6,271)	8,729
123-5901-602-2056 Repair & Maint- Vehicles	210,000	22,442	232,442
123-5901-602-2069 Storm Water Fee	200	0	200
123-0000-602-2075 Temporary Employees	10,000	3,853	13,853
123-0000-602-2099 Miscellaneous Exp.	45,000	19,145	64,145
123-5901-602-3010 Office Expense	6,000	6,853	12,853
123-5901-602-3011 Postage	1,000	(451)	549
123-5901-602-3012 Food	1,500	(465)	1,035
123-5901-602-3020 Operating Supplies & Tools	35,000	19,245	54,245
123-5901-602-3022 Maintenance Supplies	6,000	(2,591)	3,409
123-5901-602-3026 Sign Parts & Supplies	5,000	(5,000)	0
123-5901-602-3029 Clothing & Uniforms	13,000	(5,880)	7,120
123-5901-602-3044 Motor Pool Charges	1,000	(1,000)	0
123-5901-602-5010 Insurance/Buildings	4,000	(4,000)	0
123-5901-602-5026 Vehicle Ins. Chgd by Fleet	4,000	(1,130)	2,870
123-5901-602-9006 Purchases Over \$5,000	55,000	0	55,000
Totals:	1,446,500	18,653	1,465,153

Fund 123: Urban Mass Transit Asst. Fund
TN-90-X397 Grant (FTA397)

Revenues:

	\$	\$	\$
123-0000-331-2000 Fed Rev/UMTA Sect 9	0	373,500	373,500
123-0000-332-9000 Dept. of Transportation	0	38,250	38,250
123-0000-391-0100 From General Fund	0	38,250	38,250
Totals:	0	450,000	450,000

Expenditures:

	\$	\$	\$
123-5901-602-9006 Purchases Over \$5,000	0	450,000	450,000
Totals:	0	450,000	450,000

Fund 123: Urban Mass Transit Asst. Fund
TN-5097-2016-2 (FTA162)

Revenues:

	\$	\$	\$
123-0000-391-0100 From General Fund	0	115,547	115,547
Totals:	0	115,547	115,547

Expenditures:

	\$	\$	\$
123-0000-602-2023 Arch/Eng/Landscaping	0	115,547	115,547
Totals:	0	115,547	115,547

Fund 411: Water Fund

Expenditures:

	\$	\$	\$
411-5004-501-1019 Request for New Positions	41,000	(41,000)	0
411-5004-501-2020 Professional Consultant	193,582	(29,000)	164,582
411-6996-696-7601 Water Project Fund	1,230,000	70,000	1,300,000
Totals:	1,464,582	0	1,464,582

Fund 451: Water Project Fund
Waterline Improvements(WA1507)

Revenues:

	\$	\$	\$
451-0000-391-4500 From Water Fund	1,182,757	70,000	1,252,757
Totals:	1,182,757	70,000	1,252,757

Expenditures:

451-0000-605-9021 New Dist. Lines	30,000	(12,500)	17,500
451-0000-605-9022 Hydrants	80,000	(22,000)	58,000
451-0000-605-9023 New Meters	290,151	55,000	345,151
451-0000-605-9024 Replacement Meters	100,000	(3,500)	96,500
451-0000-605-9025 Replacement Dist. Lines	682,606	53,000	735,606

Totals:

1,182,757	70,000	1,252,757
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Fund 451: Water Project Fund**WA Pump Station Generator (WA1201)****Revenues:**

451-0000-391-0527 Series 2012C GO Pub Imp
451-0000-391-4500 From Water Fund

Totals:

\$	\$	\$
200,000	0	200,000
450,000	(102,785)	347,215
650,000	(102,785)	547,215

ncExpenditures:

451-0000-605-9006 Purchases Over \$5,000

Totals:

650,000	(102,785)	547,215
650,000	(102,785)	547,215

Fund 451: Water Project Fund**Water SCADA Improvements (WA1700)****Revenues:**

451-0000-391-4500 From Water Fund

Totals:

\$	\$	\$
0	102,785	102,785
0	102,785	102,785

Expenditures:

451-0000-605-2022 Construction Contracts
451-0000-605-2023 Arch/Eng/Landscaping

Totals:

\$	\$	\$
0	97,785	97,785
0	5,000	5,000
0	102,785	102,785

Fund 452: Sewer Fund**Motor Control Ctr Replace (SW1506)****Revenues:**

452-0000-391-0531 Series 2014B GO Bonds

Totals:

\$	\$	\$
471,000	(228,768)	242,232
471,000	(228,768)	242,232

Expenditures:

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

Totals:

\$	\$	\$
30,000	(30,000)	0
441,000	(198,768)	242,232
471,000	(228,768)	242,232

Fund 452: Sewer Fund**WWTP Improvements (SW1700)****Revenues:**

452-0000-391-0531 Series 2014B GO Bonds

Totals:

\$	\$	\$
0	228,768	228,768
0	228,768	228,768

Expenditures:

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

Totals:

\$	\$	\$
0	7,000	7,000
0	221,768	221,768
0	228,768	228,768

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

ATTEST:

JOHN CLARK, Mayor

APPROVED AS TO FORM:

JAMES H. DEMMING, City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

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



AGENDA ACTION FORM

Consideration of an Ordinance to Adopt the FY16-17 Budget

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

Action Form No.: AF-131-2016
Work Session: June 6, 2016
First Reading: June 7, 2016

Final Adoption: June 21, 2016
Staff Work By: Judy Smith
Presentation By: Jeff Fleming

Recommendation:

Approve the Ordinance.


Executive Summary:

The attached budget ordinance incorporates the budget that was presented to the BMA at the May 10 budget work session. As required by charter, it was published in the Times News on May 25, 2016.

The total revenue and expenditures less transfers (duplicates) for the FY16-17 budget for all funds are \$166,589,523. This excludes the water, sewer, and grant project funds. A separate ordinance for these funds will be presented.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: 

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

PRE-FILED CITY RECORDER

Revised 6/17/16

ORDINANCE _____

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Section I. That the revenue received from the sources of income shown in the following summary of estimated revenues and expenditures for each fund of the City's annual operating budget for the fiscal year beginning July 1, 2016 and ending June 30, 2017 are hereby appropriated for the various purposes set out in the budget detail on file in the Offices of the City Manager and City Recorder.

The estimated revenues for the total FY16-17 Budget of \$220,826,610 less inter-fund transfers, \$54,231,087, Net Total Budget Revenues \$166,589,523, are hereby appropriated.

The estimated expenditures for the Total FY16-17 Budget of \$220,826,610 less inter-fund transfers \$54,231,087, Net Total Budget Expenditures \$166,589,523 are hereby appropriated.

Estimated Revenues and Appropriations for the Fiscal Period July 1, 2016 - June 30, 2017

110- General Fund

<u>Revenues</u>		<u>Expenditures</u>	
Property Taxes	\$40,113,300	Legislative	\$160,200
Gross Receipts Taxes	8,738,300	General Government	10,660,901
Licenses & Permits	466,800	Development Services Dept.	1,566,500
Fines & Forfeitures	789,000	Leisure Services Dept.	5,766,150
Investments	21,700	Police Department	12,013,220
Charges for Services	1,924,900	Fire Department	9,344,600
Other Revenue	675,400	Public Works Department	8,524,650
From Other Agencies	19,815,400	Transfers	28,863,451
State Shared	6,112,700	Other Expenses	1,757,828
Reserves	0		
Total Revenues	\$78,657,500	Total Expenditures	\$78,657,500

211- Debt Service Fund

<u>Revenues</u>		<u>Expenditures</u>	
From General Fund	\$8,208,550	Redemption of Serial Bonds	\$8,021,200
From School Fund	3,530,600	Interest on Bonds/Notes	4,180,000
Interest on Investments	313,700	Other Expenses	3,250
Other Revenue	159,600	Bank Service Charges	8,000
Total Revenues	\$12,212,450	Total Expenditures	\$12,212,450

417-Storm Water Utility Fund

<u>Revenues</u>		<u>Expenditures</u>	
Storm Water Management	\$2,094,000	Operations	\$2,094,000
Total Revenue	\$2,094,000	Total Expenditures	\$2,094,000

415- Solid Waste Management Fund

<u>Revenues</u>		<u>Expenditures</u>	
Refuse Collection Charges	\$2,342,700	Trash Coll.	\$822,000
Tipping Fees	265,000	Household Refuse Coll.	1,908,300
Backdoor Collection	23,000	Demolition Landfill	764,600
Tire Disposal	0	Recycling	823,400
Miscellaneous	107,300	Miscellaneous	45,300
From General Fund	1,889,900	Other Expenses	359,000
Recycling Proceeds	94,700		
Total Revenues	\$4,722,600	Total Expenditures	\$4,722,600

420- MeadowView Conference Center Fund

<u>Revenues</u>		<u>Expenditures</u>	
Room Surcharge	\$182,500	Operations	1,005,900
Investments	13,700	Capital	0
From Reg. Sales Tx. Fund	1,862,700	Debt Service	1,345,200
FF&E Fees	192,200		
From General Fund	100,000		
Total Revenues	\$2,351,100	Total Expenditures	\$2,351,100

421- Cattails Golf Course Fund

<u>Revenues</u>		<u>Expenditures</u>	
Sales & Fees	\$935,000	Operations	\$1,066,600
Investments	0	Debt Service	181,850
From Regional Sales Tax Fund	355,700	Capital Outlay	70,300
From FF&E	28,050	Transfer to Capital Projects	0
Total Revenues	\$1,318,750	Total Expenditures	\$1,318,750

511- Fleet Internal Service Fund

<u>Revenues</u>		<u>Expenditures</u>	
Charges/Sales & Serv.	\$4,689,100	Operations	\$10,022,100
Depreciation Recovery	1,798,700	Motor Pool	17,400
Investments	10,200		
From Fleet Reserve	3,541,500		
Total Revenues	\$10,039,500	Total Expenditures	\$10,039,500

615- Risk Management Service Fund

<u>Revenues</u>		<u>Expenditures</u>	
Charges/Sales & Serv.	\$2,186,950	Administration & Prem	\$963,050
		Insurance Claims	1,223,900
Total Revenues	\$2,186,950	Total Expenditures	\$2,186,950

625- Health Insurance Fund

<u>Revenues</u>		<u>Expenditures</u>	
City Contribution	\$6,424,600	Administration	\$1,426,800
Employee Contributions	2,220,600	Insurance Claims	7,000,000
Fund Balance	200,300	Clinic Operations	669,100
Other Revenue	250,200		
Investments	200		0
Total Revenues	\$9,095,900	Total Expenditures	\$9,095,900

126- Criminal Forfeiture Fund

<u>Revenues</u>		<u>Expenditures</u>	
Contributions	6,000	Special Investigations	6,000
Total Revenues	\$6,000	Total Expenditures	\$6,000

127- Drug Fund

<u>Revenues</u>		<u>Expenditures</u>	
Fines/Forfeitures	\$10,000	Investigations	\$94,600
Judicial District	8,900	Supplies & Equipment	12,500
Court Fines & Costs/Local	95,000		
Fund Balance	43,200	Capital Outlay	50,000
Total Revenues	\$157,100	Total Expenditures	\$157,100

141 General Purpose School Fund

<u>Revenues</u>		<u>Expenditures</u>	
Taxes	\$28,210,000	Educational Services	\$65,704,292
From State of TN	28,183,400	To Debt Service Fund	3,489,950
From Federal Government	50,000	Transfers	2,217,450
Charges for Services	1,460,000	Capital Outlay	1,318,258
Direct Federal	53,500		
Miscellaneous	645,000		
From General Fund-MOE	10,351,400		

From General Fund-Debt	3,050,150		
Transfer to School Project	24,000		
Fund Balance Approp.	702,500		
Total Revenues	\$72,729,950	Total Expenditures	\$72,729,950

147 School Food & Nutrition Services Fund

<u>Revenues</u>		<u>Expenditures</u>	
Meals	\$3,273,000	Personnel Services	\$1,534,500
Investments	0	Commodities	1,915,000
From State of TN	32,000	Fixed Charges	18,500
Fund Balance	135,000	Transfers	7,000
Unrealized Commodity Value	230,000	Capital Outlay	195,000
Total Revenues	\$3,670,000	Total Expenditures	\$3,670,000

121 State Street Aid Fund

<u>Revenues</u>		<u>Expenditures</u>	
From State of TN	\$1,385,600	Operations	\$2,669,600
From General Fund	1,284,000		
Fund Balance	0		0
Total Revenues	\$2,669,600	Total Expenditures	\$2,669,600

130- Regional Sales Tax Fund

<u>Revenues</u>		<u>Expenditures</u>	
Local Option Sales Tax	\$3,964,200	To MeadowView Fund	\$1,862,700
Investments	0	To Cattails Fund	355,700
Fund Balance Approp.	0	To Aquatic Center	1,745,800
Total Revenues	\$3,964,200	Total Expenditures	\$3,964,200

620 Allendale Trust Fund

<u>Revenues</u>		<u>Expenditures</u>	
Investments	\$2,500	Maintenance	\$2,500
Fund Balance Appropriation			
Total Revenues	\$2,500	Total Expenditures	\$2,500

612 Bays Mountain Park Commission Fund

<u>Revenues</u>		<u>Expenditures</u>	
Investments	\$ 100	Maintenance	\$22,000
Donations	15,000	Contracts	24,000
Fund Balance	41,400	Capital Outlay	10,500
Total Revenues	\$56,500	Total Expenditures	\$56,500

617 Palmer Center Trust Fund

<u>Revenues</u>		<u>Expenditures</u>	
Investments	\$100	Donations & Grants	\$100
Total Revenues	\$100	Total Expenditures	\$100

611 Public Library Commission Fund

<u>Revenues</u>		<u>Expenditures</u>	
Investments	\$10	Supplies & Materials	\$10
Total Revenues	\$10	Total Expenditures	\$10

616 Senior Center Advisory Council Fund

<u>Revenues</u>		<u>Expenditures</u>	
Fees	\$83,000	Supplies & Services	\$77,500
Donations	55,000	Contractual	71,000
Fund Balance Appropriations	10,000		
Investments	500		
Total Revenues	\$148,500	Total Expenditures	\$148,500

621 Steadman Cemetery Trust Fund

<u>Revenues</u>		<u>Expenditures</u>	
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Fund Balance Appropriations	\$2,500		
<u>Investments</u>	50	<u>Maintenance</u>	\$2,550
Total Revenues	\$2,550	Total Expenditures	\$2,550
135 Visitor's Enhancement Fund			
<u>Revenues</u>		<u>Expenditures</u>	
Tax –Other-Room Occupancy	\$405,000	Operations	\$305,000
<u>Reserves</u>	130,200	<u>Transfers</u>	230,200
Total Revenues	\$535,200	Total Expenditures	\$535,200
626 Retiree's Insurance Fund			
<u>Revenues</u>		<u>Expenditures</u>	
City Contributions	\$720,000	Administration	\$89,700
Employee Contributions	320,000	Insurance Claims	1,100,000
Earnings on Investment	500		
Health Insurance Fund	0		
<u>Reserves</u>	149,200		
Total Revenues	\$1,189,700	Total Expenditures	\$1,189,700
627 School Health Insurance			
<u>Revenues</u>		<u>Expenditures</u>	
Employer Contribution	5,845,000	Administration	963,000
Employee Contributions	2,525,000	Claims	7,212,000
Prescription Refunds	310,000	Clinic	505,000
		<u>Transfers to Retiree Health Ins.</u>	0
Total Revenues	\$8,680,000	Total Expenditures	\$8,680,000
628 School Retiree Health Insurance			
<u>Revenues</u>		<u>Expenditures</u>	
Employer Contribution	683,000	Administration	105,000
Employee Contribution	207,000	Claims	833,000
Prescription Refunds	48,000		
Total Revenue	\$938,000	Total Expenditures	\$938,000
419 Aquatic Center Fund			
<u>Revenues</u>		<u>Expenditures</u>	
Donations	\$62,000	Operations	\$2,071,950
Sales/Fees	1,694,250	Debt Service	1,448,500
<u>Regional Sales Tax</u>	1,764,200		
Total Revenues	\$3,520,450	Total Expenditures	\$3,520,450
<u>ALL FUNDS' REVENUE SUMMARY</u>		<u>ALL FUNDS' EXPENDITURE SUMMARY</u>	
Gross Revenues	\$220,826,610	Gross Expenditures	\$220,826,610
Less Inter-fund Transfers	\$54,231,087	Less Inter-fund Transfers	\$54,231,087
Total FY16-17 Revenues	\$166,589,523	Total FY16-17 Expenditures	\$166,689,523

Section II. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail.

Section III. That authority be and the same is hereby given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary as covered by the foregoing sections and to make expenditures for items exceeding an aggregate cost of \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

Section IV. That authority be and the same is given to the City Manager to transfer part or all of any unencumbered appropriations balance among programs within a department and between departments within any given fund, and across departments and/or funds for fleet, risk management or health insurance matters. The Board of Mayor and Aldermen may by Ordinance transfer part or all of any unencumbered appropriations balance from one fund to another.

Section V. That authority be and the same is hereby given to the City Manager to transfer an employee from one class title (position) to any other class title (position) listed on the Pay and Classification Plan at the budgeted salary fixed for

that Class Title (position) by the Pay Schedule and Wage Projections for the City's Employees incorporated in this ordinance by specific reference; for such purpose, to, as the same may from time to time become necessary or desirable, add to or delete from a division listed on the Personnel Detail any class title or titles. The Board of Mayor and Aldermen shall establish a salary range for each class title (Position) and the steps from entry level to maximum appearing on the Pay Schedule.

Section VI. The General Fund Capital Improvements Plan (FY17-FY21) is hereby approved.

Section VII. That the Pay Plan step (merit) increases is applicable to all employees of the City and is hereby approved effective July 1, 2016. A 2% COLA is applicable to all employees effective July 1, 2016.

Section VIII. That the retirees Health Insurance is projected to increase 5% for FY17.

Section IX. That the Tennessee Consolidated Retirement System Rate will be approved at 15.89% for current employees only and the employees under the bridge will be 19.39%. That employees hired after July 1, 2012 will participate in a Defined Contribution Program with a mandatory contribution of 5%.

Section X. That the police vehicle replacement is extended to eight years.

Section XI. That the tax rate is set at \$2.07 for Sullivan County inside city residents and \$2.01 for Hawkins County inside city rates beginning July 1, 2016.

Section XII. A sanitation fee will be effective July 1, 2016. The fee structure will be adopted through the Fee Resolution.

Section XIII. An annual \$710,824 reserve project will be created for One Kingsport initiatives and \$310,719 annual debt service payment will be made to the General Fund. Monies for this project cannot be appropriated without a majority vote from the Board of Mayor and Aldermen. Excess revenues will be retained year over year.

Section XIV. That this ordinance shall take effect on July 1, 2016, the welfare of the City of Kingsport requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

ANGIE MARSHALL
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Public Hearing and Consideration of an Ordinance to Adopt the FY16-17 Budget

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

Action Form No.: AF-131-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Judy Smith
 Presentation By: Jeff Fleming

Recommendation:

Approve the Ordinance.

Executive Summary:

The attached budget ordinance incorporates the budget that was presented to the BMA at the May 10 budget work session. As required by charter, it was published in the Times News on May 25, 2016.

The total revenue and expenditures less transfers (duplicates) for the FY16-17 budget for all funds are \$164,705,323. This excludes the water, sewer, and grant project funds. A separate ordinance for these funds will be presented.

Attachments:

1. Ordinance

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

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

PRE-FILED CITY RECORDER

ORDINANCE _____

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Section I. That the revenue received from the sources of income shown in the following summary of estimated revenues and expenditures for each fund of the City's annual operating budget for the fiscal year beginning July 1, 2016 and ending June 30, 2017 are hereby appropriated for the various purposes set out in the budget detail on file in the Offices of the City Manager and City Recorder.

The estimated revenues for the total FY16-17 Budget of \$220,875,610 less inter-fund transfers, \$56,170,287, Net Total Budget Revenues \$164,705,323, are hereby appropriated.

The estimated expenditures for the Total FY16-17 Budget of \$220,875,610 less inter-fund transfers \$56,170,287, Net Total Budget Expenditures \$164,705,323 are hereby appropriated.

Estimated Revenues and Appropriations for the Fiscal Period July 1, 2016 - June 30, 2017

110- General Fund

<u>Revenues</u>		<u>Expenditures</u>	
Property Taxes	\$40,153,300	Legislative	\$160,200
Gross Receipts Taxes	8,698,300	General Government	8,797,204
Licenses & Permits	466,800	Development Services Dept.	1,566,500
Fines & Forfeitures	789,000	Leisure Services Dept.	5,706,850
Investments	21,700	Police Department	11,920,420
Charges for Services	1,924,900	Fire Department	9,276,100
Other Revenue	675,400	Public Works Department	10,376,247
From Other Agencies	19,815,400	Transfers	29,200,951
State Shared	6,112,700	Other Expenses	1,653,028
Reserves	0		
Total Revenues	\$78,657,500	Total Expenditures	\$78,657,500

211- Debt Service Fund

<u>Revenues</u>		<u>Expenditures</u>	
From General Fund	\$8,208,550	Redemption of Serial Bonds	\$8,021,200
From School Fund	3,530,600	Interest on Bonds/Notes	4,180,000
Interest on Investments	313,700	Other Expenses	3,250
Other Revenue	159,600	Bank Service Charges	8,000
Total Revenues	\$12,212,450	Total Expenditures	\$12,212,450

417-Storm Water Utility Fund

<u>Revenues</u>		<u>Expenditures</u>	
Storm Water Management	\$2,094,000	Operations	\$2,094,000
Total Revenue	\$2,094,000	Total Expenditures	\$2,094,000

415- Solid Waste Management Fund

<u>Revenues</u>		<u>Expenditures</u>	
Refuse Collection Charges	\$3,532,000	Trash Coll.	\$822,000
Tipping Fees	265,000	Household Refuse Coll.	1,908,300
Backdoor Collection	23,000	Demolition Landfill	764,600
Tire Disposal	0	Recycling	823,400
Miscellaneous	107,300	Miscellaneous	45,300
From General Fund	700,600	Other Expenses	359,000

	Recycling Proceeds	94,700		
	Total Revenues	\$4,722,600	Total Expenditures	\$4,722,600
420-	MeadowView Conference Center Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Room Surcharge	\$182,500	Operations	1,005,900
	Investments	13,700	Capital	0
	From Reg. Sales Tx. Fund	1,862,700	Debt Service	1,345,200
	FF&E Fees	192,200		
	From General Fund	100,000		
	Total Revenues	\$2,351,100	Total Expenditures	\$2,351,100
421-	Cattails Golf Course Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Sales & Fees	\$935,000	Operations	\$1,066,600
	Investments	0	Debt Service	181,850
	From Regional Sales Tax Fund	355,700	Capital Outlay	70,300
	From FF&E	28,050	Transfer to Capital Projects	0
	Total Revenues	\$1,318,750	Total Expenditures	\$1,318,750
511-	Fleet Internal Service Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Charges/Sales & Serv.	\$4,689,100	Operations	\$10,022,100
	Depreciation Recovery	1,798,700	Motor Pool	17,400
	Investments	10,200		
	From Fleet Reserve	3,541,500		
	Total Revenues	\$10,039,500	Total Expenditures	\$10,039,500
615-	Risk Management Service Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Charges/Sales & Serv.	\$2,186,950	Administration & Prem	\$963,050
			Insurance Claims	1,223,900
	Total Revenues	\$2,186,950	Total Expenditures	\$2,186,950
625-	Health Insurance Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	City Contribution	\$6,424,600	Administration	\$1,426,800
	Employee Contributions	2,220,600	Insurance Claims	7,000,000
	Fund Balance	200,300	Clinic Operations	669,100
	Other Revenue	250,200		
	Investments	200		0
	Total Revenues	\$9,095,900	Total Expenditures	\$9,095,900
126-	Criminal Forfeiture Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Contributions	6,000	Special Investigations	6,000
	Total Revenues	\$6,000	Total Expenditures	\$6,000
127-	Drug Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Fines/Forfeitures	\$10,000	Investigations	\$94,600
	Judicial District	8,900	Supplies & Equipment	12,500
	Court Fines & Costs/Local	95,000		
	Fund Balance	43,200	Capital Outlay	50,000
	Total Revenues	\$157,100	Total Expenditures	\$157,100
141	General Purpose School Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Taxes	\$28,210,000	Educational Services	\$65,704,292
	From State of TN	28,183,400	To Debt Service Fund	3,489,950
	From Federal Government	50,000	Transfers	2,217,450
	Charges for Services	1,460,000	Capital Outlay	1,318,258
	Direct Federal	53,500		

	Miscellaneous	645,000		
	From General Fund-MOE	10,351,400		
	From General Fund-Debt	3,050,150		
	Transfer to School Project	24,000		
	Fund Balance Approp.	702,500		
	Total Revenues	\$72,729,950	Total Expenditures	\$72,729,950
147	School Food & Nutrition Services Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Meals	\$3,273,000	Personnel Services	\$1,534,500
	Investments	0	Commodities	1,915,000
	From State of TN	32,000	Fixed Charges	18,500
	Fund Balance	135,000	Transfers	7,000
	Unrealized Commodity Value	230,000	Capital Outlay	195,000
	Total Revenues	\$3,670,000	Total Expenditures	\$3,670,000
121	State Street Aid Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	From State of TN	\$1,385,600	Operations	\$2,669,600
	From General Fund	1,284,000		
	Fund Balance	0		0
	Total Revenues	\$2,669,600	Total Expenditures	\$2,669,600
130-	Regional Sales Tax Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Local Option Sales Tax	\$3,835,700	To MeadowView Fund	\$1,862,700
	Investments	0	To Cattails Fund	355,700
	Fund Balance Approp.	0	To Aquatic Center	1,617,300
	Total Revenues	\$3,835,700	Total Expenditures	\$3,835,700
620	Allendale Trust Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Investments	\$2,500	Maintenance	\$2,500
	Fund Balance Appropriation			
	Total Revenues	\$2,500	Total Expenditures	\$2,500
612	Bays Mountain Park Commission Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Investments	\$ 100	Maintenance	\$22,000
	Donations	15,000	Contracts	24,000
	Fund Balance	41,400	Capital Outlay	10,500
	Total Revenues	\$56,500	Total Expenditures	\$56,500
617	Palmer Center Trust Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Investments	\$100	Donations & Grants	\$100
	Total Revenues	\$100	Total Expenditures	\$100
611	Public Library Commission Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Investments	\$10	Supplies & Materials	\$10
	Total Revenues	\$10	Total Expenditures	\$10
616	Senior Center Advisory Council Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Fees	\$83,000	Supplies & Services	\$77,500
	Donations	55,000	Contractual	71,000
	Fund Balance Appropriations	10,000		
	Investments	500		
	Total Revenues	\$148,500	Total Expenditures	\$148,500

621	Steadman Cemetery Trust Fund		
	<u>Revenues</u>	<u>Expenditures</u>	
	Fund Balance Appropriations		
	Investments	Maintenance	\$2,550
	Total Revenues	Total Expenditures	\$2,550
135	Visitor's Enhancement Fund		
	<u>Revenues</u>	<u>Expenditures</u>	
	Tax –Other-Room Occupancy	Operations	\$305,000
	Reserves	Transfers	230,200
	Total Revenues	Total Expenditures	\$535,200
626	Retiree's Insurance Fund		
	<u>Revenues</u>	<u>Expenditures</u>	
	City Contributions	Administration	\$89,700
	Employee Contributions	Insurance Claims	1,100,000
	Earnings on Investment		
	Health Insurance Fund		
	Reserves		
	Total Revenues	Total Expenditures	\$1,189,700
627	School Health Insurance		
	<u>Revenues</u>	<u>Expenditures</u>	
	Employer Contribution	Administration	963,000
	Employee Contributions	Claims	7,212,000
	Prescription Refunds	Clinic	505,000
		Transfers to Retiree Health Ins.	0
	Total Revenues	Total Expenditures	\$8,680,000
628	School Retiree Health Insurance		
	<u>Revenues</u>	<u>Expenditures</u>	
	Employer Contribution	Administration	105,000
	Employee Contribution	Claims	833,000
	Prescription Refunds		
	Total Revenue	Total Expenditures	\$938,000
419	Aquatic Center Fund		
	<u>Revenues</u>	<u>Expenditures</u>	
	Donations	Operations	\$2,071,950
	Sales/Fees	Debt Service	1,503,500
	Regional Sales Tax		
	Total Revenues	Total Expenditures	\$3,575,450

ALL FUNDS' REVENUE SUMMARY

Gross Revenues	\$220,875,610
Less Inter-fund Transfers	\$56,170,287
Total FY16-17 Revenues	\$164,705,323

ALL FUNDS' EXPENDITURE SUMMARY

Gross Expenditures	\$220,875,610
Less Inter-fund Transfers	\$56,170,287
Total FY16-17 Expenditures	\$164,705,323

Section II. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail.

Section III. That authority be and the same is hereby given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary as covered by the foregoing sections and to make expenditures for items exceeding an aggregate cost of \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

Section IV. That authority be and the same is given to the City Manager to transfer part or all of any unencumbered appropriations balance among programs within a department and between departments within any given fund, and across departments and/or funds for fleet, risk management or health insurance matters. The Board of Mayor and Aldermen may by Ordinance transfer part or all of any unencumbered appropriations balance from one fund to another.

Section V. That authority be and the same is hereby given to the City Manager to transfer an employee from one class title (position) to any other class title (position) listed on the Pay and Classification Plan at the budgeted salary fixed for that Class Title (position) by the Pay Schedule and Wage Projections for the City's Employees incorporated in this ordinance by specific reference; for such purpose, to, as the same may from time to time become necessary or desirable, add to or delete from a division listed on the Personnel Detail any class title or titles. The Board of Mayor and Aldermen shall establish a salary range for each class title (Position) and the steps from entry level to maximum appearing on the Pay Schedule.

Section VI. The General Fund Capital Improvements Plan (FY17-FY21) is hereby approved.

Section VII. That the Pay Plan step (merit) increases is applicable to all employees of the City and is hereby approved effective July 1, 2016. A 2% COLA is applicable to all employees effective July 1, 2016.

Section VIII. That the retirees Health Insurance is projected to increase 5% for FY17.

Section IX. That the Tennessee Consolidated Retirement System Rate will be approved at 15.89% for current employees only and the employees under the bridge will be 19.39%. That employees hired after July 1, 2012 will participate in a Defined Contribution Program with a mandatory contribution of 5%.

Section X. That the police vehicle replacement is extended to eight years.

Section XI. That the tax rate is set at \$2.07 for Sullivan County inside city residents and \$2.01 for Hawkins County inside city rates beginning July 1, 2016.

Section XII. A sanitation fee will be effective July 1, 2016. The fee structure will be adopted through the Fee Resolution.

Section XIII. An annual \$1.3 million reserve project will be created for One Kingsport initiatives. Monies cannot be appropriated without a vote of the full Board of Mayor and Aldermen. Excess revenues will be retained year over year.

Section XIV. That this ordinance shall take effect on July 1, 2016, the welfare of the City of Kingsport requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

ANGIE MARSHALL
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Public Hearing and Consideration of an Ordinance to Adopt the FY16-17 Budget

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

Action Form No.: AF-131-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Judy Smith
 Presentation By: Jeff Fleming

Recommendation:

Approve the Ordinance.

Executive Summary:

The attached budget ordinance incorporates the budget that was presented to the BMA at the May 10 budget work session. As required by charter, it was published in the Times News on May 25, 2016.

The total revenue and expenditures less transfers (duplicates) for the FY16-17 budget for all funds are \$164,705,323. This excludes the water, sewer, and grant project funds. A separate ordinance for these funds will be presented.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: *JS*

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

PRE-FILED CITY RECORDER

ORDINANCE _____

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Section I. That the revenue received from the sources of income shown in the following summary of estimated revenues and expenditures for each fund of the City's annual operating budget for the fiscal year beginning July 1, 2016 and ending June 30, 2017 are hereby appropriated for the various purposes set out in the budget detail on file in the Offices of the City Manager and City Recorder.

The estimated revenues for the total FY16-17 Budget of \$220,875,610 less inter-fund transfers, \$56,170,287, Net Total Budget Revenues \$164,705,323, are hereby appropriated.

The estimated expenditures for the Total FY16-17 Budget of \$220,875,610 less inter-fund transfers \$56,170,287, Net Total Budget Expenditures \$164,705,323 are hereby appropriated.

Estimated Revenues and Appropriations for the Fiscal Period July 1, 2016 - June 30, 2017

110- General Fund

<u>Revenues</u>		<u>Expenditures</u>	
Property Taxes	\$40,153,300	Legislative	\$160,200
Gross Receipts Taxes	8,698,300	General Government	8,797,204
Licenses & Permits	466,800	Development Services Dept.	1,566,500
Fines & Forfeitures	789,000	Leisure Services Dept.	5,706,850
Investments	21,700	Police Department	11,920,420
Charges for Services	1,924,900	Fire Department	9,276,100
Other Revenue	675,400	Public Works Department	10,376,247
From Other Agencies	19,815,400	Transfers	29,200,951
State Shared	6,112,700	Other Expenses	1,653,028
Reserves	0		
Total Revenues	\$78,657,500	Total Expenditures	\$78,657,500

211- Debt Service Fund

<u>Revenues</u>		<u>Expenditures</u>	
From General Fund	\$8,208,550	Redemption of Serial Bonds	\$8,021,200
From School Fund	3,530,600	Interest on Bonds/Notes	4,180,000
Interest on Investments	313,700	Other Expenses	3,250
Other Revenue	159,600	Bank Service Charges	8,000
Total Revenues	\$12,212,450	Total Expenditures	\$12,212,450

417-Storm Water Utility Fund

<u>Revenues</u>		<u>Expenditures</u>	
Storm Water Management	\$2,094,000	Operations	\$2,094,000
Total Revenue	\$2,094,000	Total Expenditures	\$2,094,000

415- Solid Waste Management Fund

<u>Revenues</u>		<u>Expenditures</u>	
Refuse Collection Charges	\$3,532,000	Trash Coll.	\$822,000
Tipping Fees	265,000	Household Refuse Coll.	1,908,300
Backdoor Collection	23,000	Demolition Landfill	764,600
Tire Disposal	0	Recycling	823,400
Miscellaneous	107,300	Miscellaneous	45,300
From General Fund	700,600	Other Expenses	359,000

	Recycling Proceeds	94,700		
	Total Revenues	\$4,722,600	Total Expenditures	\$4,722,600
420-	MeadowView Conference Center Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Room Surcharge	\$182,500	Operations	1,005,900
	Investments	13,700	Capital	0
	From Reg. Sales Tx. Fund	1,862,700	Debt Service	1,345,200
	FF&E Fees	192,200		
	From General Fund	100,000		
	Total Revenues	\$2,351,100	Total Expenditures	\$2,351,100
421-	Cattails Golf Course Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Sales & Fees	\$935,000	Operations	\$1,066,600
	Investments	0	Debt Service	181,850
	From Regional Sales Tax Fund	355,700	Capital Outlay	70,300
	From FF&E	28,050	Transfer to Capital Projects	0
	Total Revenues	\$1,318,750	Total Expenditures	\$1,318,750
511-	Fleet Internal Service Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Charges/Sales & Serv.	\$4,689,100	Operations	\$10,022,100
	Depreciation Recovery	1,798,700	Motor Pool	17,400
	Investments	10,200		
	From Fleet Reserve	3,541,500		
	Total Revenues	\$10,039,500	Total Expenditures	\$10,039,500
615-	Risk Management Service Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Charges/Sales & Serv.	\$2,186,950	Administration & Prem	\$963,050
			Insurance Claims	1,223,900
	Total Revenues	\$2,186,950	Total Expenditures	\$2,186,950
625-	Health Insurance Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	City Contribution	\$6,424,600	Administration	\$1,426,800
	Employee Contributions	2,220,600	Insurance Claims	7,000,000
	Fund Balance	200,300	Clinic Operations	669,100
	Other Revenue	250,200		
	Investments	200		0
	Total Revenues	\$9,095,900	Total Expenditures	\$9,095,900
126-	Criminal Forfeiture Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Contributions	6,000	Special Investigations	6,000
	Total Revenues	\$6,000	Total Expenditures	\$6,000
127-	Drug Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Fines/Forfeitures	\$10,000	Investigations	\$94,600
	Judicial District	8,900	Supplies & Equipment	12,500
	Court Fines & Costs/Local	95,000		
	Fund Balance	43,200	Capital Outlay	50,000
	Total Revenues	\$157,100	Total Expenditures	\$157,100
141	General Purpose School Fund			
	<u>Revenues</u>		<u>Expenditures</u>	
	Taxes	\$28,210,000	Educational Services	\$65,704,292
	From State of TN	28,183,400	To Debt Service Fund	3,489,950
	From Federal Government	50,000	Transfers	2,217,450
	Charges for Services	1,460,000	Capital Outlay	1,318,258
	Direct Federal	53,500		

Miscellaneous	645,000		
From General Fund-MOE	10,351,400		
From General Fund-Debt	3,050,150		
Transfer to School Project	24,000		
Fund Balance Approp.	702,500		
Total Revenues	\$72,729,950	Total Expenditures	\$72,729,950

147 School Food & Nutrition Services Fund

<u>Revenues</u>		<u>Expenditures</u>	
Meals	\$3,273,000	Personnel Services	\$1,534,500
Investments	0	Commodities	1,915,000
From State of TN	32,000	Fixed Charges	18,500
Fund Balance	135,000	Transfers	7,000
Unrealized Commodity Value	230,000	Capital Outlay	195,000
Total Revenues	\$3,670,000	Total Expenditures	\$3,670,000

121 State Street Aid Fund

<u>Revenues</u>		<u>Expenditures</u>	
From State of TN	\$1,385,600	Operations	\$2,669,600
From General Fund	1,284,000		
Fund Balance	0		0
Total Revenues	\$2,669,600	Total Expenditures	\$2,669,600

130- Regional Sales Tax Fund

<u>Revenues</u>		<u>Expenditures</u>	
Local Option Sales Tax	\$3,835,700	To MeadowView Fund	\$1,862,700
Investments	0	To Cattails Fund	355,700
Fund Balance Approp.	0	To Aquatic Center	1,617,300
Total Revenues	\$3,835,700	Total Expenditures	\$3,835,700

620 Allendale Trust Fund

<u>Revenues</u>		<u>Expenditures</u>	
Investments	\$2,500	Maintenance	\$2,500
Fund Balance Appropriation			
Total Revenues	\$2,500	Total Expenditures	\$2,500

612 Bays Mountain Park Commission Fund

<u>Revenues</u>		<u>Expenditures</u>	
Investments	\$ 100	Maintenance	\$22,000
Donations	15,000	Contracts	24,000
Fund Balance	41,400	Capital Outlay	10,500
Total Revenues	\$56,500	Total Expenditures	\$56,500

617 Palmer Center Trust Fund

<u>Revenues</u>		<u>Expenditures</u>	
Investments	\$100	Donations & Grants	\$100
Total Revenues	\$100	Total Expenditures	\$100

611 Public Library Commission Fund

<u>Revenues</u>		<u>Expenditures</u>	
Investments	\$10	Supplies & Materials	\$10
Total Revenues	\$10	Total Expenditures	\$10

616 Senior Center Advisory Council Fund

<u>Revenues</u>		<u>Expenditures</u>	
Fees	\$83,000	Supplies & Services	\$77,500
Donations	55,000	Contractual	71,000
Fund Balance Appropriations	10,000		
Investments	500		
Total Revenues	\$148,500	Total Expenditures	\$148,500

621	Steadman Cemetery Trust Fund		
	<u>Revenues</u>	<u>Expenditures</u>	
	Fund Balance Appropriations		
	Investments	Maintenance	\$2,550
	Total Revenues	Total Expenditures	\$2,550
135	Visitor's Enhancement Fund		
	<u>Revenues</u>	<u>Expenditures</u>	
	Tax –Other-Room Occupancy	Operations	\$305,000
	Reserves	Transfers	230,200
	Total Revenues	Total Expenditures	\$535,200
626	Retiree's Insurance Fund		
	<u>Revenues</u>	<u>Expenditures</u>	
	City Contributions	Administration	\$89,700
	Employee Contributions	Insurance Claims	1,100,000
	Earnings on Investment		
	Health Insurance Fund		
	Reserves		
	Total Revenues	Total Expenditures	\$1,189,700
627	School Health Insurance		
	<u>Revenues</u>	<u>Expenditures</u>	
	Employer Contribution	Administration	963,000
	Employee Contributions	Claims	7,212,000
	Prescription Refunds	Clinic	505,000
		Transfers to Retiree Health Ins.	0
	Total Revenues	Total Expenditures	\$8,680,000
628	School Retiree Health Insurance		
	<u>Revenues</u>	<u>Expenditures</u>	
	Employer Contribution	Administration	105,000
	Employee Contribution	Claims	833,000
	Prescription Refunds		
	Total Revenue	Total Expenditures	\$938,000
419	Aquatic Center Fund		
	<u>Revenues</u>	<u>Expenditures</u>	
	Donations	Operations	\$2,071,950
	Sales/Fees	Debt Service	1,503,500
	Regional Sales Tax		
	Total Revenues	Total Expenditures	\$3,575,450

ALL FUNDS' REVENUE SUMMARY

Gross Revenues	\$220,875,610
Less Inter-fund Transfers	\$56,170,287
Total FY16-17 Revenues	\$164,705,323

ALL FUNDS' EXPENDITURE SUMMARY

Gross Expenditures	\$220,875,610
Less Inter-fund Transfers	\$56,170,287
Total FY16-17 Expenditures	\$164,705,323

Section II. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail.

Section III. That authority be and the same is hereby given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary as covered by the foregoing sections and to make expenditures for items exceeding an aggregate cost of \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

Section IV. That authority be and the same is given to the City Manager to transfer part or all of any unencumbered appropriations balance among programs within a department and between departments within any given fund, and across departments and/or funds for fleet, risk management or health insurance matters. The Board of Mayor and Aldermen may by Ordinance transfer part or all of any unencumbered appropriations balance from one fund to another.

Section V. That authority be and the same is hereby given to the City Manager to transfer an employee from one class title (position) to any other class title (position) listed on the Pay and Classification Plan at the budgeted salary fixed for that Class Title (position) by the Pay Schedule and Wage Projections for the City's Employees incorporated in this ordinance by specific reference; for such purpose, to, as the same may from time to time become necessary or desirable, add to or delete from a division listed on the Personnel Detail any class title or titles. The Board of Mayor and Aldermen shall establish a salary range for each class title (Position) and the steps from entry level to maximum appearing on the Pay Schedule.

Section VI. The General Fund Capital Improvements Plan (FY17-FY21) is hereby approved.

Section VII. That the Pay Plan step (merit) increases is applicable to all employees of the City and is hereby approved effective July 1, 2016. A 2% COLA is applicable to all employees effective July 1, 2016.

Section VIII. That the retirees Health Insurance is projected to increase 5% for FY17.

Section IX. That the Tennessee Consolidated Retirement System Rate will be approved at 15.89% for current employees only and the employees under the bridge will be 19.39%. That employees hired after July 1, 2012 will participate in a Defined Contribution Program with a mandatory contribution of 5%.

Section X. That the police vehicle replacement is extended to eight years.

Section XI. That the tax rate is set at \$2.07 for Sullivan County inside city residents and \$2.01 for Hawkins County inside city rates beginning July 1, 2016.

Section XII. A sanitation fee will be effective July 1, 2016. The fee structure will be adopted through the Fee Resolution.

Section XIII. An annual \$1.3 million reserve project will be created for One Kingsport initiatives. Monies cannot be appropriated without a vote of the full Board of Mayor and Aldermen. Excess revenues will be retained year over year.

Section XIV. That this ordinance shall take effect on July 1, 2016, the welfare of the City of Kingsport requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

ANGIE MARSHALL
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Consideration of an Ordinance to Adopt the FY16-17 Water Fund Budget

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

Action Form No.: AF-132-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
Staff Work By: Smith, McReynolds, Austin, Ensor
Presentation By: Ryan McReynolds

Recommendation:

Approve the Ordinance.

Executive Summary:

The attached budget ordinance incorporates the budget as presented during the budget work session.

The ordinance includes a 2% water rate increase for customers living inside of the corporate limits.

The Water Fund budget less transfers is \$11,128,200.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: Ja

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

PRE-FILED

ORDINANCE NO. _____ CITY RECORDER

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL WATER FUND BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Section I. That the revenue received from the sources of income shown in the following summary of estimated revenues and expenditures for the Water Fund of the City's annual operating budget for the fiscal year beginning July 1, 2016 and ending June 30, 2017 are hereby appropriated for the various purposes set out in the budget detail on file in the Offices of the City Manager and Chief Financial Officer.

The estimated Water Fund revenues for the FY16-17 Budget of \$14,749,900 less inter-fund transfers, \$3,621,700 Net Water Budget Revenues \$11,128,200 are hereby appropriated.

Estimated Revenues and Appropriations for the Fiscal Period July 1, 2016 - June 30, 2017.

411- Water Fund

<u>Revenues</u>		<u>Expenditures</u>	
Water Sales	\$12,515,500	Administration	\$1,642,200
Service Charges	390,000	Finance	530,900
Tap Fees	200,000	Water Plant	3,334,200
Penalties	168,000	Maintenance	3,310,000
Rental Income	13,000	Reading & Services	686,400
Investments	80,500	Pilot	653,000
Miscellaneous	2,000	Other Expenses	191,300
Installation Fees	153,400	Debt Service	3,271,900
Admin Service Recovery	162,000	Capital	1,130,000
Fund Balance	1,065,500		0
Total Revenues	\$14,749,900	Total Expenditures	\$14,749,900
Less Inter-fund Transfers	3,621,700	Less Inter-fund Transfers	3,621,700
Total FY16-17 Revenues	\$11,128,200	Total FY16-17 Expenditures	\$11,128,200

Section II. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail.

Section III. That authority be and the same is hereby given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary as covered by the foregoing sections and to make expenditures for items exceeding an aggregate cost of \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

Section IV. That authority be and the same is given to the City Manager to transfer part or all of any unencumbered appropriations balance among programs within a department and between departments within any given fund, and across departments and/or funds for fleet, risk management or health insurance matters. The Board of Mayor and Aldermen may by Ordinance transfer part or all of any unencumbered appropriations balance from one fund to another.

Section V. That at the close of each fiscal year the unencumbered balance of each appropriation shall revert to the respective fund from which it was appropriated and shall be subject to future appropriation; however, funds previously approved by the Board of Mayor and Aldermen and appropriated for Capital Improvements and/or Grant Projects, whether or not encumbered, shall continue to be considered a re-appropriation in the ensuing fiscal year only for the original purpose, or as amended by the Board of Mayor and Aldermen, for which appropriation was approved and until such time as the project/grant is completed. At the close of each fiscal year, the balance of each appropriation encumbered by a legal obligation, such as a formal contract or purchase order, shall be carried over, along with equal fund balances to cover payment, and considered an automatic re-appropriation into the ensuing budget year. No monies shall be drawn from the Treasury of the City nor shall any obligation for the expenditure of money be incurred, except pursuant to appropriation heretofore described.

Section VI. That authority be and the same is hereby given to the City Manager to transfer an employee from one class title (position) to any other class title (position) listed on the Pay and Classification Plan at the budgeted salary fixed for that Class Title (position) by the Pay Schedule and Wage Projections for the City's Employees incorporated in this ordinance by specific reference; and, as the same may from time to time become necessary or desirable, add to or delete from a division listed on the Personnel Detail any class title or titles. The Board of Mayor and Aldermen shall establish a salary range for each class title (Position) and the steps from entry level to maximum appearing on the Pay Schedule.

Section VII. That the pay plan (step) merit increase is applicable to all employees of the City that qualify and 2% COLA is hereby approved, effective July 1, 2016.

Section VIII. That the Capital Improvements Plan (FY17-FY21) is hereby approved.

Section IX. That the water usage rates set out within Resolution Number 2015-201 and amendments thereto are hereby amended by a water rate increase of 2% for customers living inside of the corporate limits. The water rate increases shall be applicable to all billings rendered on or after July 1, 2016.

Section X. That the Tennessee Consolidated Retirement System Rate will be approved at 15.89% for current employees only. Employees hired after July 1, 2012 will participate in a Defined Contribution plan with a mandatory contribution of 5%.

Section XI. That this ordinance shall take effect on July 1, 2016, the welfare of the City of Kingsport requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

ANGIE MARSHALL
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Public Hearing and Consideration of an Ordinance to Adopt the FY16-17 Water Fund Budget

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

Action Form No.: AF-132-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Smith, McReynolds, Austin, Ensor
 Presentation By: Ryan McReynolds

Recommendation:

Approve the Ordinance.

Executive Summary:

The attached budget ordinance incorporates the budget as presented during the budget work session.

The ordinance includes a 2% water rate increase for customers living inside of the corporate limits.

The Water Fund budget less transfers is \$11,128,200.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: *JF*

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

PRE-FILED

ORDINANCE NO. _____ CITY RECORDER

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL WATER FUND BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Section I. That the revenue received from the sources of income shown in the following summary of estimated revenues and expenditures for the Water Fund of the City's annual operating budget for the fiscal year beginning July 1, 2016 and ending June 30, 2017 are hereby appropriated for the various purposes set out in the budget detail on file in the Offices of the City Manager and Chief Financial Officer.

The estimated Water Fund revenues for the FY16-17 Budget of \$14,749,900 less inter-fund transfers, \$3,621,700 Net Water Budget Revenues \$11,128,200 are hereby appropriated.

Estimated Revenues and Appropriations for the Fiscal Period July 1, 2016- June 30, 2017.

411- Water Fund

<u>Revenues</u>		<u>Expenditures</u>	
Water Sales	\$12,515,500	Administration	\$1,642,200
Service Charges	390,000	Finance	530,900
Tap Fees	200,000	Water Plant	3,334,200
Penalties	168,000	Maintenance	3,310,000
Rental Income	13,000	Reading & Services	686,400
Investments	80,500	Pilot	653,000
Miscellaneous	2,000	Other Expenses	191,300
Installation Fees	153,400	Debt Service	3,271,900
Admin Service Recovery	162,000	Capital	1,130,000
Fund Balance	1,065,500		0
Total Revenues	\$14,749,900	Total Expenditures	\$14,749,900
Less Inter-fund Transfers	3,621,700	Less Inter-fund Transfers	3,621,700
Total FY16-17 Revenues	\$11,128,200	Total FY16-17 Expenditures	\$11,128,200

Section II. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail.

Section III. That authority be and the same is hereby given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary as covered by the foregoing sections and to make expenditures for items exceeding an aggregate cost of \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

Section IV. That authority be and the same is given to the City Manager to transfer part or all of any unencumbered appropriations balance among programs within a department and between departments within any given fund, and across departments and/or funds for fleet, risk management or health insurance matters. The Board of Mayor and Aldermen may by Ordinance transfer part or all of any unencumbered appropriations balance from one fund to another.

Section V. That at the close of each fiscal year the unencumbered balance of each appropriation shall revert to the respective fund from which it was appropriated and shall be subject to future appropriation; however, funds previously approved by the Board of Mayor and Aldermen and appropriated for Capital Improvements and/or Grant Projects, whether or not encumbered, shall continue to be considered a re-appropriation in the ensuing fiscal year only for the original purpose, or as amended by the Board of Mayor and Aldermen, for which appropriation was approved and until such time as the project/grant is completed. At the close of each fiscal year, the balance of each appropriation encumbered by a legal obligation, such as a formal contract or purchase order, shall be carried over, along with equal fund balances to cover payment, and considered an automatic re-appropriation into the ensuing budget year. No monies shall be drawn from the Treasury of the City nor shall any obligation for the expenditure of money be incurred, except pursuant to appropriation heretofore described.

Section VI. That authority be and the same is hereby given to the City Manager to transfer an employee from one class title (position) to any other class title (position) listed on the Pay and Classification Plan at the budgeted salary fixed for that Class Title (position) by the Pay Schedule and Wage Projections for the City's Employees incorporated in this ordinance by specific reference; and, as the same may from time to time become necessary or desirable, add to or delete from a division listed on the Personnel Detail any class title or titles. The Board of Mayor and Aldermen shall establish a salary range for each class title (Position) and the steps from entry level to maximum appearing on the Pay Schedule.

Section VII. That the pay plan (step) merit increase is applicable to all employees of the City that qualify and 2% COLA is hereby approved, effective July 1, 2016.

Section VIII. That the Capital Improvements Plan (FY17-FY21) is hereby approved.

Section IX. That the water usage rates set out within Resolution Number 2014-211 and amendments thereto are hereby amended by a water rate increase of 2% for customers living inside of the corporate limits. The water rate increases shall be applicable to all billings rendered on or after July 1, 2016.

Section X. That the Tennessee Consolidated Retirement System Rate will be approved at 15.89% for current employees only. Employees hired after July 1, 2012 will participate in a Defined Contribution plan with a mandatory contribution of 5%.

Section XI. That this ordinance shall take effect on July 1, 2016, the welfare of the City of Kingsport requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

ANGIE MARSHALL
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Consideration of an Ordinance to Adopt the FY16-17 Sewer Fund Budget

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

Action Form No.: AF-133-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
Staff Work By: Smith, McReynolds, Austin, Ensor
Presentation By: Ryan McReynolds

Recommendation:

Approve the Ordinance.

Executive Summary:

The attached budget ordinance incorporates the budget as presented during the budget work session.

The ordinance reflects the proposed sewer rate increase of 2% for customers living inside the corporate limits and 2% increase for customers living outside the corporate limits.

The Sewer Fund Budget less transfers is \$11,009,200.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: 

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



AGENDA ACTION FORM

Public Hearing and Consideration of an Ordinance to Adopt the FY16-17 Sewer Fund Budget

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

Action Form No.: AF-133-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Smith, McReynolds, Austin, Ensor
 Presentation By: Ryan McReynolds

Recommendation:

Approve the Ordinance.

Executive Summary:

The attached budget ordinance incorporates the budget as presented during the budget work session.

The ordinance reflects the proposed sewer rate increase of 2% for customers living inside the corporate limits and 2% increase for customers living outside the corporate limits.

The Sewer Fund Budget less transfers is \$11,009,200.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: *JS*

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

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL SEWER FUND BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Section I. That the revenue received from the sources of income shown in the following summary of estimated revenues and expenditures for the Sewer Fund of the City's annual operating budget for the fiscal year beginning July 1, 2016 and ending June 30, 2017 are hereby appropriated for the various purposes set out in the budget detail on file in the Offices of the City Manager and Chief Financial Officer.

The estimated Sewer Fund revenues for the FY16-17 Budget of \$15,304,200 less inter-fund transfers, \$4,295,000, Net Sewer Budget Revenues \$11,009,200 are hereby appropriated.

Estimated Revenues and Appropriations for the Fiscal Period July 1, 2016-June 30, 2017.

412- Sewer Fund			
<u>Revenues</u>		<u>Expenditures</u>	
Sewer Sales	\$12,700,000	Administration	\$ 1,274,200
Misc. Charges	10,300	Finance	205,000
Tap Fees	460,000	Sewer Plant	3,013,000
Penalties	150,000	Maintenance	1,828,200
Disposal Receipts	70,000	PILOT	838,000
Investments	148,900	Debt Service	6,139,300
Fund Balance Approp.	1,765,000	Capital	1,765,000
		Other Exp	241,500
Total Revenues	\$15,304,200	Total Expenditures	\$15,304,200
Less Inter-fund Transfers	4,295,000	Less Inter-fund Transfers	4,295,000
Total FY16-17 Revenues	\$11,009,200	Total FY16-17 Expenditures	\$11,009,200

Section II. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail.

Section III. That authority be and the same is hereby given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary as covered by the foregoing sections and to make expenditures for items exceeding an aggregate cost of \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

Section IV. That authority be and the same is given to the City Manager to transfer part or all of any unencumbered appropriations balance among programs within

a department and between departments within any given fund, and across departments and/or funds for fleet, risk management or health insurance matters. The Board of Mayor and Aldermen may by Ordinance transfer part or all of any unencumbered appropriations balance from one fund to another.

Section V. That at the close of each fiscal year the unencumbered balance of each appropriation shall revert to the respective fund from which it was appropriated and shall be subject to future appropriation; however, funds previously approved by the Board of Mayor and Aldermen and appropriated for Capital Improvements and/or Grant Projects, whether or not encumbered, shall continue to be considered a re-appropriation for the original purpose, or as amended by the Board of Mayor and Aldermen, for which appropriation was approved and until such time as the project/grant is completed. At the close of each fiscal year, the balance of each appropriation encumbered by a legal obligation, such as a formal contract or purchase order, shall be carried over, along with equal fund balances to cover payment, and considered an automatic re-appropriation into the ensuing budget year. No monies shall be drawn from the Treasury of the City nor shall any obligation for the expenditure of money be incurred, except pursuant to appropriation heretofore described.

Section VI. That authority be and the same is hereby given to the City Manager to transfer an employee from one class title (position) to any other class title (position) listed on the Pay and Classification Plan at the budgeted salary fixed for that Class Title (position) by the Pay Schedule and Wage Projections for the City's Employees incorporated in this ordinance by specific reference; and as the same may from time to time become necessary or desirable, add to or delete from a division listed on the Personnel Detail any class title or titles. The Board of Mayor and Aldermen shall establish a salary range for each class title (Position) and the steps from entry level to maximum appearing on the Pay Schedule.

VII. That the pay plan (step) merit increase is applicable to all employees of the City that qualify and 2% COLA is hereby approved, effective July 1, 2016.

Section VIII. That the Capital Improvements Plan (FY17-FY21) is hereby approved.

IX. That the sewer rate shall increase by 2% for customers living inside the corporate limits and 2% for customers living outside the corporate limits. These sewer rate increases shall be applicable to all billings rendered on or after July 1, 2016.

Section X. That the Tennessee Consolidated Retirement System Rate be approved at 15.89% for current employees only. Employees hired after July 1, 2012 participate in a Defined Contribution Plan with a mandatory contribution of 5%. The City will match up to an additional 3%.

Section XI. That this ordinance shall take effect on July 1, 2016, the welfare of the City of Kingsport requiring it.

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

Angie Marshall
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Materials Agreement with Danny Karst Related to Edinburgh Phase 9 Development and an Ordinance to Appropriate the Funds

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

Action Form No.: AF-128-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
Staff Work By: R. McReynolds
Presentation By: R. McReynolds

Recommendation:

Approve the ~~Resolution~~ and Ordinance.

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 whereas 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, Danny Karst has requested that his proposed development, Edinburgh Phase 9, be allowed to participate in the materials agreement program. The total amount of the agreement is proposed at \$5,917.93 for a new six (6) lot development.

To date, including this development, the program has supported 818 new/proposed lots within the City of Kingsport. Of those lots, 312 Building Permits and 235 Certificates of Occupancy have been issued to date.

Attachments:

1. Resolution
2. Ordinance
3. Agreement
4. Cost Table
5. Location Map(s)
6. Development Chart

Funding source appropriate and funds are available: 

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



AGENDA ACTION FORM

Materials Agreement with Danny Karst Related to Edinburgh Phase 9 Development and an Ordinance to Appropriate the Funds

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

Action Form No.: AF-128-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: R. McReynolds
 Presentation By: R. McReynolds

Recommendation:

Approve the Resolution and Ordinance.

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 whereas 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, Danny Karst has requested that his proposed development, Edinburgh Phase 9, be allowed to participate in the materials agreement program. The total amount of the agreement is proposed at \$5,917.93 for a new six (6) lot development.

To date, including this development, the program has supported 818 new/proposed lots within the City of Kingsport. Of those lots, 312 Building Permits and 235 Certificates of Occupancy have been issued to date.

Attachments:

1. Resolution
2. Ordinance
3. Agreement
4. Cost Table
5. Location Map(s)
6. Development Chart

Funding source appropriate and funds are available: 

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A MATERIALS AGREEMENT WITH DANNY KARST RELATED TO EDINBURG PHASE IX DEVELOPMENT AND AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, pursuant to the Materials Agreement Policy as set forth in Resolution 2007-084, Danny Karst would like to enter into a Materials Agreement for the provision of certain water and sewer materials by the city for Edinburg Phase IX, a 6 lot development; and

WHEREAS, the total amount of the agreement as proposed is \$5,917.93;

Now, therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney, a Materials Agreement with Danny Karst to provide certain water and sewer materials by the city for Edinburg Phase IX, in the amount of \$5,917.93, and the mayor is further authorized and directed to execute all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 7th day of June, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE SEWER PROJECT FUND BY TRANSFERRING FUNDS TO THE EDINBURGH PHASE 9 MATERIALS AGREEMENT PROJECT (SW1689); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the Sewer Fund project budget be amended by transferring \$5,405 from the operating budget to the Edinburgh Phase 9 project (SW1689) to fund the materials agreement.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
<u>Sewer Project Fund:452</u>			
<u>Edinburgh Phase 5 (SW1689)</u>			
<u>Revenues</u>			
452-0000-391-4200 From the Sewer Fund	0	5,405	5,405
<i>Totals:</i>	0	5,405	5,405
<u>Expenditures:</u>			
452-0000-606-9003 Improvements	0	5,405	5,405
<i>Totals:</i>	0	5,405	5,405

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.

ATTEST:

JOHN CLARK, Mayor

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

MATERIALS AGREEMENT

This AGREEMENT, made and entered into on this 5th day of May, 2016, by and between Danny Karst, hereinafter "Developer", and the City of Kingsport, Tennessee, a municipal corporation, hereinafter "City".

WITNESSETH:

1. The Developer has subdivided a tract of land known as Edinburg Phase 9, and preliminary approval having been heretofore granted by the Planning Commission.
2. The plans for the proposed water and sewer line improvement of the subdivided property have been submitted to and approved by the City of Kingsport, City Engineer and will require 325 LF of sewerline to construct.
3. The estimated cost of the materials listed in paragraph 2 above is approximately \$5,917.93. The Developer will purchase this material from the City for use for construction pursuant to this contract only.
4. The Developer will install the lines according to City's specifications, and will pay all costs for installation of all mains, valves, hydrants and other appurtenances, and will furnish the City "as built" drawings showing the cost lists of all pipe fittings, as well as their exact location.
5. The Developer, upon completion of the work and acceptance by the City, will tender to the City an instrument conveying unencumbered ownership of the lines and easement over and under the land where said lines are laid. Once this conveyance has been made and all the permits needed have been issued, all the inspections completed and passed, and all the payments have been made to the City by the Developer, the City will cause the said line to be connected to the main distribution line of the City.
6. The Developer will reimburse the City for any materials or engineering work required not covered by this agreement.
7. Prior to any reimbursement by the City to the Developer, the Developer will cause the property to be completely annexed into the corporate limits of the City.
8. The Developer will save the City harmless from any and all responsibility for laying any lines, etc., on or across any private premises not dedicated to public use.
9. The Developer will pay the City for the materials listed above and supplied by the City, and upon completion of the laying of water and sewer lines according to specification of and the plans approved by the City, and upon the Developer fully performing all the requirements contained in this agreement the City will reimburse the Developer for the amount paid to the City for the pipe purchased and used in the subdivision, less state and local sales tax.
10. The purpose of this agreement is to reimburse the Developer for 100% of cost of the water and sewer material, less state and local sales tax, with said materials being purchased from the City, and reimbursement for the cost of the materials being made to the Developer subject to the satisfactory completion of all terms of this agreement including complete annexation of the property into the corporate limits of the City.
11. It is understood that the Developer will do any and all ditching, laying of the pipelines, and any and all other work that may be necessary to meet the specifications of the City.
12. Any unused materials acquired by the Developer from the City will be returned to the City and the costs of such material, if returned undamaged, will be credited to the Developer.

IN TESTIMONY WHEREOF, the parties hereto have unto set their hands and seal on this the day and year first above written.


Developer

John Clark, Mayor

Approved as to form:

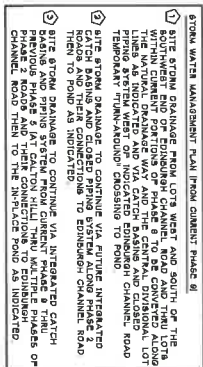
Attest:

James Demming, City Recorder

J. Michael Billingsley, City Attorney

Materials Agreement

Sanitary sewer		Anticipated		Estimated	
Item #	Item description	Units	U/M	Price	Total
45003	8" x 13' sdr-35 gsktd sewer pipe	25.00	jt	\$39.90	\$997.50
45057	8" x 6" tee wye gsktd sewer	8.00	ea	\$33.50	\$268.00
45112	manhole covers v-1312-44	4.00	ea	\$220.00	\$880.00
	Manhole per vertical ft.	0.00	ft.	\$0.00	\$3,259.00
Building code					
	Receipt To:				
Subtotal:	452-0000-208-1250				\$5,404.50
Sales Tax:	452-0000-207-0201			9.50%	\$513.43
Project #	SW1689			Sewer Total:	\$5,917.93
	Expense To:				
Sewer acct #	452-0000-606-9003				
				Grand Total:	<u>\$5,917.93</u>



OVERALL SITE PLAN
111 - 2001

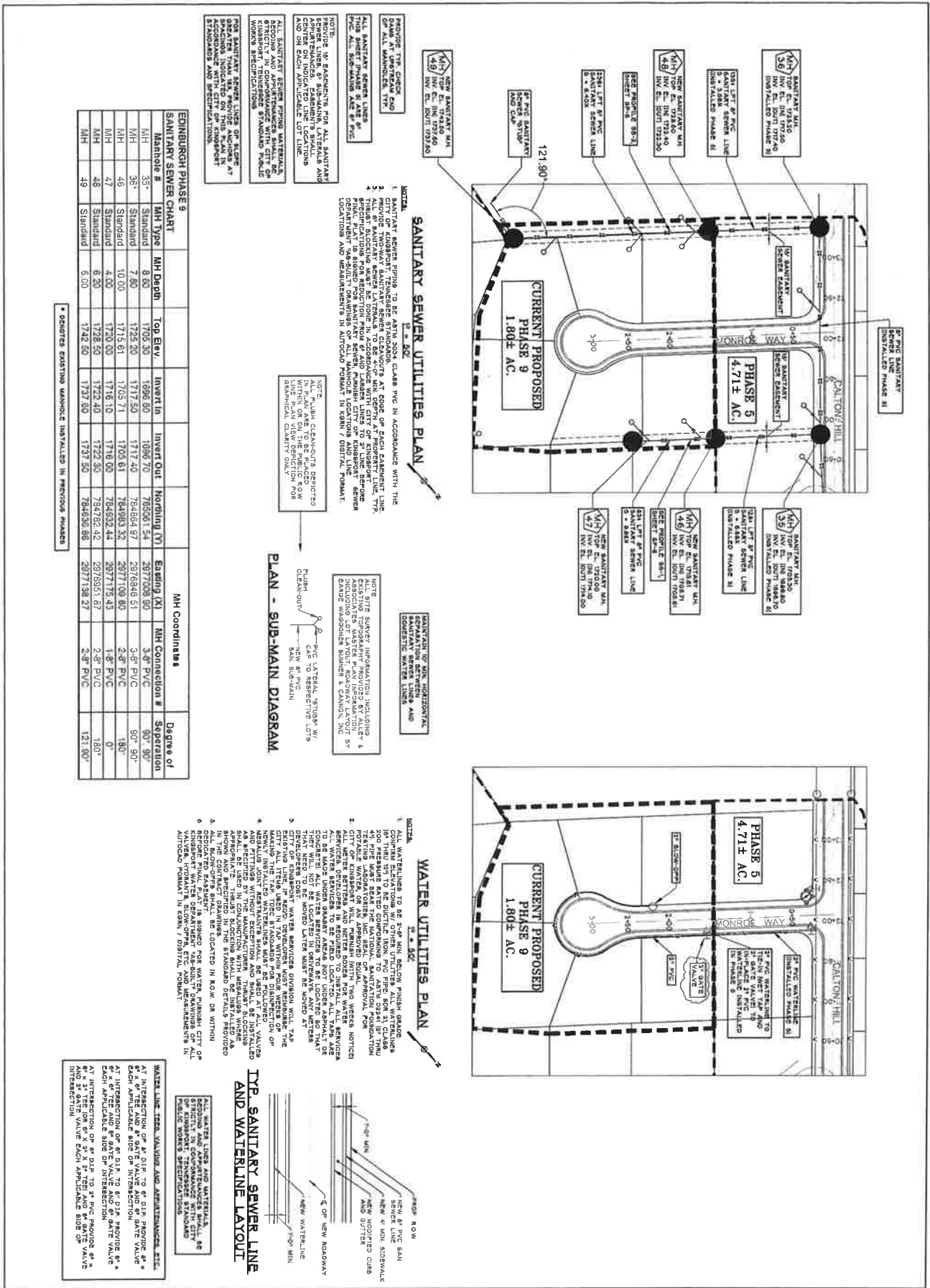
NOTE: ALL SITE SURVEY INFORMATION INCLUDING EXISTING TOPOGRAPHY PROVIDED BY ALLEY & ASSOCIATES, MASTER PLAN INFORMATION INCLUDING LOT LAYOUT, ROADWAY LAYOUT BY GARGE WASGONER SUMNER & CANNON, INC.

FOR PROPOSED PAVING, THE FOLLOWING MINIMUM THICKNESSES ARE TO BE MAINTAINED: 1. 4 INCHES FOR ALL PORTLAND CEMENT CONCRETE PROPOSED DRIVEWAYS AT ALL CORNERS TO PREVENT FORMING OF CRACKS, EXCEPT STREET PAVES. 2. 4 INCHES FOR ALL PORTLAND CEMENT CONCRETE PROPOSED DRIVEWAYS AT ALL CORNERS TO PREVENT FORMING OF CRACKS, EXCEPT STREET PAVES. 3. 4 INCHES FOR ALL PORTLAND CEMENT CONCRETE PROPOSED DRIVEWAYS AT ALL CORNERS TO PREVENT FORMING OF CRACKS, EXCEPT STREET PAVES. 4. 4 INCHES FOR ALL PORTLAND CEMENT CONCRETE PROPOSED DRIVEWAYS AT ALL CORNERS TO PREVENT FORMING OF CRACKS, EXCEPT STREET PAVES. 5. 4 INCHES FOR ALL PORTLAND CEMENT CONCRETE PROPOSED DRIVEWAYS AT ALL CORNERS TO PREVENT FORMING OF CRACKS, EXCEPT STREET PAVES. 6. 4 INCHES FOR ALL PORTLAND CEMENT CONCRETE PROPOSED DRIVEWAYS AT ALL CORNERS TO PREVENT FORMING OF CRACKS, EXCEPT STREET PAVES. 7. 4 INCHES FOR ALL PORTLAND CEMENT CONCRETE PROPOSED DRIVEWAYS AT ALL CORNERS TO PREVENT FORMING OF CRACKS, EXCEPT STREET PAVES. 8. 4 INCHES FOR ALL PORTLAND CEMENT CONCRETE PROPOSED DRIVEWAYS AT ALL CORNERS TO PREVENT FORMING OF CRACKS, EXCEPT STREET PAVES. 9. 4 INCHES FOR ALL PORTLAND CEMENT CONCRETE PROPOSED DRIVEWAYS AT ALL CORNERS TO PREVENT FORMING OF CRACKS, EXCEPT STREET PAVES. 10. 4 INCHES FOR ALL PORTLAND CEMENT CONCRETE PROPOSED DRIVEWAYS AT ALL CORNERS TO PREVENT FORMING OF CRACKS, EXCEPT STREET PAVES.

CITY OF WIGSPORT
Materials Agreements

Developer	Development	Proposed Lots/Development	Agreement Amt.	Date	Bldg. Permits	CO's	Status
Butch Rose	Hillcrest Heights	6	\$5,140.09	06/19/07	3	3	Closed
	Windridge Phase IV	40	\$92,202.29	04/15/08	11	4	Closed
Jeff McKee	Settler's Ridge Phase I	41	\$45,344.29	03/20/07	Total of 7	7	Closed
	Settler's Ridge Phase II	7	\$18,822.89	11/06/07			Closed
Edinburgh Group LLC	Edinburgh Phase I, Section 1	32	\$42,867.62	02/19/07	Total of 132	103	Closed
	Edinburgh Phase I, Section 2	15	\$25,205.92	04/17/07			Closed
	Edinburgh Phase 2, Section 1A	6	\$2,852.48	02/02/10			Open
	Edinburgh Phase 2, Section 2	6	\$11,976.02	11/16/10			Open
	Edinburgh Phase 2, Section 2B	11	\$9,472.85	10/18/11			Closed
	Edinburgh Phase 2, Section 2C	14	\$20,128.29	04/03/12			Closed
	Edinburgh Phase 2, Section 2E	8	\$25,177.34	10/02/12			Closed
	Edinburgh Phase 2, Section 2F	9	\$19,382.60	05/07/13			Closed
	Edinburgh Phase 4	17	\$65,033.97	07/24/13			Closed
	Edinburgh Phase V	12	\$51,965.42	10/7/2014			Closed
	Edinburgh Phase VII	20	\$27,552.51	6/2/2015			Closed
Jerry Petzoldt	Old Island Phase II	59	\$118,027.86	05/06/08	25	20	Closed
Jim Nottingham	Riverwatch	29	\$47,605.13	04/15/08	3	3	Closed
Harold Slomp & Jack McMurray	Villas at Andover - Polo Fields	104	\$76,522.72	08/07/07	29	26	Closed
George Hunt	Hunts Crossing Phase II	22	\$18,375.20	04/15/08	5	5	Closed
Rob McLean	Anchor Point	80	\$72,552.51	07/15/08	29	17	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	Closed
Ken Bates	Chase Meadows Phase I	15	\$39,418.91	07/15/08	Total of 33	31	Closed
	Chase Meadows Phase II	87	\$68,096.96	08/19/08			Closed
Terry Orth	Autumn Woods Phase I	19	\$30,628.25	10/07/08	19	19	Closed
	Autumn Woods Phase II	51	\$97,091.46	09/01/09	41	36	Closed
Gary Alexander	Riverbend Phase I	15	\$65,938.71	02/03/09	10	0	Closed
	Riverbend - Epcon Phase II	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	Closed
Jane Karst	Jane Karst Subdivision	4	\$4,100.78	09/20/11			Closed
M & M Builders	Brookton Park Subdivision	7	\$2,145.88	09/20/11	7	7	Closed
Vic Davis	The Summitt at Preston Park Ph. 3	20	\$79,327.82	12/03/13	2	0	Closed
	TOTAL	812	\$1,262,751.23		368	293	

Revised 04/29/16





AGENDA ACTION FORM

Amendment the FY 2016 Budgets for Department of Education Active Employees Health Insurance and Department of Education Retiree Health Insurance

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

Action Form No.: AF-130-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: David Frye
 Presentation By: David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

The Board of Education approved an amendment to the fiscal year 2016 Health Insurances Funds budgets at their meeting on May 5, 2016. This amendment adjusts estimated revenues and appropriations for active employees and retirees. These adjustments will more accurately reflect the actual revenues and expenses in these funds. The active employee fund will be increased by \$860,000 and the retiree fund will be decreased by \$619,000. The net increase of \$241,000 is mainly a result of pharmacy rebates.

Attachments:

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

Funding source appropriate and funds are available: 

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



AGENDA ACTION FORM

Amendment the FY 2016 Budgets for Department of Education Active Employees Health Insurance and Department of Education Retiree Health Insurance

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

Action Form No.: AF-130-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: David Frye
 Presentation By: David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

The Board of Education approved an amendment to the fiscal year 2016 Health Insurances Funds budgets at their meeting on May 5, 2016. This amendment adjusts estimated revenues and appropriations for active employees and retirees. These adjustments will more accurately reflect the actual revenues and expenses in these funds. The active employee fund will be increased by \$860,000 and the retiree fund will be decreased by \$619,000. The net increase of \$241,000 is mainly a result of pharmacy rebates.

Attachments:

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

Funding source appropriate and funds are available 

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

ORDINANCE NO. ****

AN ORDINANCE TO AMEND THE FY 2015-16 BUDGETS
FOR KINGSPORT CITY SCHOOLS ACTIVE EMPLOYEES
HEALTH INSURANCE FUND AND RETIREE HEALTH
INSURANCE FUND; AND, TO FIX THE EFFECTIVE DATE
OF THIS ORDINANCE

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

SECTION I. That the Kingsport City Schools Active Employee Health Insurance Fund budget be amended by ratifying the Kingsport Board of Education approval of Budget Amendment Number Five by increasing the estimated revenue for Employer Contributions by \$500,000; the estimated revenue for Employee Contributions by \$60,000; the estimated revenue for Pharmacy Rebates by \$300,000. The expenditure budget will be changed by increasing the appropriation for Insurance Claims by \$1,454,000 and by decreasing the appropriation for the Consultants by \$50,000; the appropriation for ACA Fees by \$50,000; the appropriation Stop-Loss Insurance by \$125,000; the appropriation for Transfers to Retiree Fund by \$369,000.

In addition the Kingsport City Schools Retiree Health Insurance Fund budget will be amended by increasing the estimated revenue for Pharmacy Rebates by \$50,000 and by decreasing the estimated revenue for Employer Contributions by \$300,000; the estimated revenue for Transfers from Active Employee Insurance by \$369,000. The expenditure budget will be changed by decreasing the appropriation for Insurance Claims by \$619,000.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
<u>Fund 627: School Employee Insurance Fund</u>			
<u>Revenues:</u>	\$	\$	\$
627-0000-363-1535 Employer Contributions	6,140,000	500,000	6,640,000
627-0000-363-2055 Employee Contributions	2,400,000	60,000	2,460,000
627-0000-368-7237 Pharmacy Rebates	0	300,000	300,000
<i>Totals:</i>	8,540,000	860,000	9,400,000

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
<u>Expenditures:</u>	\$	\$	\$
627-1604-413-2020 Consultants	93,000	(50,000)	43,000
627-1604-413-4099 ACA Fees	115,000	(50,000)	65,000
627-1604-413-5015 Stop-Loss Insurance	680,000	(125,000)	555,000
627-1604-413-7091 Transfer to Retiree Insurance	369,000	(369,000)	0
627-1704-413-5100 Claims-Insurance Claims	6,500,000	1,454,000	7,954,000
<i>Totals:</i>	7,757,000	860,000	8,617,000

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 628: School Retiree Insurance Fund			
<u>Revenues:</u>	\$	\$	\$
628-0000-363-1532 Employer Contributions	1,233,000	(300,000)	933,000
628-0000-368-7237 Pharmacy Rebates	0	50,000	50,000
628-0000-391-5900 Transfer from Active Emp Ins	369,000	(369,000)	0
Totals:	1,602,000	(619,000)	983,000

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
<u>Expenditures:</u>	\$	\$	\$
628-1704-413-5100 Claims-Insurance Claims	1,675,000	(619,000)	1,056,000
Totals:	1,675,000	(619,000)	1,056,000

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

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING, City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

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

May 5, 2016

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2015-2016
BUDGET AMENDMENT NUMBER FIVE

GENERAL PURPOSE SCHOOL FUND

ITEM ONE: DEBT SERVICE FUNDS

When the budget for debt service is established, the full amount of the scheduled debt service is budgeted. Some of the bonds actually have some interest earnings, which reduce the actual payments. In FY 2016 this savings totals approximately \$100,000. It is recommended that the estimated revenue General Fund Transfers for Debt Service be reduced by \$100,000. It is further recommended that the appropriations for Debt – Principal and Debt - Interest be reduced by \$75,000 and \$25,000, respectively.

ITEM TWO: LINCOLN ROOF INSURANCE PAYMENT

When we started working on the next phase of the Lincoln Roof, it was discovered that there had been hail damage to the roof. The City's Risk Management department was contacted and an insurance claim was filed. An insurance payment has been received in the amount of \$31,087.90. It is recommended that the estimated revenue for Other Local Revenue be increased by \$31,088 and that the appropriation for Fund Transfers be increased by \$31,088. It is further recommended that these funds be transferred to the Lincoln Roof Replacement project.

ITEM THREE: MISCELLANEOUS TRANSFERS

1. John Adams Elementary has requested to transfer \$900 from Printing to their Instructional Supply account.
2. Roosevelt Elementary has requested to transfer \$3,200 from their Non-Instructional Equipment account to their Instructional Supply account.

It is recommended that these transfers be approved.

FEDERAL PROJECTS FUND

The estimated revenue and appropriations for the Federal Projects Fund are currently in the amount of \$3,934,524. This amount was based on estimates and information known at the time of initial approval and now needs to be adjusted to the actual amount of the grants. We have received a new Carl Perkins Incentive grant for \$5,000 and a Focus School Grant for \$85,691.

The details of the changes are shown on the enclosed Schedule of Federal Projects. It is recommended that the estimated revenues and appropriations for the Federal Projects Fund be increased by the net amount of \$166,608. This will make the revised estimated revenue and appropriation amounts \$4,101,132.

SCHOOL SPECIAL PROJECTS FUND

The estimated revenue and appropriations for active projects within the School Special Projects Fund are currently in the amount of \$1,181,216. The initial budgets for these grants were estimates based on previous year's information. There have been new grants received during the year that total \$60,000. There are increases in the Family Resource and the Homeless programs of \$7,512 that are local donations and there are increases that total \$3,787 in the Safe and Supportive Schools and the Summer STEM Camp FY 15 grants/programs. There was a decrease in the Homeless and Safe Schools grants of \$7,148.

The details of the changes are shown on the enclosed Schedule of School Special Projects. It is recommended that the estimated revenues and appropriations for the School Special Projects Fund be increased by the net amount of \$64,151. This will make the revised estimated revenue and appropriation amounts \$1,245,367.

HEALTH INSURANCE FUNDS

Combined, the active employees and retiree health insurance budgets are fine. But, taken separately the active employee fund will be over budget and the retiree fund will be under budget. Part of this is due to how the additional \$1,000,000 appropriation was divided. The funds were divided 50:50. But, it now appears that 80% should have gone to the active employee fund. In addition there are other revenue and expenditure adjustments that need to be made. It is recommended that the estimated revenues and appropriations for the Active Employee and Retiree Health Insurance Funds be adjusted as follows:

ACTIVE EMPLOYEES HEALTH INSURANCE FUND

	Current Budget	Change	Amended Budget
Employer Contributions	\$6,140,000	\$ 500,000	\$6,640,000
Employee Contributions	2,400,000	60,000	2,460,000
Pharmacy Rebates	0	300,000	300,000
Total Active Employee Revenue	\$8,540,000	\$ 860,000	\$9,400,000
Professional/Consultant	\$ 93,000	\$ (50,000)	\$ 43,000
Administration Fees	265,000	0	265,000
ACA Fees	115,000	(50,000)	65,000
Stop-Loss Insurance	680,000	(125,000)	555,000
Clinic Expenses	518,000	0	518,000
Transfer to Retiree Fund	369,000	(369,000)	0
Claims	6,500,000	1,454,000	7,954,000
Total Active Employee Budget	\$8,540,000	\$ 860,000	\$9,400,000

RETIREE HEALTH INSURANCE FUND

	Current Budget	Change	Amended Budget
Employer Contributions	\$1,233,000	\$ (300,000)	\$ 933,000
Retiree Contributions	204,000	0	204,000
Pharmacy Rebates	0	50,000	50,000
Transfer from Active Fund	369,000	(369,000)	0
Total Active Employee Revenue	\$1,806,000	\$(619,000)	\$1,187,000
Administration Fees	\$ 42,000	0	\$ 42,000
ACA Fees	11,000	0	11,000
Stop-Loss Insurance	78,000	0	78,000
Claims	1,675,000	(619,000)	1,056,000
Total Active Employee Budget	\$1,806,000	\$(619,000)	\$1,187,000



AGENDA ACTION FORM

Amend the FY 2016 General Purpose School Fund Budget

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

Action Form No.: AF-129-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: David Frye
 Presentation By: David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

The Board of Education approved fiscal year 2016 budget amendment number five at their meeting on May 5, 2016. This amendment decreases the estimated revenue and appropriations for debt service by \$100,000. The amendment also appropriates \$31,088 of property insurance proceeds for hail damage to the Lincoln Elementary School roof. We are in the process of replacing a portion of that roof and these funds will be applied to that project. The amendment also approves 2 miscellaneous transfers within the General Purpose budget.

Attachments:

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

Funding source appropriate and funds are available: JP

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



AGENDA ACTION FORM

Amend the FY 2016 General Purpose School Fund Budget

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

Action Form No.: AF-129-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: David Frye
 Presentation By: David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

The Board of Education approved fiscal year 2016 budget amendment number five at their meeting on May 5, 2016. This amendment decreases the estimated revenue and appropriations for debt service by \$100,000. The amendment also appropriates \$31,088 of property insurance proceeds for hail damage to the Lincoln Elementary School roof. We are in the process of replacing a portion of that roof and these funds will be applied to that project. The amendment also approves 2 miscellaneous transfers within the General Purpose budget.

Attachments:

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

Funding source appropriate and funds are available: *JP/dsm*

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

PRE-FILED CITY RECORDER

ORDINANCE NO. ****

AN ORDINANCE TO AMEND THE FY 2015-16 GENERAL PURPOSE SCHOOL FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Purpose School Fund budget be amended to ratify the Kingsport Board of Education approval of Budget Amendment Number Five by increasing the estimated revenue for Other Local Revenue by \$31,088 and by decreasing the estimated revenue for Transfers from the City-Debt Service by \$100,000. The expenditure budget will be changed by increasing the appropriations for Transfers to Other Funds by \$31,088; the appropriations for John Adams – Instructional Supplies by \$900; the appropriations for Roosevelt – Instructional Supplies by \$3,200 and by decreasing the appropriation Debt Service – Principal by \$75,000; the appropriation for Debt Service – Interest by \$25,000; the appropriation for John Adams – Printing by \$900; the appropriation for Roosevelt – Non-instructional Equipment by \$3,200.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 141: School Fund			
Revenues:	\$	\$	\$
141-0000-349-4990 Other Local Revenue	146,500	31,088	177,588
141-0000-399-9811 City Transfers – Debt Service	3,325,000	(100,000)	3,225,000
Totals:	3,471,500	(68,912)	3,402,588

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Expenditures:	\$	\$	\$
141-7112-711-0429 Adams – Inst. Supplies	18,014	900	18,914
141-7116-711-0722 Roosevelt – Inst. Equipment	12,687	3,200	15,887
141-7212-781-0595 Adams – Printing	1,386	(900)	486
141-7616-871-0790 Roosevelt – Non-Inst. Equip.	4,880	(3,200)	1,680
141-7750-891-0601 Debt Service - Principal	2,720,600	(75,000)	2,645,600
141-7750-891-0602 Debt Service - Interest	1,044,200	(25,000)	1,019,200
141-7950-881-0590 Transfer to Other Funds	323,400	31,088	354,488
Totals:	4,125,167	(68,912)	4,056,255

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

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING, City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING:

May 5, 2016

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2015-2016
BUDGET AMENDMENT NUMBER FIVE

GENERAL PURPOSE SCHOOL FUND

ITEM ONE: DEBT SERVICE FUNDS

When the budget for debt service is established, the full amount of the scheduled debt service is budgeted. Some of the bonds actually have some interest earnings, which reduce the actual payments. In FY 2016 this savings totals approximately \$100,000. It is recommended that the estimated revenue General Fund Transfers for Debt Service be reduced by \$100,000. It is further recommended that the appropriations for Debt – Principal and Debt - Interest be reduced by \$75,000 and \$25,000, respectively.

ITEM TWO: LINCOLN ROOF INSURANCE PAYMENT

When we started working on the next phase of the Lincoln Roof, it was discovered that there had been hail damage to the roof. The City's Risk Management department was contacted and an insurance claim was filed. An insurance payment has been received in the amount of \$31,087.90. It is recommended that the estimated revenue for Other Local Revenue be increased by \$31,088 and that the appropriation for Fund Transfers be increased by \$31,088. It is further recommended that these funds be transferred to the Lincoln Roof Replacement project.

ITEM THREE: MISCELLANEOUS TRANSFERS

1. John Adams Elementary has requested to transfer \$900 from Printing to their Instructional Supply account.
2. Roosevelt Elementary has requested to transfer \$3,200 from their Non-Instructional Equipment account to their Instructional Supply account.

It is recommended that these transfers be approved.

FEDERAL PROJECTS FUND

The estimated revenue and appropriations for the Federal Projects Fund are currently in the amount of \$3,934,524. This amount was based on estimates and information known at the time of initial approval and now needs to be adjusted to the actual amount of the grants. We have received a new Carl Perkins Incentive grant for \$5,000 and a Focus School Grant for \$85,691.

The details of the changes are shown on the enclosed Schedule of Federal Projects. It is recommended that the estimated revenues and appropriations for the Federal Projects Fund be increased by the net amount of \$166,608. This will make the revised estimated revenue and appropriation amounts \$4,101,132.

SCHOOL SPECIAL PROJECTS FUND

The estimated revenue and appropriations for active projects within the School Special Projects Fund are currently in the amount of \$1,181,216. The initial budgets for these grants were estimates based on previous year's information. There have been new grants received during the year that total \$60,000. There are increases in the Family Resource and the Homeless programs of \$7,512 that are local donations and there are increases that total \$3,787 in the Safe and Supportive Schools and the Summer STEM Camp FY 15 grants/programs. There was a decrease in the Homeless and Safe Schools grants of \$7,148.

The details of the changes are shown on the enclosed Schedule of School Special Projects. It is recommended that the estimated revenues and appropriations for the School Special Projects Fund be increased by the net amount of \$64,151. This will make the revised estimated revenue and appropriation amounts \$1,245,367.

HEALTH INSURANCE FUNDS

Combined, the active employees and retiree health insurance budgets are fine. But, taken separately the active employee fund will be over budget and the retiree fund will be under budget. Part of this is due to how the additional \$1,000,000 appropriation was divided. The funds were divided 50:50. But, it now appears that 80% should have gone to the active employee fund. In addition there are other revenue and expenditure adjustments that need to be made. It is recommended that the estimated revenues and appropriations for the Active Employee and Retiree Health Insurance Funds be adjusted as follows:

ACTIVE EMPLOYEES HEALTH INSURANCE FUND

	Current Budget	Change	Amended Budget
Employer Contributions	\$6,140,000	\$ 500,000	\$6,640,000
Employee Contributions	2,400,000	60,000	2,460,000
Pharmacy Rebates	0	300,000	300,000
Total Active Employee Revenue	\$8,540,000	\$ 860,000	\$9,400,000
Professional/Consultant	\$ 93,000	\$ (50,000)	\$ 43,000
Administration Fees	265,000	0	265,000
ACA Fees	115,000	(50,000)	65,000
Stop-Loss Insurance	680,000	(125,000)	555,000
Clinic Expenses	518,000	0	518,000
Transfer to Retiree Fund	369,000	(369,000)	0
Claims	6,500,000	1,454,000	7,954,000
Total Active Employee Budget	\$8,540,000	\$ 860,000	\$9,400,000

RETIREE HEALTH INSURANCE FUND

	Current Budget	Change	Amended Budget
Employer Contributions	\$1,233,000	\$ (300,000)	\$ 933,000
Retiree Contributions	204,000	0	204,000
Pharmacy Rebates	0	50,000	50,000
Transfer from Active Fund	369,000	(369,000)	0
Total Active Employee Revenue	\$1,806,000	\$(619,000)	\$1,187,000
Administration Fees	\$ 42,000	0	\$ 42,000
ACA Fees	11,000	0	11,000
Stop-Loss Insurance	78,000	0	78,000
Claims	1,675,000	(619,000)	1,056,000
Total Active Employee Budget	\$1,806,000	\$(619,000)	\$1,187,000



AGENDA ACTION FORM

Amend the FY 2016 Schools Federal Projects Fund Budget

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

Action Form No.: AF-147-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: David Frye
 Presentation By: David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

On May 5, 2016, the Board of Education approved an amendment to the FY 2015-2016 Schools' Federal Project Fund budget. This fund accounts for entitlement grants received from the federal government. The current budget is \$3,934,524, based on estimated amounts. The estimates are being adjusted to actual amounts. There is a net increase for this budget of \$166,608. This makes the amended total \$4,101,132.

Attachments:

1. Ordinance
2. BOE Budget Amendment Number Five

Funding source appropriate and funds are available:

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



AGENDA ACTION FORM

Amend the FY 2016 Schools Federal Projects Fund Budget

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

Action Form No.: AF-147-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: David Frye
 Presentation By: David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

On May 5, 2016, the Board of Education approved an amendment to the FY 2015-2016 Schools' Federal Project Fund budget. This fund accounts for entitlement grants received from the federal government. The current budget is \$3,934,524, based on estimated amounts. The estimates are being adjusted to actual amounts. There is a net increase for this budget of \$166,608. This makes the amended total \$4,101,132.

Attachments:

1. Ordinance
2. BOE Budget Amendment Number Five

Funding source appropriate and funds are available: *Goldman*

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

PRE-FILED

ORDINANCE NO. **** **CITY RECORDER**

AN ORDINANCE TO AMEND THE FY 2016 SCHOOL
FEDERAL GRANT PROJECTS FUND BUDGET; AND, TO
FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the FY 2016 School Federal Grant Projects Fund budget be amended by increasing/(decreasing) appropriations for Grant funds to the following Grant projects.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<u>Revenues:</u>	\$	\$	\$
ADMN16 Consolidated Administration	132,000	0	132,000
CPG016 Carl Perkins Grant	118,076	0	118,076
CPI016 Carl Perkins Incentive Grant	0	5,000	5,000
PS1601 IDEA Pre-School	37,795	0	37,795
T11601 Title I	1,807,702	94,799	1,902,501
FSG016 Focus School Grant	0	85,691	85,691
T21601 Title II – A	314,726	42	314,768
T31601 Title III	9,354	(1,392)	7,962
T61601 IDEA Part-B	1,514,871	(24,590)	1,490,281
T616D1 IDEA Discretionary Grant	0	7,058	7,058
Totals:	3,934,524	166,608	4,101,132
<u>Expenditures:</u>	\$	\$	\$
Instruction	2,467,276	61,996	2,529,272
Support Services	1,304,961	103,265	1,408,226
Other Charges (Fund Transfers)	162,287	1,347	163,634
Totals:	3,934,524	166,608	4,101,132

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.

ATTEST:

JOHN CLARK, Mayor

APPROVED AS TO FORM:

JAMES H. DEMMING, City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

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

May 5, 2016

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2015-2016
BUDGET AMENDMENT NUMBER FIVE

GENERAL PURPOSE SCHOOL FUND

ITEM ONE: DEBT SERVICE FUNDS

When the budget for debt service is established, the full amount of the scheduled debt service is budgeted. Some of the bonds actually have some interest earnings, which reduce the actual payments. In FY 2016 this savings totals approximately \$100,000. It is recommended that the estimated revenue General Fund Transfers for Debt Service be reduced by \$100,000. It is further recommended that the appropriations for Debt – Principal and Debt - Interest be reduced by \$75,000 and \$25,000, respectively.

ITEM TWO: LINCOLN ROOF INSURANCE PAYMENT

When we started working on the next phase of the Lincoln Roof, it was discovered that there had been hail damage to the roof. The City's Risk Management department was contacted and an insurance claim was filed. An insurance payment has been received in the amount of \$31,087.90. It is recommended that the estimated revenue for Other Local Revenue be increased by \$31,088 and that the appropriation for Fund Transfers be increased by \$31,088. It is further recommended that these funds be transferred to the Lincoln Roof Replacement project.

ITEM THREE: MISCELLANEOUS TRANSFERS

1. John Adams Elementary has requested to transfer \$900 from Printing to their Instructional Supply account.
2. Roosevelt Elementary has requested to transfer \$3,200 from their Non-Instructional Equipment account to their Instructional Supply account.

It is recommended that these transfers be approved.

FEDERAL PROJECTS FUND

The estimated revenue and appropriations for the Federal Projects Fund are currently in the amount of \$3,934,524. This amount was based on estimates and information known at the time of initial approval and now needs to be adjusted to the actual amount of the grants. We have received a new Carl Perkins Incentive grant for \$5,000 and a Focus School Grant for \$85,691.

The details of the changes are shown on the enclosed Schedule of Federal Projects. It is recommended that the estimated revenues and appropriations for the Federal Projects Fund be increased by the net amount of \$166,608. This will make the revised estimated revenue and appropriation amounts \$4,101,132.

SCHOOL SPECIAL PROJECTS FUND

The estimated revenue and appropriations for active projects within the School Special Projects Fund are currently in the amount of \$1,181,216. The initial budgets for these grants were estimates based on previous year's information. There have been new grants received during the year that total \$60,000. There are increases in the Family Resource and the Homeless programs of \$7,512 that are local donations and there are increases that total \$3,787 in the Safe and Supportive Schools and the Summer STEM Camp FY 15 grants/programs. There was a decrease in the Homeless and Safe Schools grants of \$7,148.

The details of the changes are shown on the enclosed Schedule of School Special Projects. It is recommended that the estimated revenues and appropriations for the School Special Projects Fund be increased by the net amount of \$64,151. This will make the revised estimated revenue and appropriation amounts \$1,245,367.

HEALTH INSURANCE FUNDS

Combined, the active employees and retiree health insurance budgets are fine. But, taken separately the active employee fund will be over budget and the retiree fund will be under budget. Part of this is due to how the additional \$1,000,000 appropriation was divided. The funds were divided 50:50. But, it now appears that 80% should have gone to the active employee fund. In addition there are other revenue and expenditure adjustments that need to be made. It is recommended that the estimated revenues and appropriations for the Active Employee and Retiree Health Insurance Funds be adjusted as follows:

ACTIVE EMPLOYEES HEALTH INSURANCE FUND

	Current Budget	Change	Amended Budget
Employer Contributions	\$6,140,000	\$ 500,000	\$6,640,000
Employee Contributions	2,400,000	60,000	2,460,000
Pharmacy Rebates	0	300,000	300,000
Total Active Employee Revenue	\$8,540,000	\$ 860,000	\$9,400,000
Professional/Consultant	\$ 93,000	\$ (50,000)	\$ 43,000
Administration Fees	265,000	0	265,000
ACA Fees	115,000	(50,000)	65,000
Stop-Loss Insurance	680,000	(125,000)	555,000
Clinic Expenses	518,000	0	518,000
Transfer to Retiree Fund	369,000	(369,000)	0
Claims	6,500,000	1,454,000	7,954,000
Total Active Employee Budget	\$8,540,000	\$ 860,000	\$9,400,000

RETIREE HEALTH INSURANCE FUND

	Current Budget	Change	Amended Budget
Employer Contributions	\$1,233,000	\$ (300,000)	\$ 933,000
Retiree Contributions	204,000	0	204,000
Pharmacy Rebates	0	50,000	50,000
Transfer from Active Fund	369,000	(369,000)	0
Total Active Employee Revenue	\$1,806,000	\$(619,000)	\$1,187,000
Administration Fees	\$ 42,000	0	\$ 42,000
ACA Fees	11,000	0	11,000
Stop-Loss Insurance	78,000	0	78,000
Claims	1,675,000	(619,000)	1,056,000
Total Active Employee Budget	\$1,806,000	\$(619,000)	\$1,187,000



AGENDA ACTION FORM

Amend the FY 2016 School Special Projects Fund Budget

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

Action Form No.: AF-148-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: David Frye
 Presentation By: David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

On May 5, 2016, the Board of Education approved an amendment to the FY 2015-2016 Schools' Special Project Fund budget. This fund accounts for State of Tennessee grants, competitive grants, and any other grants that may be received. The current budget for active projects is \$1,181,216 based on estimated amounts. There have been two new projects added and the estimates are being adjusted to actual amounts. There is a net increase for this budget of \$64,151. This makes the amended total \$1,245,367.

Attachments:

1. Ordinance
2. BOE Budget Amendment Number Five

Funding source appropriate and funds are available: je

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



AGENDA ACTION FORM

Amend the FY 2016 School Special Projects Fund Budget

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

Action Form No.: AF-148-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: David Frye
 Presentation By: David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

On May 5, 2016, the Board of Education approved an amendment to the FY 2015-2016 Schools' Special Project Fund budget. This fund accounts for State of Tennessee grants, competitive grants, and any other grants that may be received. The current budget for active projects is \$1,181,216 based on estimated amounts. There have been two new projects added and the estimates are being adjusted to actual amounts. There is a net increase for this budget of \$64,151. This makes the amended total \$1,245,367.

Attachments:

1. Ordinance
2. BOE Budget Amendment Number Five

Funding source appropriate and funds are available: *df/dsm*

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

ORDINANCE NO. ****

PRE-FILED
CITY RECORDER

AN ORDINANCE TO AMEND THE FY 2016 SCHOOL SPECIAL PROJECTS FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the FY 2016 School Special Projects Fund budget be amended by increasing/(decreasing) appropriations for Grant funds to the following Grant projects.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<u>Revenues:</u>	\$	\$	\$
CSH016 Coordinated School Health	100,000	0	100,000
FRC016 Family Resource Center	29,612	2,500	32,112
HAG016 Homeless Assistance	51,000	(1,538)	49,462
KTIP16 Kingsport Truancy Intervention	53,720	0	53,720
LIFT16 Lift I PD TN SCORE FY 16	0	10,000	10,000
LP5016 LEAPS After-School Program S-W	250,000	0	250,000
PK5115 Pre-K Expansion Grant System-Wide	491,322	0	491,322
SSA016 Safe Schools Act	29,690	(610)	29,080
S31501 Safe & Supportive Schools	77,434	1,587	79,021
STEM15 Summer STEM Camp	35,000	2,200	37,200
STEM16 Summer STEM Camp	0	50,000	50,000
Transfer from General School Fund	63,438	12	63,450
Totals:	1,181,216	64,151	1,245,367
<u>Expenditures:</u>	\$	\$	\$
Instruction	495,864	50,658	546,522
Support Services	435,352	13,493	448,845
Non-Instructional Services	250,000	0	250,000
Capital Outlay	0	0	0
Other	0	0	0
Totals:	1,181,216	64,151	1,245,367

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

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING, City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

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

May 5, 2016

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2015-2016
BUDGET AMENDMENT NUMBER FIVE

GENERAL PURPOSE SCHOOL FUND

ITEM ONE: DEBT SERVICE FUNDS

When the budget for debt service is established, the full amount of the scheduled debt service is budgeted. Some of the bonds actually have some interest earnings, which reduce the actual payments. In FY 2016 this savings totals approximately \$100,000. It is recommended that the estimated revenue General Fund Transfers for Debt Service be reduced by \$100,000. It is further recommended that the appropriations for Debt – Principal and Debt - Interest be reduced by \$75,000 and \$25,000, respectively.

ITEM TWO: LINCOLN ROOF INSURANCE PAYMENT

When we started working on the next phase of the Lincoln Roof, it was discovered that there had been hail damage to the roof. The City's Risk Management department was contacted and an insurance claim was filed. An insurance payment has been received in the amount of \$31,087.90. It is recommended that the estimated revenue for Other Local Revenue be increased by \$31,088 and that the appropriation for Fund Transfers be increased by \$31,088. It is further recommended that these funds be transferred to the Lincoln Roof Replacement project.

ITEM THREE: MISCELLANEOUS TRANSFERS

1. John Adams Elementary has requested to transfer \$900 from Printing to their Instructional Supply account.
2. Roosevelt Elementary has requested to transfer \$3,200 from their Non-Instructional Equipment account to their Instructional Supply account.

It is recommended that these transfers be approved.

FEDERAL PROJECTS FUND

The estimated revenue and appropriations for the Federal Projects Fund are currently in the amount of \$3,934,524. This amount was based on estimates and information known at the time of initial approval and now needs to be adjusted to the actual amount of the grants. We have received a new Carl Perkins Incentive grant for \$5,000 and a Focus School Grant for \$85,691.

The details of the changes are shown on the enclosed Schedule of Federal Projects. It is recommended that the estimated revenues and appropriations for the Federal Projects Fund be increased by the net amount of \$166,608. This will make the revised estimated revenue and appropriation amounts \$4,101,132.

SCHOOL SPECIAL PROJECTS FUND

The estimated revenue and appropriations for active projects within the School Special Projects Fund are currently in the amount of \$1,181,216. The initial budgets for these grants were estimates based on previous year's information. There have been new grants received during the year that total \$60,000. There are increases in the Family Resource and the Homeless programs of \$7,512 that are local donations and there are increases that total \$3,787 in the Safe and Supportive Schools and the Summer STEM Camp FY 15 grants/programs. There was a decrease in the Homeless and Safe Schools grants of \$7,148.

The details of the changes are shown on the enclosed Schedule of School Special Projects. It is recommended that the estimated revenues and appropriations for the School Special Projects Fund be increased by the net amount of \$64,151. This will make the revised estimated revenue and appropriation amounts \$1,245,367.

HEALTH INSURANCE FUNDS

Combined, the active employees and retiree health insurance budgets are fine. But, taken separately the active employee fund will be over budget and the retiree fund will be under budget. Part of this is due to how the additional \$1,000,000 appropriation was divided. The funds were divided 50:50. But, it now appears that 80% should have gone to the active employee fund. In addition there are other revenue and expenditure adjustments that need to be made. It is recommended that the estimated revenues and appropriations for the Active Employee and Retiree Health Insurance Funds be adjusted as follows:

ACTIVE EMPLOYEES HEALTH INSURANCE FUND

	Current Budget	Change	Amended Budget
Employer Contributions	\$6,140,000	\$ 500,000	\$6,640,000
Employee Contributions	2,400,000	60,000	2,460,000
Pharmacy Rebates	0	300,000	300,000
Total Active Employee Revenue	\$8,540,000	\$ 860,000	\$9,400,000
Professional/Consultant	\$ 93,000	\$ (50,000)	\$ 43,000
Administration Fees	265,000	0	265,000
ACA Fees	115,000	(50,000)	65,000
Stop-Loss Insurance	680,000	(125,000)	555,000
Clinic Expenses	518,000	0	518,000
Transfer to Retiree Fund	369,000	(369,000)	0
Claims	6,500,000	1,454,000	7,954,000
Total Active Employee Budget	\$8,540,000	\$ 860,000	\$9,400,000

RETIREE HEALTH INSURANCE FUND

	Current Budget	Change	Amended Budget
Employer Contributions	\$1,233,000	\$ (300,000)	\$ 933,000
Retiree Contributions	204,000	0	204,000
Pharmacy Rebates	0	50,000	50,000
Transfer from Active Fund	369,000	(369,000)	0
Total Active Employee Revenue	\$1,806,000	\$(619,000)	\$1,187,000
Administration Fees	\$ 42,000	0	\$ 42,000
ACA Fees	11,000	0	11,000
Stop-Loss Insurance	78,000	0	78,000
Claims	1,675,000	(619,000)	1,056,000
Total Active Employee Budget	\$1,806,000	\$(619,000)	\$1,187,000



AGENDA ACTION FORM

Adopt the FY16-17 Urban Mass Transit Budget

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

Action Form No.: AF-134-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Judy Smith, Gary Taylor
 Presentation By: Chris McCartt

Recommendation:

Approve the Ordinance.

Executive Summary:

Each year the City of Kingsport receives funding from the Federal Transit Administration to the Tennessee Department of Transportation for the Urban Mass Transit Project Grant. The funding for this year's grant was presented in the budget work session. Since this grant project runs for the life of the grant funds, it is not included in the annual budget. However, it is provided for through a separate capital/grant budget ordinance. The total budget is \$2,226,624.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: gc

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



AGENDA ACTION FORM

Adopt the FY16-17 Urban Mass Transit Budget

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

Action Form No.: AF-134-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Judy Smith, Gary Taylor
 Presentation By: Chris McCart

Recommendation:

Approve the Ordinance.

Executive Summary:

Each year the City of Kingsport receives funding from the Federal Transit Administration to the Tennessee Department of Transportation for the Urban Mass Transit Project Grant. The funding for this year's grant was presented in the budget work session. Since this grant project runs for the life of the grant funds, it is not included in the annual budget. However, it is provided for through a separate capital/grant budget ordinance. The total budget is \$2,226,624.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: je

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

ORDINANCE NO. _____

AN ORDINANCE TO APPROPRIATE URBAN MASS TRANSIT GRANT PROJECT FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

- SECTION I. That the Urban Mass Transit Projects Grant budget be established by providing for the expenditure of funds by appropriating funding in the amount of \$2,226,624.
- SECTION II. That funds received from the sources of revenue shown in the following summary of estimated revenues and expenditures shall be deposited in the Urban Mass Transit Grant Project Fund 123 as received.
- SECTION III. That the Urban Mass Transit Grant Project Fund 123 budget providing for receipt and appropriation of Urban Mass Transit Project Funds is hereby established as follows:

Urban Mass Transit Projects Fund -- 123

Revenues

<u>Revenue Category</u>	<u>Original Budget</u>	
Capital:		
Federal Transit Administration	\$ 453,500	
Tennessee Dept. of Transportation	48,250	
General Fund	48,250	\$ 550,000
Operating:		
Federal Transit Administration	\$768,812	
Tennessee Dept. of Transportation	384,406	
Program Income:		
RCAT	49,000	
Bus Fares	90,000	
General Fund	384,406	\$ 1,676,624
Total Revenues		<u>\$ 2,226,624</u>

Expenditure	Expenditure Category	Original Budget	
	Capital:		
	Vehicle Purchase	450,000	
	Vehicle Prev. Maint.	\$ 100,000	\$ 550,000
	Operating:		
	Personal Services	\$ 1,153,000	
	Contractual Services	465,124	
	Commodities	51,500	
	Insurance	7,000	\$ 1,676,624
	Total Expenditures		\$ 2,226,624

SECTION IV. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail on file in the Offices of the City Manager and the City Recorder.

SECTION V. That authority is given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary in an amount not to exceed \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

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

Attest:

JOHN CLARK, Mayor

Angie Marshall, Deputy City Recorder

Approved as to
Form:

J. Michael Billingsley, City Attorney

Passed on First Reading: _____

Passed on Second Reading: _____



AGENDA ACTION FORM

Adopt the FY16-17 Metropolitan Planning Project Grant Budget

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

Action Form No.: AF-135-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
Staff Work By: Judy Smith, Bill Albright
Presentation By: Ryan McReynolds

Recommendation:


Approve the Ordinance.

Executive Summary:

Each year the City of Kingsport receives funding from the Federal Highway Administration through the Tennessee Department of Transportation for the Metropolitan Planning Project Grant. The funding for this year's grant was presented in the budget work sessions. Since this grant project runs for the life of the grant funds, it is not included in the annual budget. However, it is provided for through a separate capital/grant budget ordinance. The total budget is \$382,180.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: 

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



AGENDA ACTION FORM

Adopt the FY16-17 Metropolitan Planning Project Grant Budget

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

Action Form No.: AF-135-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Judy Smith, Bill Albright
 Presentation By: Ryan McReynolds

Recommendation:

Approve the Ordinance.

Executive Summary:

Each year the City of Kingsport receives funding from the Federal Highway Administration through the Tennessee Department of Transportation for the Metropolitan Planning Project Grant. The funding for this year's grant was presented in the budget work sessions. Since this grant project runs for the life of the grant funds, it is not included in the annual budget. However, it is provided for through a separate capital/grant budget ordinance. The total budget is \$382,180.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: 

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

PRE-FILED CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO APPROPRIATE METROPOLITAN
TRANSPORTATION PLANNING GRANT PROJECT FUNDS; AND TO FIX
THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the Metropolitan Transportation Planning Grant Project Fund budget be established by providing for the expenditure of funds by appropriating funding in the amount of \$382,180.

SECTION II. That funds received from the sources of revenue shown in the following summary of estimated revenues and expenditures shall be deposited in the Metropolitan Planning Grant Project Fund 122 as received.

Section III. That the Metropolitan Planning Grant Project Fund 122 budget providing for receipt and appropriation of Metropolitan Planning Grant Project Funds is hereby established as follows:

<u>Revenues</u>		<u>Expenditures</u>	
FTA Sec. 5303 TN	\$ 63,904	Personal Services	\$256,930
Federal FHWA TN	237,608	Contract Services	111,000
General Fund	67,445	Commodities	11,150
VDot-FHWA	9,250	Capital Outlay	3,000
V Dot-Sec 5303	3,973	Insurance	100
Total Revenues	<u>\$382,180</u>	Total Expenditures	<u>\$382,180</u>

SECTION IV. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail on file in the Offices of the City Manager and the City Recorder.

SECTION V. That authority is given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary in an amount not to exceed \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

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

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

ANGIE MARSHALL
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Adopt the FY16-17 School Public Law 93-380 Grant Project Fund Budget

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

Action Form No.: AF-136-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Smith, Frye
 Presentation By: Jeff Fleming, David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

Each year the City of Kingsport School system receives federal funding for the Public Law 93-380 grant for instructional and educational purposes. The funding for this year's grant was presented in the budget work sessions. Since this grant project runs for the life of the grant funds, it is not included in the annual budget. However, it is provided for through a separate capital/grant budget ordinance. The FY16-17 budget is \$4,310,909.

Attachments:

1. Ordinance

Funding source appropriate and funds are available:

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



AGENDA ACTION FORM

Adopt the FY16-17 School Public Law 93-380 Grant Project Fund Budget

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

Action Form No.: AF-136-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Smith, Frye
 Presentation By: Jeff Fleming, David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

Each year the City of Kingsport School system receives federal funding for the Public Law 93-380 grant for instructional and educational purposes. The funding for this year's grant was presented in the budget work sessions. Since this grant project runs for the life of the grant funds, it is not included in the annual budget. However, it is provided for through a separate capital/grant budget ordinance. The FY16-17 budget is \$4,310,909.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: *df*

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

PRE-FILED CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO ESTABLISH PL93-380 GRANT PROJECT FUND FOR THE PL93-380 GRANT, TO APPROPRIATE SUCH FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT as follows:

SECTION I. That there is hereby created the PL93-380 Grant Project Fund for the PL93-380 Grant.

SECTION II. That funds received from the sources of revenue shown in the following summary of estimated revenues and expenditures for this school grant project budget shall be deposited in the PL93-380 Grant Project Fund as received.

SECTION III. That the PL93-380 Grant Project Fund budget providing for receipt and appropriation of PL93-380 Grant Funds is hereby established as follows:

School Grant Projects Fund -- 142

Revenues	Original Budget
Federal Grants	<u>\$ 4,310,909</u>
Total Revenues	<u>\$ 4,310,909</u>
Expenditures	Original Budget
Instruction	\$ 2,691,719
Support Services	1,428,008
To School Fund	32,502
To Risk Fund	16,493
To Consolidated Admin.	<u>142,187</u>
Total Expenditures	<u>\$ 4,310,909</u>

SECTION IV. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail on file in the Offices of the City Manager and the City Recorder.

SECTION V. That authority is given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary as set out by the foregoing sections and to make expenditures for items exceeding an aggregate cost of \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

SECTION VI. That this ordinance shall take effect on 1 July 2016, the public welfare of the City of Kingsport, Tennessee requiring it.

Attest:

JOHN CLARK, Mayor

Angie Marshall, Deputy City Recorder

Approved as to Form:

J. Michael Billingsley, City
Attorney



AGENDA ACTION FORM

Adopt the FY16-17 Special Schools Projects Grant Fund Budget

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

Action Form No.: AF-137-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
Staff Work By: Smith, Frye
Presentation By: Jeff Fleming, David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

Each year the City of Kingsport School system receives federal and state funding for the Special School Projects Grant for instructional and educational purposes. The funding for this year's grant was presented in the budget work sessions. Since this grant project runs for the life of the grant funds, it is not included in the annual budget. However, it is provided for through a separate capital/grant budget ordinance. The total budget is \$1,140,172.

Attachments:

1. Ordinance

Funding source appropriate and funds are available:

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



AGENDA ACTION FORM

Adopt the FY16-17 Special Schools Projects Grant Fund Budget

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

Action Form No.: AF-137-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Smith, Frye
 Presentation By: Jeff Fleming, David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

Each year the City of Kingsport School system receives federal and state funding for the Special School Projects Grant for instructional and educational purposes. The funding for this year's grant was presented in the budget work sessions. Since this grant project runs for the life of the grant funds, it is not included in the annual budget. However, it is provided for through a separate capital/grant budget ordinance. The total budget is \$1,140,172.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: *JS*

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

ORDINANCE NO. _____

AN ORDINANCE TO ESTABLISH SPECIAL SCHOOL GRANT PROJECT FUND 145 FOR SPECIAL SCHOOL PROJECTS GRANT, TO APPROPRIATE SUCH FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT as follows:

SECTION I. That there is hereby created the Special School Grant Project Fund 145 for the Special School Projects Grant.

SECTION II. That funds received from the sources of revenue shown in the following summary of estimated revenues and expenditures for this school grant project budget shall be deposited in the Special School Grant Project Fund 145 as received.

SECTION III. That the Special School Grant Project Fund 145 budget providing for receipt and appropriation of Special School Project Funds is hereby established as follows:

School Grant Projects Fund -- 145

Revenues	Original Budget
Federal Grants	\$ 0
State Grant	\$ 1,026,734
Local Revenue	\$ 50,000
From School Fund - 141	\$ 63,438
Total Revenues	\$ 1,140,172

Expenditures	Original Budget
Instruction	\$ 538,479
Support Services	\$ 333,379
Non-Instructional	\$ 264,300
Capital Outlay	\$ 0
To Risk Fund	\$ 4,014
Total Expenditures	\$ 1,140,172

SECTION IV. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail on file in the Offices of the City Manager and the City Recorder.

SECTION V. That authority is given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary as set out by the foregoing sections and to make expenditures for items exceeding an aggregate cost of \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

SECTION VI. That this ordinance shall take effect on 1 July 2016, the public welfare of the City of Kingsport, Tennessee requiring it.

Attest:

John Clark, Mayor

Angie Marshall, Deputy City
Recorder

Approved as to Form:

J. Michael Billingsley, City
Attorney



AGENDA ACTION FORM

Ordinance Providing for the FY17 Community Development Block Grant Budget

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

Action Form No.: AF-138-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
Staff Work By: Haga, Smith
Presentation By: Lynn Tully, AICP

Recommendation:

Approve 2017 CDBG Budget Ordinance.

Executive Summary:

Each year the City receives funding from the US Department of Housing and Urban Development for the Community Development Block Grant program. The funding for this year's grant was presented to, considered and approved by the BMA in May. Since this grant project runs for the life of the grant funds, it is not appropriate to include these funds in the annual budget. However, it is appropriate to provide for the grant via a capital/grant project budget ordinance.

Attachments:

1. CDBG Budget Ordinance

Funding source appropriate and funds are available:

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



AGENDA ACTION FORM

Ordinance Providing for the FY17 Community Development Block Grant Budget

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

Action Form No.: AF-138-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Haga, Smith
 Presentation By: Lynn Tully, AICP

Recommendation:

Approve 2017 CDBG Budget Ordinance.

Executive Summary:

Each year the City receives funding from the US Department of Housing and Urban Development for the Community Development Block Grant program. The funding for this year's grant was presented to, considered and approved by the BMA in May. Since this grant project runs for the life of the grant funds, it is not appropriate to include these funds in the annual budget. However, it is appropriate to provide for the grant via a capital/grant project budget ordinance.

Attachments:

1. CDBG Budget Ordinance

Funding source appropriate and funds are available: Ja

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

ORDINANCE NO. _____

AN ORDINANCE TO APPROPRIATE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR THE FISCAL YEAR ENDING JUNE 30, 2017; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the Community Development Block Grant budget be established by providing for the expenditure of funds by appropriating funding in the amount of \$342,166.

<u>Account</u>	<u>Description</u>	<u>Expense</u>	<u>Revenue</u>
COMMUNITY DEVELOPMENT FUND			
Appropriation			
CD1701	CDBG Administration		
124-0000-603-1010	Salaries	\$29,239	
124-0000-603-1020	Social Security	\$ 5,058	
124-0000-603-1030	Health Insurance	\$13,600	
124-0000-603-1040	Retirement	\$10,506	
124-0000-603-1050	Life Insurance	\$ 209	
124-0000-603-1052	Long Term Disability	\$ 225	
124-0000-603-1060	Workman's Compensation	\$ 106	
124-0000-603-1061	Unemployment Insurance	\$ 40	
124-0000-603-2010	Advertising and Publication	\$ 500	
124-0000-603-2021	Accounting/Auditing	\$ 1,200	
124-0000-603-2034	Telephone	\$ 1,000	
124-0000-603-2040	Travel	\$ 5,000	
124-0000-603-2043	Dues/Membership	\$ 1,000	
124-0000-603-3010	Office Supplies	\$ 500	
124-0000-603-3011	Postage	\$ 250	
124-0000-331-1000	Community Development Block Grant		\$68,433
CD1704	KAHR Program		
124-0000-603-1010	Salaries	\$ 38,201	
124-0000-603-4023	Grants	\$ 85,532	
124-0000-331-1000	Community Development Block Grant		\$ 123,733
CD1703	CASA of Sullivan County		
124-0000-603-4023	Grants	\$ 6,000	
124-0000-331-1000	Community Development Block Grant		\$ 6,000
CD1705	Community Enrichment		
124-0000-603-4023	Grants	\$ 15,000	
124-0000-331-1000	Community Development Block Grant		\$ 15,000

CD1720	Learning Centers of KHRA		
124-0000-603-4023	Grants	\$ 20,000	
124-0000-331-1000	Community Development Block Grant		\$ 20,000
CD1725	Code Enforcement		
124-0000-603-1010	Salaries	\$ 39,000	
124-0000-331-1000	Community Development Block Grant		\$ 39,000
CD1735	HOPE VI – Section 108		
124-0000-603-4023	Grants	\$ 70,000	
124-0000-331-1000	Community Development Block Grant		\$ 70,000

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

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney



AGENDA ACTION FORM

Ordinance Providing for the FY17 Emergency Solutions Grant Budget

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

Action Form No.: AF-139-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Haga, Smith
 Presentation By: Lynn Tully, AICP

Recommendation:

Approve 2017 ESG Budget Ordinance.

Executive Summary:

Each year the City receives funding from the Tennessee Housing Development Agency for the Emergency Solutions Grant program. The funding for this year's grant was presented to, considered and approved by the BMA in February. Since this grant project runs for the life of the grant funds, it is not appropriate to include these funds in the annual budget. However, it is appropriate to provide for the grant via a capital/grant project budget ordinance.

Attachments:

1. ESG Budget Ordinance

Funding source appropriate and funds are available: 

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



AGENDA ACTION FORM

Ordinance Providing for the FY17 Emergency Solutions Grant Budget

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

Action Form No.: AF-139-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Haga, Smith
 Presentation By: Lynn Tully, AICP

Recommendation:

Approve 2017 ESG Budget Ordinance.

Executive Summary:

Each year the City receives funding from the Tennessee Housing Development Agency for the Emergency Solutions Grant program. The funding for this year's grant was presented to, considered and approved by the BMA in February. Since this grant project runs for the life of the grant funds, it is not appropriate to include these funds in the annual budget. However, it is appropriate to provide for the grant via a capital/grant project budget ordinance.

Attachments:

1. ESG Budget Ordinance

Funding source appropriate and funds are available: Js

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

ORDINANCE NO. _____

AN ORDINANCE TO APPROPRIATE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT EMERGENCY SOLUTIONS GRANT FUNDS FOR THE FISCAL YEAR ENDING JUNE 30, 2017; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the Community Development Emergency Shelter Grant budget be established by providing for the expenditure of funds by appropriating funding in the amount of \$83,208.

<u>Account</u>	<u>Description</u>	<u>Expense</u>	<u>Revenue</u>
COMMUNITY DEVELOPMENT FUND Appropriation			
CD1717	Emergency Shelter Grant		
124-0000-603-4023	Grants	\$ 77,403	
124-0000-603-1010	Salaries	\$ 5,805	
124-0000-337-4900	Emergency Shelter Grant		\$ 83,208

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

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney



AGENDA ACTION FORM

Amending the Code of Ordinances for the City of Kingsport which upon Approval will Prohibit Smoking Anywhere on the Property of the Kingsport Aquatic Center

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

Action Form No.: AF-163-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
Staff Work By: Billingsley/McCartt
Presentation By: Chris McCartt

Recommendation:

Approve the Ordinance.

Executive Summary:

The 109th General Assembly of the State of Tennessee recently approved Public Chapter No. 847 which prohibited smoking on the property of the Kingsport Aquatic Center. This was an initiative led by Healthy Kingsport in an effort to make the entire campus of the Kingsport Aquatic Center and the Greater Kingsport YMCA.

Healthy Kingsport along with the City and YMCA have been working to educate our customers of the new law. The new law will take effect July 1, 2016.

Attachments:

1. Ordinance

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



AGENDA ACTION FORM

Amending the Code of Ordinances for the City of Kingsport which upon Approval will Prohibit Smoking Anywhere on the Property of the Kingsport Aquatic Center

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

Action Form No.: AF-163-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Billingsley/McCartt
 Presentation By: Chris McCartt

Recommendation:

Approve the Ordinance.

Executive Summary:

The 109th General Assembly of the State of Tennessee recently approved Public Chapter No. 847 which prohibited smoking on the property of the Kingsport Aquatic Center. This was an initiative led by Healthy Kingsport in an effort to make the entire campus of the Kingsport Aquatic Center and the Greater Kingsport YMCA.

Healthy Kingsport along with the City and YMCA have been working to educate our customers of the new law. The new law will take effect July 1, 2016.

Attachments:

1. Ordinance

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

PRE-FILED CITY RECORDER

AN ORDINANCE AMENDING THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE BY ADDING A SECTION PROHIBITING SMOKING ANYWHERE ON THE GROUNDS OF THE PROPERTY FOR THE CITY'S AQUATIC CENTER, INCLUDING, BUT NOT LIMITED TO, INSIDE THE BUILDING, THE OUTDOOR SWIMMING AREAS, SIDEWALKS, ROADS AND THE PARKING AREAS; 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 Code of Ordinances, City of Kingsport, Tennessee, is hereby amended by adding an appropriately numbered section, to conform to the numbering system used in the Code, as follows:

Pursuant to the authority provided in Public Chapter No. 847 of the Public Acts of the 109th General Assembly, smoking is prohibited anywhere on the grounds of the city's aquatic center, including, but not limited to, inside the building, the outdoor swimming areas, sidewalks, roads and parking areas.

Any person violating this section shall be guilty of an offense and upon conviction shall be penalized fifty dollars (\$50.00) for each offense. In addition, pursuant to section 30-25 of the Kingsport City Code, court costs shall be imposed. The imposition of a penalty hereunder shall be supplemental to any other action, such as the taking of any remedial or injunctive action, or any other legal or equitable relief or enforcement.

SECTION II. This ordinance shall take effect on July 1, 2016, the public welfare of the City of Kingsport requiring it.

JOHN CLARK, Mayor

ATTEST:

JAMES DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

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



AGENDA ACTION FORM

Amending the Code of Ordinances for the City of Kingsport In Order to Add a Section Prohibiting the Use of Electronic Smoking Devices in Any Building Controlled by the City of Kingsport

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

Action Form No.: AF-164-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Billingsley/McCartt
 Presentation By: Chris McCartt

Recommendation:

Approve the Ordinance.

Executive Summary:

The rising popularity of electronic cigarettes has also brought with it a growing concern from the general public on the regulation of their use in public facilities. As a result, staff proposes approval of the attached ordinance which would ban the use of electronic cigarettes in buildings owned, leased or controlled by the City as well as within 25 feet of buildings.

Attachments:

1. Ordinance

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



AGENDA ACTION FORM

Amending the Code of Ordinances for the City of Kingsport In Order to Add a Section Prohibiting the Use of Electronic Smoking Devices in Any Building Controlled by the City of Kingsport

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

Action Form No.: AF-164-2016
 Work Session: June 6, 2016
 First Reading: June 7, 2016

Final Adoption: June 21, 2016
 Staff Work By: Billingsley/McCartt
 Presentation By: Chris McCartt

Recommendation:

Approve the Ordinance.

Executive Summary:

The rising popularity of electronic cigarettes has also brought with it a growing concern from the general public on the regulation of their use in public facilities. As a result, staff proposes approval of the attached ordinance which would ban the use of electronic cigarettes in buildings owned, leased or controlled by the City as well as within 25 feet of buildings.

Attachments:

1. Ordinance

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

PRE-FILED CITY RECORDER

AN ORDINANCE AMENDING THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE ADDING A SECTION PROHIBITING THE USE OF VAPORIZERS, VAPE PENS, HOOKAH PENS, ELECTRONIC CIGARETTES E-PIPES OR OTHER ELECTRONIC NICOTINE DELIVERY SYSTEMS OR ELECTRONIC SMOKING DEVICES IN ANY BUILDING OWNED, LEASED OR CONTROLLED BY THE CITY OR WITHIN TWENTY-FIVE FEET OF ANY ENTRANCE OR EXIT TO SUCH BUILDING AND CERTAIN OTHER PROPERTY OWNED, LEASED OR CONTROLLED BY THE CITY; 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 Code of Ordinances, City of Kingsport, Tennessee, is hereby amended by adding an appropriately numbered section, to conform to the numbering system used in the Code, as follows:

Sec. ____

(a) Electronic smoking device, includes, but is not limited to, vaporizers, vape pens, hookah pens, electronic cigarettes, e-pipes, other electronic nicotine delivery systems, electronic smoking devices or other similar devices designed to deliver nicotine, flavored substances or other substances through a vapor exhaled by the user having a smoke-like appearance similar to a cigarette.

(b) The board finds based on information from the Federal Drug Administration, the National Institute of Health on Drug Abuse and other studies that electronic smoking devices can be a danger to a person's health. The U.S. Centers for Disease Control and Prevention (CDC) says research suggests nicotine is as addictive as drugs such as cocaine or heroin. The CDC also says aerosol from these devices is not harmless water vapor and can be potentially harmful to health and that adult nontobacco users should not be exposed to secondhand aerosol from these products. The board further finds that to protect the public health the use of such devices should be limited in city owned, leased or controlled buildings and certain other places.

(c) It shall be an offense for any person to use an electronic smoking device in or on:

- (1) any building owned, leased or controlled by the city or within twenty-five of any entrance or exit or a greater distance, if such distance is posted on the entrance or exit door of such building;
- (2) any place owned, leased or controlled by the city where smoking tobacco is prohibited by state law; or
- (3) any other area, including an outdoor area, owned, leased or controlled by the city when the area is posted with a sign that use of an electronic smoking device is prohibited.

(d) Any person violating this section shall be guilty of an offense and upon conviction shall be penalized fifty dollars (\$50.00) for each offense. In addition,

pursuant to section 30-25 of the Kingsport City Code, court costs shall be imposed. The imposition of a penalty hereunder shall be supplemental to any other action, such as the taking of any remedial or injunctive action, or any other legal or equitable relief or enforcement.

SECTION II. This ordinance shall take effect on July 1, 2016, the public welfare of the City of Kingsport requiring it.

JOHN CLARK, Mayor

ATTEST:

JAMES DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

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



AGENDA ACTION FORM

Authorization for City Recorder to Reconcile and Adjust Uncollectible Property Tax for Tax Year 2005

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

Action Form No.: AF-160-2016
 Work Session: June 20, 2016
 First Reading: N/A

Final Adoption: June 21, 2016
 Staff Work By: Karen Gilmore/Sid Cox
 Presentation By: Joe May

Recommendation:

Approve the Resolution to authorize the City Recorder to adjust delinquent property tax receivables as of, June 30, 2016 (FY16), in the amount of, \$41,732.47 for tax year 2005 and furthermore, authorize and direct the Mayor and City Recorder to execute any necessary pleadings on the delinquent tax collection lawsuit.

Executive Summary:

The adjusted levy for property taxes for the tax year 2004 was \$28,693,651.86. Of that amount, a total of \$41,732.47, has not been collected and is deemed, uncollectible in base property taxes.

At the close of each fiscal year as part of the final accounting, an adjustment is, made recognizing uncollectible delinquent property tax receivables. For the fiscal year, ending June 30, 2016, the total property taxes that meet such criteria represents .145% of the total levy. Conversely, 99.855% of the total tax levy for tax year 2005 has been collected.

Reconciliation has been made of all property tax receivable, estimated uncollectible and deferred revenue accounts and it is recommended that this adjustment in the amount of, \$41,732.47 be made.

Attachments:

1. Resolution

Funding source appropriate and funds are available: JS

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY RECORDER TO RECONCILE AND ADJUST DELINQUENT PROPERTY TAX RECEIVABLES IN FISCAL YEAR 2016 FOR THE TAX YEAR 2005 AND AUTHORIZING AND DIRECTING THE MAYOR AND THE CITY RECORDER TO EXECUTE ANY PLEADINGS NECESSARY AND PROPER FOR THE DELINQUENT TAX COLLECTION LAWSUIT

WHEREAS, reconciliation has been made of the real, personal and public utility property tax and code enforcement liens receivables, estimated uncollectible and deferred revenue accounts, and it is recommended that an adjustment to the final accounting be made; and

WHEREAS, the adjusted real, personal and public utility property tax levy and code enforcement liens for the tax year 2005 was \$28,693,651.86; and

WHEREAS, of that amount, a total of \$41,732.47 has not been collected; and

WHEREAS, as part of the final accounting, an adjustment needs to be made to recognize uncollectible receivables.

Now therefore,

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

SECTION I. That the City Recorder is hereby, authorized to reconcile and adjust delinquent real, personal and public utility property tax and code enforcement liens receivables in Fiscal Year 2016 in the amount of, \$41,732.47 for tax year 2005.

SECTION II. That the City Recorder and Mayor are authorized to execute any pleadings necessary and proper for the delinquent tax collection lawsuit and all other documents necessary and proper to effectuate the purpose of the reconciliation.

SECTION III. That this resolution shall take effect immediately upon its adoption, the public welfare requiring it.

ADOPTED this the 21st day of June, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Transferring the Use of Condo Number 214 from the Clinchfield Condominium Association to the Kingsport City Schools

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

Action Form No.: AF-141-2016
 Work Session: June 20, 2016
 First Reading: N/A

Final Adoption: June 21, 2016
 Staff Work By: Billingsley/McCartt
 Presentation By: Chris McCartt

Recommendation:

Approve Resolution.

Executive Summary:

Staff has been working with the Kingsport City Schools (KCS) and the Clinchfield Condominium Association to transfer the use of the presently vacant space (condominium number 214) located on the second floor of the Kingsport Chamber of Commerce (400 Clinchfield Street). The transfer of use would be from the City of Kingsport to KCS for the purpose of providing future space to support various functions associated with KCS. The Clinchfield Condo Association has prepared and approved the legal description for the space as well as the transfer of use.

Attachments:

1. Resolution
2. Supplemental information

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

RESOLUTION NO. _____

A RESOLUTION TRANSFERRING THE USE OF CERTAIN REAL
PROPERTY TO THE SCHOOL DEPARTMENT FOR ITS USE

WHEREAS, the city owns unit 214 in the 400 Clinchfield Condominium Building; and

WHEREAS, sometime ago the board stated its intent to transfer the use of unit 214 to the school department when it was created; and

WHEREAS, the condominium association has approved the creation of unit 214

Now therefore,

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

SECTION I. That the use of condominium unit 214 in the 400 Clinchfield Condominium Building is transferred to the school department for its use.

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 21st day of June, 2016.

JOHN CLARK, MAYOR

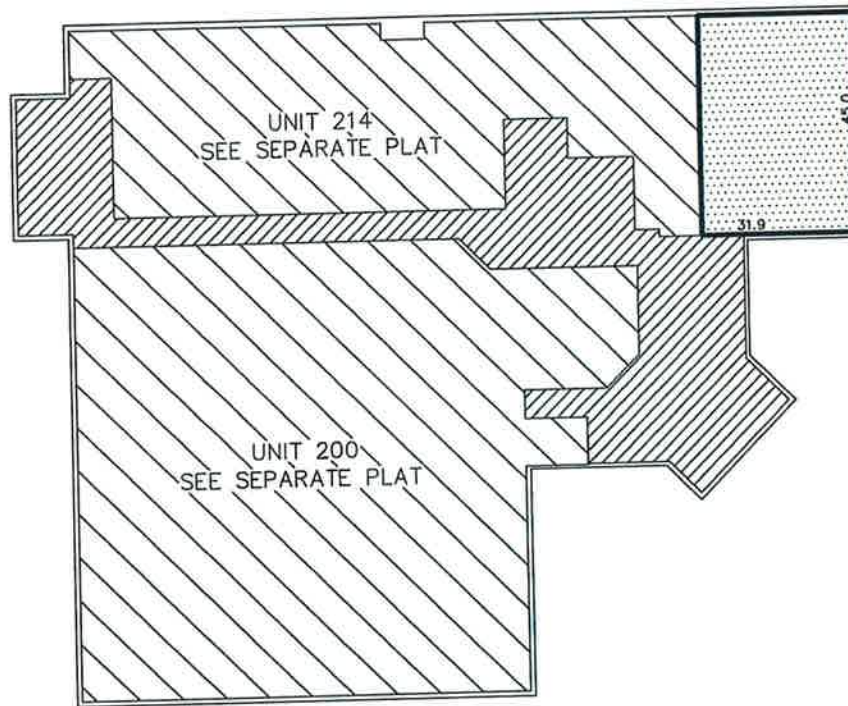
ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

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CEILING HEIGHTS

SCALE: 1 IN.=30 FT.

VARYING HEIGHTS TO
A MAXIMUM OF 10.0'

NOTE:

ALL UNIT DIMENSIONS ARE NOMINAL

LIMITED COMMON ELEMENT

COMMON ELEMENT

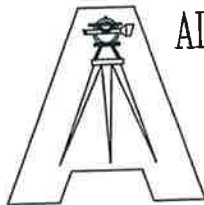
UNIT 210	SECOND FLOOR	1438 SQ. FT.
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400 CLINCHFIELD CONDOMINIUM

11TH CIVIL DISTRICT

KINGSPORT, TENNESSEE

DATE: MARCH 11, 2016



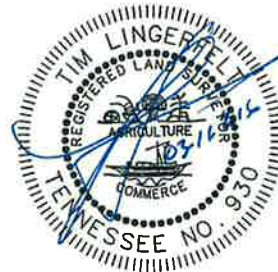
ALLEY & ASSOCIATES, INC.

• SURVEYORS •

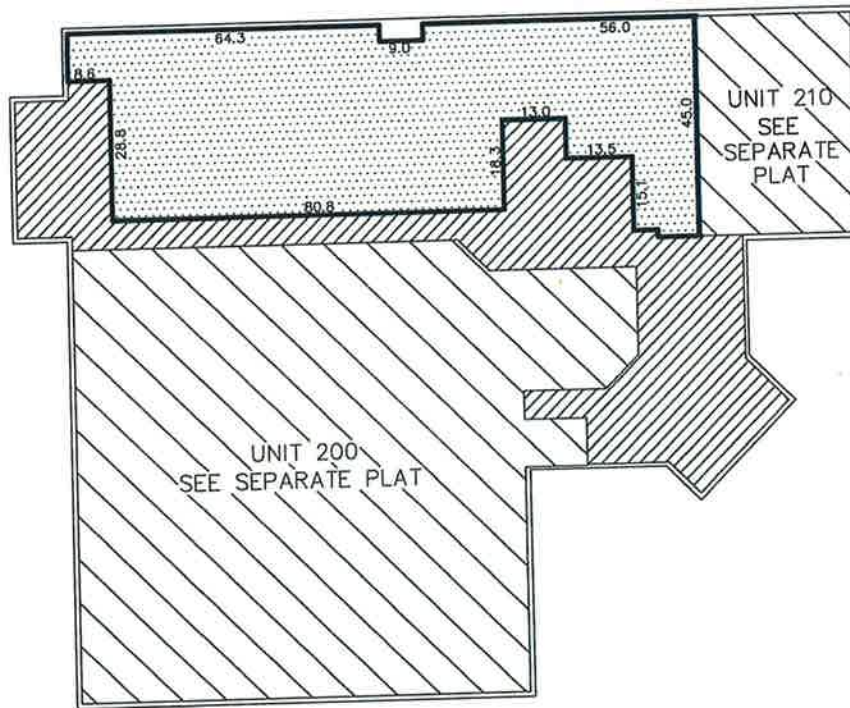
243 E. MARKET STREET
KINGSPORT, TENNESSEE 37660
TELEPHONE (423) 392-8896

FAX : (423) 392-8898

E-MAIL: tlingerfelt@alleyassociates.com



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CEILING HEIGHTS

SCALE: 1 IN.=30 FT.

VARYING HEIGHTS TO
A MAXIMUM OF 10.0'

NOTE:

ALL UNIT DIMENSIONS ARE NOMINAL

LIMITED COMMON ELEMENT

COMMON ELEMENT

UNIT 214

SECOND FLOOR

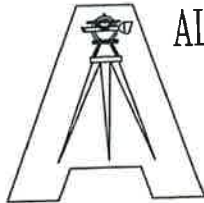
4423 SQ. FT.

400 CLINCHFIELD CONDOMINIUM

11TH CIVIL DISTRICT

KINGSPORT, TENNESSEE

DATE: MARCH 11, 2016



ALLEY & ASSOCIATES, INC.

• SURVEYORS •

243 E. MARKET STREET
KINGSPORT, TENNESSEE 37660
TELEPHONE (423) 392-8896

FAX : (423) 392-8898

E-MAIL: tlingerfelt@alleyassociates.com





AGENDA ACTION FORM

Purchase of Chromebooks for the 4th, 5th, and 6th Grade Students in the Kingsport City School System

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

Action Form No.: AF-156-2016
 Work Session: June 20, 2016
 First Reading: N/A

Final Adoption: June 21, 2016
 Staff Work By: Committee
 Presentation By: Scott Pierce

Recommendation:

Approve the Resolution.

Executive Summary:

Kingsport City Schools recommend purchasing 1700 each Lenovo N22 Chromebooks for the FY17 4th, 5th, and 6th grade students in the Kingsport City School system at \$224.00 each for a total cost of \$380,800.00.

The pricing offered is based upon the contract award to FireFly Computers through the National Cooperative Purchasing Alliance (NCPA). NCPA is a leading national government purchasing cooperative working to reduce the cost of goods and services by leveraging the purchasing power of public agencies in all 50 states. NCPA utilizes state of the art procurement resources and solutions that result in cooperative purchasing contracts that ensure all public agencies are receiving products and services of the highest quality at the lowest prices.

With NCPA, agencies can utilize competitively solicited contracts to help save time and resources while still meeting purchasing requirements. All cooperative purchasing contracts from NCPA have been competitively solicited by a lead agency and meet rigorous cooperative standards and supplier commitments. Each supplier commits to delivering their best overall government pricing so that the City of Kingsport can buy with confidence.

Funding will come from account number 141-7161-711-07-22.

Attachments:

1. Resolution
2. Recommendation
3. Quote

Funding source appropriate and funds are available: 

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO
EXECUTE A PURCHASE ORDER TO FIREFLY COMPUTERS FOR
1700 LENOVO N22 CHROME BOOKS FOR USE BY STUDENTS
AT KINGSPORT CITY SCHOOLS

WHEREAS, the Kingsport City Schools administration recommends the purchase of 1700 Lenovo N22 Chromebooks for the FY17 4th, 5th, and 6th grade students in the Kingsport City School system; and

WHEREAS, the cost is \$224.00 each Chromebook for a total cost of \$380,800.00; and

WHEREAS, the city is a member National Cooperative Purchasing Alliance (NCPA), a cooperative purchasing group, that allows the city to purchase goods and services directly from holders of contracts with the network without conducting the bidding process, as authorized by T.C.A. Section 12-3-1009; and

WHEREAS, FireFly Computers has a contract with NCPA; and

WHEREAS, in order to purchase the computers, a purchase order needs to be executed for FireFly Computers, in the amount of \$380,800.00; and

WHEREAS, funding for this equipment is available in schools account number 141-7161-711-07-22.

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 FireFly Computers, for the purchase of 1700 Lenovo N22 Chromebooks for use by Kingsport City Schools in the amount of \$380,800.00.

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 21st day of June, 2016.

JOHN CLARK, MAYOR

ATTEST:

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

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MEMORANDUM

TO: Board of Education and the Board of Mayor and Aldermen
Dr. Lyle Ailshie

FROM: Scott Pierce, Director of Technology

DATE: May 27, 2016

SUBJECT: Chromebooks Purchase

We have received quotes to purchase Chromebooks for the fourth, fifth, and sixth grade students utilizing the KCS budget. Approximately 1,700 devices will be purchased for this 1:1 computer program. Students will be allowed to take the Chromebook home to complete assignments, conduct research and extend the school day.

It is recommended the Board approve the purchase of Lenovo N22 Chromebooks as the device chosen for the program. The laptops will be purchased utilizing the National Cooperative Purchasing Alliance (NCPA) through FireFly Computers as the partner vendor. The Chromebooks will cost \$224, which includes the computer, Chrome license and carrying bag for a total cost of approximately \$380,800

Technology Purchase

	1yr Warranty Non-ADP	3yr Warranty ADP	Difference	# of Devices
Dell	\$ 245.00	\$ 305.84		25%
Total	\$ 416,500.00	\$ 519,928.00	\$103,428.00	422
Budget	\$ 183,500.00	\$ 80,072.00		
Lenovo	\$ 224.00	\$ 313.00		40%
Total	\$ 380,800.00	\$ 532,100.00	\$151,300.00	675
Budget	\$ 219,200.00	\$ 67,900.00		
Difference	\$ 35,700.00	\$ (12,172.00)		

Technology as a Subscription

	1yr Warranty Non-ADP	3yr Warranty ADP	Difference	# of Devices	Subscribe Savings 1yr	Subscribe Savings 3yr
Dell	\$ 245.00	\$ 305.84		25%		
Total	\$ 416,500.00	\$ 519,928.00	\$103,428.00	422	\$	\$
Budget	\$ 183,500.00	\$ 80,072.00				
Lenovo	\$ 222.89	\$ 307.66		38%	0.50%	1.71%
Total	\$ 378,913.00	\$ 523,022.00	\$144,109.00	647	\$ 1,887.00	\$ 9,078.00
Budget	\$ 221,087.00	\$ 76,978.00				
Difference	\$ 37,587.00	\$ (3,094.00)				

Potential Cost Savings Allocations

Additional 9th grade devices need to be purchased
Virtual apps for windows only apps on Chromebook
Teacher devices that need upgrading
Need for extra devices in classrooms
K-3 Computer Needs

Buyouts:

Dell \$1
Lenovo \$11 \$15 Fair Market Value



We outgrew our building!
 Our new address is:
 1271 Red Fox Road
 Saint Paul, MN 55112
www.fireflycomputers.com

Quotation

Quote# 624978
 Expires: 06/30/2016

Terms

Net 30 Days

Customer

Kingsport City Schools
Scott Pierce
 Phone: 423-378-2145
 Email: spierce@k12k.com

Account Manager

Philip Crawford
 Phone: 866-950-8868 x 121
 Fax: 612-392-2155
 Email: philip@fireflycomputers.com

Product Details	Quantity	Unit Price	Extended Price
Lenovo N22 Chromebook 4GB Durable Construction Intel Celeron N3050 Processor 4GB DDR3 RAM 16GB SSD Intel Dual-band AC Wireless + BT 4.0 Rotating Webcam Up To 10-Hours Battery Life Chrome OS 1-Year Depot Warranty	1700	\$169.00	\$287,300.00
Chromebook Case Targus Case Super Durable Work-In Case for N22	1700	\$30.00	\$51,000.00
Chrome Management Console	1700	\$25.00	\$42,500.00
LanSchool Classroom Management -Monitors EdApp Certified iPad/iPod/iPhone applications -Monitor up to 3000 students -Real-time computer thumbnail monitoring -Thumbnails can be arranged and saved to represent the classroom layout -View the students' active application and last visited website -View a full screen view of the student's monitor -Monitor student battery status -Students can ask the teacher questions electronically -Create classes -Password or Active Directory-based security models	1700	\$0.00	\$0.00
Sub Total			\$380,800.00
Tax			\$0.00
Shipping			\$0.00
Grand Total			\$380,800.00

Please fax purchase orders to 612-392-2155 or email to orders@fireflycomputers.com

Special Offers / Notes

-freight included

Additional Items You Might Also Be Interested In

**Please note: prices in this section are general list prices for quantity one. Please contact your dedicated FireFly Account Manager for quantity discounts and the most current pricing.*

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AGENDA ACTION FORM

Execute Agreements with Various Agencies and Organizations for Services in Fiscal Year 2016-2017 Benefiting the General Welfare of Kingsport Residents

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

Action Form No.: AF-177-2016
 Work Session: June 20, 2016
 First Reading: N/A

Final Adoption: June 21, 2016
 Staff Work By: Judy Smith
 Presentation By: Jeff Fleming

Recommendation:

Approve the Resolution.

Executive Summary:

The City of Kingsport desires to enter into agreements with various agencies and organizations for services in fiscal year 2016-2017 benefiting the general welfare of Kingsport residents. The list of agencies and organizations is attached as supplemental information.

Attachments:

1. Resolution
2. Supplemental Information
3. Agreements

Funding source appropriate and funds are available: 

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE
AGREEMENTS WITH VARIOUS AGENCIES AND
ORGANIZATIONS FOR SERVICES IN FISCAL YEAR 2016-2017
BENEFITING THE GENERAL WELFARE OF KINGSPORT
RESIDENTS

WHEREAS, the City of Kingsport desires to enter into agreements for services in fiscal year 2014-2015 benefiting the general welfare of city residents with the Kingsport ARTS (Arts Council of Greater Kingsport); Children's Advocacy Center of Sullivan County; Downtown Kingsport Association; First Tennessee Development District; First Tennessee Human Resource Agency; Holston Business Development Center; Kingsport Chamber Foundation for the Keep Kingsport Beautiful Program and Small Business Development and Entrepreneurship Program; Kingsport Art Guild; Kingsport Ballet (DANCE CO. Program); Kingsport Housing and Redevelopment Authority for the Redevelopment Program; Kingsport Lifesaving and First Aid Crew, Inc.; Kingsport Theatre Guild; Sullivan County-Kingsport-Bluff City Animal Control Center; Symphony of the Mountains; Greater Kingsport Area Chamber of Commerce, Inc. for the Move to Kingsport Program and the Healthy Kingsport Program.

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized 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, agreements for services in fiscal year 2016-2017 benefiting the general welfare of City of Kingsport residents with the Kingsport ARTS (Arts Council of Greater Kingsport); Children's Advocacy Center of Sullivan County; Downtown Kingsport Association; First Tennessee Development District; First Tennessee Human Resource Agency; Holston Business Development Center; Kingsport Chamber Foundation for the Keep Kingsport Beautiful Program and Small Business Development and Entrepreneurship Program; Kingsport Art Guild; Kingsport Ballet (DANCE CO. Program); Kingsport Housing and Redevelopment Authority for the Redevelopment Program; Kingsport Lifesaving and First Aid Crew, Inc.; Kingsport Theatre Guild; Sullivan County-Kingsport-Bluff City Animal Control Center; Symphony of the Mountains; Greater Kingsport Area Chamber of Commerce, Inc. for the Move to Kingsport Program and the Healthy Kingsport Program.

SECTION II. That authorization to enter into these agreements is subject to appropriation of the funds for the agreements in the 2016-2017 budget.

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 21st day of June, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

Supplemental Information – AF-177-2016

The City of Kingsport desires to enter into agreements with the following agencies and organizations for services in fiscal year 2016-2017 benefiting the general welfare of City of Kingsport residents:

- Kingsport ARTS (Arts Council of Greater Kingsport)
- Children's Advocacy Center of Sullivan County
- Downtown Kingsport Association
- First Tennessee Development District
- First Tennessee Human Resource Agency
- Holston Business Development Center
- Kingsport Chamber Foundation for the Keep Kingsport Beautiful Program
- Kingsport Art Guild
- Kingsport Ballet (DANCE CO. Program)
- Kingsport Housing and Redevelopment Authority for the Redevelopment Program
- Kingsport Lifesaving and First Aid Crew, Inc.
- Kingsport Theatre Guild
- Sullivan County-Kingsport-Bluff City Animal Control Center
- Symphony Of The Mountains
- Greater Kingsport Area Chamber of Commerce, Inc. for the Move to Kingsport Program
- Kingsport Chamber Foundation for the Small Business Development and Entrepreneurship Program (KOSBE)
- Healthy Kingsport

AGREEMENT
BETWEEN
THE CITY OF KINGSFORT, TENNESSEE
AND
KingsportARTS

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the KingsportARTS.

W I T N E S S E T H:

WHEREAS, KingsportARTS is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 *et seq.*, and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 *et seq.* to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, KingsportARTS will receive financial assistance from the CITY; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

- 1. PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to assist KingsportARTS with operational expenses and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by KingsportARTS.
- 2. DESCRIPTION OF THE PROJECT.**

KingsportARTS agrees as follows:

- A. To serve as an umbrella for local arts organizations providing arts advocacy, cultural leadership, services and programs for Kingsport and the surrounding areas.

- B. To continue to develop, maintain, and expand cultural programs, activities and opportunities for the adults and children of the community on a year round basis.
3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to KingsportARTS under this Agreement will not exceed SIX THOUSAND THREE HUNDRED DOLLARS (\$6,300).
4. **REQUEST FOR REIMBURSEMENT.** KingsportARTS will bill CITY for payment of funds after July 1, 2016, using forms and procedures specified by CITY.
5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. KingsportARTS will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of KingsportARTS with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of KingsportARTS fiscal year for which operating assistance is provided, KingsportARTS will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a balance sheet, statement of cash flows, statement of activity and all necessary related footnotes for KingsportARTS fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** KingsportARTS will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. KingsportARTS further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** KingsportARTS will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written

notice to the other at least 30 days before the effective date of such termination. In the event of such termination, KingsportARTS will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed SIX THOUSAND THREE HUNDRED DOLLARS (\$6,300).

11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** KingsportARTS will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** KingsportARTS hereby assures CITY that KingsportARTS is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** KingsportARTS will provide any relevant information requested by CITY concerning KingsportARTS United Arts Fund grants to third parties.
14. **PROJECT TERM.** CITY and KingsportARTS have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to KingsportARTS can be used to reimburse KingsportARTS for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** KingsportARTS will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to KingsportARTS assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** KingsportARTS relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. KingsportARTS is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither KingsportARTS nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by KingsportARTS, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** KingsportARTS will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with KingsportARTS performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of KingsportARTS and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to KingsportARTS and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

KingsportARTS

Cathie Faust, Executive Director

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSFORT, TENNESSEE
AND
CHILDREN'S ADVOCACY CENTER OF SULLIVAN COUNTY

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the Children's Advocacy Center of Sullivan County, Inc., hereinafter called "CHILDREN'S CENTER".

WITNESSETH:

WHEREAS, CHILDREN'S CENTER is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, CHILDREN'S CENTER has requested financial assistance pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

- 1. PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to help provide a children's advocacy center for abused children in the Sullivan County area and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by CHILDREN'S CENTER.

2. DESCRIPTION OF THE PROJECT.

CHILDREN'S CENTER agrees as follows:

A. Education and Training Coordination

- The Child Advocacy Center provides educational and prevention programs as well as in-depth training programs for professionals about child abuse

B. Medical Examination Program

- The Child Advocacy Center provides medical exams for children, which assist in the collection of physical evidence, as well as attends to the child's physical needs.

C. Child Protective Investigative Team

- Sullivan County professionals from DCS, law enforcement, the district attorney's office, mental health, and juvenile court work to provide services to children and families in a unified effort.

D. Court Group

- The Child Advocacy Center provides several means of support to any child and family who have to appear in court.

E. Mother Advocate Program

- The Mother Advocate Program is designed to support the non-offending parents in cases of alleged sexual abuse in such a manner that they can act responsibly to protect and support the alleged child victim.

F. Transportation

- The Children's Advocacy Center staff and volunteers provide van transportation to clients and their families when needed.

3. MAXIMUM PAYMENT. It is expressly understood and agreed that the total amount to be paid by CITY to CHILDREN'S CENTER under this Agreement will not exceed FIVE THOUSAND FOUR HUNDRED DOLLARS (\$5,400).

4. **REQUEST FOR REIMBURSEMENT.** CHILDREN'S CENTER will bill CITY for the actual net operating costs incurred on a quarterly basis using forms and procedures specified by CITY.
5. **REIMBURSEMENT BY CITY.** CITY will honor all requests for reimbursement up to amount as stated in paragraph 3 provided that CHILDREN'S CENTER is complying with its obligations provided herein. However, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. CHILDREN'S CENTER will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of CHILDREN'S CENTER with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of CHILDREN'S CENTER fiscal year for which operating assistance is provided, CHILDREN'S CENTER will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a balance sheet, statement of cash flows, statement of activity and all necessary related footnotes for CHILDREN'S CENTER fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** CHILDREN'S CENTER will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. CHILDREN'S CENTER further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** CHILDREN'S CENTER will not assign any rights to funds without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, CHILDREN'S CENTER will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed FIVE THOUSAND FOUR HUNDRED

DOLLARS (\$5,400).

11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** CHILDREN'S CENTER will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** CHILDREN'S CENTER hereby assures CITY that CHILDREN'S CENTER is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** CHILDREN'S CENTER will provide any relevant information requested by CITY concerning CHILDREN'S CENTER's program including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and CHILDREN'S CENTER have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to CHILDREN'S CENTER can be used to reimburse CHILDREN'S CENTER for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** CHILDREN'S CENTER will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to CHILDREN'S CENTER assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** CHILDREN'S CENTER'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. CHILDREN'S CENTER is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither CHILDREN CENTER nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by CHILDREN'S CENTER, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** CHILDREN'S CENTER will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:
 - A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to

or death of persons, or damage to property as a result of, arising out of, or in any manner connected with CHILDREN'S CENTER'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of CHILDREN'S CENTER and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CHILDREN'S CENTER and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

**CHILDREN'S ADVOCACY
CENTER OF SULLIVAN
COUNTY, INC.**

Executive Director

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSPORT, TENNESSEE
AND
DOWNTOWN KINGSPORT ASSOCIATION
“CENTRAL BUSINESS DISTRICT PROJECT”

THIS AGREEMENT made and entered into as of this ____ day of July, 2016, by and between the City of Kingsport, hereafter called “CITY” and the Downtown Kingsport Association, hereafter called “ASSOCIATION”.

WITNESSETH:

WHEREAS, ASSOCIATION is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, ASSOCIATION has requested financial assistance pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

- 1. PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to provide services in the central business district and to state the terms and conditions upon which financial assistance will be provided by CITY, the manner in which the project will be carried out by ASSOCIATION, and responsibilities of each party.
- 2. DESCRIPTION OF THE PROJECT.** ASSOCIATION agrees as follows to undertake the following action items and responsibilities:

 - A.** Implement the City’s policy and objectives for and in downtown Kingsport.
 - B.** Maintain Main Street certification and implement the Main Street action program.
 - C.** Undertake a marketing program for downtown Kingsport, which should include:

1. Providing a printed guide to downtown;
 2. Creating and maintaining a website promoting downtown; and
 3. Partnering with other entities tasked with promoting Kingsport (e.g. work closely with KCVB and the Chamber to develop & promote activities that attract visitors, encourage overnight/weekend stays).
- D. Become the point of education for downtown stakeholders by conducting workshops for business and property owners about facade grants and other incentive programs, like Tax Increment Financing and provide supporting reasons to consider such incentives.
- E. Serve as the contracting entity for the Downtown Concert Series.
- F. Produce events that promote downtown, including by way of example:
1. Christmas lighting and provide storage and annual maintenance and refurbishment of holiday street light decorations, including any painting, taping, rewiring and re-building of each decoration
 2. Fall for Downtown Kingsport;
 3. Black Friday;
 4. Halloween; and
 5. July 4.
- G. Operate a Welcoming Committee to facilitate the creation and success of new business ventures in downtown including becoming the point of information for topics related to downtown which should include meeting with potential business owners and developers to provide:
1. a thorough presentation of downtown advantages such as available grants, past incentive packages, available properties and their general costs, Tax Increment Financing, overview of the businesses currently downtown, value placed on arts, culture and history, discussion of community partnerships available to ensure their business' success (marketing through the Chamber, KCVB, etc.);
 2. a one-half hour to one hour guided tour, as needed; and
 3. leave behind collateral about downtown including contact information for key persons/organizations to assist in their decision making process.

H. Such other responsibilities as the board of mayor and aldermen may request and the DKA accept.

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to ASSOCIATION under this Agreement will not exceed ONE HUNDRED AND TWENTY TWO THOUSAND TWO HUNDRED DOLLARS (\$122,200.00). Thirty Thousand Five Hundred and fifty and NO/100 dollars (\$30,550.00) will be paid to the ASSOCIATION upon the proper execution of this Agreement by all parties. Thirty Thousand Five Hundred and fifty and NO/100 dollars (\$30,550.00) will be paid to the ASSOCIATION on October 1, 2016; Thirty Thousand Five Hundred and fifty and NO/100 dollars (\$30,550.00) will be paid to the ASSOCIATION on January 1, 2017; and Thirty Thousand Five Hundred and fifty and NO/100 dollars (\$30,550.00) will be paid to the ASSOCIATION on April 1, 2017.
4. **REQUEST FOR REIMBURSEMENT.** ASSOCIATION will submit a report to the CITY showing the actual net operating costs incurred on a biannual basis using forms and procedures specified by CITY. The reports are due upon the proper execution of this Agreement by all parties and on January 2, 2017.
5. **REIMBURSEMENT BY CITY.** CITY will review the semiannual reports, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allow ability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. ASSOCIATION will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of ASSOCIATION with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of ASSOCIATION's fiscal year for which operating assistance is provided, ASSOCIATION will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for ASSOCIATION's fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** ASSOCIATION will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. ASSOCIATION further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. **ASSIGNMENT AND SUBLETTING.** ASSOCIATION will not assign any rights to funds without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of termination, ASSOCIATION will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed \$117,500.00.
11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** ASSOCIATION will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** ASSOCIATION hereby assures CITY that ASSOCIATION is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** ASSOCIATION will provide any relevant information requested by CITY concerning ASSOCIATION'S Central Business District Program including, but not limited to contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and ASSOCIATION have previously agreed that the project term for this Agreement is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to ASSOCIATION can be used to reimburse ASSOCIATION for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** ASSOCIATION will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to ASSOCIATION assist in carrying out the purpose of the project as described under the terms of this Agreement. The ASSOCIATION will give a formal presentation to the Board of Mayor and Aldermen at a public meeting to describe the results of the project.
16. **INDEPENDENT CONTRACTOR.** ASSOCIATION'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. ASSOCIATION is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither ASSOCIATION nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by ASSOCIATION, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** ASSOCIATION will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with ASSOCIATION'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of ASSOCIATION and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to ASSOCIATION and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

DOWNTOWN KINGSPORT ASSOCIATION

SHERRI MOSLEY
Executive Director

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSPORT, TENNESSEE
AND
FIRST TENNESSEE DEVELOPMENT DISTRICT

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the First Tennessee Development District, hereinafter called "FTDD".

WITNESSETH:

WHEREAS, FTDD is a political subdivision of the State of Tennessee and is eligible to receive funds for this purpose; and

WHEREAS, FTDD has requested financial assistance pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

1. **PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to provide an advocate for issues of regional concern for area wide planning and intergovernmental relations and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by FTDD.
2. **DESCRIPTION OF THE PROJECT.**
FTDD agrees as follows:
 - A. To be a liaison for local governments and state and federal governments.
 - B. To provide data collections services, regional plan preparations, project implementation activities, grants management and preparation, coordination

functions and technical assistance.

- C. To provide the residents of Kingsport with a means to cooperate in comprehensive regional programs to prevent future environmental degradation and to resolve existing waste disposal problems.
3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to FTDD under this Agreement will not exceed FOUR THOUSAND THREE HUNDRED DOLLARS (\$4,300).
4. **REQUEST FOR REIMBURSEMENT.** FTDD will bill CITY for the actual net operating costs incurred on an annual basis using forms and procedures specified by CITY.
5. **REIMBURSEMENT BY CITY.** CITY will honor all requests for reimbursement up to amount as stated in paragraph 3 provided that FTDD is complying with its obligations provided herein. However, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. FTDD will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of FTDD with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of FTDD fiscal year for which operating assistance is provided, FTDD will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a balance sheet, statement of cash flows, statement of activity and all necessary related footnotes for FTDD fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** FTDD will establish and maintain an accounting, record keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. FTDD further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** FTDD will not assign any rights to funds without prior written authorization from CITY.

10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, FTDD will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed FOUR THOUSAND THREE HUNDRED DOLLARS (\$4,300).
11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** FTDD will immediately notify CITY of any change in conditions or of any other event, which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** FTDD hereby assures CITY that FTDD is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** FTDD will provide any relevant information requested by CITY concerning FTDD's program including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and FTDD have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to FTDD can be used to reimburse FTDD for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** FTDD will submit to the Board of Mayor and Aldermen its quarterly status report setting out how funds allocated by CITY to FTDD assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** FTDD'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. FTDD is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither FTDD nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by FTDD, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** FTDD will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:
 - A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with FTDD'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any

damage to the person(s), or property(ies) of FTDD and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to FTDD and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

**FIRST TENNESSEE
DEVELOPMENT DISTRICT**

Susan Reid
Executive Director

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSPORT, TENNESSEE
AND
THE FIRST TENNESSEE HUMAN RESOURCE AGENCY

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the First Tennessee Human Resource Agency, hereinafter called "FIRST TENNESSEE".

W I T N E S S E T H:

WHEREAS, FIRST TENNESSEE is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, FIRST TENNESSEE has requested financial assistance pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

1. **PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to help provide an additional staff person to help protect individuals who are abused or neglected in the Kingsport area and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by FIRST TENNESSEE.
2. **DESCRIPTION OF THE PROJECT.**

FIRST TENNESSEE agrees as follows:

A. To provide basic homemaker service to include:

- Provide instructional training in light housekeeping, laundry, cooking, personal care, and grocery shopping.
- Provide educational assistance with banking, budgeting, and bill payments.
- Provide medication pick-up and monitoring as well as assistance with medical appointments and transportation to those appointments.
- Provide coordination with area agencies and local charities and assistance with utilization of other public services.

B. Provide self-sufficiency and prevent institutional placement by providing in-home care for individuals in threat of harm due to abuse or neglect.

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to FIRST TENNESSEE under this Agreement will not exceed NINE THOUSAND EIGHT HUNDRED DOLLARS (\$9,800).
4. **REQUEST FOR REIMBURSEMENT.** FIRST TENNESSEE will bill CITY for the actual net operating costs incurred on a quarterly basis using forms and procedures specified by CITY.
5. **REIMBURSEMENT BY CITY.** CITY will honor all requests for reimbursement up to amount as stated in paragraph 3 provided that FIRST TENNESSEE is complying with its obligations provided herein. However, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. FIRST TENNESSEE will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of FIRST TENNESSEE with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of FIRST TENNESSEE fiscal year for which operating assistance is provided, FIRST TENNESSEE will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for FIRST TENNESSEE fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** FIRST TENNESSEE will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. FIRST TENNESSEE further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** FIRST TENNESSEE will not assign any rights to funds without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, FIRST TENNESSEE will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed NINE THOUSAND EIGHT HUNDRED DOLLARS (\$9,800).
11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** FIRST TENNESSEE will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** FIRST TENNESSEE hereby assures CITY that FIRST TENNESSEE is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** FIRST TENNESSEE will provide any relevant information requested by CITY concerning FIRST TENNESSEE Family Support Services including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and FIRST TENNESSEE have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to FIRST TENNESSEE can be used to reimburse FIRST TENNESSEE for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** FIRST TENNESSEE will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to FIRST TENNESSEE assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** FIRST TENNESSEE'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. FIRST TENNESSEE is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither FIRST TENNESSEE nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by FIRST TENNESSEE, or its employees or agents.

17. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.

FIRST TENNESSEE will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with FIRST TENNESSEE'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of FIRST TENNESSEE and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to FIRST TENNESSEE and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

**FIRST TENNESSEE HUMAN
RESOURCE AGENCY**

Jason Cody
Executive Director

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE,

AND

HOLSTON BUSINESS GROUP SMALL BUSINESS INCUBATOR PROGRAM

THIS AGREEMENT made and entered into as of the 1st day of July, 2016, by the City of Kingsport, hereinafter called "CITY", and HOLSTON BUSINESS GROUP, hereinafter called "HOLSTON".

WITNESSETH:

WHEREAS, HOLSTON is a not-for-profit corporation as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for the purpose contained herein; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq., and the official compilation of the Rules and Regulations of the State of Tennessee, Rules of the Comptroller of the Treasury, Division of Special Audit, chapter 0380-3-7, relating to Standard Procedures for Appropriating and Disbursing Municipal Funds to Non-Profit Charitable Organizations, to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, the parties desire to work together in the common effort of actively assist in the establishment of new small businesses in Kingsport; and

WHEREAS, CITY has decided to contract with and provide financial resources to an outside entity for creation and operation of a small business incubator, and CITY has requested that HOLSTON be that outside entity pursuant to said state law which CITY has approved; and

WHEREAS, HOLSTON is willing to create and operate the Small Business Incubator Program; and

WHEREAS, the parties desire to set forth the responsibilities and obligations of the parties in this effort and the terms and conditions with respect to the use of funds provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

I. TERM.

This Agreement will be for a term of twelve (12) months commencing July 1, 2016 through June 30, 2017, subject to other termination provisions in this Agreement. The funds allocated by CITY to HOLSTON can be used to reimburse HOLSTON for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017, without its written consent.

II. SCOPE OF WORK.

HOLSTON will promote, coordinate, develop and operate the Small Business Incubator Program to assist and develop small businesses.

III. MONITORING AND REPORTING REQUIREMENTS.

HOLSTON will provide CITY with quarterly written reports due on or before the third Monday of September, December, March and June. On the third Monday in September and the third Monday in March HOLSTON will appear at the regularly scheduled work session of the Board of Mayor and Aldermen to review the reports and present an update. The report will detail the efforts taken by HOLSTON toward accomplishment of the items listed in Section II, as well as a statement of other efforts and accomplishments within the scope of the Agreement not specifically included in Section II. Within the same report, HOLSTON will assess the impact its efforts have had on small business growth and development, and will annually report on the measures in the Appendix of this Agreement.

IV. COMPENSATION.

- A. CITY will pay HOLSTON Twenty Seven Thousand and NO/100 (\$27,000) dollars annually for services provided under this Agreement as described in Section II Scope of Work.
- B. CITY will pay HOLSTON one quarter of CITY's annual budgeted amount at the beginning of each quarter of the CITY's fiscal year (July 1, 2016; October 1, 2016; January 1, 2017; and April 1, 2017).
- C. CITY will review all quarterly reports; however, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
- D. The final determination of the amount subject to reimbursement under the terms of

this Agreement will be based on an audit conducted by or acceptable to CITY. HOLSTON will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of HOLSTON with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of HOLSTON's fiscal year for which operating assistance is provided, HOLSTON will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for HOLSTON's fiscal year.

- E. HOLSTON will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. HOLSTON further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State.

V. ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.

HOLSTON will not assign or subcontract any portion of this Agreement without the prior written approval of the CITY. HOLSTON will not assign any rights to funds provided herein without the prior written authorization of the CITY.

VI. CHANGED CONDITIONS AFFECTING PERFORMANCE.

HOLSTON will immediately notify CITY of any change in conditions or of any other event that may significantly affect its ability to perform the project in accordance with the provisions of this Agreement.

VII. STAFFING.

- A. HOLSTON will pay its employees under this Agreement at least the Federal Minimum Wage.
- B. In carrying out the work of this Agreement, HOLSTON will not discriminate against any employee or applicant for employment because of race, color, religion, creed, gender, national origin, age, disability or any other legally protected status.

VIII. TERMINATION OF AGREEMENT FOR CAUSE.

If, through any cause, HOLSTON fails to fulfill in a timely and proper manner the obligations of this Agreement, or if HOLSTON violates any of the covenants, agreements, or stipulations of this Agreement, CITY will thereupon have the right to terminate this Agreement. If CITY is entitled to terminate this Agreement for cause, as a condition precedent to the exercise of such right the CITY will give HOLSTON and

written notice specifying such default and HOLSTON will have right to cure the specified default within thirty (30) calendar days after service of such notice. If the default is not cured within that time CITY may upon three (3) days written notice to the other parties terminate this Agreement on a date certain. All payments by CITY to HOLSTON will be suspended until the default is cured if the default is in part caused by HOLSTON, and HOLSTON will not be entitled to further payment if the Agreement is terminated pursuant to this paragraph if the default is in part caused by HOLSTON.

IX. EXTENSION OF AGREEMENT.

The parties may extend this Agreement for subsequent years subject to any applicable negotiated changes.

X. OPERATING INFORMATION.

The parties agree to respond to inquiries made by designated representatives of the parties or their designees in a timely fashion. CITY designates the City Manager as its representative for this Agreement. HOLSTON designates the Corporate Secretary as its representative for this Agreement. HOLSTON will provide any relevant information requested by CITY concerning the Small Business Incubator Program of HOLSTON, including, but not limited to contracts for third party financial arrangements, annual financial statements, and audit reports, schedules and fees.

XI. ASSURANCES.

HOLSTON hereby assures CITY that HOLSTON is legally entitled to funds from CITY.

XII. REPORTING.

HOLSTON will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to HOLSTON assist in carrying out the purpose of the project as described under the terms of this Agreement.

The remainder of this page is left intentionally blank.

Signature page for the Agreement between the City of Kingsport, Tennessee and Holston Business Group for Small Business Incubator Program.

IN WITNESS WHEREOF, the parties have set their hand to this Agreement in duplicate originals effective the date first above written.

HOLSTON BUSINESS GROUP

Diana Blankenship,
Executive Director

ATTEST:

By: _____

CITY OF KINGSPORT, TENNESSEE

ATTEST:

JAMES H. DEMMING
City Recorder

JOHN CLARK
Mayor

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

APPENDIX

PERFORMANCE MEASURES FOR AGREEMENT BETWEEN THE CITY OF KINGSPORT, TENNESSEE, AND THE HOLSTON BUSINESS GROUP FOR THE SMALL BUSINESS INCUBATOR PROGRAM

MEASURES

In order to assess the impact of this Agreement, some basic measures are needed. The following measures have been chosen to help assess the impact of this venture on small business growth and development in Kingsport and will be tracked each year by the parties for that purpose.

1. Number of start-ups assisted (CY 2015): 44
2. Total employment of assisted start-ups (CY 2015): 406
3. Announced capital investment (CY 2016): \$188,658.00
4. “Graduation” rate (the number of businesses that leave the incubator and locate in Kingsport): 4%
5. Jobs created (CY 2015): 27

AGREEMENT
BETWEEN
THE CITY OF KINGSPORT, TENNESSEE
AND
THE KINGSPORT CHAMBER FOUNDATION
“KEEP KINGSPORT BEAUTIFUL PROGRAM”

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereafter called “CITY” and, the Kingsport Chamber Foundation hereafter called “FOUNDATION”.

WITNESSETH:

WHEREAS, FOUNDATION is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, FOUNDATION has requested financial assistance pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

1. **PURPOSE OF THE AGREEMENT.** The purpose of the Agreement is to assist FOUNDATION in continuing a Keep Kingsport Beautiful Program and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by FOUNDATION.
2. **DESCRIPTION OF THE PROJECT.**

FOUNDATION agrees as follows:

To develop and carry out short term and long term projects relating specifically to involving the community of Kingsport in responsible solutions for a clean and beautiful environment including but not limited to:

- Litter prevention.

- o Coordination of the Trashbuster program that provides community volunteer assistance for litter prevention for various community sponsored events.
- o Maintaining a public/private partnership for the sponsorship of the Trashbuster program.
- o Coordination of focused clean-ups of selected areas based upon need for removal of garbage, trash and other undesirable items.
- o Involving the community with the annual Great American Cleanup.
- Beautification of the environs.
 - o Coordinate the Tree Planting Fund program that is dedicated to the planting of various varieties of trees indigenous to the area in an effort to provide shade, attractive appearance and a shelter for wildlife.
 - o Maintaining a public/private partnership for the sponsorship of the Tree Planting Fund program.
- Promotion of recycling.
- Promotion of environmental improvements.
- Increase public awareness through education and promotion.
 - o Coordinating the annual Conservation Camp for 4th graders.
 - o Maintaining the Environmental Reading program and other educational programs.
- Recognition of excellence in environmental and beautification improvements.
 - o Coordinating, preparing and presenting such recognition at the appropriate regularly scheduled Board of Mayor and Aldermen meetings.
 - o Maintaining a public/private partnership of such programs that provide recognition of excellence in improvements.

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to FOUNDATION under this Agreement will not exceed FORTY EIGHT THOUSAND EIGHT HUNDRED DOLLARS and NO/100 (\$48,800.00).
4. **REQUEST FOR REIMBURSEMENT.** CITY will pay the amount set out in Section 3 in two payments of TWENTY FOUR THOUSAND FOUR HUNDRED DOLLARS and no/100 (\$24,400.00) each. FOUNDATION is to send to CITY reports of the actual net operating cost on a semi-annual basis.
5. **REIMBURSEMENT BY CITY.** CITY will review all semi-annual reports, however, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY.

FOUNDATION will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of FOUNDATION with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of FOUNDATION'S fiscal year for which operating assistance is provided, FOUNDATION will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for FOUNDATION'S fiscal year.

7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENT.** FOUNDATION will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. FOUNDATION further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** FOUNDATION will not assign any rights to funds without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, FOUNDATION will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date.
11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** FOUNDATION will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** FOUNDATION hereby assures CITY that FOUNDATION is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** FOUNDATION will provide any relevant information requested by CITY concerning FOUNDATION'S Keep Kingsport Beautiful Program including, but not limited to contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and FOUNDATION have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to FOUNDATION can be used to reimburse FOUNDATION for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.

15. **REPORTING.** FOUNDATION will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to FOUNDATION assist in carrying out the purpose of the project as described under the terms of this Agreement.

16. **INDEPENDENT CONTRACTOR.** FOUNDATION'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. FOUNDATION is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither FOUNDATION nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by FOUNDATION, or it employees or agents.

17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** FOUNDATION will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with FOUNDATION'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of FOUNDATION and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to FOUNDATION and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

KINGSPORT CHAMBER FOUNDATION

MILES BURDINE
Secretary

ATTEST:

By: _____
ROBIN CLEARY
Director, Keep Kingsport Beautiful

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM;

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSFORT, TENNESSEE
AND
KINGSFORT ART GUILD

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the Kingsport Art Guild, hereinafter called "GUILD".

WITNESSETH:

WHEREAS, GUILD is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, GUILD will receive financial assistance from the CITY; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

1. **PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to assist GUILD with operational expenses and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by GUILD.
2. **DESCRIPTION OF THE PROJECT.**

GUILD agrees as follows:

- A. To provide opportunities to the community to study, practice, and exhibit the visual arts.

- B. To promote and improve interest in the arts to the general public.
3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to GUILD under this Agreement will not exceed ONE THOUSAND EIGHT HUNDRED DOLLARS (\$1,800.00).
 4. **REQUEST FOR REIMBURSEMENT.** GUILD will bill CITY for payment of funds after July 1, 2014, using forms and procedures specified by CITY.
 5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
 6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. GUILD will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of GUILD with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of GUILD fiscal year for which operating assistance is provided, GUILD will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a balance sheet, statement of cash flows, statement of activity and all necessary related footnotes for GUILD fiscal year.
 7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** GUILD will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. GUILD further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
 8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
 9. **ASSIGNMENT AND SUBLETTING.** GUILD will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.
 10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event

of such termination, GUILD will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed ONE THOUSAND EIGHT HUNDRED DOLLARS (\$1,800).

11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** GUILD will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** GUILD hereby assures CITY that GUILD is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** GUILD will provide any relevant information requested by CITY concerning GUILD's program including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and GUILD have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to GUILD can be used to reimburse GUILD for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** GUILD will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to GUILD assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** GUILD'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. GUILD is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither GUILD nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by GUILD, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** GUILD will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:
 - A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to

or death of persons, or damage to property as a result of, arising out of, or in any manner connected with GUILD'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of GUILD and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to GUILD and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

KINGSPORT ART GUILD

STEVEN REEVES
Executive Director

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSPORT, TENNESSEE
AND
THE KINGSPORT BALLET
“DANCE CO.”

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the Kingsport Ballet, hereinafter called "KINGSPORT BALLET".

W I T N E S S E T H:

WHEREAS, KINGSPORT BALLET is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, KINGSPORT BALLET will receive financial assistance from the CITY; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

1. **PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to assist KINGSPORT BALLET with operational expenses and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by KINGSPORT BALLET.
2. **DESCRIPTION OF THE PROJECT.**

KINGSPORT BALLET agrees to provide free of charge classical ballet instruction to underserved children in the community through its Developing Artists and Nurturing Cultural Education through Community Outreach (DANCE CO.) program.

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to KINGSPORT BALLET under this Agreement will not exceed FOUR THOUSAND FIVE HUNDRED DOLLARS (\$4,500).
4. **REQUEST FOR REIMBURSEMENT.** KINGSPORT BALLET will bill CITY for payment of funds after July 1, 2016, using forms and procedures specified by CITY.
5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. KINGSPORT BALLET will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of KINGSPORT BALLET with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of KINGSPORT BALLET fiscal year for which operating assistance is provided, KINGSPORT BALLET will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a balance sheet, statement of cash flows, statement of activity and all necessary related footnotes for KINGSPORT BALLET fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** KINGSPORT BALLET will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. KINGSPORT BALLET further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** KINGSPORT BALLET will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, KINGSPORT BALLET will be entitled to receive just and equitable

compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed FOUR THOUSAND FIVE HUNDRED DOLLARS (\$4,500).

11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** KINGSPORT BALLET will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** KINGSPORT BALLET hereby assures CITY that KINGSPORT BALLET is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** KINGSPORT BALLET will provide any relevant information requested by CITY concerning KINGSPORT BALLET's program, including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and KINGSPORT BALLET have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to KINGSPORT BALLET can be used to reimburse KINGSPORT BALLET for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** KINGSPORT BALLET will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to KINGSPORT BALLET assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** KINGSPORT BALLET'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. KINGSPORT BALLET is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither KINGSPORT BALLET nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by KINGSPORT BALLET, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** KINGSPORT BALLET will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with KINGSPORT BALLET'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of KINGSPORT BALLET and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to KINGSPORT BALLET and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

KINGSPORT BALLET

BERTINA S. DEW
Executive Director

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSFORT, TENNESSEE
AND
KINGSFORT HOUSING AND REDEVELOPMENT AUTHORITY
“REDEVELOPMENT PROGRAM”

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the Kingsport Housing and Redevelopment Authority, hereinafter called "KHRA".

W I T N E S S E T H:

WHEREAS, KHRA is authorized by the State of Tennessee to administer redevelopment activities within the City and is eligible to receive funds for this purpose; and

WHEREAS, KHRA has requested financial assistance pursuant to said Sections which CITY has approved; and

WHEREAS, the parties want to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

- 1. PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to provide administrative services for the City's Redevelopment Program and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the services will be carried out by KHRA.
- 2. DESCRIPTION OF THE PROJECT.**

KHRA agrees as follows:

- A. To provide the City of Kingsport with Redevelopment Program administrative services including data collections, plan preparation, project implementation activities, grants management and preparation, coordination functions and technical assistance.

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to KHRA under this Agreement shall not exceed SIXTY- THREE THOUSAND EIGHT HUNDRED DOLLARS (\$63,800).
4. **REQUEST FOR REIMBURSEMENT.** KHRA shall bill CITY for the actual net operating costs incurred on an annual basis using forms and procedures specified by CITY.
5. **REIMBURSEMENT BY CITY.** CITY will honor all requests for reimbursement up to amount as stated in paragraph 3 provided that KHRA is complying with its obligations provided herein. However, reimbursement of any cost pursuant to this paragraph shall not constitute a final determination by CITY of the allowability of such costs and shall not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement shall be based on an audit conducted by or acceptable to CITY. KHRA shall permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of KHRA with regard to the project. Such records shall be retained for this purpose for a period of not less than three years. Subsequent to the close of KHRA fiscal year for which operating assistance is provided, KHRA shall furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which shall include at minimum a balance sheet, statement of cash flows, statement of activity and all necessary related footnotes for KHRA fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** KHRA shall establish and maintain an accounting, record keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. KHRA further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement shall require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** KHRA will not assign any rights to funds without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of termination, KHRA shall be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event shall this amount exceed SIXTY THREE THOUSAND EIGHT HUNDRED DOLLARS (\$63,800).

11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** KHRA shall immediately notify CITY of any change in conditions or of any other event, which may significantly affect its ability to perform the project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** KHRA hereby assures CITY that KHRA is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** KHRA will provide any relevant information requested by CITY concerning KHRA program including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and KHRA have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to KHRA can be used to reimburse KHRA for eligible project expenses beginning on July 1, 2016. In no event shall CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** KHRA will submit to the Board of Mayor and Aldermen its quarterly status report setting out how funds allocated by CITY to KHRA assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** KHRA'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. KHRA is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither KHRA nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by KHRA, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** KHRA will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:
 - A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with KHRA'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of KHRA and third persons.
 - B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to KHRA and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance,

social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

**KINGSPORT HOUSING AND
REDEVELOPMENT AUTHORITY**

TERRY CUNNINGHAM
Executive Director

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSFORT, TENNESSEE
AND
KINGSPORT LIFESAVING AND FIRST AID CREW, INC.

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the Kingsport LifeSaving and First Aid Crew, Inc., hereinafter called "LIFESAVING CREW".

WITNESSETH:

WHEREAS, the LIFESAVING CREW is a non profit agency organized to assist in specialized rescue, and is an important partner to the Kingsport Fire Department and substantially contributes to the rescue efforts of the Kingsport Fire Department and the overall health and safety of Kingsport residents; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111, et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, LIFESAVING CREW will receive financial assistance from the CITY; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

- 1. PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to assist LIFESAVING CREW with funds and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by LIFESAVING CREW.
- 2. DESCRIPTION OF THE PROJECT.**

LIFESAVING CREW will provide first response and rescue for citizens of Kingsport. LIFESAVING CREW will provide reports on its implementation and progress of the project when and in the format requested by the city.
- 3. MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to LIFESAVING CREW under this Agreement will not exceed SEVENTY FIVE THOUSAND DOLLARS (\$75,000).

4. **REQUEST FOR REIMBURSEMENT.** LIFESAVING CREW will bill CITY for payment of funds after July 1, 2016, using forms and procedures specified by CITY.
5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. LIFESAVING CREW will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of LIFESAVING CREW with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of LIFESAVING CREW fiscal year for which operating assistance is provided, LIFESAVING CREW will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a balance sheet, statement of cash flows, statement of activity and all necessary related footnotes for LIFESAVING CREW fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** LIFESAVING CREW will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. LIFESAVING CREW further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** LIFESAVING CREW will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination LIFESAVING CREW will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed SEVENTY FIVE THOUSAND DOLLARS (\$75,000).
11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** LIFESAVING CREW will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.

12. **ASSURANCES.** LIFESAVING CREW hereby assures CITY that LIFESAVING CREW is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** LIFESAVING CREW will provide any relevant information requested by CITY concerning LIFESAVING CREW's program, including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and LIFESAVING CREW have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to LIFESAVING CREW can be used to reimburse LIFESAVING CREW for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** LIFESAVING CREW will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to LIFESAVING CREW assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** LIFESAVING CREW'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. LIFESAVING CREW is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither LIFESAVING CREW nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by LIFESAVING CREW, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.**

LIFESAVING CREW will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

 - A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with LIFESAVING CREW'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of LIFESAVING CREW and third persons.
 - B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to LIFESAVING CREW and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

**KINGSPORT LIFESAVING AND FIRST AID
CREW, INC. CREW**

DON SMITH
President of the Board of Directors

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSFORT, TENNESSEE
AND
KINGSFORT THEATRE GUILD

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the Kingsport Theatre Guild, hereinafter called "THEATRE GUILD".

W I T N E S S E T H:

WHEREAS, THEATRE GUILD is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, THEATRE GUILD will receive financial assistance from the CITY; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

- 1. PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to assist THEATRE GUILD in producing and presenting community-wide "Youth Series" productions targeting a young audience and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by THEATRE GUILD.
- 2. DESCRIPTION OF THE PROJECT.**

THEATRE GUILD agrees to produce and present community-wide "Youth Series" productions targeting a young audience during the 2016-2017 theatre season.

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to THEATRE GUILD under this Agreement will not exceed FOUR THOUSAND FIVE HUNDRED DOLLARS (\$4,500).
4. **REQUEST FOR REIMBURSEMENT.** THEATRE GUILD will bill CITY for payment of funds after July 1, 2016, using forms and procedures specified by CITY.
5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. THEATRE GUILD will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of THEATRE GUILD with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of THEATRE GUILD fiscal year for which operating assistance is provided, THEATRE GUILD will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a balance sheet, statement of cash flows, statement of activity and all necessary related footnotes for THEATRE GUILD fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** THEATRE GUILD will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. THEATRE GUILD further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** THEATRE GUILD will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, THEATRE GUILD will be entitled to receive just and equitable

compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed FOUR THOUSAND FIVE HUNDRED DOLLARS (\$4,500).

11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** THEATRE GUILD will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** THEATRE GUILD hereby assures CITY that THEATRE GUILD is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** THEATRE GUILD will provide any relevant information requested by CITY concerning THEATRE GUILD's program, including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and THEATRE GUILD have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to THEATRE GUILD can be used to reimburse THEATRE GUILD for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** THEATRE GUILD will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to THEATRE GUILD assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** THEATRE GUILD'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. THEATRE GUILD is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither THEATRE GUILD nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by THEATRE GUILD, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** THEATRE GUILD will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind

or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with THEATRE GUILD'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of THEATRE GUILD and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to THEATRE GUILD and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

KINGSPORT THEATRE GUILD

TINA RADTKE
Executive Director

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

CITY OF KINGSPORT, TENNESSEE

AND

SULLIVAN COUNTY-KINGSPORT-BLUFF CITY ANIMAL CONTROL CENTER, INC.

OPERATIONAL AGREEMENT

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the Sullivan County-Kingsport-Bluff City Animal Control Center, Inc., hereinafter called "CENTER".

WITNESSETH:

WHEREAS, CENTER desires to enter into an Agreement with CITY whereby CENTER will, subject to the terms and conditions of this Agreement, provide animal control; and,

WHEREAS, CITY by and through its duly elected officials and officers, desires to provide for an animal control program and shelter for CITY and its residents; and

WHEREAS, CENTER will provide certain animal control and shelter services for the City of Kingsport and its residents; and

WHEREAS, except for a Lease between the parties concerning the real property on which the CENTER building is located, CITY and CENTER wish to substitute this written agreement for any previous written Agreement or agreements between the parties, it is, therefore, understood by and between the parties that any such previous agreements will be terminated at the time of the execution of this Agreement and that the relationship of the parties will hereafter be governed by the terms of this Agreement; and,

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

SECTION 1. PURPOSE OF THE AGREEMENT.

The purpose of this Agreement is to provide an Animal Control/Shelter Program for CITY and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by CENTER.

SECTION 2. DESCRIPTION OF THE PROJECT.

CENTER agrees as follows:

- A. Provide shelter, food and housing for lost, stray and unwanted animals. It is the intention and understanding of the parties that CENTER will continue the operation of the Animal Control/Shelter Program as it exists in the City of Kingsport as of the date of this Agreement, except as altered or amended by this Agreement. In no event will the quality or quantity of services be decreased except by express written consent of CITY and agreed upon by CENTER.
- B. Maintain regular hours of operation at its premises, such hours being open to the public at a minimum of four (4) hours per weekday in the afternoon, and four (4) hours on weekends, either morning or afternoon at the discretion of CENTER. CENTER will have the option to close the facility on the following holidays: Thanksgiving Day, Christmas Day, New Years Day, Good Friday, Easter, Memorial Day, the Fourth of July and Labor Day. The facility may also be closed due to bad weather, power outages, or other unusual occurrences.
- C. Provide and be responsible for, all personnel, including a Manager for the animal shelter and animal adoption program, and to assist in CITY'S animal control program. The Manager will be an employee of CENTER and will not for any purpose be considered to be an employee of CITY. The salary of the Manager will be paid by CENTER. The Manager will be responsible for the day-to-day operation and maintenance of the animal shelter and animal control program, and will be responsible for the efficient and appropriate operation of these programs. In the event the Manager does not adequately provide for the efficient and appropriate operation of these programs, CITY may, at its option, require that the Manager be replaced, or CITY may require other reasonable steps be taken to remedy the situation. Failure of CENTER to take appropriate steps as requested by CITY in such event will constitute grounds for termination of this Agreement.
- D. Provide and be responsible for at least one trained assistant to be present with the Manager at all times during the operation of the Animal Control/Shelter Program. At least two trained assistants, paid or volunteer, will be present to assist the public when the shelter is open to the public and the Manager is not on duty.
- E. Keep the facility safe, secure, clean and orderly at all times, including both the building and grounds.

- F. Admit animals to the facility on a daily basis, except on those holidays when the shelter may be closed as provided above. CENTER will accept animals brought to the shelter by residents of the City of Kingsport. CENTER will allow access to the facility for CITY Animal Control Officers for after-hours or emergency admissions to the shelter.
- G. CENTER's employees or volunteers, during normal working hours, will be available to release animals to their owners that are being held by Animal Control Officers for violations of CITY codes. When Animal Control Officers are unavailable, CENTER may release to owners making a claim, any animal placed in the shelter by Animal Control Officers, provided that the owner completes a form, provided by CITY, which states their ownership, their name and address, and is signed by them. Said completed form will be forwarded to the Animal Control Officers for follow-up prosecution of violations of animal control laws. Exception: Animal Control Officers may require CENTER to hold animals until the owner makes personal contact with the Animal Control Officer in regard to aggravated offenders when the previous procedure has proven inadequate in identification and prosecution of habitual offenders of animal control laws.
- H. Provide a continuing community-wide educational program to familiarize the public with the Animal Control/Shelter Program.
- I. Maintain an animal lost and found service.
- J. Maintain appropriate administrative records.
- K. Prepare a monthly administrative report for CITY which will include the following information: number of animals placed at the shelter in the month, number of adoptions, number of animals reclaimed by owners, number of animals euthanized, number of injured animals picked up, number of animals remaining at the shelter, and all monetary transactions for the month. In addition, CENTER will make available to CITY any other information regarding the activities of CENTER carried out pursuant to this Agreement, at reasonable times upon request by CITY.
- L. Provide assistance to the Animal Control Officers in the investigation of animal cruelty and abandonment reports in corporate limit of CITY. Provide assistance and aid in the prosecution of all charges of animal cruelty and abandonment (records, Veterinarian treatment, charges etc.).
- M. Provide information on animals brought to the shelter to a newspaper of general circulation within city.
- N. Encourage adoption through appropriate news media, including "Pet of the Week"

features, stories and interviews.

- O. Provide for the training of assistants to work at the shelter.
- P. Abide by all local, state and federal laws, and regulations which may be applicable to the operation of the program herein provided for.

SECTION 3. RESPONSIBILITY FOR EXPENSES.

It is understood and agreed by the parties that CENTER is to be self-sustaining financially. Specifically, but without limitation, CENTER will be responsible for the following expenses:

- A. CENTER will pay for all food for the animals in the program.
- B. CENTER will pay all utility charges, such as electricity, water, and phone, and all operational and administrative expenses to operate one or more animal shelters and provide an animal control program at least as comprehensive as the program previously operated by CITY.
- C. CENTER will perform all necessary cleaning and janitorial functions, and will be responsible for providing the necessary cleaning supplies and equipment, and personnel at its own expense. CENTER will, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or that may hereafter be in force relating to or affecting the condition, use or occupancy of its premises.
- D. CENTER will perform, and bear the expense for all euthanasia and CITY will assume responsibility for final disposal of animals. CENTER will establish a standard time and date for euthanized animal pick-ups.
- E. Except as otherwise provided herein, CENTER will make arrangements for and bear the expenses of all necessary veterinary services.
- F. CITY will bear expense of all wild animals captured in the corporate limits of CITY brought to the shelter for euthanasia or veterinary services. The CENTER will be responsible for domesticated animals.
- G. All animals which are placed in the shelter which are not subsequently reclaimed by owner within five (5) days will become the property of CENTER. CENTER will then have five (5) additional days for adoption of animals. At the end of ten (10) full days, CENTER will euthanize the animals unless, in some instances, the animals are of good breeding, character, non-violent and in good health, and the CENTER can show justification to the Chief of Police or his designee, the animal can be held for an extended period thereafter determined by an agreement between

CENTER and the Kingsport Police Department for the purpose of adoption but not to exceed a total period of three weeks (21 days). The decision to hold animals of this nature will only be merited on space availability. It is agreed that no animals will be sold or released to research or experimental labs. Wild dogs and cats, not suitable for adoption may be immediately destroyed following the waiting period or upon meeting the requirements of City Ordinance 14-96 be destroyed immediately.

SECTION 4. MAXIMUM PAYMENT.

It is expressly understood and agreed that the total amount to be paid by CITY to CENTER under this Agreement will not exceed TWO HUNDRED AND FIFTEEN THOUSAND EIGHT HUNDRED DOLLARS (\$215,800.00). The payment will be made on July 1, 2016.

SECTION 5. PAYMENT BY CITY.

Payments made pursuant to this Agreement will not constitute a final determination by CITY of the allowability of any costs and will not constitute a waiver of any violation of the terms of the Agreement.

SECTION 6. AUDITS.

It is understood and agreed that all funds derived by CENTER from the operation of the Animal Control/Shelter Program will be retained by CENTER, except fines and court costs for violations of City Ordinance, which will be retained by CITY. Fines from State Courts will be distributed according to T.C.A. section 39-14-210(d). CENTER may set adoption and reclamation fees at its discretion. CENTER expressly agrees to submit to CITY, on an annual basis, an independent audit of CENTER's expenditures and revenues and any changes in financial position for CENTER fiscal year incurred during CITY's fiscal year. CITY will have the right and authority to make any investigation or inspection of the property, equipment, work, materials, payrolls, items utilized by CENTER in its daily operation of the Animal Control/Shelter Program, and to inspect the books of CENTER at all reasonable times upon proper notice.

SECTION 7. ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.

CENTER will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. CENTER further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State.

SECTION 8. LIABILITY.

CENTER agrees to hold CITY harmless from any liability of any kind or nature whatsoever which may in any way result from any activities of CENTER, or any of its agents, employees, or any person, firm or corporation utilizing the premises or the services of CENTER. Specifically, but without limitation, CENTER agrees to the following:

A. CENTER will provide workers compensation insurance for its employees or other appropriate individuals operating upon the premises. It is further understood by and between the parties that the CENTER director, and any other employees, volunteers or agents of CENTER, will not be considered agents or employees of CITY, but will be solely under the direct control and supervision of CENTER, an independent contractor, under the terms of this Agreement.

B. CENTER will furnish liability insurance, specifically naming CITY as an additional insured, to defend, indemnify and save harmless CITY from any and all claims and suits for injuries to person or property arising in any way out of the performance of the Agreement, the use of the premises, or caused in any way by the acts or omissions of CENTER, its agents, employees and representatives, including volunteer workers. CENTER will obtain and maintain in effect at all times said liability insurance in amounts and coverages approved by CITY, within its sole discretion, and will present proof of such insurance to CITY.

C. CENTER will maintain liability, fire, and other related insurance upon the contents of the building or buildings upon the premises, and CITY will have no responsibility thereof. In case of extensive damage by fire or other casualty to the building or buildings upon the premises, CITY will have the option to terminate this Agreement.

SECTION 9. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No member, official, or employee of CITY shall be personally liable to CENTER in the event any provision of the Agreement is unenforceable for any reason; there is any default or breach by CITY; for any amount which may become due under the agreement; or on any obligations under the terms of the Agreement

SECTION 10. INDEPENDENT CONTRACTOR.

CENTER'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. CENTER is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither CENTER nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing

by CENTER, or its employees or agents.

SECTION 11. CHANGES.

This Agreement may be amended only by a written instrument signed by properly authorized representatives of CITY and CENTER.

SECTION 12. ASSIGNMENT AND SUBLETTING.

CENTER may not assign this Agreement without the express written consent of CITY.

SECTION 13. TERMINATION.

This Agreement may be terminated by CITY at any time by giving written notice to CENTER at least thirty (30) days before the effective date of such termination. The parties will meet and discuss the terms of a possible successor agreement, commencing ninety (90) days before this Agreement terminates.

SECTION 14. CHANGED CONDITIONS AFFECTING PERFORMANCE.

CENTER will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the project in accordance with the provisions of this Agreement.

SECTION 15. ASSURANCES.

CENTER hereby assures CITY that CENTER is legally entitled to funds from CITY.

SECTION 16. OPERATING INFORMATION.

CENTER will provide any relevant information requested by CITY concerning CENTER's program including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees. When this Agreement requires written permission from the CITY, the Chief of Police is the individual that may grant such permission.

SECTION 17. PROJECT TERM.

The term of this Agreement will be one (1) year, commencing upon the day and date above written.

SECTION 18. MISCELLANEOUS.

This written Agreement represents the entire Agreement of the parties, except for a lease between the parties concerning the real property on which the CENTER building is located, and

except as set out herein, any prior Agreements, understandings, statements or negotiations are merged herein. This Agreement will be binding upon the parties and their respective successors and assigns.

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

**CITY OF KINGSPORT,
TENNESSEE**

**SULLIVAN COUNTY-KINGSPORT-
BLUFF CITY ANIMAL CONTROL
CENTER, INC.**

JOHN CLARK
Mayor

JUDY SMITH
Budget Director

ATTEST:

JAMES H. DEMMING
City Recorder

Secretary

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSPORT, TENNESSEE
AND
SYMPHONY OF THE MOUNTAINS

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and Symphony of the Mountains, hereinafter called "SYMPHONY".

WITNESSETH:

WHEREAS, SYMPHONY is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, SYMPHONY will receive financial assistance from the CITY; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

1. **PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to fund a concert chair for SYMPHONY and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by SYMPHONY.
2. **DESCRIPTION OF THE PROJECT.**

SYMPHONY agrees to fund a concert chair for the Symphony of the Mountains Association of Kingsport in the amount of FOUR THOUSAND FIVE HUNDRED DOLLARS (\$4,500).
3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to

be paid by CITY to SYMPHONY under this Agreement will not exceed FOUR THOUSAND FIVE HUNDRED DOLLARS (\$4,500).

4. **REQUEST FOR REIMBURSEMENT.** SYMPHONY will bill CITY for payment of funds after July 1, 2016, using forms and procedures specified by CITY.
5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. SYMPHONY will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of SYMPHONY with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of SYMPHONY fiscal year for which operating assistance is provided, SYMPHONY will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a balance sheet, statement of cash flows, statement of activity and all necessary related footnotes for SYMPHONY fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** SYMPHONY will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. SYMPHONY further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** SYMPHONY will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, SYMPHONY will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed FOUR THOUSAND FIVE HUNDRED

DOLLARS (\$4,500).

11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** SYMPHONY will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
12. **ASSURANCES.** SYMPHONY hereby assures CITY that SYMPHONY is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** SYMPHONY will provide any relevant information requested by CITY concerning SYMPHONY's program, including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and SYMPHONY have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to SYMPHONY can be used to reimburse SYMPHONY for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** SYMPHONY will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to SYMPHONY assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** SYMPHONY'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. SYMPHONY is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither SYMPHONY nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by SYMPHONY, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** SYMPHONY will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:
 - A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner

connected with SYMPHONY'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of SYMPHONY and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to SYMPHONY and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

SYMPHONY OF THE MOUNTAINS

CORNELIA LAEMMLI ORTH
Chief Operating Officer

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

AGREEMENT
BETWEEN
THE CITY OF KINGSPORT, TENNESSEE
AND
THE KINGSPORT CHAMBER FOUNDATION, INC.
“MOVE TO KINGSPORT PROGRAM”

THIS AGREEMENT made and entered into as of the 1st day of July, 2016, by the City of Kingsport, hereinafter called "CITY", and the Kingsport Chamber Foundation, Inc., hereinafter called "CHAMBER".

W I T N E S S E T H:

WHEREAS, CHAMBER is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for the purpose contained herein; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq., and the official compilation of the Rules and Regulations of the State of Tennessee, Rules of the Comptroller of the Treasury, Division of Special Audit, chapter 0380-3-7, relating to Standard Procedures for Appropriating and Disbursing Municipal Funds to Non-Profit Charitable Organizations, to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, the parties desire to work together in the common effort to enhance current efforts and to actively recruit residents of quality to Kingsport; and

WHEREAS, CITY has decided to contract with and provide financial resources to an outside entity for residential recruitment support and CITY has requested that CHAMBER be that outside entity pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the responsibilities and obligations of the parties in this effort and the terms and conditions with respect to the use of funds provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

I. TERM.

The term for this Agreement is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to CHAMBER can be used to reimburse CHAMBER for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses

incurred after June 30, 2017.

II. SCOPE OF WORK.

- A. The scope of work for this Agreement will be to assist in the enhancement and formulation of the Chamber's program of processing relocation inquiries and relocation recruiting as a non-traditional form of economic development.
- B. Except as otherwise specified in this Agreement, the specific strategies, plans and efforts to provide such services will be determined and implemented by CHAMBER with input from CITY and other members of the community.
- C. CHAMBER will seek to accomplish the items listed below and positively affect the measures described in the Appendix. It is understood that unusual circumstances affecting the economy may impact the achievement of these items.
- D. The parties may make changes as mutually agreed upon in the scope of the work of this Agreement. Such changes will be incorporated in written amendments to this Agreement.
- E. Accordingly the CHAMBER agrees:
 1. Establish and continue on with a Program Council consisting of representatives of the City, Chamber, NETWORKS, Real Estate professionals and others. The responsibilities of this Council are as advisory and oversight. The Chair of said Council will serve as a Vice President on the Board of Directors of the Chamber; and
 2. To maintain the necessary support staff to provide logistical support and advice to the Kingsport Residential Recruitment program; and
 3. To provide some or all of the following, as needed:
 - Maintain a dedicated internet web site (movetokingsport.com) to recruit people to move to Kingsport.
 - Establish and implement a marketing plan to promote said web site.
 - Enhance, expand and synergize existing materials used to respond to relocation inquiries, including a 4-color relocation guide to Kingsport, movetokingsport.com information, Kingsport map, real estate information, employment information and other community information.
 - Coordinate and assist with NETWORKS in their link to the state of Tennessee's Recruitment Co Op, American Association of Retirement Communities' membership and other related efforts.
 - Continue the employer assistance program in recruiting professionals to live and work in Kingsport.

III. MONITORING AND REPORTING REQUIREMENTS.

CHAMBER will provide CITY with annual written reports delivered by the third Monday in February where CHAMBER will appear at the regularly scheduled work session of the Board of Mayor and Aldermen to review the report and present an update. The report will detail the efforts taken by CHAMBER toward accomplishment of the items listed in Section II, as well as a statement of other efforts and accomplishments within the scope of the Agreement not specifically included in Section II. Within the same report, CHAMBER will assess the impact its efforts have had on residential recruitment, and will annually report on the measures in the Appendix of this Agreement.

IV. COMPENSATION.

- A. CITY will pay CHAMBER FIFTY SEVEN THOUSAND TWO HUNDRED DOLLARS (\$57,200.00) for the term of this agreement for services provided as described in Section II Scope of Work.
- B. CITY will review all quarterly reports; however, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
- C. The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. CHAMBER will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of CHAMBER with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of CHAMBER's fiscal year for which operating assistance is provided, CHAMBER will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for CHAMBER's fiscal year.
- D. CHAMBER will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. CHAMBER further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State.

V. ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.

The CHAMBER will not assign or subcontract any portion of this Agreement without the prior written approval of the CITY. CHAMBER will not assign any rights to funds

provided herein without the prior written authorization of the CITY.

VI. CHANGED CONDITIONS AFFECTING PERFORMANCE.

CHAMBER will immediately notify CITY of any change in conditions or of any other event that may significantly affect its ability to perform the project in accordance with the provisions of this Agreement.

VII. STAFFING.

- A. CHAMBER will pay its employees under this Agreement at least the Federal Minimum Wage.
- B. In carrying out the work of this Agreement, CHAMBER will not discriminate against any employee or applicant for employment because of race, color, religion, creed, gender, national origin, age, disability or any other legally protected status.

VIII. TERMINATION

This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, CHAMBER will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed FIFTY SEVEN THOUSAND TWO HUNDRED DOLLARS (\$57,200.00).

IX. EXTENSION OF AGREEMENT.

The parties may extend this Agreement for subsequent years subject to any applicable negotiated changes.

X. OPERATING INFORMATION.

The parties agree to respond to inquiries made by designated representatives of the parties or their designees in a timely fashion. CITY designates the City Manager as its representative for this Agreement. CHAMBER designates the Corporate Secretary as its representative for this Agreement. CHAMBER will provide any relevant information requested by CITY concerning the small business program of CHAMBER, including, but not limited to contracts for third party financial arrangements, annual financial statements, and audit reports, schedules and fees.

XI. CITY-DESIGNATED REPRESENTATIVES.

The City Manager will serve as the CITY representative on the Board of CHAMBER, and will be entitled to attend all meetings of CHAMBER, and participate on all issues before the Board.

XII. ASSURANCES.

CHAMBER hereby assures CITY that CHAMBER is legally entitled to funds from CITY.

XIII. INDEPENDENT CONTRACTOR. CHAMBER'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. CHAMBER is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither CHAMBER nor their employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by CHAMBER, or their employees or agents.

XIV. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.

CHAMBER will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with CHAMBER'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of CHAMBER and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CHAMBER and their officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the parties have set their hand to this Agreement in duplicate originals effective the date first above written.

KINGSPORT CHAMBER FOUNDATION, INC.

MILES BURDINE
President and CEO

LEA ANN RASAR
Director, Move To Kingsport

CITY OF KINGSPORT, TENNESSEE

ATTEST:

JAMES H. DEMMING
City Recorder

JOHN CLARK
Mayor

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

APPENDIX

PERFORMANCE MEASURES FOR AGREEMENT BY THE CITY OF KINGSPORT, TENNESSEE, AND THE GREATER KINGSPORT AREA CHAMBER OF COMMERCE, INC. FOR THE MOVE TO KINGSPORT PROGRAM

MEASURES

In order to assess the impact of this Agreement, some basic measures are needed. The following measures have been chosen to help assess the impact of this venture on small business growth and development in Kingsport and will be tracked each year by the parties for that purpose.

1. Number of relocation requests received and served by the Chamber:
(CY 2015)- 2,824
Source: Annual survey of prospects
2. Number of “unique visitors” on the movetokingsport.com web site:
(CY 2015)- 12,487
Source: Annual survey of prospects
3. Number of newcomers as evidenced by water taps:
(FY 2015) - 192
Source: Finance Department

AGREEMENT
BETWEEN
THE CITY OF KINGSFORT, TENNESSEE
AND
THE KINGSFORT CHAMBER FOUNDATION
“SMALL BUSINESS DEVELOPMENT
AND ENTREPRENEURSHIP PROGRAM

THIS AGREEMENT made and entered into as of the 1st day of July, 2016, by the City of Kingsport, hereinafter called "CITY", and the Kingsport Chamber Foundation, Inc., hereinafter called "FOUNDATION".

W I T N E S S E T H:

WHEREAS, FOUNDATION is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for the purpose contained herein; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq., and the official compilation of the Rules and Regulations of the State of Tennessee, Rules of the Comptroller of the Treasury, Division of Special Audit, chapter 0380-3-7, relating to Standard Procedures for Appropriating and Disbursing Municipal Funds to Non-Profit Charitable Organizations, to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, the parties desire to work together in the common effort of actively assist in the establishment of new small businesses and the growth and development of existing small businesses in Kingsport; and

WHEREAS, CITY has decided to contract with and provide financial resources to an outside entity for small business development support and CITY has requested that FOUNDATION be that outside entity pursuant to said state law which CITY has approved; and

WHEREAS, the FOUNDATION is willing to create the Office of Small Business Development and Entrepreneurship; and

WHEREAS, the parties desire to set forth the responsibilities and obligations of the parties in this effort and the terms and conditions with respect to the use of funds provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

I. TERM.

The term for this Agreement is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to FOUNDATION can be used to reimburse FOUNDATION for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.

II. SCOPE OF WORK.

- A. The scope of work for this Agreement will be to assist in the establishment of new small businesses and the growth and development of existing small businesses in Kingsport through the creation of the Office of Small Business Development and Entrepreneurship.
- B. Except as otherwise specified in this Agreement, the specific strategies, plans and efforts to provide such services will be determined and implemented by FOUNDATION with input from CITY and other members of the small business community.
- C. FOUNDATION will seek to accomplish the items listed below and positively affect the measures described in the Appendix. It is understood that unusual circumstances affecting the economy may impact the achievement of these items.
- D. The parties may make changes as mutually agreed upon in the scope of the work of this Agreement. Such changes will be incorporated in written amendments to this Agreement.
- E. Under separate agreement, FOUNDATION may manage the small business incubator program.
- F. The parties agree to jointly establish the criteria, qualifications, and job description for the fulltime small business development professional contemplated to be hired by FOUNDATION pursuant to this Agreement. Accordingly the FOUNDATION agrees:
 - 1. To employ an executive director of the Office of Small Business Development and Entrepreneurship and an Administrative Assistant meeting the criteria for and qualifications established, in conjunction with CITY and implementing the job description agreed to by the parties; and
 - 2. To maintain the necessary support staff to provide logistical support and advice to the executive director of the Office of Small Business Development and Entrepreneurship; and
 - 3. To provide some or all of the following, as needed:

- Establish an education course in entrepreneurship—"School of Entrepreneurship-Small Business University" . . .Celebrate both success and failure to encourage risk taking
- Establish a pool of funds (loans, grants, venture capital)
- Expand the Business Advisory Panel. Make it available to more businesses. (Make it mandatory for those who receive a loan, grant, venture capital)
- Establish incentives program
- Continue seminars & training opportunities
- Live Here. Play Here. Shop Here. Dine Here. "Shop Here First Program"
- Establish a database of goods and services available and / or needed locally—Business-to-Business
- Create an environment that makes Kingsport the location of choice for healthcare providers
- Link to Holston Business Development Center
- Link to FOUNDATION networking opportunities
- Link to local business parks and retail/commercial locations
- Link to KHRA for redevelopment opportunities
- Link to developers
- Link to government agencies (especially city)
- Link to KEDP
- Solicit and address concerns/problems from existing businesses. Use a combination of BMA member, business leader, city staff and executive director of the Office of Small Business Development
- Maintain a working knowledge of available state / federal programs that can assist small business
- Link to grant writers as appropriate (Critical for technology-based businesses)
- Link to Sullivan County Economic Development Partnership
- Link to tourism (KCVB & NETTA)
- Link to First Tennessee Development District
- Link to Northeast Tennessee Tech Council
- Recruit people to start businesses in Kingsport (Local, national & international)
- Create positive attitude for doing business in Kingsport
- Continue lobbying local, state & federal officials for the benefit of small business
- Develop program for employee recruiters (Program will be similar to one developed for physicians)
- Continue *Kingsport Times-News* Small Business Start-up Contest
- Emphasize Ribbon Cuttings / Groundbreakings
- Expand program that helps businesses recruit key employees

III. MONITORING AND REPORTING REQUIREMENTS.

FOUNDATION will provide CITY with quarterly written reports due on or before the third Monday of September, December, March and June. On the third Monday in September and the third Monday in March FOUNDATION will appear at the regularly scheduled work session of the Board of Mayor and Aldermen to review the reports and present an update. The report will detail the efforts taken by FOUNDATION toward accomplishment of the items listed in Section II, as well as a statement of other efforts and accomplishments within the scope of the Agreement not specifically included in Section II. Within the same report, FOUNDATION will assess the impact its efforts have had on small business growth and development, and will annually report on the measures in the Appendix of this Agreement.

IV. COMPENSATION.

- A. CITY will pay FOUNDATION ONE HUNDRED AND FOURTEEN THOUSAND AND FOUR HUNDRED and NO/100 Dollars (\$114,400.00) annually for services provided under this Agreement as described in Section II Scope of Work.
- B. CITY will pay the FOUNDATION Twenty Eight Thousand Six Hundred Dollars and NO/100 (\$28,600.00) on July 1, 2016 and payments of Twenty Eight Thousand Six Hundred Dollars and NO/100 (\$28,600.00) on October 1, 2016, January 1, 2017, and April 1, 2017, provided the agreement is not otherwise terminated.
- C. FOUNDATION will be responsible for raising an additional amount of at least Twenty-Five Thousand and NO/100 to Fifty Thousand and NO/100 (\$25,000-\$50,000) dollars from sources other than CITY to fund the balance of this program. FOUNDATION will send CITY reports of the actual net operating cost on a quarterly basis at the same time the reports required in Section III are issued. The reports will be provided in a format that is generally compatible with quarterly budget line item reports used by city departments. FOUNDATION will also provide some in kind contributions including work from members of the staff of FOUNDATION to assist the small business growth and development efforts from time to time and in meeting the performance initiatives contained this Agreement.
- D. CITY will review all quarterly reports; however, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
- E. The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. FOUNDATION will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records,

and accounts of FOUNDATION with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of FOUNDATION's fiscal year for which operating assistance is provided, FOUNDATION will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for FOUNDATION's fiscal year.

- F. FOUNDATION will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. FOUNDATION further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State.

V. ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.

The FOUNDATION will not assign or subcontract any portion of this Agreement without the prior written approval of the CITY. FOUNDATION will not assign any rights to funds provided herein without the prior written authorization of the CITY.

VI. CHANGED CONDITIONS AFFECTING PERFORMANCE.

FOUNDATION will immediately notify CITY of any change in conditions or of any other event that may significantly affect its ability to perform the project in accordance with the provisions of this Agreement.

VII. STAFFING.

- A. FOUNDATION will pay its employees under this Agreement at least the Federal Minimum Wage.
- B. In carrying out the work of this Agreement, FOUNDATION will not discriminate against any employee or applicant for employment because of race, color, religion, creed, gender, national origin, age, disability or any other legally protected status.

VIII. TERMINATION

This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, FOUNDATION will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed ONE HUNDRED AND FOURTEEN THOUSAND AND FOUR HUNDRED and NO/100 Dollars (\$114,400.00).

IX. EXTENSION OF AGREEMENT.

The parties may extend this Agreement for subsequent years subject to any applicable negotiated changes.

X. OPERATING INFORMATION.

The parties agree to respond to inquiries made by designated representatives of the parties or their designees in a timely fashion. CITY designates the City Manager as its representative for this Agreement. FOUNDATION designates the Corporate Secretary as its representative for this Agreement. FOUNDATION will provide any relevant information requested by CITY concerning the small business program of FOUNDATION, including, but not limited to contracts for third party financial arrangements, annual financial statements, and audit reports, schedules and fees.

XI. CITY-DESIGNATED REPRESENTATIVES.

The City Manager will serve as the CITY representative on the Board of FOUNDATION, and will be entitled to attend all meetings of FOUNDATION, and participate on all issues before the Board.

XII. ASSURANCES.

FOUNDATION hereby assures CITY that FOUNDATION is legally entitled to funds from CITY.

XIII. REPORTING.

FOUNDATION will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to FOUNDATION assist in carrying out the purpose of the project as described under the terms of this Agreement.

XIV. INDEPENDENT CONTRACTOR. FOUNDATION'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. FOUNDATION is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither FOUNDATION nor their employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by FOUNDATION, or their employees or agents.

XV. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.

FOUNDATION will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with FOUNDATION'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of FOUNDATION and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to FOUNDATION and their officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the parties have set their hand to this Agreement in duplicate originals effective the date first above written.

**KINGSPORT CHAMBER FOUNDATION,
INC.,**

MILES BURDINE
Secretary

AUNDREA WILCOX
Executive Director, Kingsport Office of
Small Business Development &
Entrepreneurship

CITY OF KINGSPORT, TENNESSEE

ATTEST:

JAMES H. DEMMING
City Recorder

JOHN CLARK
Mayor

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

APPENDIX

PERFORMANCE MEASURES FOR AGREEMENT BY THE CITY OF KINGSPORT, TENNESSEE, AND THE GREATER KINGSPORT AREA FOUNDATION OF COMMERCE, INC. FOR THE SMALL BUSINESS DEVELOPMENT AND ENTREPRENEURSHIP PROGRAM

MEASURES

In order to assess the impact of this Agreement, some basic measures are needed. The following measures have been chosen to help assess the impact of this venture on small business growth and development in Kingsport and will be tracked each year by the parties for that purpose.

1. Number of start-ups assisted: 103
 Source: Prospect Management
2. Total employment of assisted start-ups: 555
 Source: Annual survey of prospects
3. Announced Capital Investment: \$1,869,000
 Source: Annual survey of prospects
4. Survival Rate: 10%
 Source: Annual survey of prospects
5. Jobs Creation: 180
 Source: Annual survey of prospects
6. Number of Businesses using Advisory Panel: 141
 Source: Annual survey of prospects

AGREEMENT
BETWEEN
THE CITY OF KINGSFORT, TENNESSEE
AND
HEALTHY KINGSFORT

THIS AGREEMENT made and entered into as of this 1st day of July, 2016, by and between the City of Kingsport, hereinafter called "CITY", and the Healthy Kingsport, hereinafter called "HEALTHY KINGSFORT".

W I T N E S S E T H:

WHEREAS, HEALTHY KINGSFORT is a non-profit charitable organization as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, HEALTHY KINGSFORT will receive financial assistance from the CITY; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

1. **PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to assist HEALTHY KINGSFORT with funds and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by HEALTHY KINGSFORT.
2. **DESCRIPTION OF THE PROJECT.**

HEALTHY KINGSFORT will work to develop and promote programs designed to promote positive health outcomes and provide information to improve the health for the citizens of Kingsport. HEALTHY KINGSFORT will provide reports on its implementation and progress of the project when and in the format requested by the city.
3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to HEALTHY KINGSFORT under this Agreement will not exceed SIXTY THOUSAND DOLLARS (\$60,000).

4. **REQUEST FOR REIMBURSEMENT.** HEALTHY KINGSPORT will bill CITY for payment of funds after July 1, 2016, using forms and procedures specified by CITY.
5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
6. **AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. HEALTHY KINGSPORT will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of HEALTHY KINGSPORT with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of HEALTHY KINGSPORT fiscal year for which operating assistance is provided, HEALTHY KINGSPORT will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a balance sheet, statement of cash flows, statement of activity and all necessary related footnotes for HEALTHY KINGSPORT fiscal year.
7. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** HEALTHY KINGSPORT will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. HEALTHY KINGSPORT further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.
8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** HEALTHY KINGSPORT will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.
10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination HEALTHY KINGSPORT will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed SIXTY THOUSAND DOLLARS (\$60,000).
11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** HEALTHY KINGSPORT will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.

12. **ASSURANCES.** HEALTHY KINGSPORT hereby assures CITY that HEALTHY KINGSPORT is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** HEALTHY KINGSPORT will provide any relevant information requested by CITY concerning HEALTHY KINGSPORT's program, including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and HEALTHY KINGSPORT have previously agreed that the project term for this contract is from July 1, 2016 to June 30, 2017. Accordingly, funds allocated by CITY to HEALTHY KINGSPORT can be used to reimburse HEALTHY KINGSPORT for eligible project expenses beginning on July 1, 2016. In no event will CITY participate in project expenses incurred after June 30, 2017.
15. **REPORTING.** HEALTHY KINGSPORT will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to HEALTHY KINGSPORT assist in carrying out the purpose of the project as described under the terms of this Agreement.
16. **INDEPENDENT CONTRACTOR.** HEALTHY KINGSPORT'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. HEALTHY KINGSPORT is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither HEALTHY KINGSPORT nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by HEALTHY KINGSPORT, or its employees or agents.
17. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** HEALTHY KINGSPORT will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:
 - A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with HEALTHY KINGSPORT 'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of HEALTHY KINGSPORT and third persons.
 - B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to HEALTHY KINGSPORT and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

HEALTHY KINGSPORT

ELAINE BODENWEISER
Chief Financial Officer

CITY OF KINGSPORT

JOHN CLARK
Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY
City Attorney



AGENDA ACTION FORM

Amend the Fee Resolution for FY 2017 Fees and Charges Provided for in the City Code

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

Action Form No.: AF-170-2016
 Work Session: June 20, 2016
 First Reading: N/A

Final Adoption: June 21, 2016
 Staff Work By: Angie Marshall, Judy Smith
 Presentation By: Jeff Fleming

Recommendation:

Approve the updated Fee Resolution.

Executive Summary:

This proposed resolution incorporates revisions based on changes made to **Chapter 54 – Library, Chapter 66 – Parks and Recreation, Chapter 86 – Solid Waste, and Chapter 102 – Utilities**. The attached spreadsheet highlights the fees that have been added, amended or deleted. Staff recommends the BMA formally approve this resolution to set FY17 fees and charges accordingly.

Attachments:

1. Fee Resolution
2. Summary of Changes

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

RESOLUTION NO. 2016-

A RESOLUTION SETTING THE RATES, FEES AND CHARGES AS PROVIDED BY THE CITY OF KINGSPORT CODE OF ORDINANCES

WHEREAS, a Code of Ordinances of the City of Kingsport, Tennessee, went into effect October 26, 2012; and

WHEREAS, various fees and charges provided for in said Code must be set by resolution of the Board of Mayor and Aldermen.

NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen of the City of Kingsport that the rates, fees, and charges as provided by the Kingsport City Code be approved as provided for in the following schedule.

KINGSPORT CODE OF ORDINANCES

SCHEDULE OF FEES AND CHARGES

ADOPTED BY RESOLUTION NO. 2016- , JUNE 21, 2016

Effective July 1, 2016, unless otherwise stated herein

Chapter 2 - Administration

- A. Returned check handling charge \$30.00
- B. Kingsport City Flag Cost + \$5.00
- C. City Court costs (per case) \$60.00
 - (a) State Litigation fee \$13.75
 - (b) Local Litigation fee \$13.75
- D. Public Records
 - 1. Code of Ordinances
 - (a) 2012 Code of Ordinances (hard copy) \$188.00
 - (b) 2012 Code of Ordinances (hard copy in binder with tabs) \$293.00
 - (c) Each Supplement to the 2012 Code of Ordinances (hard copy)..... \$63.81
 - (d) Each Supplement to the 2012 Code of Ordinances (hard copy in binder with tabs) \$60.00
 - 2. Copy/Duplication
 - (a) Per page – black and white (more than 10 pages)..... \$0.15
 - (b) Per page – color (more than 10 pages) \$0.50
 - (c) Audiotape \$5.00
 - (d) Compact Disc \$5.00
 - (e) Digital Video Disc \$5.00
 - (f) Cost of labor, in excess of one hour, spent locating, retrieving, redacting and reproducing requested records.
- E. Credit and Debit Card Transactions and Convenience Fees
 - 1. Payment transactions made via Interactive Voice Response (IVR) systems, internet, kiosk, or other automated methods\$3.00
 - (a) Transaction Limit on Utility Payments made by Credit or Debit Cards utilizing one of the methods above \$500.00
 - 2. Payment transactions made “face-to-face”\$0.00
 - (a) Transaction Limit on Utility Payments made by Credit or Debit Cards “face-to-face”\$2,500.00
 - 3. Payment transactions made via internet through Kingsport Public Library payment systems.....\$0.50
- F. Engineering
 - 1. Pick-up fee for project bid documents for City-associated projects (nonrefundable).
 - (a) Construction plans, specifications, bid form and associated documents \$50.00

Chapter 6 - Alcoholic Beverages and Beer (all application filing fees are nonrefundable)

- A. On-Premises and/or Off-Premises beer permit application filing fee \$250.00
- B. Special occasion/Multiple event beer application fee (calendar year fee)..... \$50.00
- C. Temporary beer application fee \$50.00

Chapter 14 - Animals

- A. Picking Up Animal Carcasses from Veterinarians
 - 1. Up to 50 pounds..... \$4.00
 - 2. 51 - 99 pounds \$6.00
 - 3. Over 100 pounds..... \$25.00

Livestock carcasses will be picked up only upon approval of the Chief of Police.
The fee shall be determined on the basis of the cost for equipment and personnel.

Chapter 22 - Building and Building Regulations

- A. Electrical
 - 1. Permit fees
 - (a) Minimum electrical inspection fee \$20.00
 - (b) Outlets, each \$0.50
 - (c) Incandescent fixtures, each \$0.50
 - (d) Fluorescent fixtures, each..... \$0.50
 - (e) Switches, each \$0.50
 - (f) Motors
 - (1) Fractional..... \$1.00
 - (2) Each additional motor or horsepower or fraction thereof \$1.00
 - (g) Services
 - (1) Up to and including 100 amperes..... \$20.00
 - (2) Each additional 100 amperes..... \$10.00
 - (h) Temporary Service \$20.00
 - (i) Water Heater \$5.00
 - (j) Range..... \$5.00
 - (k) Dryer \$5.00
 - (l) Transformer, each KVA \$0.50
 - (m) Heating System, per KW \$1.00
 - (n) Additional inspections made necessary by
insufficient or unacceptable work..... \$20.00
 - 2. Electricians
 - (a) Examination fee..... \$20.00
 - (b) Electric contractor annual licensing fee..... \$50.00
 - 3. Antenna Permit & Satellite Dish Permit..... \$20.00
- B. Gas
 - 1. Gas permit fees
 - (a) Minimum gas inspection fee \$20.00

(b)	Conversion burners, heating boilers	
(1)	Up to and including 1,200 square feet of steam or 1,800 square feet of water	\$20.00
(2)	1,201 to 5,000 square feet of steam or over 1,800 square feet of water	\$25.00
(3)	5,001 to 25,000 square feet of steam	\$35.00
(4)	Over 25,000 square feet of steam	\$45.00
(c)	Conversion burners, power boilers	
(1)	Up to and including 5 horsepower	\$20.00
(2)	6 - 50 horsepower	\$25.00
(3)	51 - 150 horsepower	\$35.00
(4)	Over 150 horsepower	\$45.00
(d)	Furnaces	
(1)	Up to and including 100,000 BTU	\$15.00
(2)	Over 100,000 BTU	\$25.00
(3)	Floor furnace (one)	\$15.00
(4)	Each additional floor furnace (in same building)	\$10.00
(e)	Conversion burners, furnaces	
(1)	Up to and including 100,000 BTU	\$20.00
(2)	100,001 to 200,000 BTU	\$25.00
(3)	Over 200,000 BTU	\$45.00
(f)	Space heaters	
(1)	Up to and including 30,000 BTU	\$20.00
(2)	30,001 to 50,000 BTU	\$25.00
(3)	Over 50,000 BTU	\$30.00
(4)	Each additional space heater (in same building)	\$10.00
(g)	Unit heaters	
(1)	50,000 - 200,000 BTU, each	\$20.00
(2)	Over 200,000 BTU	\$25.00
(h)	Accessory gas equipment	
(1)	Grills, dryers, ranges, fryers, logs, etc.	\$15.00
(2)	Pool heater up to 100,000 BTU	\$15.00
(3)	Pool heater and other equipment over 100,000 BTU	\$25.00
(4)	Water heater up to and including 100,000 BTU	\$15.00
(5)	Water heater over 100,000 BTU	\$25.00
(i)	Unclassified commercial/industrial (ovens, incinerators, melting pots, etc.):	
(1)	20,000 - 200,000 BTU	\$20.00
(2)	200,001 - 300,000 BTU	\$25.00
(3)	300,001 - 1,000,000 BTU	\$30.00
(4)	1,000,001 - 5,000,000 BTU	\$35.00
(5)	Over 5,000,000 BTU	\$40.00
(k)	Pipe testing for gas installation	
	Minimum fee for testing gas pipe installation	\$20.00

2.	Gas Fitters	
(a)	Examination fee	\$20.00
(b)	Annual licensing fee	\$50.00
(c)	Additional inspections necessary due to insufficient or unacceptable work	\$20.00

- C. Plumbing
1. Permit and inspection fees
 - (a) Minimum fee for plumbing installations 20.00
 - (b) Each fixture or opening into sewer line \$5.00
 - (c) Water heater opening fee \$5.00
 - (d) Additional inspections necessary due to
insufficient or unacceptable work \$20.00
 - (e) Connection to the City sewer system \$20.00
(new and replacement)
 2. Plumbers
 - (a) Examination fee \$20.00
 - (b) Annual license fee \$50.00
 - (c) Working without a Permit (all types) Double the permit fee
- D. Mechanical
1. Permit fees
 - (a) Minimum mechanical permit issuance fee \$20.00
 - (b) Fee for heating/ventilating duct, air conditioning and refrigeration
systems \$20.00 + \$5.00 per \$1,000.00 of job cost
 - (c) Fee for sprinkler and fire suppression systems
\$20.00 + \$5.00 per \$1,000.00 of job cost
 - (d) Boilers based on BTU input
 - (1) 33,000 (1 BHP) - 165,000 BTU (5 BHP) \$20.00
 - (2) 165,001 (5 BHP) - 330,000 BTU (10 BHP) \$25.00
 - (3) 330,001 (10 BHP) - 1,165,000 BTU (52 BHP) \$30.00
 - (4) 1,165,001 (52 BHP) - 3,300,000 BTU (98 BHP) \$35.00
 - (5) Over 3,300,000 BTU \$45.00
- E. Building Permit Fees
1. Total Valuation
 - (a) \$1.00 - \$2,000, minimum fee \$20.00
 - (b) \$2,001 - \$50,000: \$20.00 for the first \$2,000 plus \$4.50 for each
additional thousand or fraction thereof, up to and including \$50,000
 - (c) \$50,001 - \$100,000: \$236.00 for the first \$50,000 plus \$3.50 for
each additional thousand or fraction thereof, up to and including
\$100,000
 - (d) \$100,001 - \$500,000 - \$411.00 for the first \$100,000 plus \$2.50 for
each additional thousand or fraction thereof, up to and including
\$500,000
 - (e) \$500,001.00 and up - \$1,611 for the first \$500,000 plus \$2.50 for
each additional thousand or fraction thereof
 - (f) **Building without a Permit Double the Permit Fee**
 2. Moving of any building or structure \$75.00
 3. Demolition
 - (a) Residential building or structure \$50.00
 - (b) Commercial structure \$100.00
 4. Temporary structures, tents, banners, etc. (minimum fee) \$20.00
 - (a) Tents, 30-day maximum
 - (b) Banners, 15-day maximum twice a year
 5. Sign permits, per square foot (minimum \$20 fee if less than 20 sq. ft.) \$1.00

- F. Plans Review
1. Review Fee, Residential No fee
 2. Review Fee, Commercial and Multi-family (3 or more units) based on construction value:
 - (a) Up to \$100,000 \$25.00
 - (b) \$100,001 - \$200,000 \$50.00
 - (c) \$200,001 - \$300,000 \$100.00
 - (d) \$300,001 - \$400,000 \$150.00
 - (e) \$400,001 - \$500,000 \$200.00
 - (f) \$500,001 - \$1,000,000 \$250.00
 - (g) \$1,000,001 - \$2,000,000 \$300.00
 - (h) \$2,000,001 - \$3,000,000 \$350.00
 - (i) \$3,000,001 - \$4,000,000 \$400.00
 - (j) \$4,000,001 - \$5,000,000 \$500.00
 - (k) \$5,000,001 and above Value X 0.0001

Chapter 26 - Businesses

- A. Massage parlor permit application fee (nonrefundable) \$250.00
- B. Fortunetellers, Clairvoyants and Similar Pursuits
Permit application fee \$250.00

The permit shall remain valid for one year after issuance.

Chapter 34 – Emergency Management and Services

Automatic Police or Fire Alarm Systems

- A. Residential device permit \$15.00
- B. Commercial device permit \$25.00
- C. False alarm response charge, for each response \$15.00
- D. Alarm monitoring fee, per month per alarm \$12.50

Chapter 54 – Library

- A. Library User Fees
 1. Non-resident fee, per year No charge
 2. Overdue fines
 - (a) Charge per day, each book or other non-video/film circulating item
(maximum \$2.00 each Adult item or Juvenile item) \$0.20
 - (b) Charge per day each video/DVD (max. \$5.00 each video/DVD) \$1.00
 - (c) Charge per hour each non-circulating item \$0.25
 - (d) Charge per day each MP3 Player (max. \$10.00 each player) \$2.00
 - (e) Charge per day each Storytelling Kit (max. \$20.00 each kit) \$2.00
 - (f) Charge per day each Nook \$5.00

(g)	Charge if color Nook is more than 25 days overdue (replacement)	\$249.00
(h)	Charge if black & white Nook is more than 25 days overdue (replacement)	\$139.00
(i)	Charge for Nook returned in drop box	\$25.00
(j)	Charge if Nook charger is returned uncharged	\$2.00
(k)	Charge per day each Playaway View	\$5.00
(l)	Charge if Playaway View is returned anywhere but to Library staff	\$5.00
(m)	Charge if Playaway View is returned uncharged	\$2.00
3.	Lost material fees	
(a)	Collection materials, plus replacement cost	\$10.00
(b)	Library Card replacement	\$1.00
(c)	Color Nook	\$249.00
(d)	Black & White Nook	\$139.00
(e)	Cover for Nook (depending on type)	\$24.95/\$29.95
(f)	Playaway View	\$99.00
(g)	Charging cord replacement for Playaway View	\$14.00
4.	Duplication fee	
(a)	Photocopying or printing per page	\$0.15
(b)	Microfilm or microfiche copying per page	\$0.15
(c)	Color Copy per page	\$0.50
5.	Auditorium use, per hour (3-hour minimum)	\$10.00
6.	Board Room, per hour (3-hour minimum)	\$5.00
7.	Kitchen, per use	\$15.00
8.	Television/DVD Player, per use	\$15.00
9.	Slide Projector, per use	\$15.00
10.	Overhead Projector, per use	\$15.00
11.	3D Printer	
(a)	Per Gram of PLA, nGen filament	\$0.10
(b)	Per Gram of XT Filament	\$0.15
(c)	Per Print Request	\$1.00

B. Archives User Fees

1.	Publication (print, electronic, video or film) use fee, images	
(a)	For profit corporations, partnerships, businesses or individuals	
(1)	Editorial (i.e. within a published work)	\$20.00
(2)	News organizations	\$20.00
(3)	Non-editorial (i.e. posters, brochures, etc.)	\$100.00
(b)	Non-profit corporations, organizations, government agencies or individuals	
(1)	Editorial, educational, personal	\$10.00
(2)	Non-editorial	\$10.00
2.	Publication use fee, audio/video, for profit only	
(a)	For profit corporations	
(1)	Audio recording, per minute	\$50.00
(2)	Video recording, per minute	\$50.00
(b)	For non-profit corporations	
(1)	Audio recording, per minute	\$25.00
(2)	Video recording, per minute	\$25.00
3.	Exhibition use fee	
(a)	For profit	\$25.00
(b)	Non-profit	\$10.00
4.	Videotaping or filming onsite fee	
(a)	For profit set up	No charge
(b)	For profit pull fee per item	No charge

	(c) Non-profit, set up fee only	No charge
5.	Duplication fee, photocopying	
	(a) 8" x 10 " or 11" x 14" paper per page.....	\$0.15
	(b) 11" x 17" paper per page.....	\$0.15
6.	Duplication fee, scanning	
	Per image (\$10.00 minimum includes first image cost)	\$1.00
7.	Duplication fee, audio recordings	
	(a) Tapes each	\$3.00
	(b) CD, each.....	\$5.00
	(c) Staff time per hour (½-hour minimum).....	\$8.00
8.	Duplication fee, video recordings	
	(a) Tapes each	\$5.00
	(b) Staff time per hour (min. ½ hour).....	\$8.00
9.	Duplication fee, slides	
	(a) For profit per group of 10 slides, plus offsite duplication cost	\$25.00
	(b) Non-profit per group of 10 slides, plus offsite duplication cost.	\$5.00
10.	Faxing fee per group of 10 pages, plus duplication cost.....	\$2.00
11.	Postage and handling fee	
	(a) Total order cost of \$10.00 or less	\$2.00
	(b) Total order cost between \$10.00 and \$20.00	\$3.00
	(c) Total order cost of \$20.00 or more	\$4.00
	(d) Certified mail (large orders).....	\$7.00

C. Reservation of Study Space and Media Center- for up to four hours at a time

1.	Study Space	
	(a) Non-commercial/Non profit.....	\$0.00
	(b) Commercial use.....	\$5.00
2.	Media Center	
	(a) Non-commercial/Non profit.....	\$0.00
	(b) Commercial use.....	\$15.00

Chapter 58 - Manufactured Homes and Trailers

A.	Permit Application Fee (each space or proposed space).....	\$1.00
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The permit shall expire at the end of each calendar year.

B.	Permit Transfer (each space)	\$1.00
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Chapter 62 – Offenses and Nuisances

State Law References:

- (a) Tennessee Sexual Offender and Violent Sexual Offender Registration Verification and Tracking Act of 2004
- (b) Tennessee Code Annotated Title 40 Chapter 39 Section 204

A.	Sexual offender registration fee.....	\$150.00
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B.	Violent sexual offender registration fee.....	\$150.00
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Chapter 66 – Parks and Recreation

NOTE: Facility fees for the Cultural Arts *and* Parks and Recreation areas will be discounted by fifty percent (50%) for activities sponsored by the following:

- Kingsport Chamber of Commerce
- Kingsport Convention and Visitor's Bureau
- Leadership Kingsport
- Kingsport Economic Development Board
- Downtown Kingsport Association
- Kingsport Housing Authority
- Kingsport Tomorrow

CULTURAL ARTS EVENTS/FACILITIES:

A. Cultural Arts Fees for Special Events

1. Concerts/Theatre Performances\$5.00 - \$30.00
(cost per adult, senior and student ticket will be determined on each event basis)
2. "Christmas Connection" - Annual arts and crafts
(Admission fee to be determined on event basis)
Festival fee per exhibitor's space\$100.00 - \$125.00
(based on hours of operation)
3. Carousel Fine Arts & Crafts Show Festival Fee.....\$80.00 - \$130.00
(based on hours of operation)

B. Kingsport Renaissance Center

Renter will pay for costs incurred as a result of any damage to facility, furnishings, equipment or grounds rising out of use of the Kingsport Renaissance Center.

An off-duty City of Kingsport Firefighter or Police Officer may be required at certain events. Charges related to security will be the responsibility of the renter.

1. Room Rentals. Room rentals shall be subject to the following conditions:

(1) Fees are per hour.

(2) 3-hour minimum rental. Plus base fee = 1 hour rental.

<u>ROOM</u>	<u>DESCRIPTION</u>	<u>DIMENSIONS</u>	<u>COST/HR</u>
228	Conference room	23 x 30	\$13.00
230	Meeting Room	23 x 30	\$13.00
231	Gallery	23 x 30	\$13.00
232	Gallery	23 x 30	\$13.00
239	Exhibit/Meeting	23 x 46	\$20.00
302	Dance Studio	23 x 45	\$20.00
310	Rehearsal Hall	36 x 54	\$22.00

2. Specialty Areas

(a) Gymnasium, per hour (2 hour minimum) \$20.00

(b) Theatre, per hour (3-hour minimum)..... \$25.00

Theater rentals shall be subject to the following conditions:

(1) Rental of the theater includes use of the house lights only.

(2) A technician for any use of the technical aspects of the theater must be approved. Charges related to technical labor will be the responsibility of the renter.

(c) First Floor Courtyard (3-hour minimum)..... \$20.00

(d) Second and Third Floor Atriums (3-hour minimum) \$20.00

(1) Rental must be in conjunction with another room rental

- (2) Certain activities may be restricted.
- (e) Dining Room, per hour (3-hour minimum)..... \$20.00
3. Equipment Rentals
- (a) Piano rental, per use \$25.00
4. Marquee, 3-day minimum **per side** **\$30.00**

The City Manager or his designee has the authority to reduce any of the above fees for special promotions or events.

PARK AND RECREATION EVENTS/FACILITIES:

A. Civic Auditorium Rental Fees

NOTE: Damage Deposit – 50% of rental fee may apply at the discretion of the Civic Auditorium Management

1. Parking Lot & Grounds (8-hour minimum - does not include tables & chairs)
 - (a) With Building Access \$300.00
 - (b) With Building Access, event with Sales/Tickets \$340.00
 - (c) Without Building Access \$130.00
 - (d) Without Building Access, event with Sales/Tickets \$145.00
 - (e) Equipment Fees
 - (1) Tables - each per day \$4.00
 - (2) Chairs - each per day \$2.00
2. Main Auditorium
 - (a) Inside City rentals, per day (8-hour maximum)
 - (Includes tables & chairs) \$300.00
 - (1) Set up day (8-hour maximum) \$150.00
 - (b) Inside City rentals, per day, event with Sales/Tickets (8-hr. maximum) \$340.00
 - (c) Outside City rentals, per day (8-hour maximum)
 - (Includes tables & chairs) \$360.00
 - (1) Set up day (8-hour maximum) \$165.00
 - (d) Outside City rentals, per day, event with Sales/Tickets (8-hour maximum) \$400.00
 - (e) Exhibit rental (8-hour maximum) [Excludes charge for tables & chairs]
 - (1) Set-up day (not open to public) \$240.00
 - (2) Sales/open dates (per day) \$540.00
 - (f) Volleyball/Basketball/Tennis, per hour (2-hour minimum) \$30.00
 - (1) Vendor fee, event with Sales/Tickets \$15.00
 - (g) Stage only rental, per hour (2-hour minimum) \$22.00
 - (h) Empty Auditorium rental, per hour (2-hour minimum) \$30.00
 - (i) Main Auditorium rentals limited to 8-hour blocks
 - (1) Regular rental/additional time, per hour \$40.00
 - (2) Exhibit rental/additional time, per hour \$70.00

3. Meeting/Party Rooms*

*All rooms are rented for a minimum of three (3) hours at a time. Renter will pay for cost incurred as a result of any damage to facility, furnishings, equipment or grounds rising out of use of the Kingsport Civic Auditorium.

**An off-duty City of Kingsport Firefighter or Police Officer may be required at certain events. Charges related to security will be the responsibility of the renter.

- (a) Room 3 per hour each..... \$7.00
 - (b) Room 3 per hour each event with Sales/Tickets \$8.00
 - (c) Room 4 per hour each..... \$6.00
 - (d) Room 4 per hour each event with Sales/Tickets \$7.00
 - (e) Rooms 3 and 4 together, per hour \$8.00
 - (f) Rooms 3 and 4 together, per hour event with Sales/Tickets .. \$9.00
 - (g) Conference Room, per hour \$13.00
 - (h) Conference Room, per hour event with Sales/Tickets \$15.00
 - (i) Fun Fest, History, West and East Rooms, per hour each \$12.00
 - (j) Fun Fest, History, West and East Rooms, per hour each event with Sales/Tickets \$14.00
 - (k) All meeting/party rooms, per day (8-hour maximum) with rental of the Main Auditorium..... \$300.00
(Any additional time, per hour/per room, at regular rate)
 - (l) Exhibits, per room/per hour, room rate plus 80%.
4. Equipment rental
- (a) Tables – each per day \$1.50
 - (b) Chairs – each per day \$0.75
 - (c) Marquee - per day (includes both panels) \$10.00
 - (d) Piano..... (Must pay fee to have piano tuned)
 - (e) Risers, each, per day..... \$3.00
 - (f) TV/VCR/DVD, (each, per event) \$20.00
 - (g) Flip Chart, per event \$20.00
 - (h) White Board, per event..... \$10.00
 - (i) Overhead Projector, per event..... \$15.00
 - (j) LCD Projector and Screen, per event \$40.00
 - (k) Wi-Fi connection, per day..... \$50.00
Maximum charge per event..... \$100.00
5. Equipment rental off-site
- (a) Tables, per day each..... \$8.00
 - (b) Risers, per day each..... \$11.00
 - (c) Chairs (plastic), per day each \$1.50
Renters must pick up and return or pay delivery charge.
Minimum Delivery Charge per truckload..... \$50.00
(Truckload is up to 100 chairs & 20 tables)
6. Tennis Session Fee (1 ½ -hour blocks)..... \$20.00

B. V. O. Dobbins Sr., Complex, Room, Gym & Field Rental Fees

- 1. Douglas Room – (Includes Tables and Chairs)
 - (a) City residents, individual & groups, per hour (2-hour minimum)..... \$25.00
 - (b) City residents, individual & groups, per hour, event with Sales/Tickets (2 hour minimum) \$28.00

- (c) Non-City residents, individual & groups,
per hour (2-hour minimum) \$40.00
- (d) Non-City residents, individual & groups, per hour, event
with Sales/Tickets (2 hour minimum) \$45.00
- (e) Equipment Fees
LCD Projector and Screen, per event..... \$40.00
- (f) Catering Kitchen
(1) Use w/Douglass Room **no** food preparation, per event... \$25.00
(2) Use w/Douglass Room **for** food preparation, per event ... \$40.00
- (g) Damage Deposit – 50% of rental fee may apply at the discretion of the Landlord
- 2. Computer/Learning Lab Rental Fees
(a) Computer/Learning Lab use for training purposes per hour. \$16.00
- 3. Eastman Foundation Conference Rm. per hour (2-hour minimum) . \$13.00
(a) Eastman Foundation Conference Room per hour
Event with Sales/Tickets (2 hour minimum) \$15.00
- (b) Equipment fees
(1) LCD projector and screen, per event..... \$40.00
- 4. Gym #1 Rental – (Excludes Concession Rights)
(a) Gymnasium Usage, per hour (2-hour minimum) \$30.00
(b) Use of Locker Room/Showers (per day for event) \$20.00
(c) Gymnasium Rental Deposit (per day of use) \$50.00
- 5. Gym #2 Rental – (Excludes Concession Rights)
(a) Gymnasium Usage, per hour (2-hour minimum) \$40.00
(b) Use of Locker Room/Showers (per day for event) \$20.00
(c) Gymnasium Rental Deposit (per day of use) \$50.00
- 6. Vendor Fee, Gyms 1 and 2 per event with Sales/Tickets..... \$30.00
- 7. Equipment Fees
(a) Tables, each per day \$5.00
(b) Chairs, each per day \$2.00
(c) Speaker Phone, per event \$50.00
(d) Overhead, per event..... \$15.00
(e) TV/VCR/DVD, per event..... \$20.00
(f) LCD Projector, per event \$40.00
(g) Microphone and Sound Equipment, per day \$40.00
(h) Wi-Fi connection, per day \$50.00
Maximum charge per event..... \$100.00
- 8. Field Rental
(a) Per Hour (3-hour minimum) \$20.00
(b) Per Hour (3-hour minimum) event with Sales/Tickets \$22.00
(c) Use of Lights, per day \$10.00
- 9. Parking Lot without Gym/Bathroom Access (*Does not include tables and chairs*)
(a) 8-hour minimum..... \$100.00
(b) Additional time, per hour..... \$20.00
(c) Parking Lot with Bathroom Access..... \$125.00

C. Park Rentals

- 1. Borden Park
(a) Shelters 1, 2 and 5* (3-hour minimum)
(1) Shelter Fee – City residents, individual & groups,
Per hour, per shelter each \$8.00
(2) Shelter Fee – City residents, individual & groups, per hour,
Per shelter each, event with Sales/Tickets..... \$9.00

- (3) Shelter Fee – Non-City resident, individuals and groups,
Per hour, per shelter each, \$15.00
 - (4) Shelter Fee – Non-City resident, individuals and groups, per hour,
Per shelter each, event with Sales/Tickets \$17.00
 - (b) Shelters 3, 4, 6 and 7* (3-hour minimum)
 - (1) Shelter Fee – City resident, individual & groups,
Per hour, per shelter each \$6.00
 - (2) Shelter Fee – City Resident, individual & groups, per hour
Per shelter each, event with Sales/Tickets \$7.00
 - (3) Shelter Fee – Non-City resident, individuals and groups,
Per hour, per shelter each, \$12.00
 - (4) Shelter Fee – Non-City resident, individuals and groups,
Per hour, per shelter each, event with Sales/Tickets \$14.00
 - (c) Borden Park Disc Golf Course Tournament
 - (1) Entry Fee, per person \$2.00
 - (2) Vendor Fee, event with Sales/Tickets \$20.00
 - (d) Community Center (3-hour minimum)
 - (1) City resident, individuals and groups,
Per hour \$20.00
 - (2) City resident, individuals and groups,
Per hour, event with Sales/Tickets \$22.00
 - (3) Non-City resident, individuals and groups,
Per hour \$25.00
 - (4) Non-City resident, individuals and groups,
Per hour, event with Sales/Tickets \$27.00
- 2. Scott Adams Skatepark Shelter* (3-hour minimum)
 - (1) City resident, per hour, per shelter each \$6.00
 - (2) City resident, per hour, per shelter each, event
with Sales/Tickets \$7.00
 - (3) Non-City resident, per hour, per shelter each \$12.00
 - (4) Non-City resident, per hour, per shelter each, event with
Sales/Tickets \$14.00
- 3. Riverview Splashpad Shelter* (3-hour minimum)
 - (1) City resident, per hour, per shelter each \$10.00
 - (2) City resident, per hour, per shelter each, event with
Sales/Tickets \$11.00
 - (3) Non-City resident, per hour, per shelter each \$17.00
 - (4) Non-City resident, per hour, per shelter each, event with
Sales/Tickets \$19.00
- 4. Riverfront Park Shelter* (3-hour minimum)
 - (1) City resident, per hour, per shelter each \$5.00
 - (2) City resident, per hour, per shelter each with Sales/Tickets. \$6.00
 - (3) Non-City resident, per hour, per shelter each \$12.00
 - (4) Non-City resident, per hour, per shelter each with
Sales/Tickets \$14.00
- 5. Glen Bruce Park Gazebo* (3-hour minimum)
 - (1) City resident, per hour, per shelter each \$5.00
 - (2) City resident, per hour, per shelter each with Sales/Tickets. \$6.00
 - (3) Non-City resident, per hour, per shelter each \$12.00
 - (4) Non-City resident, per hour, per shelter each with
Sales/Tickets \$14.00

6. Memorial Gardens Park* (3-hour minimum)
 - (1) Per hour \$10.00
 - (2) Per hour, event with Sales/Tickets..... \$12.00
 - (3) Exhibit rental, per hour \$20.00

*An off-duty City of Kingsport Firefighter or Police Officer may be required at certain events. Charges related to security will be the responsibility of the renter.

7. Riverwalk/Greenbelt Shelter
 - (1) City resident, per hour, per shelter each..... \$8.00
 - (2) City resident per hour, per shelter each, event with Sales/Tickets..... \$9.00
 - (3) Non-City resident, per hour, per shelter each..... \$15.00
 - (4) Non-City resident, per hour, per shelter each with Sales/Tickets..... \$17.00
8. Park permit for commercial operation/use, per month \$25.00-\$100.00
9. Special event permit, per event..... \$25.00-\$ 75.00

D. Summer Playground Program

1. City resident fee, per child..... \$30.00-\$80.00
2. Non-City resident fee, per child..... \$50.00-\$100.00
3. Extended hours programming site fee per child \$20.00-\$50.00
4. Special event/activity fee, per child..... \$30.00-\$50.00

At mid-point of the Summer Playground Program, there will be a 50% discount.

E. Home School Physical Education Class

1. Fee, per session, per student..... \$15.00 to \$25.00

F. Community Center Class and Program Fees

1. Skilled classes, per class/session, per student..... \$2.00-\$30.00
2. Day Camps, per session, per student \$5.00-\$40.00
3. Specialty Camps, per session, per student \$20.00
4. Special Program fee, per participant..... \$5.00 to \$30.00

G. Athletics

1. Adult Basketball and Softball League Programs..... \$300.00 to \$350.00
 - Non-Resident fee per person \$10.00
 - Maximum Non-Resident fee per team \$50.00
2. Youth Baseball and Softball League Programs..... \$250.00 to \$300.00
 - Non-Resident fee per person \$10.00
 - Maximum Non-Resident fee per team \$50.00
3. Tournaments Fee, per youth team..... \$75.00 to \$100.00
4. Basketball, 3 on 3 leagues
 - (a) Entry Fee, per team..... \$75.00
 - (b) Non-City resident fee, per person \$2.00
5. Volleyball
 - (a) Leagues - Indoor, per team \$100.00
 - Non-City resident fee, per person..... \$2.00
 - (b) Outdoor Leagues and Tournaments
 - a. Triples \$45.00
 - b. Doubles \$30.00
 - c. Quads..... \$60.00
 - Non-resident fee per person for leagues..... \$2.00
6. Adult Soccer

- (a) Entry fee, per person \$30.00
 - (b) Non-City resident fee, per person \$5.00
- 7. Adult Flag Football
 - (a) Entry fee, per team \$300-\$350
 - (b) Non-City resident fee, per team \$10.00
- 8. Adult Dodgeball
 - (a) Entry fee, per team \$85.00
 - (b) Non-City resident fee, per team \$10.00
- 9. Tennis Instruction
 - (a) Adults (19 and over), per session \$30.00 to \$100.00
 - Non-City resident fee, per session \$5.00
 - (b) Children/teens (under 19), per session \$20.00 to \$80.00
 - Non-City resident fee, per session \$5.00
 - (c) Youth Tennis League Program \$15.00 to \$60.00
 - Non-City resident fee \$5.00
- 10. Tennis Tournament
 - (a) Entry fee, singles \$10.00 to \$20.00
 - (b) Entry fee, doubles \$16.00 to \$24.00
- 11. Tennis Courts
 - (a) Individually per 1½ hour \$18.00
 - (b) 2 courts per 4-hour block, Monday-Friday \$50.00
 - (c) 2 courts per 8 to 12-hour block, Saturday-Sunday \$65.00
 - (d) 4 courts per 4-hour block, Monday-Friday \$70.00
 - (e) 4 courts per 8 to 12-hour block, Saturday-Sunday \$85.00
 - (f) Vendor Fee for events with Sales/Tickets \$15.00
- 12. Entry fee, per team for youth organizations playing in City Recreation programs (Babe Ruth Baseball participants must pay additional insurance fee) \$250.00 to \$300.00
- 13. Athletic Field Rental and Equipment

Note: Damage Deposit – 50% of rental fee or a minimum of \$100 may apply at the discretion of the Athletic Department

 - (a) Softball/Baseball field rental, per day per field (excludes concession rights)(12-hour maximum) \$85.00
 - (1) Each additional hour after 12 \$15.00
 - (2) Use of lights, per day per field \$15.00
 - (b) Soccer field rental, per day per field (excludes concession rights)(12-hour maximum) \$50.00
 - (1) Each additional hour after 12 \$15.00
 - (2) Use of lights, per day per field \$15.00
 - (3) Fee, per team (tournaments, scrimmages, practices) \$15.00
 - (c) Softball/Baseball/Soccer Field Rental (2-hour minimum)
 - (1) Per hour, per field (excludes concession rights) \$15.00
 - (2) Use of lights, per day per field \$ 5.00
 - (d) Use of Parking Lot at Athletic Facilities for Special Events (Use of restroom facilities included) \$100.00
 - (e) Hunter W. Wright Stadium field rental, per hour \$50.00
 - (excludes concession rights)
 - Use of lights, per hour \$50.00
 - (f) Key Deposit for Brickyard Park, Domtar Park and Eastman Park at Horse Creek soccer \$50.00

- (g) Meeting room rental for Brickyard Park, Domtar Park and Eastman Park at Horse Creek, per hour (2-hour minimum)\$15.00
- (h) Meeting room rental for Brickyard Park, Domtar Park and Eastman Park at Horse Creek per tournament \$50.00
- (i) Rental of portable mounds per field, per tournament \$75.00
- (j) Rental of wire/white portable fencing per field, per tournament... \$75.00
- (k) Rental of chain link portable fencing per field, per tournament.. \$100.00
- (l) Rental of white portable fencing (price per piece)..... \$15.00
- (m) Delivery charge for white fencing \$25.00
- (n) Set-up fee for white fencing (price per piece)\$20.00
- (o) Vendor selling fee, per tournament/event with Sales/Tickets \$100.00
- 14. Youth Registration Fee
 - (a) Youth registration fee per sport..... \$20.00
 - (b) Late registration fee (after deadline) \$ 5.00

****An off-duty City of Kingsport Firefighter or Police Officer may be required at certain events. Charges related to security will be the responsibility of the renter.**

H. Allandale (NOTE: Seasonable rates may apply to some Allandale Rental Fees)

Damage Deposit – 50% (\$100.00 minimum) of rental fee may apply at the discretion of the Curator.

- 1. Mansion and Garden Basic Rental Fees (Corporate Meetings, Dinner Parties, Anniversary Parties, Book Club Meetings, Seminars, Birthday Parties, Cocktail Parties, etc.)
 - (a) 0-50 people, Monday-Friday, 8 AM – 5 PM..... \$110.00
 - (b) 0-50 people, Monday-Friday, 8 AM – 5 PM event with Sales/Tickets \$125.00
 - (c) 0-100 people, Monday-Thursday, 5 PM – 12 Midnight..... \$265.00
 - (d) 0-100 people, Monday-Thursday, 5 PM – 12 Midnight With Sales/Tickets \$300.00
 - (e) 0-100 people, Friday, 5 PM – 12 Midnight and Sunday, 8 AM – 12 Midnight..... \$550.00
 - (f) 0-100 people, Friday, 5 PM – 12 Midnight and Sunday, 8 AM – 12 Midnight event with Sales/Tickets \$650.00
 - (g) 0-100 people, Saturday 8 AM – 12 Midnight \$600.00
 - (h) 0-100 people, Saturday 8 AM – 12 Midnight event with Sales/Tickets.....\$700.00

Add \$1.00 for each person over event maximum.
Does not include use of the Mansion Herron Dome (see Section H.4.).
- 2. Mansion and Garden Wedding and/or Wedding Reception Rental Fees
 - (a) 0-50 people, Monday – Friday, 8 AM – 5 PM \$185.00
 - (b) 0-100 people, Monday – Thursday, 5 PM – 12 Midnight \$320.00
 - (c) 0-100 people, Friday, 5 PM – 12 Midnight and Sunday, 8 AM – 12 Midnight..... \$700.00
 - (d) 0-100 people, Saturday 8 AM – 12 Midnight \$750.00

Add \$1.00 for each person over event maximum.
Does not include use of the Mansion Herron Dome (see Section H.4.).
- 3. Mansion Meeting Rental Fees (includes use of kitchen)

- (a) 0-50 people, Monday – Thursday, 8 AM – 3 PM \$80.00
 - (b) 0-50 people, Monday – Thursday, 8 AM – 3 PM
Event with Sales/Tickets \$110.00
 - (c) 51-100 people, Monday – Thursday, 8 AM – 3 PM \$110.00
 - (d) 51-100 people, Monday – Thursday, 8 AM – 3 PM
Event with Sales/Tickets \$125.00
- 4. Mansion Herron Dome Rental Fees – Appropriate Mansion rental may apply
 - (a) Monday – Thursday, 8 AM – 12 Midnight..... \$150.00
 - (b) Monday – Thursday, 8 AM – 12 Midnight, event with
Sales/Tickets..... \$170.00
 - (c) Friday 5PM – 12 PM Midnight, Sunday 8 AM – 12 Midnight .. \$200.00
 - (d) Friday 5 PM – 12 PM Midnight, Sunday 8 AM – 12 Midnight.....
event with Sales/Tickets \$250.00
 - (e) Saturday 8 AM – 12 PM Midnight \$200.00
 - (f) Saturday 8 AM – 12 PM Midnight, Event with Sales/Tickets .. \$250.00
- 5. Mansion Tour Fees
 - (a) Group tours, Monday – Friday, 8 AM – 4 PM ... \$25.00 + \$2.00/person
 - (b) Individual tours \$3.00/person
- 6. Rehearsal Fees (all facilities and grounds)
 - (a) Monday – Thursday, 8 AM – 4 PM No Charge
 - (b) Monday – Thursday, 4 PM – 12 Midnight (per hour) \$50.00
- 7. Barn Rental Fees (April – October Only)
 - (a) 0-100 people, Monday – Thursday, 8 AM – 12 Midnight \$275.00
 - (b) 0-100 people, Monday – Thursday, 8 AM – 12 Midnight, event
With Sales/Tickets \$310.00
 - (c) 0-100 people, Friday 5 PM – 12 PM Midnight,
Sunday 8 AM – 12 PM Midnight..... \$350.00
 - (d) 0-100 people, Friday 5 PM – 12 PM Midnight,
Sunday 8 AM – 12 PM Midnight, Event with Sales/Tickets .. \$400.00
 - (e) 0-100 people, Saturday 8 AM – 12 PM Midnight \$400.00
 - (f) 0-100 people, Saturday 8 AM – 12 PM Midnight, Event.....
with Sales/Tickets \$450.00

Add \$1.00 for each person over event maximum.
- 8. Barn Gazebo Rental Fees
 - (a) Monday – Thursday, 8 AM – 12 Midnight..... \$150.00
 - (b) Monday – Thursday, 8 AM – 12 Midnight, event with
Sales/Tickets \$170.00
 - (c) Friday 5 PM–12 PM Midnight, Sunday 8 AM–12 PM Midnight \$200.00
 - (d) Friday 5 PM – 12 PM Midnight, Sunday 8 AM – 12 PM Midnight,
Event with Sales/Tickets \$250.00
 - (e) Saturday 8 AM – 12 PM Midnight \$200.00
 - (f) Saturday 8 AM – 12 PM Midnight, Event with Sales/Tickets .. \$250.00

***(includes use of Barn restrooms; does not include use of Barn)*
- 9. Picnic Pavilion Rental Fees (April – October Only)
 - (a) 0-100 people, Monday – Thursday, 8 AM – 12 Midnight \$210.00
 - (b) 0-100 people, Monday – Thursday, 8 AM – 12 Midnight
Event with Sales/Tickets \$235.00
 - (c) 0-100 people, Friday 5 PM – 12 PM Midnight,
Sunday 8 AM – 12 PM Midnight..... \$250.00
 - (d) 0-100 people, Friday 5 PM – 12 PM Midnight,
Sunday 8AM – 12 Midnight, Event with Sales/Tickets..... \$300.00

- (e) 0-100 people, Saturday 8 AM – 12 PM Midnight \$300.00
 - (f) 0-100 people, Saturday 8 AM – 12 PM Midnight,
Event with Sales/Tickets \$350.00
- Add \$1.00 for each person over event maximum.
- 10. Amphitheater Rental Fees – Appropriate Mansion rental may apply.
 - (a) Monday-Thursday, 8 AM-12 Midnight \$200.00
 - (b) Monday-Thursday, 8 AM-12 Midnight Event with Sales/Tickets \$230.00
 - (c) Friday 5PM-12 Midnight and Sunday 8 AM-12 Midnight \$250.00
 - (d) Friday 5PM-12 Midnight and Sunday 8AM-12 Midnight
Event with Sales/Tickets \$300.00
 - (e) Saturday 8 AM-12 Midnight \$300.00
 - (f) Saturday 8 AM-12 Midnight, Event with Sales/Tickets \$350.00

(Includes use of Amphitheater dressing rooms. Does not include use of Mansion, Mansion gardens or Herron Dome.)
- 11. Facility Charges for events lasting more than the designated
time block (all facilities & grounds) \$75.00/hour
- 12. Auxiliary Personnel: An off-duty City of Kingsport Firefighter or Police Officer may be
required at certain events. Auxiliary personnel are used at the discretion of the Allandale
Curator. The renter will be responsible for paying auxiliary personnel.
- 13. Photography Fees
 - (a) Mansion Renters (use of house, gardens, grounds)
Monday – Thursday, 8 AM – 4 PM (2-hour maximum) No Charge
 - (b) Mansion Renters (use of house, gardens, grounds)
Monday – Thursday, 4 PM – 9 PM (2-hour minimum) \$50.00/hour
 - (c) Non-Renters (use of house, gardens, grounds)
Monday – Thursday, 8 AM – 4 PM (2-hour minimum) \$75.00/hour
 - (d) Non-Renters (OUTDOORS ONLY/garden, grounds)
Monday – Thursday, 8 AM – 4 PM (2-hour minimum) \$50.00/hour
- 14. Equipment Fees
 - (a) Folding Chairs, each \$1.50
 - (b) Chivari Chairs, each \$3.00
 - (c) Tables, each \$6.00
 - (d) TV/VCR/DVD, per event \$20.00
 - (e) Piano and Disklavier, per event \$50.00
 - (f) Telephone Hookup for Local or "800" computer hookup, per event \$35.00
 - (g) Speaker Phone, per event \$50.00
 - (h) Flip Chart, per event \$20.00
 - (i) White Board, per event \$10.00
 - (j) Overhead, per event \$15.00
 - (k) LCD Projector and Screen, per event \$40.00
 - (l) Wi-Fi connection, per
day \$50.00

Maximum charge per event \$100.00
- 15. Promotional Fees
Eighteen free bookings, per year, to be used at the discretion of the Curator.
- 16. Friends of Allandale
 - (a) Patron – 10% discount on one (1) party per year
 - (b) Business – 10% discount on one (1) party per year
 - (c) Benefactor – 15% discount on one (1) party per year
 - (d) Brooks Fellow – 25% discount on one (1) party per year

I. Dog Park

1. Registration
 - (a) City resident, first dog (annual fee) \$20.00
 - (b) City resident, per additional dog (annual fee)..... \$10.00
 - (c) Non-resident, first dog (annual fee) \$25.00
 - (d) Non-resident, per additional dog (annual fee) \$15.00
 - (e) Spring registration (April, May, June only) First dog..... \$10.00
 - Per additional dog \$5.00
2. Key Cards and Tags
 - (a) Key card replacement, per card \$10.00
 - (b) Dog Park tag replacement, per tag \$5.00
3. Application Processing fee \$1.00

J. Bays Mountain Park

1. Entrance/Parking
 - (a) Per car..... \$5.00
 - (b) Per bus..... \$15.00
2. Natural history and planetarium programs
 - (a) Individual rates
 - (1) Planetarium..... \$5.00
 - (15 or more, group rate) per person \$4.00
 - (2) Nature show..... \$3.00
 - (15 or more, group rate) per person \$2.00
 - (3) Barge ride \$4.00 to \$6.00
 - (4) Extended Nature Program (2 hours)..... \$6.00
 - (5) Association Members..... Free Passes
 - (b) Schools – scheduled during normal school hours
 - Out of county students – per student/per program \$2.00
 - (Sullivan, Hawkins Counties and Kingsport, Bristol students) FREE
 - (c) Special programs
 - (1) Planetarium (other than regularly scheduled times)..... \$250.00
 - (2) Barge rides (other than regularly scheduled times)
 - (maximum of 25 persons) \$150.00 to \$200.00
 - (3) Association life members get one free barge ride during
 - June, July and August after 6:00 p.m. *Must be pre-scheduled.*
3. Other Programming
 - (a) Low Ropes Course (minimum of 8, maximum of 40 people) staff
 - led programming..... \$5.00 per person
 - (b) Hawks Nest (age 11 & up) (weight limit 275 lbs.) \$25.00 per person
 - (c) Flying Squirrel Zipline (weight limit 275 lbs.)..... \$10.00 per person
 - (d) Team Building – Half Day (minimum of 8 people, maximum of 24
 - people) includes Low Course or Hawks Nest, Icebreaker games
 - and Zipline (weight limit 275 lbs.)..... \$35.00 per person
 - (e) Team Building – Full Day (minimum of 8, maximum of 24 people)
 - includes Low Course, Hawks Nest, Icebreaker Games and Zipline
 - (weight limit 275 lbs.)..... \$60.00 per person
 - (f) Zip Party (scheduled during park hours) (weight limit 275 lbs.)
 - (1) 1-10 people..... \$125.00
 - (2) 11-19 people..... \$175.00
 - (3) 20+ people..... \$225.00
 - (g) Zip Party (schedule during park hours) (weight limit 275 lbs) with use
 - of Farmstead for one hour

- (1) 1-10 people.....\$160.00
 - (2) 11-19 people.....\$210.00
 - (3) 20+ people.....\$260.00
 - (h) Special Twilight Zip: (maximum of 20 people).....\$25.00 per person
- 4. Facilities rental
 - (a) Building/Rooms (per hour-2 hour minimum)
 - (1) Library (15 people maximum)..... \$20.00
 - (2) Classroom (80 people maximum) \$35.00
 - (3) Farmstead (maximum 100 people) \$100.00
 - (4) Nature Center (maximum 150 people) \$200.00
 - (5) Amphitheater (after hours) (maximum 300 people) \$20.00
 - (6) Cabin/meeting room (maximum 25 people)..... \$50.00
 - (7) Overnight camping (maximum 15 people)
(per group/per night) \$30.00
 - (8) Zip line school..... \$5.00
 - (9) High Ropes course – School..... \$15.00
 - (10) ½ Day Course School \$20.00
 - (11) Full Day School..... \$25.00
- 5. Park grounds
 - (a) Before hours (2-hour minimum) \$150.00
 - (b) After hours (2-hour minimum) \$150.00
- 6. Tour Groups
 - (a) KCVB Tours – includes entrance fee/choose two activities from:
Barge Ride, Planetarium Show, Wolf Howling, Nature Program...
.....\$7.00 per person
 - (b) Other Tours – includes entrance fee/choose two activities from:
Barge Ride, Planetarium Show, Wolf Howling, Nature Program...
..... \$10.00 per person

K. Senior Citizens Programs

- 1. Activity fee
 - (a) Resident..... \$25.00
 - (b) Non-City, Sullivan County Resident..... \$45.00
 - (c) Other \$70.00
- 2. Ceramic/Clay, yearly usage fee \$10.00
- 3. Craft fee *Cost of materials and instructor used in project*
- 4. Special Class Fee
 - (a) Skilled classes, per semester..... \$30.00-\$400.00
(i.e., Advanced Tai Chi, Power Yoga, Computer Classes, Specialty Workshops)
 - (b) Instructors' Salaries.....60% maximum class fees or hourly rate
 - (c) Other Senior Center class fees are determined by the Senior
Center Director with approval from the Senior Center Advisory
Council
- 5. Non-service day trips, per person/per trip
 - (a) Local..... \$5.00
 - (b) Non-local \$13.00
 - (c) Extended travel (administrative fee)..... \$25.00
- 6. Locker Fee \$2.00
- 7. Newsletter
 - (a) Annually \$6.00
 - (b) Per copy..... \$0.50
- 8. Copies, per page..... \$0.25

L.	Lynn View Community Center	
1.	Gym Rental, per hour (2-hour minimum)	\$30.00
	(a) Vendor Fee for events with Sales/Tickets	\$15.00
2.	Cafeteria Rental, per hour (3-hour minimum)	\$20.00
3.	Cafeteria Rental per hour, event with Sales/Tickets (3 hour minimum)	\$22.00
4.	Multipurpose Room Rental, per hour (3-hour minimum)	\$10.00-\$15.00
5.	Multipurpose Room Rental, per hour (3-hour minimum) Event with Sales/Tickets	\$7.00-\$12.00
6.	Auditorium Rental per hour (3-hour minimum)	\$30.00
7.	Auditorium Rental per hour (3 hour minimum), event with Sales/Tickets	\$32.00
8.	Football Field Rental, per hour	\$30.00
	(a) Vendor Fee for events with Sales/Tickets	\$35.00
	(b) Light fee for event	\$15.00
9.	Lower Baseball Field Rental, per hour	\$20.00
	(a) Vendor Fee for events with Sales/Tickets	\$15.00
10.	Equipment Rental	
	(a) TV/VCR/DVD, per event	\$15.00
	(b) Flip Chart, per event	\$20.00
	(c) White Board, per event	\$10.00
	(d) Overhead, per event	\$15.00
	(e) LCD Projector and Screen, per event	\$40.00
	(f) Wi-Fi connection, per day	\$50.00
	Maximum charge per event	\$100.00

M.	Farmer's Market Rental	
1.	Monday-Sunday, 8AM-12 Midnight (up to 8 hours considered ½ day rental)	\$250.00
2.	Monday-Sunday, 8AM-12 Midnight (considered full day rental)	\$450.00/day
***	Prep/Take Down in addition to a full day	\$80.00
3.	Facility charges for events lasting more than the designated time block (all facilities and grounds)	\$75.00/hour
4.	Deposit due at time of confirmed reservation, applicable to the total amount due	\$100.00
*The City Manager or his designee has the authority to reduce the fee if the proposed event, including setup, is less than half the time of the rental.		
**Renter will pay for costs incurred as a result of any damage to the facility, furnishings, equipment or grounds rising out of use of the Farmer's Market.		
***Tables and chairs may be rented from the Kingsport Parks and Recreation Department.		
****Auxiliary Personnel – Off-duty City of Kingsport Firefighter or Police Officer may be required at certain events. Auxiliary personnel are used at the discretion of the City of Kingsport. The renter will be responsible for paying auxiliary personnel.		
***** Damage Deposit – 50% (\$100.00 minimum) of rental fee may apply at the discretion of the facility manager.		

N.	Kingsport Carousel Tokens for Rides	\$1.00
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Special Events, non public hours, \$100 per hour, minimum of 2 hours
 Birthday Parties, includes 50 Tokens.....\$150.00

O. Kingsport Aquatic Center Events/Facilities

1. Daily Fees

- (a) Ages 2 & under.....Free w/ paying adult
- (b) Under 48".....\$6.00
- (c) 48" and above.....\$8.00
- (d) Ages 55 & over.....\$6.00
- (e) Group (more than 10 people).....\$4.00 each
- (f) After 7 pm on Indoor Pool during School Year:
 - (1) Under 48".....\$3.00
 - (2) 48" and above.....\$4.00
 - (3) Ages 55 & over.....\$3.00

2. Waterpark Passes (Summer Operational Season)

- (a) Under 48".....\$75.00
- (b) 48" and above.....\$100.00
- (c) Ages 55 & over.....\$75.00
- (d) Family (2 adults and 2 youth).....\$200.00
 - (1) Additional person.....\$15.00

3. Annual Memberships (includes member rates on classes and a 10% discount on facility rentals and concessions)

- (a) Under 48".....\$230.00
- (b) 48" and above.....\$300.00
- (c) Ages 55 & over.....\$230.00
- (d) Couple (2 individuals sharing same household).....\$360.00
- (e) Family (2 adults and 2 youth).....\$475.00
 - (1) Additional person.....\$50.00
- (f) City Pass (includes an annual Aquatic membership, one Cattails discount card and an individual or family Bays Mountain Park Association annual membership)
 - (1) Ages 22-54.....\$425.00
 - (2) Ages 55 & over.....\$350.00
 - (3) Family (2 adults and 2 youth).....\$600.00

4. Monthly Memberships

- (a) Under 48".....\$30.00
- (b) 48" and above.....\$35.00
- (c) Ages 55 & over.....\$30.00
- (d) Family (2 adults & 2 youth).....\$70.00
 - (1) Additional person.....\$5.00

5. Rentals

- (a) Room (includes tables and chairs).....\$40.00/hr
- (b) Indoor Facility (minimum of 2 hrs)
 - (1) 1-100 people.....\$200.00/hr
 - (2) 101-250 people.....\$300.00/hr
 - (3) 251-400 / Commercial.....\$400.00/hr
- (c) Outdoor Facility (minimum of 2 hrs)
 - (1) 1-100 people.....\$300.00/hr
 - (2) 101-250 people.....\$400.00/hr
 - (3) 251-400 / Commercial.....\$500.00/hr
- (d) Lap Lane
 - (1) Short course (maximum of 8 swimmers/lane).....\$8.00/hr

- (2) Long course (maximum of 16 swimmers/lane).....\$16.00/hr
 - (e) Swim Meet
 - (1) Full day (up to 12 hrs with an additional charge of \$100.00/hr if the meet lasts more than 12 hours).....\$1000.00
 - (2) Half day (5 hours or less)\$600.00
- 6. Swim Lessons
 - (a) Group (8 classes w/ sibling discount of \$5/additional child)
 - (1) Member.....\$50.00/session
 - (2) Non-member.....\$60.00/session
 - (b) Private (1 x 30 minute class or 6 x 30 minute classes)
 - (1) Member.....\$25.00/ \$140.00
 - (2) Non-Member.....\$35.00/ \$160.00
 - (c) Semiprivate (6 x 30 minute classes for 2 students)
 - (1) Member.....\$170.00
 - (2) Non-Member\$185.00
- 7. Water Exercise Classes (60 minutes in length)
 - (a) Single Class
 - (1) Member.....\$5.00
 - (2) Non-Member.....\$7.00
 - (b) Monthly Pass (unlimited exercise classes during month)
 - (1) Member.....\$40.00
 - (2) Non-Member.....\$45.00
- 8. Masters Swim Team
 - (a) Member (monthly).....\$25.00
 - (b) Non-member (monthly).....\$30.00
 - (c) Member (Quarterly)\$75.00
 - (d) Non-Member (Quarterly).....\$90.00
- 9. Summer League Swim Team
 - (a) Member\$125.00
 - (b) Non-Member.....\$175.00
- 10. Training Courses (instructional courses for certification)
 - (a) Lifeguard Training
 - (1) Member.....\$175.00
 - (2) Non-member.....\$200.00
 - (b) Water Safety Instructor
 - (1) Member.....\$175.00
 - (2) Non-member.....\$200.00
 - (c) Instructional classes lasting less than 5 hours
 - (1) Member.....\$25.00
 - (2) Non-member.....\$30.00
- 11. Special Events (varies by event).....\$3.00-\$10.00
- 12. Birthday Party Packages (party packages include admission for up to 15 guests, party room rental for 2 hours, a party host, and a birthday child favor bag.)
 - (a) Package A (basic package).....\$175.00
 - (b) Package B (includes package A plus ¼ sheet cake, drinks & 15 party favor bags).....\$235.00
 - (c) Package C (includes B plus 2 Large 1 topping pizzas).....\$260.00
- 13. Members of the Kingsport Senior Center receive a discount of 20% for all aquatic classes

14. Seasonal Fees – Memorial Day Weekend thru Labor Day

- (a) Ages 2 & under.....Free w/ paying adult
- (b) Under 48".....8.00
- (c) 48" and above\$10.00
- (d) Ages 55 and over.....\$8.00
- (e) Group (more than 10 people).....(each) \$4.00
- (f) After 4 pm on outdoor pool:
 - (1) Under 48".....\$4.00
 - (2) 48" and above.....\$5.00
 - (3) Ages 55 and over.....\$4.00
 - (4) Group (more than 10 people).....(each) \$2.00

Facility fees for the Kingsport Aquatic Center will be discounted by fifty percent (50%) for activities sponsored by the following:

- Kingsport Boys and Girls Club
- Kingsport Girls Incorporated
- Kingsport Chamber of Commerce
- Kingsport Convention and Visitor's Bureau
- Kingsport Economic Development Board
- Downtown Kingsport Association
- Kingsport Housing Authority
- Kingsport City Schools

The City Manager or his designee has the authority to reduce any of the above fees for special promotions or events.

The renter will pay for costs incurred as a result of any damage to the facility, furnishings, equipment or grounds rising out of use of the Kingsport Aquatic Center.

Chapter 70 – Peddlers and Solicitors

- A. Street Vendors Permit application fee..... \$50.00
(The permit shall remain valid for one year after issuance.)

Chapter 82 - Signs

- A. Inspection Fees
 - 1. Unlighted \$ 8.00
 - 2. Lighted \$10.00

Chapter 86 - Solid Waste

- A. Removal of Garbage, Trash and Recycling Fees
 - 1. Inside City Residential waste collection from 96-gallon carts, per month
 - (a) 1st Cart\$8.00
 - (b) Each additional cart, per month.....\$8.00
- Note: 1st Recycling cart included, additional carts refer to (b) above

The Inside City Residential waste collection fee will be waived for individuals on first cart (A.1. (a) above) who are enrolled in the State of Tennessee Tax Relief Program, as set forth annually by the State of Tennessee Division of Property Assessments.

2. Inside City Multi-family Residential and Mobile Home Park Developments waste collected from 96-gallon carts, per cart, per month\$12.00
Note: 1st Recycling cart included, addition carts refer to above fee
3. Outside City/County residential waste collection from 96-gallon carts, per month
 - (a) 1 Cart\$15.00
 - (b) Each additional cart, per month\$9.00
 - (c) Recycling per cart, per month\$15.00
4. Business and Professional Complex collected for Garbage or Recycling
 - (a) From 96-gallon carts, per month, per business, per cart\$15.00
 - (b) From dumpster boxes
 - KHRA, Kingsport City Schools & Buildings dumpster, per pickup\$12.00
 - Commercial & Industrial dumpster, per pickup.....\$20.00
5. Construction waste material, per ton\$82.00
This fee will be assessed to the property owner for any construction waste placed along the right-of-way.
6. Move out excessive material fee.....\$100.00
7. Purchase or Replacement of 96-gallon Cart\$60.00
8. Purchase or Replacement of 32-gallon Cart\$60.00
Note: This service shall be available to single family occupied homes or residences.
9. Appliance, per pickup Free
10. Carpet, per pickup\$25.00
11. Discarded furniture, per pickup Free
12. Backyard Garbage pickup, annual fee to be billed monthly.
(July 1 through June 30)\$264.00

The annual backyard garbage fee may be waived or reduced for elderly or disabled individuals who meet the annual household income limit requirements and age or disability qualifications, as set forth annually by the State of Tennessee Division of Property Assessments for the State of Tennessee's Property Tax Relief Program. Individuals desiring an exemption from or a reduction in the backyard garbage fee must make application to the Public Works Director on a form available at the Finance Customer Service Center on an annual basis. Upon approval of the application, the Public Works Director shall set the annual fee for the qualifying elderly or disabled applicant on the basis of the annual household income specified in the following sliding fee schedule:

<u>Annual Household Income</u>	<u>Annual Fee</u>
50.00% or less of Income Limit	No Fee
Over 50.00% to 62.50% of Income Limit	20% of Fee
Over 62.50% to 75.00% of Income Limit	40% of Fee
Over 75.00% to 87.50% of Income Limit	60% of Fee
Over 87.50% to 100.00% of Income Limit	80% of Fee
Over 100.00 % of Income Limit	100% of Fee

13. Roll Off Containers
 - (a) A tipping fee per ton (Sullivan County rates)\$37.28
 - (b) Rental fee, per month.....\$80.00
 - (c) Pull fee, per trip (minimum of one per month).....\$100.00

B. Demolition Landfill Fee and Charges

A tipping fee shall be charged for all waste deposited in the City's Demolition landfill as follows:

1. A tipping fee shall be charged to all users of the Demolition Landfill. City residents will be allowed to tip a maximum of 1,000 lbs per trip at no cost twice per year (July 1 through June 30). This applies to City residents performing work at their primary

residence.

2. A minimum tipping fee shall be charged for all vehicles entering the landfill with a net weight of less than 1,000 lbs \$16.00

3. A tipping fee shall be charged for all vehicles entering the landfill with a net weight of 1,000 lbs. or more calculated on a per ton basis at a rate of (per ton) \$32.00

4. Tires

(a) 4 or less, each\$1.00

(b) More than 10, per ton\$140.00

C. Contract collectors and haulers of solid waste annual application and permit fee\$750.00

The annual fee must be submitted with the application. The fee is nonrefundable.

Provided the application is approved by the Director of Public Works, the permit shall expire on the next 30th day of April following issuance of the permit. The duration of the permit shall not exceed one year. The permit fee is not pro-rated. Regardless of when the application is submitted, the full fee must accompany the application; and the permit if granted, shall expire on the next 30th day of April following issuance.

Note: The BMA shall from time to time fix the fees to be charged for the city's collection and disposal of solid waste under this chapter and the manner in which such fees shall be billed.

Chapter 90 – Streets, Sidewalks and Other Public Places

A. Sidewalk Dining Facilities Permit application fee \$50.00
(The permit shall remain valid for one year after issuance.)

Chapter 98 - Traffic and Vehicles

Parking Fees (effective January 1, 2003): A parking fee structure is not in effect for parking lots owned by the City of Kingsport. These lots are commonly referred to as the Commerce Street Parking Lot, the Farmers Market Parking Lot, the Shelby Street Parking Lot, the Library Parking Lot and the Five Points Parking Lot. Parking in these lots is allowed on a first come, first served basis unless posted otherwise for a special-use event authorized in writing by the City Manager.

Chapter 102 – Utilities

A. Unmetered Non-commercial Customers - Monthly rate \$20.52

B. Water Connection Service Fee and Deposits

1. Inside City \$30.00

2. Outside City \$40.00

3. Deposit for all new and certain former residential customers.....\$50.00

C. Temporary connection of 2 inch meter to fire hydrant

1. Inside City \$200.00

2. Outside City \$250.00

D. Water Usage Rates

1. Minimum gallons per month by meter size

Size of Meter

Gallons (Inside City)

Gallons (Outside City)

5/8	inch	2,000	1,400
1	inch	4,000	4,000
1½	inch	8,000	8,000
2	inch	14,000	14,000
3	inch	44,000	44,000
4	inch	111,000	111,000
6	inch	271,000	271,000
8	inch	388,000	388,000
10	inch	676,000	676,000
12	inch	1,200,000	1,200,000

2. Usage rate schedule

Meter inside City.....	Gallons	per 1,000 gallons
	First 2,000	\$3.95
	Next 13,000	3.17
	Next 55,000	2.45
	All Over 70,000	1.75

Meter outside City.....	Gallons	per 1,000 gallons
	First 2,000	\$11.67
	Next 13,000	7.07
	Next 35,000	6.39
	Next 70,000	5.93
	Next 70,000	4.85
	All over 190,000	4.56

NOTE: The water usage rates set out in paragraphs D.1 and D.2 above shall be applicable effective for billing on or after July 1, 2015.

E. Disconnection, Reconnection of Service

1. Reconnection/Nonpayment fee
 - (a) City water customers (before 5PM on work days) \$25.00
 - (b) City water customers (after 5PM, weekends, holidays) \$50.00
 - (c) Bloomingdale Utility District water customers BUD Current Rate
2. Meter removal or locking fee \$50.00
3. Obstruction removal fee \$50.00

F. Service Call Charges

- | | <u>Inside City</u> | <u>Outside City</u> |
|--|--------------------|---------------------|
| 1. Raise/lower water meter at the request of the user... | \$70.00 | \$95.00 |
| 2. Leak detection/line locating services
(provided on private property) per hour..... | \$60.00 | \$75.00 |
| 3. Backflow Prevention Devices Testing Fee | | |
| (a) Initial Test..... | | Free |
| (b) Annual Test..... | | Free |
| (c) Retesting Fee, per test (if device fails on initial or annual test)..... | | \$50.00 |
| 4. Service Fee | | |
| (a) Initial Call..... | | Free |
| (b) Recurring Service Calls, each | | \$25.00 |

G. Tapping Fees (Including Fire Services / Meter Relocation Fee / Fire Service Relocation Fee)

<u>Size of Connection (Meter or Fire Service)</u>	<u>Inside City</u>	<u>Outside City</u>
5/8 inch	\$ 635.00	\$ 1,100.00
1 inch	865.00	1,370.00
1 1/2 inch	1,035.00	1,670.00
2 inch	1,240.00	2,030.00
3 inch	3,700.00	4,900.00
4 inch	4,000.00	5,400.00
6 inch	6,900.00	9,000.00
8 inch	8,700.00	11,000.00
10 inch	12,100.00	14,900.00

NOTE: Tapping fees, relocation fees and fire service fees for meters of 6 inches and larger shall be subject to additional charges calculated on an individual basis, based on the cost to connect the meter to the City's main water line.

H. Private Fire Service Connection (Monthly Charge - Plus usage rates found in Section D.2)

<u>Size of Connection Furnished by City</u>	<u>Inside City</u>	<u>Outside City</u>
4 inches and below	\$ 15.00	\$ 31.00
6 inches	20.00	42.00
8 inches	30.00	62.00
10 inches	40.00	82.00
12 inches	60.00	142.00

I. Fire Hydrants

1. Fire hydrant installation
(inside or outside City) \$2,500.00
2. Hydrant relocation fee
(inside or outside City when performed
at the request of any interested party) \$2,500.00

J. Water Line Extension

1. Cost estimation (refundable only if extension is approved) \$50.00
2. Extension cost (per foot)

<u>Size</u>	<u>Cost per Lineal Foot</u>
2-inch PVC	\$7.00
4-inch PVC	\$10.00
6-inch ductile iron	\$30.00
8-inch ductile iron	\$40.00

NOTE: On extensions of 6 and 8-inch ductile iron pipe there will be an additional charge of \$1,000 per 500 feet for fire hydrant connection plus the hydrant fee stated above.

K. Sewers and Sewage Disposal

1. Tap-on fees
 - (a) Residences, single family - cluster homes, condominiums, townhouses, duplexes, row houses etc. per living unit (existing structures and new construction) served by sanitary facilities

	(1)	Inside City	\$1,950.00 ¹
	(2)	Outside City	\$2,250.00 ¹
(b)		Additional units on same tap	\$200.00
(c)		Additional units requiring additional tap OR, additional tap on same property OR, relocation of existing lateral	
	(1)	Inside City	\$1,950.00 ¹
	(2)	Outside City	\$2,250.00 ¹
(d)		Car wash (existing structures and new construction)	
	(1)	First bay	
		(i) Inside City	\$1,950.00
		(ii) Outside City	\$2,925.00
	(2)	Each additional bay	
		(i) Inside City	\$500.00
		(ii) Outside City	\$750.00
(e)		Multi-family complexes, hotels, motels, hospitals, nursing homes, retirement centers, mobile home parks (existing structures and new construction)	
	(1)	First rental unit/room	
		(i) Inside City	\$1,950.00
		(ii) Outside City	\$2,925.00
	(2)	Each additional unit	
		(i) Inside City	\$200.00
		(ii) Outside City	\$300.00
(f)		Large and small commercial users, factories and shopping centers (existing structures and new construction)	
	(1)	First 10,000 sq. ft. (or each additional lateral)	
		(i) Inside City	\$1,950.00
		(ii) Outside City	\$2,925.00
	(2)	Each additional 10,000 sq. ft.	
		(i) Inside City	\$300.00
		(ii) Outside City	\$450.00
(g)		Low Pressure Tap Fees	
		On-site Individual Pump (requires evaluation, Public Works Director's written approval and written agreement with property owner)	
	(1)	New Structures	
		(i) Inside City	\$5,000.00
		(ii) Outside City	\$5,300.00
	(2)	Existing Structures	
		(i) Inside City	\$1,950.00
		(ii) Outside City	\$5,300.00
(h)		Sewer connection fee (fee charged to developer when City crews tap or connect developer installed collector lines to existing City trunklines)	\$1,000.00

¹Financing shall be available to residential property served by City of Kingsport installed collector sewers. For the purpose of determining the availability of financing, residential property shall mean existing single family residences or row houses, as defined herein, and include new residential construction only when the construction is for the property owner's own personal use. Tap Fees may be financed over a ten (10) year

period and shall be payable in equal monthly installments including interest charged at a rate established by this resolution. A property owner(s) desiring to finance the tap fee will be required to execute a promissory note secured by a deed of trust in the amount of the tap fee payable to the City of Kingsport. The promissory note and the deed of trust shall be a standard form prescribed by the City Recorder and approved by the City Attorney. Also, the property owner shall owe a lateral construction fee in addition to the current tap fee if the lateral is not in place at the time of connection.

2. Interest rate, per annum 9.5%
Upon mailing of notices of the availability of sewer to the property owner of record, or on the date of the tap fee permit, whichever shall come first, when payment is not received in full, interest shall begin to accrue on the 91st day from the date of the notification, or on the date of the permit, as is applicable, on the amount of the tap fee, the lateral fee, or lateral construction fee schedule and related definitions.
3. Recording fee and other charges for recording Deeds of Trust and Release Deeds will be the same as those assessed to the City by the Register of Deeds of the county where the deeds are recorded.
4. Definitions
 - (a) Financing
Financing shall be available to residential property served by City of Kingsport installed collector sewers. For the purpose of determining the availability of financing, residential property shall mean existing single family residences or row houses, as defined herein, and include new residential construction only when the construction is for the property owner's own personal use. A property owner(s) desiring to finance the tap fee will be required to execute a promissory note in the amount of the tap fee due payable to the City of Kingsport. The property owner(s) shall also be required to execute a Deed of Trust securing the note. The promissory note and the deed of trust shall be a standard form prescribed by the City Recorder and approved by the City Attorney. The property owner(s) shall be further required to pay to the City a recording fee as set out herein at the time the Deed of Trust is executed.

Owners of the following classes of property:

- Residences or row houses (existing structures or new construction only when the construction is for the property owner's own personal use)
- Existing additional units

may finance the tap fee due and payable to the City over a ten (10) year period in equal monthly installments including interest charged at a rate established by this resolution upon the execution of a promissory note and a deed of trust securing the note.

In the event an outside property owner financing a tap fee is annexed he/she shall be given a pro rata credit to their outstanding principal balance in the month following the effective date of annexation equal to the difference between an outside tap fee and an inside tap fee in effect at the time the promissory note was initially entered into. The pro rata amount to be credited against the property owner's account will be determined by allocating the difference between an outside tap fee and an inside tap fee on a

monthly basis over the term of the promissory note and applying the monthly amount to the number of installments remaining to be billed over the term of the promissory note as of the effective date of the annexation. The amount calculated by applying the monthly amount to the number of unbilled installments as the effective date of annexation will be applied as a credit against the property owner's outstanding principal balance.

Financing shall not be available to owners of the following class of property:

- New residences located in subdivisions in which sewer mains and laterals have been installed by developers

Also, financing shall not be available in cases where the development is for speculative purposes. In determining if construction is for speculative purposes, any sewer tap permit issued in the name of a licensed contractor, plumber, developer, or broker shall be considered for speculative purposes and payment of the tap fee in full shall be required. In cases where a contractor constructs a residence for personal occupancy and desires to finance the tap fee, the contractor/owner will be eligible to finance when he or she provides the City Recorder with (1) certification that the residence has been constructed for personal occupancy of the owner/ contractor, and (2) executes a standard City of Kingsport promissory note and deed of trust securing the note for sewer tap fees payable to the City of Kingsport. The "Certification of Construction for Personal Occupancy" shall be a standard form prescribed by the City Recorder and approved by the City Attorney.

(b) Categories of Uses

- (1) Single Family Residence: A building occupied exclusively for residence purpose by one family or housekeeping unit, independent of any other structure, and generally owner occupied.
- (2) Row Houses: Utilizes a common wall between houses (duplex) or row house can have common walls on both sides of the structure (cluster home, townhouse and/or condominium) and usually is one-family owner occupied.
- (3) Additional Existing Units: Additional existing units on same lot or parcel of land with existing residence and connected to the same sewer tap.
- (4) Subdivisions and/or Planned Residential Development: Developments approved by the Kingsport Planning Commission where developer installs sanitary sewer collector system to City specifications and conveys by deed to City for maintenance. Internal circulation can be either public or private streets. Development where individual living units are available for private ownership.
- (5) Multi-family Project: Usually involves more than one building on a large site (internal vehicular circulation serving each building) and each multifamily complex or building located within the multifamily project shall be subject to the

fee schedule established herein for multifamily complexes. Housing can be either low- or high-rise. The project is usually under one ownership, and the dwelling units are rented, but each dwelling unit may be under individual ownership.

- (6) Multi-family Complex: Usually consists of one building with direct access from building to public street and/or sanitary sewer easement. Can be either one ownership of entire project or individual ownership of each dwelling unit.
- (7) Hospitals, Nursing Homes, Retirement Centers: Unit/room is determined by the area (number of beds) served by one bath. Can be a private room, semi-private room or two rooms, etc.
- (8) Public Sewer System: A sanitary sewer system installed in a development comprised of lots, units, etc., available for individual acquisition and ownership. System developed to City specifications, at developer's expense and conveyed by deed to the City for maintenance.
- (9) Small Commercial Users (with less than 10,000 square feet in floor area): Such as those businesses or services as set forth in Article IV, Section 5, Subsection (A) - (E), inclusive, and Section 9 of the Zoning Ordinance of the City of Kingsport, except that those uses permitted within other zones or uses expressly excepted by Section 26-124 of the Code of Ordinances of the City of Kingsport or this Resolution shall not be construed to be included in this classification.

5. Monthly sewer service charges

- (a) Class I sewerage inside City
 - per 1,000 gallons per month.....\$7.67
 - Minimum charge (2,000 gallons).....\$15.34
- (b) Class I sewerage outside City
 - per 1,000 gallons per month.....\$11.53
 - Minimum charge (2,000 gallons).....\$23.06
- (c) Class II sewerage surcharge fees
 - (1) BOD per lb.....\$0.204
 - (2) TSS per lb.....\$0.102
- (d) Residential or commercial water customers located within the corporate limits of the City of Kingsport where sanitary sewers are not available and are identified by the Public Works Director as receiving septic tank pumping and waste hauling services provided by the City of Kingsport shall be subject to the sewer user fee for Class I customers as set out in (a) above. Tap fee applicable to property served shall be paid before such service begins.

NOTE: The sewer usage rates set out in paragraph K.5 above shall be applicable effective for billing on or after July 1, 2015.

- 6. A sewer cap shall be established for all residential customers as follows:
 - (a) An average base figure on water consumption will be established for individual residential customers. This figure will be calculated by using the consumption by each metered customer during the

five-month billing periods of December to April, winter months when water usage is reasonably stable, and when most water enters the City sewer system.

- (b) Since sewer fees are based on per-thousand-gallon usage, the average that was calculated from the winter period will be rounded-up to the next thousand-gallon level.
 - (c) A 3,000-gallon amount will be added to the average of each customer to arrive at a final individual consumption average.
 - (d) Once established, the final average will be used as the annual individual sewer cap for the following year. A new cap will be established during each winter period and the procedure will be repeated.
 - (e) Any new residential customer will be assigned a cap of 8,000 until an average individual cap can be established.
7. Wastewater discharge permit fees
- (a) Non-domestic permit application
 - (1) Original application
 - (i) Inside City \$50.00
 - (ii) Outside City \$60.00
 - (2) Renewal application
 - (i) Inside City \$25.00
 - (ii) Outside City \$30.00

Fee is non-refundable. Applicants who file an application with incomplete or missing information have thirty (30) days to correct and resubmit the application. Those applicants not resubmitting within 30 days will be required to start the application process over, including payment of another fee.
 - (b) Non-domestic permits (annual fee)
 - (i) Inside City \$200.00
 - (ii) Outside City \$240.00

Permits are issued for annual periods not to exceed a 5-year time limit.
Fees are based on an annual rate.
 - (c) Transfer permit \$100.00
8. Waste Water Appeals Board fee \$250.00
9. Water/Sewer Monitoring, inspection and surveillance fees
- (a) Lateral inspection
 - (1) Inside City (per foot)..... \$2.00
 - (2) Outside City (per foot)..... \$3.00
 - (3) Minimum charge \$50.00
 - (b) Dye/Smoke test
 - (1) Inside City \$50.00
 - (2) Outside City \$75.00
 - (c) Investigation of odor
 - (1) Inside City \$50.00
 - (2) Outside City \$75.00
 - (d) Pretreatment inspection..... \$50.00
 - (e) Sample collection/composite
 - (1) City provides equipment \$50.00
 - (2) Industry provides equipment..... \$30.00
 - (f) Sample collection/grab \$50.00
 - (g) Flow monitoring (per day)..... \$50.00
 - (h) 5-day BOD \$25.00
 - (i) Total Coliform/E-Coli \$35.00

	(j)	Total suspended solids	\$15.00
	(k)	Dissolved oxygen	\$10.00
	(l)	Ammonia	\$20.00
	(m)	pH	\$10.00
	(n)	Temperature.....	\$10.00
	(o)	Oil and grease	\$50.00
10.		Waste hauler permit fee (annual)	\$50.00
11.		Hauled waste disposal	
	(a)	Domestic (per load up to 2,000 gallons)	\$75.00
	(b)	Non-domestic (per 1,000 gallons)	
	(1)	Inside City	\$150.00
	(2)	Outside City (in 201 area)	\$250.00
	(3)	Outside City (out of 201 area)	\$400.00
12.		Application exception	\$500.00
		(temporary exception to waste water discharge restrictions)	
		1 per year not to exceed 180 days	
13.		Lateral cleaning	
	(a)	Inside City	\$100.00
	(b)	Outside City.....	\$150.00
14.		Relocation of residential pump	
	(a)	Inside City	\$3,000.00
	(b)	Outside City.....	\$4,500.00
15.		UST discharge permit fee (per tank)	\$100.00
16.		Groundwater discharge permit fee	\$250.00
		(annual fee, per location)	
17.		Manhole adjustment fee (per foot adjusted)	\$200.00
18.		Lateral location fee	
	(a)	Inside City	\$150.00
	(b)	Outside City.....	\$200.00

L. Stormwater User's Fee Rates

The terms used in this subsection L shall have the same meaning ascribed to such terms in Ordinance No. 6146, establishing the stormwater utility.

The single-family unit (SFU) is hereby established as 3,794 square feet of impervious surface area. The base rate for stormwater user's fees is \$3.50 per month per SFU.

For the other developed property classification in the chart below the number of single-family units is determined by dividing the total square footage of impervious surface area of the property by the single-family unit (SFU) rounded to the nearest tenth. The minimum value shall not be less than one single-family unit.

The stormwater user's fee rate for non-exempt single-family residential property, non-single family residential property, and other developed property classifications are shown in the following chart:

Classification	% SFU	Stormwater User's Fee Monthly Rate
Single-Family Residential Property		

Tier (square footage of impervious surface) 0 to 1,912 1,913 to 6,269 6,270 and beyond	70 100 140	\$2.45 per month \$3.50 per month \$4.90 per month
Non-Single Family Residential Property – Duplexes, townhouses, apartments, condominiums, mobile homes, etc.		
Charge <i>Per Each Dwelling Unit</i>	60	\$2.10 per month
Other Developed Property – Commercial, industrial, institutional, recreational, cultural, churches, parking lots, etc.	Variable, depending on amount of impervious surface area	\$3.50 per SFU per month with a minimum fee of no less than \$3.50 per month

The stormwater user's fee shall be effective beginning February 1, 2012. The fee will become due at the end of the month in which it is charged, and it will be payable in the following month.

M. Payment Processing Posting Priority

Payments for services billed on City utility statements will be processed, posted and applied to the accounts receivable in the following order of priority:

<u>Payment Priority</u>	<u>Accounts Receivable Description</u>
10.....	Bankruptcy
11.....	Balance Forward
12.....	Payment Correction Transfer Balance
13.....	Returned Check Fee
14.....	Service Charges
15.....	Returned Check Transfer Balance
16.....	Declined Credit Card IVR Fee
17.....	Non-Payment Fee
18.....	Final Bill
19.....	Installation Fees
20.....	Water Tap Fees
21.....	Lines Extension Estimate
22.....	Utility Deposit
23.....	Finance Department Adjustment
30.....	Stormwater Penalty
31.....	Stormwater Fees
40.....	Residential Garbage – Backdoor
41.....	Residential Garbage – Curbside
42.....	Multi-Family/Business/Professional Complex Garbage
60.....	Miscellaneous Charge
61.....	Deposit Interest
62.....	Census Survey
78.....	Sewer Penalties
79.....	Sewer Sales
87.....	State Sales Tax
88.....	Water Penalties
89.....	Water Sales

- N. Bulk Sale of Residential Water and Sewer Taps – Bundled (Taps purchased as a bundle and assigned to an existing address)

If the account is not activated within the first year, minimum usage rates will begin one year from the date of purchase.

1. 10-19 taps purchased as a bundle
 - (a) Inside City.....25% discount
 - (b) Outside City.....20% discount
2. 20 or more taps purchased as a bundle
 - (a) Inside City.....50% discount
 - (b) Outside City.....40% discount

Chapter 110 - Vehicles for Hire

- A. Charter Bus Fees
1. Per hour (subject to a three (3) hour minimum charge) \$40.00
 2. Private Charter of 24-passenger Mini-Bus (first 2 hours) \$150.00
 - (a) (per hour thereafter) \$100.00
 3. Non-Profit/Hotel-Motel Charter of 24-passenger Mini-Bus
 - (a) (First two hours) \$125.00
 - (b) (per hour thereafter) \$80.00
- [NOTE: Fees are for actual time beginning when vehicle leaves City Garage until return to City Garage.]
- B. 24-Passenger Mini-Bus Advertising Rates (for 6-month period)
- | | |
|---------------------------------|-------------|
| Side Panel (each) | \$7,000.00 |
| Back Panel | \$4,000.00 |
| Both Sides and Back Panel | \$15,000.00 |

PUBLIC TRANSPORTATION

- A. KATS Fixed-Route Service Fares
1. Regular fare \$1.00
 2. 65 and over..... \$0.50
 3. Handicapped..... \$0.50
 4. Monthly Pass \$20.00
 5. City Employees/Students with valid ID/Children under age 18 Free
 6. Military Veterans with Valid ID..... \$0.50
- B. KATS ADA/Paratransit Fares (Individuals must be certified to use service, staff will determine contiguous areas newly annexed throughout the year that are adopted by designated ADA Zone map, which is on file in the KATS administration office.)
1. Zone 1, ADA/Paratransit trips within Blue Zone
(one-way trip).....\$2.00
 2. Zone 2, ADA/Paratransit trips within Green Zone
(one-way trip).....\$4.00
 3. Zone 3, ADA/Paratransit trips within Yellow Zone
(one-way trip).....\$5.00
- C. KATS Dial-A-Ride 65 (next day service to individuals 65 and older, when ADA capacity allows)

1. Dial-A-Ride 65, Trips within ADA Zone 1 (one-way trip) \$3.00
2. Dial-A-Ride 65, Trips within ADA Zone 2 (one-way trip) \$4.00
3. Dial-A-Ride 65, Trips within ADA Zone 3 (one-way trip) \$5.00

Chapter 114 - Zoning

A. Planning and Zoning Fees

1. Rezoning application fees:
 - (a) Any downsizing (from higher to lower density)..... \$200.00
 - (b) Any rezoning less than 20 acres..... \$400.00
 - (c) Any rezoning over 20 acres..... \$450.00
2. Each case filed with the Board of Zoning Appeals \$50.00
3. Historic Zoning Commission
 - (a) Case filed for hearing at HZC Meeting \$50.00
 - (b) Case filed for In-House Approval with HZC No charge
4. Each case filed with the Gateway Review Committee..... \$50.00
5. Planned Developments (including condominiums)..... \$20.00 per unit
6. Site Plan (ZDP-PD-M1-R-MX):
 - (a) Preliminary \$100.00
 - (b) Final..... \$50.00

B. Subdivision fees

1. Preliminary Plat \$200.00
2. Construction Plans..... (to be determined by Engineering)
3. Final Plat (including minor subdivisions) \$25.00 per lot
4. Bond Recording Fee (per page) \$4.00

C. Right-of-Way Vacating application fee \$75.00

D. Off-Premise Signs, Per Face (annual) \$100.00

E. Zoning Verification Letter..... \$20.00

F.. Geographic Information Services (GIS) Fees:

1. Map Products
 - (a) Staff time, per hour..... \$23.00
 - (b) Hard copy maps, standard sizes
 - (1) 48" x 36" \$30.00
(includes Kingsport Street Index Map and all Map Books)
 - (2) 36" x 24" \$25.00
 - (3) 8.5" x 11" \$10.00
 - (c) Hard copy maps, custom sizes (per inch, by longest side).....\$0.63
 - (d) Tax maps, 911 maps, and subdivision plats (per copy)\$5.00
2. Standard GIS Reports (street dictionary, etc., per page)..... \$0.10
3. Geographic Data for commercial users 5%
(Specifically 5% of the development cost attributable to each data category, or data category subset, that a commercial user applies for.)

[Note: The above costs will apply to GIS/Engineering data/maps distributed by other Departments or Divisions.]

BE IT FURTHER RESOLVED by the Board of Mayor and Aldermen that the fees, rates, and charges set out in this resolution shall be in effect from and after its date of adoption unless otherwise stated herein, or until and unless any fee, rate, or charge is changed by subsequent resolution.

Adopted this 21st day of June, 2016.

ATTEST:

JOHN CLARK, Mayor

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

Fee Description (FY17 changes)	New Fee	Amended Fee	Old Fee
CHAPTER 54 - LIBRARY			
Library User Fees			
Overdue fines:			
Charge per day, each book or other non-video/film circulating item		\$0.20	\$0.10
Lost material fees:			
Collection material, plus replacement cost		\$10.00	\$5.00
Duplication fee:			
Color copy charge per page	\$0.50		
3D printer:			
PLA, nGen filament per gram	\$0.10		
XT filament per gram	\$0.15		
Per print request	\$1.00		
Archives User Fees			
Exhibition use fee for profit corporations, businesses, or individuals		\$25.00	\$20.00
CHAPTER 66 - PARKS AND RECREATION			
Cultural Arts Fees for Special Events			
Concerts/theatre Performances		\$5.00-\$30.00	\$5.00-\$20.00
"Christmas Connection" festival fee per exhibitor's space		\$100.00-\$125.00	\$95.00-\$105.00
Kingsport Renaissance Center			
Equipment Rentals - TV/VCR/DVD per event			\$20.00 (fee deleted)
Equipment Rentals - White Board, per event			\$10.00 (fee deleted)
Marquee, 3 day minimum		\$30.00	\$10.00
Athletics			
Adult Basketball and Softball League Programs Maximum non-resident fee per team	\$50.00		
Youth Basketball and Softball League Programs Maximum non-resident fee per team	\$50.00		
Athletic Field Rental and Equipment			
Softball/Baseball/Soccer Field Rental (2 hour minimum) Per Hour, Per Field		\$15.00	\$20.00
Bays Mountain Park			
Entrance/Parking per bus		\$15.00	\$12.00
Natural History and Planetarium Programs Individual Rates			
Planetarium		\$5.00	\$4.00
Planetarium (15 or more, group rate) per person		\$4.00	\$3.00
Nature Show		\$3.00	\$2.00
Nature Show (15 or more, group rate) per person		\$2.00	\$1.50
Barge ride		\$4.00-\$6.00	\$3.00
Extended Nature Program (2 hours)	\$6.00		
Natural History and Planetarium Programs School rates			
**Out of County students - per student/per program	\$2.00		
** Not a new fee but moved sections for uniformity with the new fee listed below			
Sullivan/Hawkins County or Kingsport/Bristol Students	FREE		
Special Programs			
Planetarium other than regularly scheduled times		\$250.00	\$200.00
Barge rides other than regularly scheduled times (max 25 persons)		\$150-\$200	\$100.00
Other Programming			
Low Ropes Course (min of 8/max of 40 people) - per person	\$5.00		

	Hawks Nest (age 11 and up) weight limit 275 lbs - per person	\$25.00		
	Flying Squirrel Zipline weight limit 275 lbs - per person	\$10.00		
	Team bldg half day (min of 8/max of 24) W/Low Course or Hawks Nest, Icebreaker games/Zipline - per person	\$35.00		
	Team bldg full day (min of 8/max of 24) W/Low Course or Hawks Nest, Icebreaker games/Zipline - per person	\$60.00		
	Zip party 1-10 people	\$125.00		
	Zip party 11-19 people	\$175.00		
	Zip party 20+ people	\$225.00		
	Zip party w/use of Farmstead for one hour 1-10 people	\$160.00		
	Zip party w/use of Farmstead for one hour 11-19 people	\$210.00		
	Zip party w/use of Farmstead for one hour 20+ people	\$260.00		
Facilities Rental	Special Twilight Zip (max 20 people) - per person	\$25.00		
	Library (15 people max)		\$20.00	\$10.00
	Classroom (80 people max)		\$35.00	\$20.00
	Farmstead (max 100 people)		\$100.00	\$50.00
	Nature Center (max 150 people)		\$200.00	\$100.00
	Amphitheatre (after hours) max 300 people	\$20.00		
	Cabin/meeting room(max 25 people)		\$50.00	\$40.00
	Overnight camping (max 15 people)		\$30.00	\$20.00
	Classroom/birthday parties & animal visits (2 hours)			\$75.00 (fee deleted)
	Zip Line Public			\$5.00 (fee deleted)
Park Grounds	Junior Ropes Course per person/per hour			\$5.00 (fee deleted)
	Low Ropes Course per person/per hour			\$5.00 (fee deleted)
	High Ropes Course (Hawk's Nest) per person/per hour			\$25.00 (fee deleted)
	Half day course - Public			\$35.00 (fee deleted)
	Full day Public			\$50.00 (fee deleted)
	before hours (2 hour minimum) - per hour		\$150.00	\$100.00
	after hours (2 hour minimum) - per hour		\$150.00	\$100.00
Tour Groups*				
	KCVB Tours (entrance fee & 2 activities (barge, planetarium, wolf howling or nature program) - per person	\$7.00		
	Other Tours (entrance fee & 2 activities (barge, planetarium, wolf howling or nature program) - per person	\$10.00		
*Not new fees, but rather new verbiage and inclusion of programs				
Senior Center Programs				
	Activity fee - resident		\$25.00	\$15.00
	Activity fee - non-city, Sullivan County resident		\$45.00	\$35.00
	Activity fee - other		\$70.00	\$60.00
	Special class fee - skilled classes, per semester		\$30.00-\$400.00	\$160.00
Farmers Market Rental				
	Prep/Take down in addition to a full day	\$80.00		
Kingsport Carousel				
	Tokens for rides	\$1.00		
	Special Events, non-public hours, minimum 2 hours	\$100.00	per hour	
	Birthday Parties, includes 50 tokens	\$150.00		
CHAPTER 86 - SOLID WASTE				
	KHRA dumpster pickup		\$12.00	\$10.00

CHAPTER 2 - UTILITIES**Water Usage Rate Schedule****Meter Inside City**

First 2,000 gallons	\$3.95	\$3.87	per 1,000 gallons
Next 13,000 gallons	\$3.17	\$3.11	per 1,000 gallons
Next 55,000 gallons	\$2.45	\$2.40	per 1,000 gallons
All over 70,000 gallons	\$1.75	\$1.72	per 1,000 gallons

Monthly Sewer Service Charges

Class I sewerage inside City per 1,000 gallons per month	\$7.67	\$7.52	per 1,000 gallons
Minimum charge (2,000 gallons)	\$15.34	\$15.04	
Class I sewerage outside City per 1,000 gallons per month	\$11.53	\$11.30	per 1,000 gallons
Minimum charge (2,000 gallons)	\$23.06	\$22.60	



AGENDA ACTION FORM

Award the Sale of Three City-Owned Parcels Which Have Been Declared Surplus Property

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

Action Form No.: AF-171-2016
 Work Session: June 20, 2016
 First Reading: June 21, 2016

Final Adoption: June 21, 2016
 Staff Work By: Angie Marshall
 Presentation By: Jim Demming

Recommendation: Approve the Resolution awarding the sale of each parcel to the highest bidder.

Executive Summary:

Three properties were recently advertised to accept sealed bids by the City Recorder's Office at the request of management. The minimum bid was set at the tax appraisal value. The properties were 918 Dale Street, 926 Dale Street and 113 Lee Street.

The Dale Street parcels were acquired by the city during the 2010 tax sale. Taxes, assessments, and penalties for 918 Dale Street are \$23,841, of which \$23,174 are associated with a demolition assessment and related penalties. Taxes and penalties for 926 Dale Street are \$667. The tax appraisal for both properties is \$6,200, which is in line with the independent land appraisal report value of \$6,500 for each.

113 Lee Street was acquired during the Gibson Mill Road realignment project for \$23,908. The house that was on the property when it was originally purchased has since been demolished. The tax appraisal for this property is assessed at \$4,400, while the independent land appraisal report values the lot at \$8,100.

All of these properties have been requested to be purchased. The Planning Commission voted to recommend declaring each parcel as surplus since no city department stated a need to retain it. The City Recorder has declared each parcel as surplus property. On 4/24/16 an ad was placed in the Kingsport Times News requesting sealed bids for anyone interested in purchasing the parcels with a deadline of 5/20/16 at 3:00 pm. The following bids were received:

FOR: 918 Dale Street - \$6,500 bid from Gerald and Jonya Sensabaugh
 918 Dale Street - \$6,200 bid from Greater Kingsport Alliance for Development
 FOR: 926 Dale Street - \$6,200 bid from Greater Kingsport Alliance for Development
 FOR: 113 Lee Street - \$4,400 bid from Greater Kingsport Alliance for Development

Attachments:

None

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

RESOLUTION NO. _____

A RESOLUTION APPROVING THE SALE FOR THREE PARCELS OF
SURPLUS REAL PROPERTY AND AUTHORIZING THE MAYOR TO
SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS
NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE
AGREEMENT

WHEREAS, three properties were deemed surplus by the City Recorder and were recently advertised to accept bids; and

WHEREAS, the properties are located at 918 Dale Street, 926 Dale Street and 113 Lee Street; and

WHEREAS, the two Dale Street properties were acquired by the city during the 2010 tax sale; and

WHEREAS, the taxes, assessments, and penalties for 918 Dale Street are \$23,841, of which \$23,174 are associated with a demolition assessment and related penalties; and

WHEREAS, the tax appraisal for 918 Dale Street is \$6,200, which is in line with the independent land appraisal report value of \$6,500; and

WHEREAS, the taxes and penalties for 926 Dale Street are \$667.00, and

WHEREAS, the tax appraisal for this property is \$6,200, which is in line with the independent land appraisal report value of \$6,500; and

WHEREAS, 113 Lee Street was acquired during the Gibson Mill Road realignment project for \$23,908, and the house that was on the property when it was originally purchased has since been demolished; and

WHEREAS, the tax appraisal for this property is assessed at \$4,400, while the independent land appraisal report values the lot at \$8,100; and

WHEREAS, the bids were opened on May 20, 2016, and the minimum bid was set at the tax appraisal; and

WHEREAS, upon review of the bids, it is recommended to accept the bid of Gerald and Jonya Sensabaugh for the property located at 918 Dale Street in the amount of \$6,500.00; and

WHEREAS, upon review of the bids, it is recommended to accept the bid of Greater Kingsport Alliance for Development for the property located at 926 Dale Street in the amount of \$6,200.00; and

WHEREAS, upon review of the bids, it is recommended to accept the bid of Greater Kingsport Alliance for Development for the property located at 113 Lee Street in the amount of \$4,400.00; and

Now therefore,

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

SECTION I. That the bid for the property located at 918 Dale Street of Gerald and Jonya Sensabaugh in the amount of \$6,500.00 is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, a Purchase Agreement with Gerald and Jonya Sensabaugh for the sale of the real property located at 918 Dale Street, in the amount of \$6,500.00, and upon closing the conveyance of the property will be by quitclaim deed, without warranty.

SECTION III. That the mayor is further authorized to make such changes to the Purchase Agreement as approved by the Mayor and the city attorney, provided such changes do not substantially alter the material provisions of the Purchase 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 bid for the property located at 926 Dale Street of the Greater Kingsport Alliance for Development in the amount of \$6,200.00 is approved.

SECTION V. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, a Purchase Agreement with the Greater Kingsport Alliance for Development for the sale of the real property located at 926 Dale Street in the amount of \$6,200.00, and upon closing the conveyance of the property will be by quitclaim deed, without warranty.

SECTION VI. That the mayor is further authorized to make such changes to the Purchase Agreement as approved by the mayor and the city attorney, provided such changes do not substantially alter the material provisions of the Purchase Agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

SECTION VII. That the bid for the property located at 113 Lee Street of the Greater Kingsport Alliance for Development in the amount of \$4,400.00 is approved.

SECTION VIII. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, a Purchase Agreement with the Greater Kingsport Alliance for Development for the sale of the real property located at 113 Lee Street in the amount of \$4,400.00, and upon closing the conveyance of the property will be by quitclaim deed, without warranty.

SECTION IX. That the mayor is further authorized to make such changes to the Purchase Agreement as approved by the mayor and the city attorney, provided such changes do not substantially alter the material provisions of the Purchase Agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

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

ADOPTED this the 21st day of June 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Two Replacement School Vans from Auto World of Big Stone Gap

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

Action Form No.: AF-155-2016
 Work Session: June 20, 2016
 First Reading: N/A

Final Adoption: June 21, 2016
 Staff Work By: Committee
 Presentation By: Steve Hightower

Recommendation:

Approve the Resolution.

Executive Summary:

Bids were opened from two bidders on May 25, 2016 for two (2) 8 passenger Compact Vans. The bids were reviewed by Fleet Management. Their recommendation is to purchase the units proposed by Auto World of Big Stone Gap and also to accept both trade-in offers. It is recommended to approve the issuance of a Purchase Order to Auto World of Big Stone Gap for two (2) 2017 Chrysler Pacifica Touring-L Vans in the amount of \$71,813.80.

8 Passenger Compact Vans (2 at 36,407.90 each)	72,815.80
Trade-In City #1212	-501.00
Trade-In City #1613	-501.00
Total	\$71,813.80

Funding for these vans is included in Fleet budget, account # 511-5008-501-90-10.

Attachments:

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

Funding source appropriate and funds are available: *js*

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

RESOLUTION NO. _____

A RESOLUTION AWARDDING THE BID FOR THE PURCHASE OF
TWO SCHOOL VANS TO AUTO WORLD OF BIG STONE GAP
AND AUTHORIZING THE CITY MANAGER TO EXECUTE A
PURCHASE ORDER FOR THE SAME

WHEREAS, bids were opened May 25, 2016 for the purchase (2) 8 passenger compact vans for the use BY Kingsport City Schools; and

WHEREAS, the city will receive \$501.00 for a trade-in allowance for vehicle #1212 and a trade-in allowance of \$501.00 for vehicle #1613; and

WHEREAS, upon review of the bids, the board finds Auto World of Big Stone Gap 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 two (2) 2017 Dodge Pacifica compact vans from Auto World of Big Stone Gap, at a total purchase cost of \$71,813.00 which includes the deduction of the \$1,002.00 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 two (2) 2017 Dodge Pacifica compact vans at a total purchase cost of \$71,813.00 which includes the deduction of the \$1,002.00 trade-in allowance, is awarded to Auto World of Big Stone Gap, 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 21st day of June, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES
BID OPENING
May 25, 2016
4:00 P.M.

Present: Sandy Crawford, Procurement Manager; and Lisa Tallman, Assistant Procurement Manager, Schools

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

The Procurement Manager opened with the following bids:

8 PASSENGER COMPACT VANS						
Vendor:	Unit Price:	Make/Model:	Trade-In #1212:	Trade-In #1613:	Delivery Time:	Comments:
Auto World of Big Stone Gap, Inc.	\$36,407.90	2017 Chrysler Pacifica Touring-L	\$501.00	\$501.00	120 Days	N/A
Toyota of Kingsport	\$33,518.20	2016 Toyota Sienna	*	*	N/A	Price reflects trade allowance of \$3,500.00. *Will need to confirm the trade in value shown is per each trade in unit. Bid form not completed but was signed. Provided their own bid form.

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



FLEET MAINTENANCE DIVISION

City of Kingsport, Tennessee

To: Lisa Tallman, Assistant Procurement Manager/Schools
From: Steve Hightower, Fleet Manager
David Frye, Chief Finance Officer - Kingsport City Schools
Date: June 14, 2016
Re: 8 Passenger Compact Van Purchase Recommendation

This will confirm our review and recommendation to purchase the compliant bid of the following vendor for use by Schools Superintendent and Staff. It is further recommended to accept the trade in offering.

<u>Item</u>	<u>Quantity</u>	<u>Description</u>	<u>Award to Vendor</u>	<u>Fuel Economy</u>
1	2	2017 Dodge Pacifica	Auto World of Big Stone	18 City/ 28 Hwy

Compliant Bidder

Auto World was compliant in all major aspects of the minimum specification requirements for the 8 Passenger Compact Vans specified.

The low bid of Toyota of Kingsport was non-compliant and deficient in in the following critical areas as follows:

1. Smaller engine than specified
2. Smaller alternator and battery than specified
3. Spare tire and compressor kit not provided
4. Passenger Seating System quoted is not as required
5. 5 Year Navigation System Service not provided

These units will be Fleet Replacements.

Delivery and Compliance to Specifications expectations have been added to insure prompt delivery of any vehicle or piece of equipment purchased by the City of Kingsport. Failure of the awarded vendor to deliver on time or correct pre acceptance inspection deficiencies within the allotted time results in a monetary penalty assessed on a daily basis. This process will insure the departments receive their replacement units in a timely manner. Specified time allotted for delivery is after June 1st with 10 days to correct inspection deficiencies and a \$50 dollar a day penalty assessed.

The bid offerings were reviewed with the Schools Chief Finance Officer, David Frye, who is agreement with this recommendation. His confirming email of agreement is attached.

Fuel Economy Improvement

5.2%

A slight fuel economy improvement will be realized, however, the replacement units are similar in fuel economy the current units being operated.

Trade In(s)

1. Trade in(s):
 - a. It is recommended that the trade in offering be accepted for units #1212 and #1613.
 - i. City #1212 – 1995 - B1500 Dodge Passenger Van
 1. 145,675 miles – 21 years – 15.38 MPG
 - ii. City #1613 – 2003 – Chevrolet Impala
 1. 144,168 miles – 13 years - 18.85 MPG

Origin/ Dealer Information

2. New Unit(s) Origin of Manufacture:
 - a. Vehicle – Windsor, Ontario, Canada
 - i. 72 % Domestic/ 28 % Foreign Materials
3. New Unit(s) Purchase Dealer:
 - a. Vehicle – Auto World – Big Stone Gap, VA.

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



Picture is for demonstration purposes only and does not reflect the actual unit(s) being purchased.

From: Frye, David [mailto:dfrye@k12k.com]
Sent: Tuesday, June 14, 2016 11:12 AM
To: Hightower, Steve <SteveHightower@KingsportTN.gov>
Subject: Schools Vans

Steve,

After reviewing the bids and discussing them with you, I agree with your recommendation to proceed with the bid for the 2017 Chrysler Pacificas. Let me know if you need anything else.

Thanks,

David Frye
Chief Finance Officer
Kingsport City Schools



AGENDA ACTION FORM

Reappointment to the Kingsport Regional Planning Commission

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

Action Form No.: AF-175-2016
 Work Session: June 20, 2016
 First Reading: N/A

Final Adoption: June 21, 2016
 Staff Work By: Ken Weems
 Presentation By: Mayor Clark

Recommendation:

Approve the reappointment.

Executive Summary:

Mr. John Moody has served one term on the Kingsport Regional Planning Commission and has agreed to be reappointed to a second term if approved by the Board of Mayor and Aldermen. The reappointment to a four-year term will expire June 30, 2020.

Attachments:

None

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



AGENDA ACTION FORM

Apply For, and Receive, a Best Buy Foundation Community Grant: Teen Potential Through Technology, for the Library

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

Action Form No.: AF-167-2016
 Work Session: June 20, 2016
 First Reading: N/A

Final Adoption: June 21, 2016
 Staff Work By: Whittaker / Powell
 Presentation By: Morris Baker

Recommendation:

Approve the Resolution.

Executive Summary:

The library is applying for Best Buy Foundation's "Teen Potential through Technology" grant in the amount of \$7,310. This grant will be used to purchase technology such as Makey Makey, Cubelets, LegoWeDo 2.0, Raspberry Pi, green screen equipment and training for library staff on Raspberry Pi.

This funding will help the library create a world class maker space with a heavy emphasis on opportunities for teens. Nationwide, public libraries roles in increasing digital literacy has become more and more important, equal to that of reading literacy. This maker space will attract a wide variety of teenagers and increase teen technology literacy skills in our community.

This grant does NOT require a match.

Attachments:

1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A BEST BUY FOUNDATION COMMUNITY GRANT, TEEN POTENTIAL THROUGH TECHNOLOGY FOR THE KINGSPORT PUBLIC LIBRARY

WHEREAS, the city, through the Kingsport Public Library, would like to apply for a Best Buy Foundation Community Grant called Teen Potential Though Technology grant that will help the library create a world class maker space with a heavy emphasis on opportunities for teens; and

WHEREAS, the funds will be used to purchase technology such as Makey Makey, Cubelets, LegoWeDo 2.0, Raspberry Pi, green screen equipment and training for library staff on Raspberry Pi; and

WHEREAS, the amount of the grant is \$7,310.00 and requires no local match.

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive grant funds from the Best Buy Foundation Community Grant called Teen Potential Though Technology in the amount of \$7,310.00, which will provide funds to help the library create a world class maker space with a heavy emphasis on opportunities for teens and requires no local match.

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

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

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

ADOPTED this the 21st day of June, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Approve Issuance of Certificates of Compliance for Retail Food Stores to Sell Wine

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

Action Form No.: AF-169-2016
 Work Session: June 20, 2016
 First Reading: N/A

Final Adoption: June 21, 2016
 Staff Work By: Angie Marshall
 Presentation By: Jim Demming

Recommendation:

Approve the issuance of Certificates of Compliance to the following retail food stores to sell wine.

1. Food City #605, 1205 North Eastman Road
2. Food City #657, 300 Clinchfield Street
3. Food City #664, 1911 Moreland Drive

Executive Summary:

This is the list of applications for retail food stores who have filed with the City Recorder for their Certificate of Compliance to sell wine. This Certificate, which must be issued and signed by the Mayor if the business is within a municipality, is a required attachment to the application these businesses will submit to the Tennessee Alcoholic Beverage Commission to obtain a license to sell wine in a retail food store.

Tennessee Code Annotated, Section 57-3-806 directs municipalities the Certificate must state:

1. The applicant in charge of the business has not been convicted of a felony within the past ten years; and
2. The applicant's business location complies with local zoning laws.

These applications have met the requirements of TCA 57-3-806. Police background checks have been conducted on each of the applicants with nothing found that would prevent any from receiving these certificates. Planning has also verified the businesses are properly zoned.

Attachments:

None

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



AGENDA ACTION FORM

Enter into a Contractual Agreement with the Tennessee Department of Transportation for Reimbursement of Operation Expenses for FY 16-17

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

Action Form No.: AF-166-2016
Work Session: June 20, 2016
First Reading: N/A

Final Adoption: June 21, 2016
Staff Work By: KATS Staff
Presentation By: Chris McCart

Recommendation:

Approve the Resolution.

Executive Summary:

Annually, the City enters into a reimbursement contract with the Tennessee Department of Transportation (TDOT) for the operation of the Kingsport Area Transit Service. The City's total allocation for fiscal year 2016-2017 is \$384,406. Projected State operation reimbursements for the fiscal year are \$602,900.

Additionally, the Federal Transit Administrations (FTA) annual contribution includes \$768,812 for a combined total operating budget of \$1,537,624 for fiscal year 2016/2017. These funds are utilized for the annual operation of fixed-route bus and ADA/Paratransit service. All sources of funding were included in the FY 2017 budget for the City of Kingsport.

Federal Transit Authority	\$768,812
Tennessee Dept. of Transportation	\$384,406
City of Kingsport	\$384,406
Total	\$1,537,624

The local funding for this project has been approved in the FY 16-17 City Budget.

Attachments:

1. Resolution

Funding source appropriate and funds are available: 

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A
REIMBURSEMENT CONTRACT WITH THE TENNESSEE
DEPARTMENT OF TRANSPORTATION FOR THE CITY TRANSIT
SYSTEM OPERATING EXPENDITURES FOR FISCAL YEAR 2016-
2017

WHEREAS, annually the city enters into a reimbursement contract with the Tennessee Department of Transportation (TDOT) for operation of transit services; and

WHEREAS, the city's total allocation from TDOT for fiscal year 2016-2017 is \$602,900.00; and

WHEREAS, the city local budget for fiscal year 2016-2017 is \$384,406.00; and

WHEREAS, a reimbursement contract with TDOT must be executed to receive the funds;

Now therefore,

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

SECTION I. That an agreement with the Tennessee Department of Transportation in an amount up to \$602,900.00 for reimbursement of operating expenses for the city transit system for fiscal year 2016-2017 is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney, a contract with the Tennessee Department of Transportation, in the amount up to \$602,900.00, for reimbursement of operating expenses for the city transit system services in fiscal year 2016-2017 and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution, said agreement being as follows:

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 "Granter State Agency" and Grantee City of Kingsport, hereinafter referred to as the "Grantee," is for the provision of operating 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 utilize these funds for capital (including but not limited to acquisition of buses, vans, preventative maintenance, radio communication) and operating assistance (including but not limited to salaries, wages, fringe benefits, travel and training) to meet transit needs in urban areas.

A.3. The Grantee shall utilize these funds for capital and operating assistance to meet transit needs in urban areas. Funds are based on populations reported in the 2010 census. Capital projects include but are not limited to acquisition of buses, vans, preventative maintenance, radio communications, and equipment. Operating assistance includes but is not limited to overhead expenses, salaries, wages, fringe benefits, travel and training.

B. TERM OF CONTRACT:

This Grant Contract shall be effective on July 1, 2016 ("Effective Date") and extend for a period of twelve (12) 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 Two Thousand, Nine Hundred Dollars and No Cents (\$602,900.00) ("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:

Department of Transportation

Division of Multimodal Transportation Resources 505 Deaderick Street

Suite 1800, James K. Polk Bldg.

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: Department of Transportation, Division of Multimodal Transportation Resources Agency.

(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 one percent (1%) 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 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:

George Mitchell, Transportation Program Supervisor Multimodal Transportation Resources Division
505 Deaderick Street, Suite 1800 J.K. Polk Bldg.

Nashville, Tennessee 37243 george.mitchell@tn.gov

Telephone Number: (615) 253-1044

FAX Number: (615) 253-1482

the Grantee:

Gary Taylor, Transit Manager City of Kingsport

225 West Center Street Kingsport, Tennessee 37660 garytaylor@kingsporttn.gov

Telephone Number: (423) 224-2612

FAX Number: (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 Granter 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 Granter 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 Granter 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 Granter 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 Granter State Agency. Annual and final report documents to be completed by the Grantee shall appear on the Granter 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, 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. **State Liability.** The State shall have no liability except as specifically provided in this Grant Contract.

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. **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.

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. 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.

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. 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 TOOT ("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.5. 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.6. 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.

[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 21st day of June, 2016.

JOHN CLARK, MAYOR

ATTEST:

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

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

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

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

Action Form No.: AF-165-2016
 Work Session: June 20, 2016
 First Reading: N/A

Final Adoption: June 21, 2016
 Staff Work By: KATS Staff
 Presentation By: Chris McCartt

Recommendation:

Approve the Resolution.

Executive Summary:

Annually, the City enters into a reimbursement contract with the Tennessee Department of Transportation (TDOT) for reimbursement of Capital expenditures for operation of transit services. This application provides funding for Capital expenditures of purchasing two replacement mini-buses and two replacement ADA/Paratransit vans.

Capital Assistance (83%)				
Federal; (8.5%) Local;				
(8.5%) State	Local	State	Federal	Total
Purchase 2 – 23				
Passenger mini-buses	27,625	27,625	269,750	325,000
Purchase 2 – 8				
passenger ADA				
Paratransit vans	10,625	10,625	103,750	125,000
TOTAL CAPITAL	\$38,250	\$38,250	\$373,500	\$450,000

The local funding for this project is in FTA Grant Number TN-90-X397 and has been approved in the City Budget.

Attachments:

1. Resolution

Funding source appropriate and funds are available: *je*

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT 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, annually the city enters into a reimbursement contract with the Tennessee Department of Transportation (TDOT) for capital expenditures of purchasing two replacement mini-buses and two replacement ADA/paratransit vans; and

WHEREAS, a contract for reimbursement for operating expenses with TDOT must be executed to receive the funds; and

WHEREAS, the total amount of this contract is \$450,000.00, with a local match of \$38,250.00 which is available in FTA 397.

Now therefore,

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

SECTION I. That an agreement with the Tennessee Department of Transportation (TDOT), in the amount of \$450,000.00, for reimbursement of capital expenses for the city transit system services, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, a contract with the Tennessee Department of Transportation (TDOT), in the amount of \$450,000.00, for reimbursement of capital expenses for the city transit system services.

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 21st day of June, 2016.

JOHN CLARK, MAYOR

ATTEST:

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

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MEMORANDUM

TO: Jeff Fleming, City Manager
Board of Mayor and Aldermen

FROM: James H. Demming, City Recorder/CFO

DATE: June 10, 2016

SUBJECT: Presentation of Submission to the State of Tennessee the Reports on Debt Obligations (State Form CT-0253) - \$16,580,000 General Obligation Refunding Bonds – Series 2016A and \$13,360,000 General Obligation Refunding Bonds – Series 2016B

At the May 3, 2016 regular meeting, the BMA authorized the issuance of up to \$37,500,000 (Series A - \$21,200,000 and Series B - \$16,300,000) in bonds to refund various outstanding bonds involving the City's 2009 General Obligation Bonds Series A, B, C & E. At that time, the City had filed a plan of refunding with the State Comptroller's Office which had estimated that we would realize approximately \$2,353,000 (or net present value benefit of 6.78%) in future debt service savings from this transaction.

The City conducted a competitive sale for this issuance on May 17, 2016 and completed the closing on June 3, 2016. The City received electronic bids from 9 national firms, with the winning public bid for the fixed rate bonds submitted by Piper Jaffray & Co. with a true interest cost (TIC) of 1.81%. The gross debt service savings realized from this refunding transaction are \$3,605,000 or a net present value benefit of 10.81%.

As a follow-up to the bond closing, the City is required, prior to filing with the State of Tennessee, to complete and submit to the BMA the attached "Reports on Debt Obligations" (State Form No. CT-0253).

A Final Financing Report for the transaction was prepared by the City's Financial Advisor – Raymond James & Associates and includes detailed information about this refunding bond issue. Excerpts from this report are included with the State Reporting Form for your information. The complete report is available for your review at your convenience.

If additional information is needed, please advise.

REPORT ON DEBT OBLIGATION
(Pursuant to Tennessee Code Annotated Section 9-21-151)

1. Public Entity:			
Name:	City of Kingsport, Tennessee		
Address	225 West Center Street Kingsport, Tennessee		
Debt Issue Name:	General Obligation Refunding Bonds, Series 2016A		
If disclosing initially for a program, attach the form specified for updates, indicating the frequency required.			
2. Face Amount: \$ 16,580,000.00			
Premium/Discount:	\$ 2,166,404.50		
3. Interest Cost: 1.7842 %			
<input checked="" type="checkbox"/> Tax-exempt <input type="checkbox"/> Taxable			
<input checked="" type="checkbox"/> TIC <input type="checkbox"/> NIC <input type="checkbox"/> Variable: Index _____ plus _____ basis points; or <input type="checkbox"/> Variable: Remarketing Agent _____ <input type="checkbox"/> Other: _____			
4. Debt Obligation:			
<input type="checkbox"/> TRAN <input type="checkbox"/> RAN <input type="checkbox"/> CON <input type="checkbox"/> BAN <input type="checkbox"/> CRAN <input type="checkbox"/> GAN <input checked="" type="checkbox"/> Bond <input type="checkbox"/> Loan Agreement <input type="checkbox"/> Capital Lease			
If any of the notes listed above are issued pursuant to Title 9, Chapter 21, enclose a copy of the executed note with the filing with the Office of State and Local Finance ("OSLF").			
5. Ratings:			
<input type="checkbox"/> Unrated Moody's <u>Aa2</u> Standard & Poor's <u>AA</u> Fitch _____			
6. Purpose:			
<input type="checkbox"/> General Government _____ % <input type="checkbox"/> Education _____ % <input type="checkbox"/> Utilities _____ % <input type="checkbox"/> Other _____ % <input checked="" type="checkbox"/> Refunding/Renewal <u>100.00</u> %	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">BRIEF DESCRIPTION</th> </tr> </thead> <tbody> <tr> <td>prior general obligation and revenue and tax bonds</td> </tr> </tbody> </table>	BRIEF DESCRIPTION	prior general obligation and revenue and tax bonds
BRIEF DESCRIPTION			
prior general obligation and revenue and tax bonds			
7. Security:			
<input checked="" type="checkbox"/> General Obligation <input type="checkbox"/> General Obligation + Revenue/Tax <input type="checkbox"/> Revenue <input type="checkbox"/> Tax Increment Financing (TIF) <input type="checkbox"/> Annual Appropriation (Capital Lease Only) <input type="checkbox"/> Other (Describe): _____			
8. Type of Sale:			
<input checked="" type="checkbox"/> Competitive Public Sale <input type="checkbox"/> Interfund Loan _____ <input type="checkbox"/> Negotiated Sale <input type="checkbox"/> Loan Program _____ <input type="checkbox"/> Informal Bid			
9. Date:			
Dated Date: <u>06/03/2016</u>	Issue/Closing Date: <u>06/03/2016</u>		

REPORT ON DEBT OBLIGATION

(Pursuant to Tennessee Code Annotated Section 9-21-151)

10. Maturity Dates, Amounts and Interest Rates *:

Year	Amount	Interest Rate	Year	Amount	Interest Rate
2020	\$ 1,385,000.00	4.0000 %		\$	%
2021	\$ 1,445,000.00	4.0000 %		\$	%
2022	\$ 1,500,000.00	4.0000 %		\$	%
2023	\$ 1,560,000.00	4.0000 %		\$	%
2024	\$ 1,625,000.00	4.0000 %		\$	%
2025	\$ 1,690,000.00	4.0000 %		\$	%
2026	\$ 1,755,000.00	4.0000 %		\$	%
2027	\$ 1,820,000.00	3.0000 %		\$	%
2028	\$ 1,880,000.00	2.0000 %		\$	%
2029	\$ 1,920,000.00	3.0000 %		\$	%
	\$	%		\$	%

If more space is needed, attach an additional sheet.

If (1) the debt has a final maturity of 31 or more years from the date of issuance, (2) principal repayment is delayed for two or more years, or (3) debt service payments are not level throughout the retirement period, then a cumulative repayment schedule (grouped in 5 year increments out to 30 years) including this and all other entity debt secured by the same source **MUST BE PREPARED AND ATTACHED**. For purposes of this form, debt secured by an ad valorem tax pledge and debt secured by a dual ad valorem tax and revenue pledge are secured by the same source. Also, debt secured by the same revenue stream, no matter what lien level, is considered secured by the same source.

* This section is not applicable to the Initial Report for a Borrowing Program.

11. Cost of Issuance and Professionals:

☐ No costs or professionals

	AMOUNT (Round to nearest \$)	FIRM NAME
Financial Advisor Fees	\$ 21,196	Raymond James & Associates, Inc.
Legal Fees	\$ 0	
Bond Counsel	\$ 20,080	Adams and Reese LLP
Issuer's Counsel	\$ 0	
Trustee's Counsel	\$ 0	
Bank Counsel	\$ 0	
Disclosure Counsel	\$ 0	
Paying Agent Fees	\$ 669	Regions Bank
Registrar Fees	\$ 0	
Trustee Fees	\$ 0	
Remarketing Agent Fees	\$ 0	
Liquidity Fees	\$ 0	
Rating Agency Fees	\$ 23,500	Moody's and Standard & Poors
Credit Enhancement Fees	\$ 0	
Bank Closing Costs	\$ 0	
Underwriter's Discount 0.48 %		
Take Down	\$ 79,843	Piper Jaffray & Co.
Management Fee	\$ 0	
Risk Premium	\$ 0	
Underwriter's Counsel	\$ 0	
Other expenses	\$ 0	
Printing and Advertising Fees	\$ 669	I-Deal Prospectus
Issuer/Administrator Program Fees	\$ 2,008	Grant Thornton LLP
Real Estate Fees	\$ 0	
Sponsorship/Referral Fee	\$ 0	
Other Costs	\$ 4,462	Raymond James & Associates, Inc.; escrow bidding agent
TOTAL COSTS	\$ 152,427	

REPORT ON DEBT OBLIGATION

(Pursuant to Tennessee Code Annotated Section 9-21-151)

12. Recurring Costs:			
<input type="checkbox"/> No Recurring Costs			
	AMOUNT (Basis points/\$)	FIRM NAME (If different from #11)	
Remarketing Agent	<u>\$750</u>	<u>Regions Bank</u>	
Paying Agent / Registrar			
Trustee			
Liquidity / Credit Enhancement			
Escrow Agent	<u>\$750</u>	<u>Regions Bank</u>	
Sponsorship / Program / Admin			
Other			

13. Disclosure Document / Official Statement:	
<input type="checkbox"/> None Prepared	
<input checked="" type="checkbox"/> EMMA link	<u>http://emma.msrb.org/ES787163-ES619003-ES1014621.pdf</u> or
<input type="checkbox"/> Copy attached	

14. Continuing Disclosure Obligations:	
Is there an existing continuing disclosure obligation related to the security for this debt?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there a continuing disclosure obligation agreement related to this debt?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
if yes to either question, date that disclosure is due <u>June 30</u>	
Name and title of person responsible for compliance <u>James H. Demming, City Recorder/CFO</u>	

15. Written Debt Management Policy:	
Governing Body's approval date of the current version of the written debt management policy	<u>11/15/2011</u>
Is the debt obligation in compliance with and clearly authorized under the policy?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

16. Written Derivative Management Policy:	
<input checked="" type="checkbox"/> No derivative	
Governing Body's approval date of the current version of the written derivative management policy _____	
Date of Letter of Compliance for derivative _____	
Is the derivative in compliance with and clearly authorized under the policy? <input type="checkbox"/> Yes <input type="checkbox"/> No	

17. Submission of Report:			
To the Governing Body:	on <u>06/03/2016</u>	and presented at public meeting held on <u>06/21/2016</u>	
Copy to Director to OSF:	on <u>06/22/2016</u>	either by:	
<input type="checkbox"/> Mail to:	OR	<input checked="" type="checkbox"/> Email to:	
505 Deaderick Street, Suite 1600 James H. Polk State Office Building Nashville, TN 37243-1402		<u>StateAndLocalFinance.PublicDebtForm@cot.tn.gov</u>	

18. Signatures:			
	AUTHORIZED REPRESENTATIVE	PREPARER	
Name	<u>John Clark</u>	<u>Cynthia M. Barnett, Esq.</u>	
Title	<u>Mayor</u>	<u>Bond Counsel</u>	
Firm	<u>City of Kingsport, Tennessee</u>	<u>Adams and Reese LLP</u>	
Email	<u>JohnClark@kingsporttn.gov</u>	<u>cindy.barnett@arlaw.com</u>	
Date	<u>06/03/2016</u>	<u>06/03/2016</u>	

REPORT ON DEBT OBLIGATION
(Pursuant to Tennessee Code Annotated Section 9-21-151)

1. Public Entity:	
Name:	<u>City of Kingsport, Tennessee</u>
Address	<u>225 West Center Street</u> <u>Kingsport, Tennessee</u>
Debt Issue Name:	<u>General Obligation Refunding Bonds, Series 2016B</u>
<small>If disclosing initially for a program, attach the form specified for updates, indicating the frequency required.</small>	

2. Face Amount: <u>\$ 13,360,000.00</u>	
Premium/Discount: <u>\$ 1,687,591.10</u>	

3. Interest Cost: <u>1.8792 %</u>	
<input checked="" type="checkbox"/> Tax-exempt <input type="checkbox"/> Taxable	
<input checked="" type="checkbox"/> TIC <input type="checkbox"/> PWC	
<input type="checkbox"/> Variable: Index _____ plus _____ basis points; or	
<input type="checkbox"/> Variable: Remarketing Agent _____	
<input type="checkbox"/> Other: _____	

4. Debt Obligation:	
<input type="checkbox"/> TRAN <input type="checkbox"/> RAN <input type="checkbox"/> CON	
<input type="checkbox"/> BAN <input type="checkbox"/> CRAN <input type="checkbox"/> GAN	
<input checked="" type="checkbox"/> Bond <input type="checkbox"/> Loan Agreement <input type="checkbox"/> Capital Lease	
<small>If any of the notes listed above are issued pursuant to Title 9, Chapter 21, enclose a copy of the executed note with the filing with the Office of State and Local Finance ("OSLF").</small>	

5. Ratings:	
<input type="checkbox"/> Unrated	
Moody's <u>Aa2</u>	Standard & Poor's <u>AA</u> Fitch _____

6. Purpose:	
	BRIEF DESCRIPTION
<input type="checkbox"/> General Government _____ %	_____
<input type="checkbox"/> Education _____ %	_____
<input type="checkbox"/> Utilities _____ %	_____
<input type="checkbox"/> Other _____ %	_____
<input checked="" type="checkbox"/> Refunding/Renewal <u>100.00</u> %	<u>prior general obligation bonds</u>

7. Security:	
<input checked="" type="checkbox"/> General Obligation	<input type="checkbox"/> General Obligation + Revenue/Tax
<input type="checkbox"/> Revenue	<input type="checkbox"/> Tax Increment Financing (TIF)
<input type="checkbox"/> Annual Appropriation (Capital Lease Only)	<input type="checkbox"/> Other (Describe): _____

8. Type of Sale:	
<input checked="" type="checkbox"/> Competitive Public Sale	<input type="checkbox"/> Interfund Loan _____
<input type="checkbox"/> Negotiated Sale	<input type="checkbox"/> Loan Program _____
<input type="checkbox"/> Informal Bid	

9. Date:	
Dated Date: <u>06/03/2016</u>	Issue/Closing Date: <u>06/03/2016</u>

REPORT ON DEBT OBLIGATION

(Pursuant to Tennessee Code Annotated Section 9-21-151)

10. Maturity Dates, Amounts and Interest Rates *:

Year	Amount	Interest Rate	Year	Amount	Interest Rate
2020	\$365,000.00	4.0000 %		\$	%
2021	\$1,140,000.00	4.0000 %		\$	%
2022	\$1,185,000.00	4.0000 %		\$	%
2023	\$1,230,000.00	4.0000 %		\$	%
2024	\$1,285,000.00	4.0000 %		\$	%
2025	\$1,330,000.00	4.0000 %		\$	%
2026	\$1,385,000.00	4.0000 %		\$	%
2027	\$1,440,000.00	3.0000 %		\$	%
2028	\$1,480,000.00	2.0000 %		\$	%
2029	\$1,515,000.00	3.0000 %		\$	%
2030	\$1,005,000.00	3.0000 %		\$	%

If more space is needed, attach an additional sheet.

If (1) the debt has a final maturity of 31 or more years from the date of issuance, (2) principal repayment is delayed for two or more years, or (3) debt service payments are not level throughout the retirement period, then a cumulative repayment schedule (grouped in 5 year increments out to 30 years) including this and all other entity debt secured by the same source MUST BE PREPARED AND ATTACHED. For purposes of this form, debt secured by an ad valorem tax pledge and debt secured by a dual ad valorem tax and revenue pledge are secured by the same source. Also, debt secured by the same revenue stream, no matter what lien level, is considered secured by the same source.

* This section is not applicable to the Initial Report for a Borrowing Program.

11. Cost of Issuance and Professionals:

☐ No costs or professionals

	AMOUNT (Rounded to nearest \$)	FIRM NAME
Financial Advisor Fees	\$ 16,343	Raymond James & Associates, Inc.
Legal Fees	\$ 0	
Bond Counsel	\$ 20,080	Adams and Reese LLP
Issuer's Counsel	\$ 0	
Trustee's Counsel	\$ 0	
Bank Counsel	\$ 0	
Disclosure Counsel	\$ 0	
Paying Agent Fees	\$ 750	Regions Bank
Registrar Fees	\$ 0	
Trustee Fees	\$ 0	
Remarketing Agent Fees	\$ 0	
Liquidity Fees	\$ 0	
Rating Agency Fees	\$ 23,500	Moody's and Standard & Poors
Credit Enhancement Fees	\$ 0	
Bank Closing Costs	\$ 0	
Underwriter's Discount 0.48 %		
Take Down	\$ 64,336	Piper Jaffray & Co.
Management Fee	\$ 0	
Risk Premium	\$ 0	
Underwriter's Counsel	\$ 0	
Other expenses	\$ 0	
Printing and Advertising Fees	\$ 669	I-Deal Prospectus
Issuer/Administrator Program Fees	\$ 2,008	Grant Thornton LLP
Real Estate Fees	\$ 0	
Sponsorship/Referral Fee	\$ 0	
Other Costs	\$ 4,462	Raymond James & Associates, Inc., escrow bidding agent
TOTAL COSTS	\$ 132,148	

REPORT ON DEBT OBLIGATION

(Pursuant to Tennessee Code Annotated Section 9-21-151)

12. Recurring Costs:☐ No Recurring Costs

Remarketing Agent
 Paying Agent / Registrar
 Trustee
 Liquidity / Credit Enhancement
 Escrow Agent
 Sponsorship / Program / Admin
 Other _____

AMOUNT
 (Basis points/\$)

\$750

\$750

FIRM NAME
 (If different from #11)

Regions Bank

Regions Bank

13. Disclosure Document / Official Statement:☐ None Prepared☒ EMMA link<http://emma.msrb.org/ES787163-ES619003-ES1014621.pdf>

or

☐ Copy attached**14. Continuing Disclosure Obligations:**

Is there an existing continuing disclosure obligation related to the security for this debt?

☒ Yes ☐ No

Is there a continuing disclosure obligation agreement related to this debt?

☒ Yes ☐ NoIf yes to either question, date that disclosure is due June 30Name and title of person responsible for compliance James H. Demming, City Recorder/CFO**15. Written Debt Management Policy:**

Governing Body's approval date of the current version of the written debt management policy

11/15/2011

Is the debt obligation in compliance with and clearly authorized under the policy?

☒ Yes ☐ No**16. Written Derivative Management Policy:**☒ No derivative

Governing Body's approval date of the current version of the written derivative management policy _____

Date of Letter of Compliance for derivative _____

Is the derivative in compliance with and clearly authorized under the policy?

☐ Yes ☐ No**17. Submission of Report:**

To the Governing Body:

on 06/03/2016and presented at public meeting held on 06/21/2016

Copy to Director to OSF:

on 06/22/2016

either by:

☐ Mail to:

OR

☒ Email to:

505 Deaderick Street, Suite 1600
 James K. Polk State Office Building
 Nashville, TN 37243-1402

StateAndLocalFinance.PublicDebtForm@cot.tn.gov**18. Signatures:**

AUTHORIZED REPRESENTATIVE

PREPARER

Name

John ClarkCynthia M. Barnett, Esq.

Title

MayorBond Counsel

Firm

City of Kingsport, TennesseeAdams and Reese LLP

Email

JohnClark@kingsporttn.govcindy.barnett@arlaw.com

Date

06/03/201606/03/2016

CITY OF KINGSFORT, TENNESSEE



FINAL FINANCING REPORT

**\$16,580,000 GENERAL OBLIGATION REFUNDING
BONDS, SERIES 2016A**

**\$13,360,000 GENERAL OBLIGATION REFUNDING
BONDS, SERIES 2016B**

June 3, 2016

RAYMOND JAMES®

Financial Advisor

One Burton Hills Blvd. – Suite 225

Nashville, Tennessee 37215

800.764.1002



EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Background: The City of Kingsport, Tennessee (the "City") issued its \$16,580,000 General Obligation Refunding Bonds, Series 2016A (the "Series 2016A Bonds") and its \$13,360,000 General Obligation Refunding Bonds, Series 2016B (the "Series 2016B Bonds") (collectively, the "Bonds") on June 3, 2016. The objectives of the transaction were to take advantage of exceptionally low interest rates and refinance the callable portions of 4 outstanding bond issues which carried a composite average rate of 4.47%.

For this transaction, Raymond James & Associates, Inc., Nashville, Tennessee ("Raymond James") and Adams and Reese LLP, Nashville, Tennessee served the City as Financial Advisor and Bond Counsel, respectively.

Advance Refunded Bonds. Proceeds of the Bonds were used to "advance" refund the following outstanding debt obligations of the City (collectively, the "Advance Refunded Bonds"):

- a. The City's \$12,160,000 General Obligation Public Improvement Bonds, Series 2009A (the "Series 2009A Bonds"). Series 2009A Bonds that are being refunded mature on March 1, 2020 through March 1, 2022, on March 1, 2024, on March 1, 2025 and on March 1, 2026 through March 1, 2029. The Series 2009A Bonds are callable on March 1, 2019 and at any time thereafter at par and accrued interest. The Series 2009A Bonds maturing on March 1, 2017 through March 1, 2019 are not subject to optional redemption and will remain in place and be paid as scheduled.
- b. The City's \$7,100,000 General Obligation Bonds, Series 2009B (the "Series 2009B Bonds"). Series 2009B Bonds that are being refunded mature on March 1, 2020 through March 1, 2027 and on March 1, 2029. The Series 2009B Bonds are callable on March 1, 2019 and at any time thereafter at par and accrued interest. The Series 2009B Bonds maturing on March 1, 2017 through March 1, 2019 are not subject to optional redemption and will remain in place and be paid as scheduled.
- c. The City's \$15,180,000 Local Option Sales Tax Revenue and Tax Bonds, Series 2009C (the "Series 2009C Bonds"). Series 2009C Bonds that are being refunded mature on March 1, 2020 through March 1, 2022, on March 1, 2024 and on March 1, 2024 and on March 1, 2025 through March 1, 2027 and on March 1, 2029. The Series 2009C Bonds are callable on March 1, 2019 and at any time thereafter at par and accrued interest. The Series 2009C Bonds maturing on March 1, 2017 through March 1, 2019 are not subject to optional redemption and will remain in place and be paid as scheduled.
- d. The City's \$14,225,000 General Obligation Bonds, Series 2009E (the "Series 2009E Bonds"). Series 2009E Bonds that are being refunded mature on March 1, 2021 through March 1, 2023, on March 1, 2025, on March 1, 2027 and on March 1, 2028 through March 1, 2030. The Series 2009E Bonds are callable on March 1, 2020 and at any time thereafter at par and accrued interest. Series 2009E Bonds maturing on March 1, 2017 through March 1, 2020 are not subject to optional redemption and will remain in place and be paid as scheduled.

Transaction Preparation: As required by prevailing State statutes, the City submitted a detailed financing plan (the "City of Kingsport Refunding Plan - 2016" or the "Plan") to the Director of State

and Local Finance in the Tennessee Comptroller of the Treasury's office (the "Director"). Since the Advance Refunded Bonds appeared to result in a final structure that met the requirements of Section 9-21-134 of the Act, permission from the Director to proceed with the projected structure was also sought (the "Request"). The Plan was designed so that the transaction took advantage of historically low interest rates available in the capital markets in order to achieve significant annual aggregate and overall net present value saving for the City.

For economies of scale, better execution and lower yields, the Bonds were structured as a composite issue and secured by the City's general obligation pledge. Since \$9,210,000 of the Series 2016A Bonds and \$9,060,000 of the Series 2016B Bonds, respectively, refunded the Series 2009C Bonds and the Series 2009E Bonds, those Bonds are payable from, but not secured by, local option sales taxes collected in the MeadowView Resort district.

The Director reviewed and reported on the Plan and approved the Request, both of which were provided directly to the Board of Mayor and Aldermen (the "Governing Body") as required by prevailing Tennessee statutes. At the request of Bond Counsel and in order to conform to the legal patterns under which the Series 2009B Bonds and the Series 2009E Bonds were originally issued, the composite transaction was broken into 2 components although offered as a composite transaction. The Series 2016A Bond resolution authorized the refunding of the Series 2009A Bonds and the Series 2009C Bonds and the Series 2016B resolution authorized the refunding of the Series 2009B Bonds and the Series 2009E Bonds. Accordingly, the Governing Bonds approved separate resolutions (collectively, the "Resolutions") authorizing the sale and issuance of the Bonds on May 3, 2016.

Numerous documents, including, but not limited to, a draft version of the *Preliminary Official Statement*, the Resolutions and other data were provided to Moody's Investors Service, Inc., a division of Moody's Corporation ("Moody's") and Standard & Poor's Ratings Services – Standard & Poor's Financial Services LLC, a part of McGraw Hill Financial ("S&P") seeking credit ratings for the Bonds. As is usual and customary, "due diligence" questionnaires were provided by Moody's and S&P and a call was conducted among City officials, analysts for S&P and Raymond James representatives in order to provide additional information and respond to questions regarding the City's transaction, its financial situation and operations, future capital plans and its current economic circumstances. Following their standard analytical processes, Moody's and S&P's credit committees reviewed the materials and the recommendations of their analysts assigned to the engagement. In accordance with their published methodologies, Moody's and S&P affirmed the City's outstanding credit ratings for all rated debt and assigned the Bonds their ratings of "Aa2" and "AA", respectively.

Lastly, the City conducted a public hearing in conformance with the Tax Equity and Fiscal Responsibility Act ("TEFRA") on May 19, 2016 regarding the proposed issuance of the Series 2016B Bonds which refunded the Series 2009B Bonds and Series 2009E Bonds. The public hearing resulted in a decision to proceed with the sale and issuance of the Series 2016B Bonds as scheduled.

Bond Sale: The Bonds were offered for sale at competitive public bidding at 10:30 a.m., ET on May 17, 2016. Details concerning the public sale were provided to potential bidders and others in the *Preliminary Official Statement* that was dated May 9, 2016.

Through IPREO's BiDCOMP®/Parity® system, 9 of the original 11 firms which indicated an interest in bidding for the Bonds submitted proposals ranging from 1.819458% on a true interest cost basis ("TIC") to 1.994106%.

The successful bidder for the Bonds was an account led by Piper Jaffray & Co., Minneapolis, Minnesota (the "Underwriter") who contracted with the City, subject to the conditions set forth in the Official Notice of Sale, to purchase the Bonds at a purchase price of \$33,649,816.53 (consisting of the par amount of the Bonds of \$29,940,000.00, plus a net premium of \$3,853,995.60, less an underwriter's discount of \$144,179.07) or a bid price of 112.391% of par.

On an individual basis, the Series 2016A Bonds were purchased at a price of \$18,666,561.85 consisting of the par amount of \$16,580,000.00, plus a net premium of \$2,166,404.50, less an underwriter's discount of \$79,842.65 or a price of 112.585% of par. The Series 2016B Bonds were purchased at a price of \$14,983,254.68 consisting of the par amount of \$13,360,000.00, plus a net premium of \$1,687,591.10, less an underwriter's discount of \$64,336.42 or a price of 112.150% of par.

Following official bidding, resizing and other permitted adjustments conducted by Raymond James, an escrow tentatively was structured and arbitrage yields were calculated. Since U.S. Treasury – State and Local Government Series ("SLGS") securities appeared to offer less favorable net returns for the escrow than open market investment instruments; the decision was made to take bids for open market securities. With the assistance of Bond Counsel, the competitive selection of open market securities (the "Escrow Investments") was conducted through a formal bidding process handled by a separate division of Raymond James which served as bidding agent (the "Bidding Agent"). At the appointed hour, 3 bids were received and evaluated. Since open markets did in fact out-perform published rates for SLGS on the date of sale, the award was made to best bidder, Wells Fargo Securities LLC, to provide the Escrow Investments at closing. Final adjustments were made following the sizing of the Bonds to conform to the targeted needs of the escrow. Pursuant to Bidding Agent Agreement, the City compensated Raymond James directly at closing for its services as Bidding Agent.

The sufficiency of the escrows for the Advance Refunded Bonds, including the yields on the Escrow Investments together with cash deposits made to the escrow, was verified independently by Grant Thornton LLP, Minneapolis, Minnesota (the "Verification Agent"). Grant Thornton's independent report and opinions were incorporated into the final transcript of proceedings for the Bonds.

Based on the final structuring of the escrows, Regions Bank Corporate Trust; Nashville, Tennessee, the registrar, paying and escrow agent (the "Registration Agent") was directed to purchase at closing and hold the Escrow Investments and cash in separate irrevocable escrows established for the Series 2016A Bonds and the Series 2016B Bonds for the benefit of the holders of the Advance Refunded Bonds. A portion of the proceeds was retained by Raymond James and used to pay documented costs of issuance following actual closing of the Bonds.

Summary: The City's "Aa2"/ "AA" credit ratings were clearly appealing to investors as witnessed by the exceptionally low yields bid and the number of proposals received for the Bonds. The City was able to achieve significant annual aggregate savings of totaling \$3,605,902 and net present value savings of \$3,258,168 (10.819% of refunded principal), respectively. These results on a present value basis were 59.45% higher than projected in the Plan. Accordingly and as required, the City provided a reconciliation letter to the Director since several of the key savings metrics were more than 15% greater than estimated in the Plan.

Exceptional savings and a remarkable all-inclusive cost ("AIC") (i.e., the cost of funds including all transaction expenses) of 1.892%, both were reflective of the extraordinary low yields available in the capital markets during the mid-portion of the second quarter of 2016.

CITY OF KINGSFORT, TENNESSEE



FINAL REFUNDING SCHEDULES

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016A
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016B

May 17, 2016

RAYMOND JAMES®
Financial Advisor
800.764.1002



**GENERAL OBLIGATION REFUNDING BONDS, SERIES
2016A&B COMBINED**



FINAL SCHEDULES

\$29,940,000

City of Kingsport, Tennessee

General Obligation Refunding Bonds, Series 2016A&B

(Refunding Series 2009 ABC&E Bonds)

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
06/30/2016					
06/30/2017	784,197.78	2,493,762.50	3,277,960.28	3,811,425.02	533,464.74
06/30/2018	1,053,400.00	2,495,450.00	3,548,850.00	3,813,112.52	264,262.52
06/30/2019	1,053,400.00	2,492,125.00	3,545,525.00	3,809,787.52	264,262.52
06/30/2020	2,803,400.00	756,000.00	3,559,400.00	3,803,662.52	244,262.52
06/30/2021	3,568,400.00		3,568,400.00	3,813,462.52	245,062.52
06/30/2022	3,565,000.00		3,565,000.00	3,810,862.52	245,862.52
06/30/2023	3,562,600.00		3,562,600.00	3,808,212.52	245,612.52
06/30/2024	3,571,000.00		3,571,000.00	3,814,018.78	243,018.78
06/30/2025	3,564,600.00		3,564,600.00	3,809,543.78	244,943.78
06/30/2026	3,563,800.00		3,563,800.00	3,808,693.78	244,893.78
06/30/2027	3,558,200.00		3,558,200.00	3,809,418.76	251,218.76
06/30/2028	3,560,400.00		3,560,400.00	3,804,012.50	243,612.50
06/30/2029	3,568,200.00		3,568,200.00	3,815,400.00	247,200.00
06/30/2030	1,035,150.00		1,035,150.00	1,123,375.00	88,225.00
Total	\$38,811,747.78	\$8,237,337.50	\$47,049,085.28	\$50,654,987.74	\$3,605,902.46

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	3,257,912.29
Net PV Cashflow Savings @ 1.700%(Bond Yield)	3,257,912.29
Contingency or Rounding Amount	256.18
Net Present Value Benefit	\$3,258,168.47
Net PV Benefit / \$30,115,000 Refunded Principal	10.819%
Net PV Benefit / \$29,940,000 Refunding Principal	10.882%
Average Annual Cash Flow Savings	257,564.46

Refunding Bond Information

Refunding Dated Date	6/03/2016
Refunding Delivery Date	6/03/2016

REF-2009ACPrisingAggyv25.1 | Issue Summary | 5/27/2016 | 1:41 PM

RAYMOND JAMES

\$16,580,000

City of Kingsport, Tennessee

General Obligation Refunding Bonds, Series 2016A

(Refunding Series 2009A&C Bonds)

Sources & Uses

Dated 05/03/2016 | Delivered 06/03/2016

Sources Of Funds

Par Amount of Bonds	\$16,580,000.00
Reoffering Premium	2,166,404.50

Total Sources	\$18,746,404.50
----------------------	------------------------

Uses Of Funds

Deposit to Net Cash Escrow Fund	18,570,704.08
Costs of Issuance	95,601.59
Total Underwriter's Discount (0.482%)	79,842.65
Rounding Amount	256.18

Total Uses	\$18,746,404.50
-------------------	------------------------

\$16,580,000

City of Kingsport, Tennessee

General Obligation Refunding Bonds, Series 2016A

(Refunding Series 2009A&C Bonds)

Detail Costs Of Issuance

Dated 06/03/2016 | Delivered 06/03/2016

COSTS OF ISSUANCE DETAIL

Financial Advisor	\$31,157.41
Bond Counsel	\$24,919.84
Bidding agent	\$5,537.74
Verification Agent	\$2,491.98
Rating Agency Fee(S&P)	\$13,104.51
Rating Agency Fee (Moody's)	\$16,059.45
POS/Official Statement	\$830.66
Registrar Paying & Escrow Agent	\$1,500.00
TOTAL	\$95,601.59



RATING AGENCY RESEARCH REPORTS

MOODY'S

INVESTORS SERVICE

7 World Trade Center
250 Greenwich Street
New York, NY 10007
www.moody's.com

May 11, 2016

Mr. James Demming
City of Kingsport, TN
225 West Center Street
Kingsport, TN 37660

Dear Mr. Demming:

We wish to inform you that on May 11, 2016, Moody's Investors Service reviewed and assigned a rating of Aa2 to City of Kingsport, TN, General Obligation Refunding Bonds, Series 2016A and B.

Credit ratings issued by Moody's Investors Service, Inc. and its affiliates ("Moody's") are Moody's current opinions of the relative future credit risk of entities, credit commitments, or debt or debt-like securities and are not statements of current or historical fact. Moody's credit ratings address credit risk only and do not address any other risk, including but not limited to: liquidity risk, market value risk, or price volatility.

This letter uses capitalized terms and rating symbols that are defined or referenced either in *Moody's Definitions and Symbols Guide* or *MIS Code of Professional Conduct* as of the date of this letter, both published on www.moody's.com. The Credit Ratings will be publicly disseminated by Moody's through normal print and electronic media as well as in response to verbal requests to Moody's Rating Desk. Moody's related research and analyses will also be published on www.moody's.com and may be further distributed as otherwise agreed in writing with us.

Moody's Credit Ratings or any corresponding outlook, if assigned, will be subject to revision, suspension or withdrawal, or may be placed on review, by Moody's at any time, without notice, in the sole discretion of Moody's. For the most current Credit Rating, please visit www.moody's.com.

Moody's has not consented and will not consent to being named as an expert under applicable securities laws, such as section 7 of the Securities Act of 1933. The assignment of a rating does not create a fiduciary relationship between Moody's and you or between Moody's and other recipients of a Credit Rating. Moody's Credit Ratings are not and do not provide investment advice or recommendations to purchase, sell or hold particular securities. Moody's issues Credit Ratings with the expectation and understanding that each investor will make its own evaluation of each security that is under consideration for purchase, sale or holding.

Moody's adopts all necessary measures so that the information it uses in assigning a Credit Rating is of sufficient quality and from sources Moody's considers to be reliable including, when appropriate, independent third-party sources. However, Moody's is not an auditor and cannot in every instance independently validate or verify information received in the rating process. Moody's expects and is relying upon you possessing all legal rights and required consents to disclose the information to Moody's, and that such information is not subject to any restrictions that would prevent use by Moody's for its ratings process. In assigning the Credit Ratings, Moody's has relied upon the truth, accuracy, and completeness of the information supplied by you or on your behalf to Moody's. Moody's expects that you will, and is relying upon you to, on an ongoing basis, promptly provide Moody's with all information necessary in order for Moody's to accurately and timely monitor the Credit Ratings, including current financial and statistical information.

Under no circumstances shall Moody's have any liability (whether in contract, tort or otherwise) to any person or entity for any loss, injury or damage or cost caused by, resulting from, or relating to, in whole or in part, directly or indirectly, any action or error (negligent or otherwise) on the part of, or other circumstance or contingency, within or outside the control of, Moody's or any of its or its affiliates' directors, officers, employees or agents in

May 11, 2016

MR. JAMES DEMMING
KINGSPORT (CITY OF) TN
225 WEST CENTER STREET
KINGSPORT, TN 37660

connection with the Credit Ratings. **ALL INFORMATION, INCLUDING THE CREDIT RATING, ANY FEEDBACK OR OTHER COMMUNICATION RELATING THERETO IS PROVIDED "AS IS" WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND. MOODY'S MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH INFORMATION.**

Any non-public information discussed with or revealed to you must be kept confidential and only disclosed either (i) to your legal counsel acting in their capacity as such; (ii) to your other authorized agents acting in their capacity as such with a need to know that have entered into non-disclosure agreements with Moody's in the form provided by Moody's and (iii) as required by applicable law or regulation. You agree to cause your employees, affiliates, agents and advisors to keep non-public information confidential.

If there is a conflict between the terms of this rating letter and any related Moody's rating application, the terms of the executed rating application will govern and supercede this rating letter.

Should you have any questions regarding the above, please do not hesitate to contact me or the analyst assigned to this transaction, Christopher Coviello at 212-553-0575.

Sincerely,



Orle Prince
VP-Sr Credit Officer/Manager

cc: Mr. Richard Dulaney
Raymond James & Associates
1 Burton Hills Boulevard, Suite 225
Nashville, TN 37215-6104

MOODY'S

INVESTORS SERVICE

CREDIT OPINION

11 May 2016

New Issue

Rate this Research



Contacts

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rweber@moody.com

City of Kingsport, TN

New Issue: Moody's Assigns Aa2 to Kingsport, TN's \$31.3M GO Refunding Bonds, Series 2016A&B

Summary Rating Rationale

Moody's Investors Service has assigned a Aa2 rating to Kingsport, TN's \$17.32 million General Obligation Refunding Bonds, Series 2016A and \$13.93 million General Obligation Refunding Bonds, Series 2016B. Moody's maintains the Aa2 rating on approximately \$214 million in parity debt.

The Aa2 rating reflects the city's satisfactory General Fund financial position which is further strengthened by available reserves in the Fleet Maintenance Fund. The rating also incorporates the city's stable economy with high taxpayer concentration and above average, but manageable debt burden.

Credit Strengths

- » Sizeable tax base with continued growth expected in the near-term
- » Adoption of recent tax rate increases to help support return to structural balance

Credit Challenges

- » Significant taxpayer concentration
- » Above average debt burden

Rating Outlook

Outlooks are usually not assigned to local government credits with this amount of debt outstanding.

Factors that Could Lead to an Upgrade

- » Continued tax base growth
- » Increase in reserves to levels consistent with higher rating category
- » Diversification of top taxpayers (decreased concentration in Eastman Chemical Company)
- » Decline in debt burden

Factors that Could Lead to a Downgrade

- » Any additional declines in available reserves or inability to meet fiscal 2016 projections

- » Sizeable reduction in tax base
- » Reduced operations or financial distress of the city's largest taxpayer, Eastman Chemical Company
- » Significant growth in debt burden

Key Indicators

Exhibit 1

Kingsport (City of) TN	2011	2012	2013	2014	2015
Economy/Tax Base					
Total Full Value (\$000)	\$ 5,258,154	\$ 5,604,513	\$ 5,763,618	\$ 5,784,232	\$ 5,816,219
Full Value Per Capita	\$ 106,710	\$ 110,847	\$ 112,430	\$ 112,810	\$ 109,682
Median Family Income (% of US Median)	82.3%	85.7%	85.7%	85.7%	85.7%
Finances					
Operating Revenue (\$000)	\$ 109,040	\$ 112,971	\$ 114,002	\$ 120,254	\$ 125,277
Fund Balance as a % of Revenues	16.3%	14.5%	13.1%	14.1%	15.2%
Cash Balance as a % of Revenues	15.9%	14.0%	12.8%	11.7%	12.1%
Debt/Pensions					
Net Direct Debt (\$000)	\$ 132,283	\$ 151,702	\$ 170,354	\$ 173,353	\$ 183,589
Net Direct Debt / Operating Revenues (x)	1.2x	1.3x	1.5x	1.4x	1.5x
Net Direct Debt / Full Value (%)	2.5%	2.7%	3.0%	3.0%	3.2%
Moody's - adjusted Net Pension Liability (3-yr average) to Revenues (x)	N/A	0.8x	0.9x	1.2x	1.4x
Moody's - adjusted Net Pension Liability (3-yr average) to Full Value (%)	N/A	1.7%	1.8%	2.5%	3.0%

Source: Moody's Investors Service

Recent Developments

Recent developments are incorporated in the Detailed Rating Consideration.

Detailed Rating Consideration

Economy and Tax Base: Regionally Important Economic Base With Local Economy Dominated By Eastman Chemical Company

Kingsport's sizable \$5.8 billion tax base will continue to benefit from its significant commercial and industrial employment base. The tax base is dominated by Eastman Chemical Company (Baa2 stable) which represents approximately 24.4% of total taxable value. The current headquarters facility consists of more than 500 buildings on approximately 6,000 acres of land. Over the last five years, Eastman has spent an estimated \$1.3 billion to expand production capacity, and has announced another \$1.7 billion expansion that will go through 2020. The new expansion is expected to generate 300 direct jobs and 1,000 contractor and construction jobs. In addition, Leclerc Foods completed a \$15.7 million expansion that created 30 new jobs, while Portola Packaging finished a \$12 million expansion that generated 40 new jobs.

Commercial and retail sectors continue to be strong, with high occupancy rates as well as the addition of a new Wal-Mart Stores, Inc. (Aa2 stable) market, several new restaurants and a new theater complex. Another positive for the retail sector is the passing of the Border Region Retail Tourism legislation by the Tennessee General Assembly. The legislation would allow the city to recapture approximately 59% of all state sales taxes within a specific 950 acre special district designed to incent and attract large regional retailers to the Kingsport market. While the majority of the site still remains a green field, grading has been completed on 100 acres that will be ready for future retail and big box building pads. Once the site is fully developed, management believes it will result in additional sales tax revenues.

This publication does not constitute a credit rating action. For more credit ratings information, please visit the company on the issuer's website at www.moody.com for the most updated credit rating, action information and rating history.

The city has experienced assessed value growth averaging 2.3% over the past five years, driven by a combination of annexation and commercial and residential development. Full value has grown at a slightly higher rate of 2.6% over the same five year period. Unemployment within the city was 5.1% as of February 2016, above the state (4.5%) and below the national (5.2%) rates. Wealth levels remain in line with Tennessee averages with per capita income of 103.5% of the state and median family income of 97.6% of the state. Full value per capita is also strong at \$109,682.

Financial Operations and Reserves: General Fund Reserves Rebound In Fiscal 2014 and 2015: Additional Flexibility In Fleet Maintenance Fund

Despite recent declines in reserves due to internally financed capital projects and underperformance of economically sensitive revenues, the city's financial position will remain satisfactory in the near term as reserves rebound in fiscal 2014 and 2015 and are expected to increase again in 2016 due to management's renewed focus on rebuilding reserves.

For the first time in seven years, fiscal 2014 year ended with a surplus, increasing General Fund balance by \$133,381 to \$11.8 million, or an adequate 16.8% of General Fund revenues, which is still well below the Aa2 national median of 34% of General Fund revenues. Revenues tracked slightly over budget due to the positive performance of sales taxes, while expenditures ended under budget due to conservative estimates.

In addition to General Fund reserves, the city maintains monies in a Fleet Maintenance Fund (an Internal Service Fund). Reserves within this fund are generated from user charges billed to each department that deploys any type of rolling stock. The Fleet Maintenance Fund had \$2.8 million in accumulated available funds as of June 30, 2014, which can be designated for any purpose at the discretion of the Board of Mayor and Alderman, including General Fund operating expenses. The city could transfer these funds to the General Fund as a short-term loan, providing added financial flexibility. Available fund balance is \$14.5 million, or 20.7% of General Fund revenues. The city's largest revenue source, property taxes (51.1% of annual General Fund revenues) continues to remain strong and with continued development is expected to increase over the near-term.

The city ended fiscal 2015 with an increase in General Fund reserves of \$1.2 million, bringing total General Fund balance to \$12.9 million or approximately 17.3% of annual General Fund revenues. The operating surplus was driven by positive performance of income, property, and sales taxes, as well as continued conservative budgeting of expenditures. On an Operating Fund basis (General Fund, Debt Service Fund and General Purpose School Fund), the city finished the year with \$19.04 million or 15.2% of annual operating revenues. In addition, the city had \$2.95 million unrestricted in the Fleet Maintenance Fund, adding further flexibility if needed.

The fiscal 2016 budget represents a 1% increase from fiscal 2015 and does not include any appropriation of fund balance. While the budget includes a level property tax rate, expected growth in sales taxes may offset modest budget-to-budget growth. Management anticipates the city will finish the year with a modest \$50,000 increase in reserves. Total General Fund balance is projected to end at \$12.9 million. The city's ability to maintain structural balance and continue to increase available reserves will be a major credit factor going forward.

LIQUIDITY

The city's net cash position decreased to \$5.3 million (7.5% of General Fund revenues) in fiscal 2014 from \$11.5 million (18.1% of General Fund revenues) in fiscal 2010 due to cash funding for various capital projects and use of reserves to offset under-performing economically sensitive revenues during the economic downturn. More specifically, the majority of the \$3.5 million decrease in cash realized between fiscal 2013 and 2014 is due to a timing issue related to reimbursements that were received from other funds and governments in subsequent years.

In fiscal 2015 General Fund net cash increased moderately to \$7.5 million or 10.1% of General Fund revenues. Net cash on an Operating Fund basis ended fiscal 2015 at \$15.2 million or 12.1% of Operating Fund revenues.

Debt and Pensions: Debt Burden Is Above-Average But Manageable Due To Self Supporting Nature of Water And Sewer Utilities

Kingsport's debt position will remain manageable in the near-term given the self-supporting nature of the city's water and sewer system and average retirement of principal. Kingsport's direct debt burden is high but manageable at 2.2% of full valuation and increases to a higher 3.1% when taking into account the debt of overlapping localities. This debt burden is net of \$111.7 million of

outstanding debt that is self-supporting by water and sewer system revenues. In addition, approximately \$32 million in additional debt issued for the Aquatic Center, Conference Center, and Golf course is supported by the Regional Sales Tax Fund. The city has a policy to amortize non-school and non-self-supporting debt over 15 years, with the exception of moneys issued for buildings, which it amortizes over 20 years. This has led to an average repayment of debt – approximately 66.7% of principal is repaid within ten years.

The city currently maintains a \$144.7 million five-year (2016-2020) Capital Improvement Plan, including \$104 million in additional bonds. While more than half of the new money debt will be for water and sewer purposes (\$60.5 million), the city typically secures the debt with a secondary General Obligation Unlimited Tax pledge. Taking into consideration the new money debt, the city's debt burden is expected to increase beyond the already above-average levels. Moody's will monitor the city's debt burden over the upcoming years with the expectation that levels will still remain affordable, however if debt levels rise significantly, negative rating pressure could result.

DEBT STRUCTURE

The city's variable rate debt exposure is minimal, representing 3.0% of total debt and consists of two loans from the Tennessee Municipal Bond Fund (TMBF).

DEBT-RELATED DERIVATIVES

The city is not party to any derivatives products.

PENSIONS AND OPEB

The city currently participates in the Political Subdivision Pension Plan (PSP) and the State Employees, Teachers, and Higher Education Employees' Pension Plan (SETHEPP), both of which are multi-employer defined benefit plans administered by the Tennessee Consolidated Retirement System. The city consistently contributes 100% of the annual pension cost for both plans. The city's adjusted pension liability, under Moody's methodology for adjusting reported pension data, is \$196 million or a slightly above-average 1.57 times of operating revenues. Moody's uses the adjusted net pension liability to improve comparability of reported pension liabilities. The adjustments are not intended to replace the city's reported liability information, but to improve comparability with other rated entities. In addition, the city voted to adopt a defined contribution plan for all new employees, which is expected to save the city on retirement costs going forward.

Management and Governance

The city has a formal fund balance policy to maintain unassigned General Fund balance at a minimum of 15% of the subsequent year's budgeted expenditures. The city's fiscal 2015 unassigned General Fund balance was \$12.7 million or approximately 17.1% of annual revenues and is expected to remain above this threshold going forward.

Tennessee cities have an institutional framework score of "Aaa," or very strong. City revenues are primarily from property taxes and local option sales taxes, which are moderately predictable and stable. Cities have high revenue-raising flexibility as property taxes are not subject to any statutory limits. Expenditures primarily consist of personnel costs, which are highly predictable. Cities have a high ability to reduce their major expenditures if necessary. Total fixed costs, which include pension liabilities, are typically manageable and usually comprise a small percentage of total expenditures.

Legal Security

The bonds are a direct general obligation of the city, for which the full faith and credit have been irrevocably pledged.

Use of Proceeds

Proceeds from the Series 2016A will be used to refund certain maturities of the city's outstanding Series 2009A&C bonds for an expected net present value savings of 10.204% of refunded principal.

Proceeds from the Series 2016B will be used to refund certain maturities of the city's outstanding Series 2009B&E bonds for an expected net present value savings of 7.229% of refunded principal.

Obligor Profile

The city of Kingsport has a population of 53,028 is located in the northeastern portion of Tennessee (Aaa stable) approximately 25 miles northwest of Johnson City (Aa2) and 23 miles from Bristol, TN (Aa2) and Bristol, VA (Baa2 negative).

Methodology

The principal methodology used in this rating was US Local Government General Obligation Debt published in January 2014. Please see the Ratings Methodologies page on www.moodys.com for a copy of this methodology.

Ratings

Exhibit 2

Kingsport (City of) TN

Issue	Rating
General Obligation Refunding Bonds, Series 2016A	Aa2
Rating Type	Underlying LT
Sale Amount	\$17,320,000
Expected Sale Date	06/03/2016
Rating Description	General Obligation
General Obligation Refunding Bonds, Series 2016B	Aa2
Rating Type	Underlying LT
Sale Amount	\$13,930,000
Expected Sale Date	06/03/2016
Rating Description	General Obligation

Source: Moody's Investors Service

SPICE and MSA) for manufacturing, and procedures for addressing customer regulatory requirements.

City of Kingsport, TN New Issue Moody's Assigns Aa2 to Kingsport, TN's \$31.3M GO Refunding Bonds, Series 2016A&B

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Japan	81-3-5408-4100
EMEA	44-20-7772-5454

S&P Global Ratings

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Dallas, TX 75201
tel (214) 871-1400
reference no.:803061

May 16, 2016

City of Kingsport
225 West Center Street
Kingsport, TN 37660--4285
Attention: Mr. James H. Demming, Jr. Finance Director

**Re: *US\$16,580,000 Kingsport, Tennessee, General Obligation Refunding Bonds, Series 2016A,
dated: Date of delivery, due: March 01, 2030***

***US\$13,360,000 Kingsport, Tennessee, General Obligation Refunding Bonds, Series 2016B,
dated: Date of delivery, due: March 01, 2030***

Dear Mr. Demming:

Pursuant to your request for a S&P Global Ratings rating on the above-referenced obligations, S&P Global Ratings has assigned a rating of "AA". S&P Global Ratings views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

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S&P Global Ratings
Public Finance Department
55 Water Street
New York, NY 10041-0003

The rating is subject to the Terms and Conditions, if any, attached to the Engagement Letter applicable to the rating. In the absence of such Engagement Letter and Terms and Conditions, the rating is subject to the attached Terms and Conditions. The applicable Terms and Conditions are incorporated herein by reference.

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enclosures

cc: Mr. Richard T. Dulaney, Managing Director
Raymond James & Associates Inc

S&P Global Ratings

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RatingsDirect®

Summary:

Kingsport, Tennessee; General Obligation

Primary Credit Analyst:

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Summary:

Kingsport, Tennessee; General Obligation

Credit Profile

US\$17.335 mil GO rfdg bnds ser 2016A due 03/01/2030

Long Term Rating

AA/Stable

New

US\$13.96 mil GO rfdg bnds ser 2016B due 03/01/2030

Long Term Rating

AA/Stable

New

Kingsport go bnds ser 2013A due 03/01/2034

Long Term Rating

AA/Stable

Affirmed

Kingsport GO pub imp bnds ser 2014B due 09/01/2034

Long Term Rating

AA/Stable

Affirmed

Rationale

S&P Global Ratings assigned its 'AA' long-term rating to Kingsport, Tenn.'s series 2016A and B general obligation (GO) refunding bonds. At the same time, S&P Global Ratings affirmed its 'AA' long-term and underlying rating (SPUR) on the city's existing GO debt. The outlook is stable.

The bonds are secured by the city's full faith and credit pledge, payable from the levy of an unlimited ad valorem tax on all taxable property within the corporate limits of the city. In addition, the city's 2012A and 2013A GO bonds are further secured by 0.25% local option sales tax. The series 2014B bonds are further secured by revenues from the city's water and sewer system. We view the unlimited-tax GO pledge as the stronger security for the series 2012A, 2013A, and 2014B bonds. Officials plan to use bond proceeds to refund existing series of bonds for an estimated net present value savings of roughly 8% to 10%.

The rating reflects our assessment of the following factors of the city:

- Strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Strong management, with "good" financial policies and practices under our financial management assessment (FMA) methodology;
- Adequate budgetary performance, with an operating surplus in the general fund but an operating deficit at the total governmental fund level in fiscal 2015;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2015 of 22% of operating expenditures;
- Very strong liquidity, with total government available cash at 25.7% of total governmental fund expenditures and 3.2x governmental debt service, and access to external liquidity we consider exceptional, but an exposure to a non-remote contingent liability risk;
- Very weak debt and contingent liability position, with debt service carrying charges at 8.0% of expenditures and net direct debt that is 114.2% of total governmental fund revenue; and
- Very strong institutional framework score.

Strong economy

We consider Kingsport's economy strong. The city, with an estimated population of 49,693, is located in Hawkins and Sullivan counties in the Kingsport-Bristol-Bristol, TN-VA MSA, which we consider to be broad and diverse. The city has a projected per capita effective buying income of 93.8% of the national level and per capita market value of \$117,043. Overall, the city's market value grew by 0.6% during the past year to \$5.8 billion in 2015. The weight-averaged unemployment rate of the counties was 5.9% in 2015.

The MSA has historically had a strong manufacturing and industrial presence, and has continued to diversify into education, health care, and retail. Eastman Chemical Co., a Fortune 500 company with approximately 6,737 employees and about 3,000 contractors in Kingsport, is the second-largest private employer in Tennessee, the largest regional employer, and the largest taxpayer in the MSA. In 2014, Eastman Chemical acquired Taminco Corp., a global specialty chemical company. The total value of this transaction is \$2.8 billion. The acquisition of Taminco strengthens Eastman's presence in markets, such as food, feed, and agriculture, and has added roughly 3,400 jobs to the area. Pure Foods, a snack food company headquartered in Vancouver, Canada, announced in March 2015 that it was purchasing an 83,000 square-foot building for its North American headquarters. It will employ 273 people. Lamar Advertising is completing construction on its 25,000 square-foot building, which will be a distribution center and showroom. FedEx is also completing a 40,000 square-foot expansion.

Strong management

We view the city's management as strong, with "good" financial policies and practices under our FMA methodology, indicating financial practices exist in most areas, but that governance officials might not formalize or monitor all of them on a regular basis.

The city uses historical data as well as national and state conditions to create its revenue and expenditure assumptions. Management provides the board with monthly reports on its budget-to-actuals, and can amend the budget, if needed. The city performs long-term planning for both capital and financial needs, both of which go out five years. In addition, Kingsport maintains a formal debt policy and a formal investment policy, with investment updates provided quarterly. The city also maintains a reserve policy of four months of operations; however it is currently below its target.

Adequate budgetary performance

Kingsport's budgetary performance is adequate in our opinion. The city had surplus operating results in the general fund of 1.9% of expenditures, but a deficit result across all governmental funds of negative 3.0% in fiscal 2015.

The fiscal 2016 budget is balanced and management has no plans to draw down reserves. In our opinion, given the city's demonstrated capacity to realize operating surpluses, we anticipate its general fund operations to remain positive in subsequent years. Similarly, we anticipate that total governmental funds results will be near-break even or positive.

Very strong budgetary flexibility

Kingsport's budgetary flexibility is very strong, in our view, with an available fund balance in fiscal 2015 of 22% of operating expenditures, or \$12.9 million.

Property tax collections have remained healthy, with collections totaling more than 96% each year. Sales tax revenue

increased steadily during the past three years, by about 22.7% in fiscal 2015, 3.6% in fiscal 2014, and 1.42% in fiscal 2013. We anticipate that sales taxes will remain at least level, if not continue to grow, and if property tax revenue remain stable, the city will be in a good position to maintain its strong performance.

Officials are projecting to end fiscal 2016 with a surplus of at least \$50,000, bringing the available fund balance to \$12.9 million or 26.4% of expenditures, which we consider very strong. Management has conveyed to us that they have no plans to spend down reserve levels. We believe the city will maintain its very strong budgetary flexibility.

Very strong liquidity

In our opinion, Kingsport's liquidity is very strong, with total government available cash at 25.7% of total governmental fund expenditures and 3.2x governmental debt service in 2015. In our view, the city has exceptional access to external liquidity if necessary. Weakening Kingsport's liquidity position, in our assessment, is the city's exposure to a non-remote contingent liability that could come due within 12 months.

The city has two letters of credit in place for a total of \$8 million. Because liquidity is so strong, coverage would exceed 3.5x. Weakening our assessment of Kingsport's liquidity position is the city's exposure to a non-remote contingent liability that could come due within 12 months, but the coming year's cost is less than 10% of general fund revenues. Due to the city's very strong liquidity, we do not expect cash levels to decline significantly during the next two years. The city's investments are predominately held in highly liquid investment pools and certificates of deposit.

Very weak debt and contingent liability profile

In our view, Kingsport's debt and contingent liability profile is very weak. Total governmental fund debt service is 8.0% of total governmental fund expenditures, and net direct debt is 114.2% of total governmental fund revenue.

Negatively affecting our view of the city's debt profile is its significant medium-term debt plans.

The city has entered into two direct-purchase agreements with a total principal amount of about \$8 million. These agreements allow for acceleration payable in less than 180 days, and we do not consider the termination events consistent with our published criteria for standby bond purchase agreement termination events. Debt is transferrable to another party, but there is no most-favored-nation clause. In addition, the agreements allow the holder to accelerate principal if any holder or credit enhancer of indebtedness of the borrower or any counterparty under any related swap agreement causes such obligation to become immediately due and payable. We understand the city has no other obligations outstanding with acceleration provisions that, if triggered, could lead to acceleration under the agreements. The city plans to issue roughly \$24 million in fiscal 2017, primarily for water and sewer system improvements.

Kingsport's combined required pension and actual other postemployment benefits (OPEB) contributions totaled 4.3% of total governmental fund expenditures in 2015. The city made its full annual required pension contribution in 2015.

The city participates in the Tennessee Consolidated Retirement System (TCRS) to provide pension benefits for employees. Kingsport's required pension contribution is statutorily determined. Using updated reporting standards in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, the city's net pension liability was measured as of June 30, 2014, and was \$22.5 million. The city's pension liability is 72.5% funded. For additional details on GASB 67 and 68, see our report "Incorporating GASB 67 And 68: Evaluating Pension/OPEB Obligations Under Standard & Poor's U.S. Local Government GO Criteria," published Sept. 2, 2015, on RatingsDirect. The city

provides other postemployment benefits on a pay-go basis. The city does not anticipate that these costs associated with its pension and OPEB will increase substantially in the near term.

Very strong institutional framework

The local GO criteria for Tennessee municipalities is very strong.

Outlook

The stable outlook reflects our anticipation that Kingsport's good financial management policies will continue to provide stability for the next two years. We believe the strength and stability of the city's core economic structure will allow it to maintain significant financial flexibility and overall rating stability. In addition, we believe the city will maintain a very strong level of budgetary flexibility and liquidity, but that the high debt levels will continue to constrain the rating. The stable outlook reflects our expectation that the rating will not change in the next two years.

Upside scenario

While unlikely within the two-year outlook period, we could raise the rating if the city were to see economic indicators significantly improve, coupled with moderation of its debt and contingent liability profile could lead to upward rating potential. In addition, the maintenance of the city's formal reserve policy of maintaining at least four months' worth of operations could lead to upward rating potential.

Downside scenario

Conversely, we could lower the rating if the city's budgetary performance or its debt profile were to significantly deteriorate, although this also consider this unlikely.

Related Criteria And Research

Related Criteria

- USPF Criteria: Local Government GO Ratings Methodology And Assumptions, Sept. 12, 2013
- USPF Criteria: Financial Management Assessment, June 27, 2006
- USPF Criteria: Debt Statement Analysis, Aug. 22, 2006
- USPF Criteria: Methodology: Rating Approach To Obligations With Multiple Revenue Streams, Nov. 29, 2011
- USPF Criteria: Assigning Issue Credit Ratings Of Operating Entities, May 20, 2015
- Criteria: Use of CreditWatch And Outlooks, Sept. 14, 2009

Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Incorporating GASB 67 And 68: Evaluating Pension/OPEB Obligations Under Standard & Poor's U.S. Local Government GO Criteria, Sept. 2, 2015

Ratings Detail (As Of May 16, 2016)

Kingsport GO

Long Term Rating

AA/Stable

Affirmed

Kingsport GO

Ratings Detail (As Of May 16, 2016) (cont.)

<i>Unenhanced Rating</i>	AA(SPUR)/Stable	Affirmed
<i>Long Term Rating</i>	AA/Stable	Affirmed

Many issues are enhanced by bond insurance.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on the S&P Global Ratings public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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