



## **AGENDA**

### **BOARD OF MAYOR AND ALDERMEN WORK SESSION**

**Monday, June 5, 2017, 4:30 p.m.  
City Hall, 225 W. Center St., Council Room, 2<sup>nd</sup> Floor**

#### **Board of Mayor and Aldermen**

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

Alderman Tommy Olterman  
Alderman Tom C. Parham  
Alderman Tom Segelhorst

#### **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  
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. Farmer's Market Summer Program – Chris McCartt
4. Sales Tax, Wellness Clinic, Safety and Projects Status – Jeff Fleming
5. Review of Items on June 6, 2017 Business Meeting Agenda
6. Adjourn

**Next Work Session, June 19, 2017:** Updates on Kingsport's Centennial and The Academic Village

***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.***

## BMA Report, June 5, 2017

### Financial Comments, Judy Smith



Sales tax revenue was under budget for the month of March by \$74,426 and is \$24,127 under last year.

Sales for the month of March are realized in May.

The May monthly report indicates:

March 2016	\$1,481,645
March 2017	\$1,457,518
• \$74,426 Under budget	-4.86%
• \$24,127 Under last year's actual	-1.63%
Year to Date FY2015-2016	\$13,172,376
Year to Date FY2016-2017	\$12,788,026
• \$501,283 under budget	-3.72%
• \$384,350 under last year	-2.77%

### Kingsport Employee Wellness, Terri Evans

	01/01/2017 – 04/30/2017	05/01/2017 – 05/29/2017
<b>Total Utilization</b>	<b>86.3%</b>	<b>94.2%</b>
City – Active Employees	49.2%	56.1%
City – Dependents	29.2%	26.6%
City – Retirees	2.9%	4.3%
Extended-Patient Services/Other	0%	0
Work Comp	.2%	.4%
No Show	4.8%	6.8%

### Worker's Compensation, Terri Evans

For the month of April, 2017, there were two injuries resulting in lost time.

# Status Updates on Active Projects sorted by Cost

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$13,733,749.69	Niki Ensor	Niki Ensor	Raw Water Intake Replacement (1.5 M EDA Grant)	WA1504	8/1/2017	Start up is complete on all four pumps. Controls are installed. Working through communication issues with drives and controls. HVAC start up complete. River screen pump installed.
\$7,500,000.00	Ryan McReynolds	Thompson, Michael	SR 347 (Rock Springs Road) [State & MTPO funded]	No City Funds	12/31/2020	Preliminary Design underway.
\$6,616,000.00	Chad Austin	Norman Eichmann	Reedy Creek Sewer Trunk Line	SW1400	3/21/2018	Tunneling under CSX at Industry Drive in progress.
\$6,600,000.00	Niki Ensor	Niki Ensor	Water & Wastewater Facilities SCADA/Telemetry Project		4/1/2019	Water & Wastewater Facilities SCADA/Telemetry Master Plan complete. Design agreement to be taken to BMA for approval 6/20/17.
\$4,300,000.00	Chad Austin	Hank Clabaugh	Border Regions Utility Upgrades		2/17/2020	Design to begin January 2018
\$4,000,000.00	Chris McCartt	Mason, David	New KATS Transit Center	GP1718	7/1/2018	Final design documents received and under review.
\$3,750,000.00	Niki Ensor	Niki Ensor	Chemical Feed Design	WA1403	4/1/2019	Survey and geotech crews will be on site 6/6/17.
\$3,740,000.00	Niki Ensor	Niki Ensor	West Kingsport Forcemain and Pump Station Improvements	SW1708	6/1/2018	Hazen & Sawyer completing internal QC. Easement descriptions should be back next week. Should receive bid documents by the end of the month.
\$3,300,000.00	Michael Thompson	Thompson, Michael	Indian Trail Drive Extension	GP1615	12/31/2017	Utility coordination underway.
\$2,291,714.00	Chad Austin	Mike Hickman	Colonial Heights Ph V Sewer & Water	SW1512/ WA1404	11/15/2017	Contractor working in Chesterfield and Heatherview Areas.
\$2,263,500.00	Chad Austin	Pamela Gilmer	Pendragon Sidewalk & Water Improvement		7/1/2018	Submitted to TDEC 5/25/17 for approval.
\$1,926,364.00	Chad Austin	Mike Hickman	Colonial Heights Ph IV Sewer & Water	SW1511	9/3/2017	Contractor working in Altamont Drive area.
\$1,886,220.00	Chad Austin	Pamela Gilmer	System Wide Water Upgrades FY15 Phase 2	WA1603	7/3/2017	Contractor working on Melrose Lane. Easement acquisition underway.
\$1,700,000.00	Michael Thompson	Thompson, Michael	Main Street Rebuild [City & MTPO Funded]	GP1516	4/1/2021	Survey is complete and the Environmental Document underway. Progress meeting held 5/18/17.
\$1,593,370.00	Chad Austin	Mason, David	Water/Wastewater/Stormwater Office	SW1705/ WA1703/S T1708	7/15/2017	Flooring underway. Cabinets and final plumbing trim-out to start next week.
\$1,500,000.00	Rob Cole	Mason, David	Bays Mountain Dam Rehabilitation	GP1707	12/31/2017	Anticipate plans ready this summer.
\$1,250,000.00	Niki Ensor	Niki Ensor	Pipe Gallery Improvements	WA1505	3/31/2018	90% review meeting scheduled for 6/16/17.

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$1,245,300.00	Chris McCartt	Mason, David	Centennial Park	GP1533	7/3/2017	Pads for history walk granite slabs are underway. Fountain rough-in complete, working on pump installations.
\$977,566.00	Ronnie Hammonds	Elsea, Tim	Wilcox Sidewalk Phase 5 [State & MTPO funded]	MPO15D	9/29/2017	Preconstruction meeting scheduled for June 13th @ 1:30 PM in Council Room.
\$961,140.00	Michael Thompson	Thompson, Michael	Stone Drive - Phase 2 (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to Lynn Garden Drive [95% State Funded 5% City]		8/31/2020	Consultant Evaluation Committee has selected primary and secondary consultant and will be negotiating a finalized scope and fee.
\$940,000.00	Kitty Frazier	Clabaugh, Hank	Kingsport Greenbelt - Eastern Extension - Phase 1 [Fed. Grant & City funded]	GP1529	12/31/2017	Preliminary Construction plans submitted for TDOT review 5/23/2017. Utility Certification also submitted for TDOT approval.
\$831,797.00	Niki Ensor	Hank Clabaugh	Colonial Heights SLS	SW1511	9/15/2017	Work expected to begin on the Droke/Lebanon Road pump station during the week of June 12th.
\$789,100.00	Chad Austin	Sam Chase	ARC Kingsport Sewer System Upgrade	SW1504	6/29/2017	Contractor should be finished on Friday June 9th.
\$697,475.00	Michael Thompson	Thompson, Michael	Stone Drive - Phase 1 (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to American Way [95% State Funded 5% City]	TBD	12/8/2018	Final ROW Plans development underway.
\$682,570.00	Michael Thompson	Thompson, Michael	Riverport Road Stabilization	GP1720, GP1723	6/30/2017	Guardrail on Bays Mountain Complete. Awaiting completion on River
\$638,357.70		Clabaugh, Hank	2017 Contracted Paving - Colonial Heights Area		8/31/2017	Contract will be going to the BMA on the June 20th meeting.
\$600,000.00	Kitty Frazier	Mason, David	Riverbend Park	GP1512	1/31/2018	BWSC under contract for master planning services.
\$573,406.80	Chad Austin	Hank Clabaugh	Miscellaneous Annexation Utility Improvements	WA1706 SW1709	6/9/2017	The project is complete other than punch list items.
\$541,072.00	Michael Thompson	Clabaugh, Hank	Enterprise Place Roadway Improvements	GP1611	6/30/2017	Work on the box culvert is about complete. Retaining wall construction and sidewalk construction to begin soon.
\$522,000.00	Kitty Frazier	Mason, David	Borden Park Improvements Phase 1	GP1510	6/30/2017	Most of the new trail base is in place and existing trail is milled. Trail asphalt underway. The soils are very soft and we anticipate expending all of the contingency funds with an additional change order for overage.
\$415,000.00	Chad Austin	Chris Alley	SR 93- Fall Branch section (TDOT)		12/27/2019	Under design by BWSC; "B Date" package due 8/1/2017; TDOT Letting Date: 12/8/2017



Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$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	FHWA has rejected request for obligation of Construction funds due to a typographical error on the TIP adjustment they approved one week prior. MTPO will resubmit this week.
\$352,000.00	Chad Austin	Chris Alley	SR 93- Horse Creek/Derby Drive Section (TDOT)		12/27/2019	Design modifications and easement drawings being made by BWSC; "B Date" package due 8/1/2017; TDOT Letting Date: 12/8/2017
\$245,100.00	Rob Cole	Mason, David	Bays Mountain - Pavillion at Lily Pad Cove	GP1707	9/1/2017	Funding is in place. Executing agreement with Armstrong Construction
\$234,825.75	City Schools	Clabaugh, Hank	Dobyns-Bennett Parking Lot Improvements (Park St/Center St)		7/28/2017	The contractor plans to begin construction in early June.
\$221,800.00	Tim Elsea	Elsea, Tim	Lynn Garden Signal System [MTPO & City funded]	MPO15C	1/31/2018	Utility certification received. Finalizing bid documents to submit to TDOT for review.
\$200,000.00	Kitty Frazier	Mason, David	J. Fred Johnson Park Improvements	GP1629	9/15/2017	Building abatement complete. Awaiting contract documents from Summers & Taylor.
\$194,400.00	Morris Baker	Mason, David	Library Children's Area	GP1400	7/6/2017	Construction is substantially complete. Awaiting furniture delivery.
\$90,000.00	Kitty Frazier	Clabaugh, Hank	Reedy Creek Terrace Bridge	ST1503	12/31/2017	Project is expected to be advertised for bids in July 2017.
\$50,000.00	Chad Austin	Chris Alley	Camp Bays Mountain Annexation		6/30/2017	Sewer construction is complete. Waterline is over 50% complete.
\$45,884.40	Kitty Frazier	Mason, David	Shade Structures at Brickyard Park	GP1729	7/31/2017	Materials on order.
		Elsea, Tim	Sullivan Street & Clay Street Signal		10/13/2017	Bids opened 5/25/17. Action form coming in June for BMA to appropriate funding for construction.
	Kitty Frazier	Clabaugh, Hank	Buffalo Grasslands Boardwalk/Greenbelt Connector		12/31/2017	The design has been approved. The Engineer is working with the City's Purchasing Division to finalize contract documents and bid dates.

# Status Updates on Active Projects sorted by Completion Date

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$573,406.80	Chad Austin	Hank Clabaugh	Miscellaneous Annexation Utility Improvements	WA1706 SW1709	6/9/2017	The project is complete other than punch list items.
\$789,100.00	Chad Austin	Sam Chase	ARC Kingsport Sewer System Upgrade	SW1504	6/29/2017	Contractor should be finished on Friday June 9th.
\$50,000.00	Chad Austin	Chris Alley	Camp Bays Mountain Annexation		6/30/2017	Sewer construction is complete. Waterline is over 50% complete.
\$522,000.00	Kitty Frazier	Mason, David	Borden Park Improvements Phase 1	GP1510	6/30/2017	Most of the new trail base is in place and existing trail is milled. Trail asphalt underway. The soils are very soft and we anticipate expending all of the contingency funds with an additional change order for overage.
\$541,072.00	Michael Thompson	Clabaugh, Hank	Enterprise Place Roadway Improvements	GP1611	6/30/2017	Work on the box culvert is about complete. Retaining wall construction and sidewalk construction to begin soon.
\$682,570.00	Michael Thompson	Thompson, Michael	Riverport Road Stabilization	GP1720, GP1723	6/30/2017	Guardrail on Bays Mountain Complete. Awaiting completion on River
\$1,886,220.00	Chad Austin	Pamela Gilmer	System Wide Water Upgrades FY15 Phase 2	WA1603	7/3/2017	Contractor working on Melrose Lane. Easement acquisition underway.
\$1,245,300.00	Chris McCartt	Mason, David	Centennial Park	GP1533	7/3/2017	Pads for history walk granite slabs are underway. Fountain rough-in complete, working on pump installations.
\$194,400.00	Morris Baker	Mason, David	Library Children's Area	GP1400	7/6/2017	Construction is substantially complete. Awaiting furniture delivery.
\$1,593,370.00	Chad Austin	Mason, David	Water/Wastewater/Stormwater Office	SW1705/ WA1703/S T1708	7/15/2017	Flooring underway. Cabinets and final plumbing trim-out to start next week.
\$234,825.75	City Schools	Clabaugh, Hank	Dobyns-Bennett Parking Lot Improvements (Park St/Center St)		7/28/2017	The contractor plans to begin construction in early June.
\$45,884.40	Kitty Frazier	Mason, David	Shade Structures at Brickyard Park	GP1729	7/31/2017	Materials on order.
\$13,733,749.69	Niki Ensor	Niki Ensor	Raw Water Intake Replacement (1.5 M EDA Grant)	WA1504	8/1/2017	Start up is complete on all four pumps. Controls are installed. Working through communication issues with drives and controls. HVAC start up complete. River screen pump installed.
\$638,357.70		Clabaugh, Hank	2017 Contracted Paving - Colonial Heights Area		8/31/2017	Contract will be going to the BMA on the June 20th meeting.
\$245,100.00	Rob Cole	Mason, David	Bays Mountain - Pavillion at Lily Pad Cove	GP1707	9/1/2017	Funding is in place. Executing agreement with Armstrong Construction
\$1,926,364.00	Chad Austin	Mike Hickman	Colonial Heights Ph IV Sewer & Water	SW1511	9/3/2017	Contractor working in Altamont Drive area.

Friday, June 02, 2017

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
\$200,000.00	Kitty Frazier	Mason, David	J. Fred Johnson Park Improvements	GP1629	9/15/2017	Building abatement complete. Awaiting contract documents from Summers & Taylor.
\$831,797.00	Niki Ensor	Hank Clabaugh	Colonial Heights SLS	SW1511	9/15/2017	Work expected to begin on the Droke/Lebanon Road pump station during the week of June 12th.
\$977,566.00	Ronnie Hammonds	Elsea, Tim	Wilcox Sidewalk Phase 5 [State & MTPO funded]	MPO15D	9/29/2017	Preconstruction meeting scheduled for June 13th @ 1:30 PM in Council Room.
		Elsea, Tim	Sullivan Street & Clay Street Signal		10/13/2017	Bids opened 5/25/17. Action form coming in June for BMA to appropriate funding for construction.
\$2,291,714.00	Chad Austin	Mike Hickman	Colonial Heights Ph V Sewer & Water	SW1512/WA1404	11/15/2017	Contractor working in Chesterfield and Heatherview Areas.
\$940,000.00	Kitty Frazier	Clabaugh, Hank	Kingsport Greenbelt - Eastern Extension - Phase 1 [Fed. Grant & City funded]	GP1529	12/31/2017	Preliminary Construction plans submitted for TDOT review 5/23/2017. Utility Certification also submitted for TDOT approval.
\$90,000.00	Kitty Frazier	Clabaugh, Hank	Reedy Creek Terrace Bridge	ST1503	12/31/2017	Project is expected to be advertised for bids in July 2017.
	Kitty Frazier	Clabaugh, Hank	Buffalo Grasslands Boardwalk/Greenbelt Connector		12/31/2017	The design has been approved. The Engineer is working with the City's Purchasing Division to finalize contract documents and bid dates.
\$3,300,000.00	Michael Thompson	Thompson, Michael	Indian Trail Drive Extension	GP1615	12/31/2017	Utility coordination underway.
\$1,500,000.00	Rob Cole	Mason, David	Bays Mountain Dam Rehabilitation	GP1707	12/31/2017	Anticipate plans ready this summer.
\$600,000.00	Kitty Frazier	Mason, David	Riverbend Park	GP1512	1/31/2018	BWSC under contract for master planning services.
\$221,800.00	Tim Elsea	Elsea, Tim	Lynn Garden Signal System [MTPO & City funded]	MPO15C	1/31/2018	Utility certification received. Finalizing bid documents to submit to TDOT for review.
\$6,616,000.00	Chad Austin	Norman Eichmann	Reedy Creek Sewer Trunk Line	SW1400	3/21/2018	Tunneling under CSX at Industry Drive in progress.
\$1,250,000.00	Niki Ensor	Niki Ensor	Pipe Gallery Improvements	WA1505	3/31/2018	90% review meeting scheduled for 6/16/17.
\$3,740,000.00	Niki Ensor	Niki Ensor	West Kingsport Forcemain and Pump Station Improvements	SW1708	6/1/2018	Hazen & Sawyer completing internal QC. Easement descriptions should be back next week. Should receive bid documents by the end of the month.
\$2,263,500.00	Chad Austin	Pamela Gilmer	Pendragon Sidewalk & Water Improvement		7/1/2018	Submitted to TDEC 5/25/17 for approval.
\$4,000,000.00	Chris McCartt	Mason, David	New KATS Transit Center	GP1718	7/1/2018	Final design documents received and under review.
\$697,475.00	Michael Thompson	Thompson, Michael	Stone Drive - Phase 1 (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to American Way [95% State Funded 5% City]	TBD	12/8/2018	Final ROW Plans development underway.

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$3,750,000.00	Niki Ensor	Niki Ensor	Chemical Feed Design	WA1403	4/1/2019	Survey and geotech crews will be on site 6/6/17.
\$6,600,000.00	Niki Ensor	Niki Ensor	Water & Wastewater Facilities SCADA/Telemetry Project		4/1/2019	Water & Wastewater Facilities SCADA/Telemetry Master Plan complete. Design agreement to be taken to BMA for approval 6/20/17.
\$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	FHWA has rejected request for obligation of Construction funds due to a typographical error on the TIP adjustment they approved one week prior. MTPO will resubmit this week.
\$415,000.00	Chad Austin	Chris Alley	SR 93- Fall Branch section (TDOT)		12/27/2019	Under design by BWSC; "B Date" package due 8/1/2017; TDOT Letting Date: 12/8/2017
\$352,000.00	Chad Austin	Chris Alley	SR 93- Horse Creek/Derby Drive Section (TDOT)		12/27/2019	Design modifications and easement drawings being made by BWSC; "B Date" package due 8/1/2017; TDOT Letting Date: 12/8/2017
\$4,300,000.00	Chad Austin	Hank Clabaugh	Border Regions Utility Upgrades		2/17/2020	Design to begin January 2018
\$961,140.00	Michael Thompson	Thompson, Michael	Stone Drive - Phase 2 (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to Lynn Garden Drive [95% State Funded 5% City]		8/31/2020	Consultant Evaluation Committee has selected primary and secondary consultant and will be negotiating a finalized scope and fee.
\$7,500,000.00	Ryan McReynolds	Thompson, Michael	SR 347 (Rock Springs Road) [State & MTPO funded]	No City Funds	12/31/2020	Preliminary Design underway.
\$1,700,000.00	Michael Thompson	Thompson, Michael	Main Street Rebuild [City & MTPO Funded]	GP1516	4/1/2021	Survey is complete and the Environmental Document underway. Progress meeting held 5/18/17.



## **AGENDA**

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

#### **BUSINESS MEETING**

**Tuesday, June 6, 2017, 7:00 p.m.**

**City Hall, 225 W. Center St., Courtroom, 2<sup>nd</sup> Floor**

#### **Board of Mayor and Aldermen**

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

Alderman Tommy Olterman  
Alderman Tom C. Parham  
Alderman Tom Segelhorst

#### **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  
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 –**

#### **III. ROLL CALL**

#### **IV.A RECOGNITIONS & PRESENTATIONS**

1. Brianne Wright, Archive Awards (Alderman Parham)
2. Angie Marshall, Master Municipal Clerk (Vice Mayor McIntire)
3. Kingsport Art Guild (Alderman Duncan)

#### **IV.B APPOINTMENTS**

1. Appointments to the Kingsport Public Library Commission (AF: 133-2017) (Mayor Clark)
  - Appointments

2. Reappointment to the Historic Zoning Commission (AF: 145-2017) (Mayor Clark)
  - Reappointment
3. Appointment and Reappointment to the Gateway Review Commission (AF: 164-2017) (Mayor Clark)
  - Appointment
  - Reappointment
4. Appointment to the Stormwater Appeals Board (AF: 166-2017) (Mayor Clark)
  - Appointment

**V. APPROVAL OF MINUTES**

1. Work Session – May 15, 2017
2. Business Meeting – May 16, 2017

**VI. COMMUNITY INTEREST ITEMS**

**A. PUBLIC HEARINGS**

1. Public Hearing and Ordinance to Adopt the FY17-18 Sewer Fund Budget (AF: 148-2017) (Ryan McReynolds)
  - Public Hearing
  - Ordinance – First Reading
2. Public Hearing and Ordinance to Adopt the FY17-18 Water Fund Budget (AF: 149-2017) (Ryan McReynolds)
  - Public Hearing
  - Ordinance – First Reading
3. Public Hearing and Ordinance to Adopt the FY17-18 Budget (AF: 147-2017) (Jeff Fleming)
  - Public Hearing
  - Ordinance – First Reading

**COMMENT**

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

**B. BUSINESS MATTERS REQUIRING FIRST READING**

1. Accept Donations for Veterans Memorial (AF: 131-2017) (Chris McCartt)
  - Resolution
  - Ordinance – First Reading
2. Ordinance to Adopt the FY17-18 School Public Law 93-380 Grant Project Fund Budget (AF: 150-2017) (Jeff Fleming, David Frye)
  - Ordinance – First Reading

3. Ordinance to Adopt the FY17-18 Special Schools Projects Grant Fund Budget (AF: 151-2017) (Jeff Fleming, David Frye)
  - Ordinance – First Reading
4. Ordinance to Adopt the FY17-18 Urban Mass Transit Budget (AF: 152-2017) (Chris McCartt)
  - Ordinance – First Reading
5. Ordinance to Adopt the FY17-18 Metropolitan Planning Project Grant Budget (AF: 153-2017) (Ryan McReynolds)
  - Ordinance – First Reading
6. Ordinance Transferring Funds to the Sullivan Street and Clay Street Intersection Signal Installation Project (AF: 155-2017) (Ryan McReynolds)
  - Ordinance – First Reading
7. Ordinance Providing for the FY18 Community Development Block Grant Budget (AF: 159-2017) (Lynn Tully)
  - Ordinance – First Reading
8. Ordinance Amending City Code Sections 62-72 and 66-102 Pertaining to Weapons (AF: 135-2017) (Mike Billingsley)
  - Ordinance – First Reading

**C. BUSINESS MATTERS REQUIRING FINAL ADOPTION**

1. Amend Zoning of Parcels 5, 6, 7, and 8, Tax Map 61D, Located Adjacent to the Intersection of East Center Street and E Street in the Highland Community (AF: 111-2017) (Ken Weems)
  - Ordinance – **Second Reading and Final Adoption**
2. Amend Zoning of 1912 Seaver Road, Located at the Intersection of Seaver Road and Princeton Road (AF: 115-2017) (Jessica Harmon)
  - Ordinance – **Second Reading and Final Adoption**
3. Approve Receiving a Grant from the Kingsport Community Foundation Centennial Park Project Fund of East Tennessee Foundation and Appropriate Funds (AF: 123-2017) (Chris McCartt)
  - Ordinance – **Second Reading and Final Adoption**
4. Amend the FY 2017 Schools Federal Projects Fund Budget (AF: 121-2017) (David Frye)
  - Ordinance – **Second Reading and Final Adoption**
5. Amend the FY 2017 School Special Projects Fund Budget (AF: 122-2017) (David Frye)
  - Ordinance – **Second Reading and Final Adoption**



6. Amend the FY 2017 General Purpose School Fund and General Project Fund Budgets (AF: 120-2017) (David Frye)
  - Ordinance – **Second Reading and Final Adoption**

**D. OTHER BUSINESS**

1. Enter Into a Lease Agreement with the Kingsport Art Guild (AF: 144-2017) (Chris McCartt)
  - Resolution
2. Approve a Contracting Services Agreement with Kingsport Power Company and an Amendment to the Agreement (AF:156-2017) (Ryan McReynolds)
  - Resolution
3. Amendment to the Contract between the City of Kingsport and the Tennessee Department of Environment and Conservation (TDEC) (AF: 160-2017) (Ryan McReynolds)
  - Resolution
4. Changing the Meeting Date for the Business Meeting of the Board of Mayor and Aldermen from July 4, 2017 to July 5, 2017 (AF: 134-2017) (Mike Billingsley)
  - Resolution
5. Authorizing the Industrial Development Board of the City of Kingsport, Tennessee to Negotiate and Accept from WSD Group or an Affiliated Entity Payments In Lieu Of Ad Valorem Tax with Respect to New Retail and Restaurant Facilities in the City (AF: 140-2017) (Lynn Tully)
  - Resolution
6. Apply for and Receive a DOJ-Office of Justice Programs' Bureau of Justice Assistance Bulletproof Vest Partnership (BVP) Reimbursement Grant (AF: 137-2017) (David Quillin)
  - Resolution
7. Amendment to the Agreement with Tyson Prepared Foods, Inc. (AF: 163-2017) (David Frye, Jennifer Walker)
  - Resolution
8. Accept Donation of Real Property from First Baptist Church of Kingsport, Inc. (AF: 139-2017) (Ryan McReynolds)
  - Resolution
9. Agreement with Med Fit LLC for a City-wide Medical Wellness Pilot Program (AF: 128-2017) (Ryan McReynolds)
  - Resolution

10. Right-of-Way Easement with Kingsport Power Company (AF: 165-2017) (David Frye)
  - Resolution
11. Authorizing a Reduction of Certain Fees for Single Family Housing to Encourage Single Family House Construction (AF: 141-2017) (Lynn Tully)
  - Resolution
12. Agreements with Various Agencies and Organizations for Services in Fiscal Year 2017-2018 Benefiting the General Welfare of Kingsport Residents (AF: 154-2017) (Jeff Fleming)
  - Resolution
13. Amendment to the Agreement with KBC Distributing, LLC (AF: 161-2017) (David Frye, Jennifer Walker)
  - Resolution
14. Amendment to the Agreement with Crook Brothers (AF: 162-2017) (David Frye, Jennifer Walker)
  - Resolution

## **VII. CONSENT AGENDA**

1. 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: 132-2017) (Chris McCartt)
  - Resolution
2. Approval of Easements and Rights-of-Way (AF: 142-2017) (Ryan McReynolds)
  - Approve Offers
3. Approve Issuance of Certificate of Compliance for Business to Sell Retail Alcoholic Beverages (AF: 167-2017) (Jim Demming)
  - Certificate of Compliance

## **VIII. COMMUNICATIONS**

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

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

## **IX. ADJOURN**



## AGENDA ACTION FORM

### Appointments to the Kingsport Public Library Commission

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

Action Form No.: AF-133-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Helen Whittaker  
 Presentation By: Mayor Clark

### Recommendation:

Approve appointments.

### Executive Summary:

It is requested that the Board of Mayor and Aldermen approve the appointments of Sandra Brown and Margaret L. Counts to the Kingsport Public Library Commission. These appointments are three-year terms. Ms. Brown's term will take effect immediately while Ms. Counts' term will begin July 1, 2017. Both terms will expire June 30, 2020. These appointees will replace Claudia Leonard and Lynn Shipley whose terms are expiring and are rotating off.

### Attachments:

1. Bio – Sandra Brown
2. Bio – Margaret Counts

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

## **Sandra Brown**

Sandra Brown, RN, worked at Asbury Place from 1995-April 2017 and served in various positions with the organization including Director of Nursing and Executive Director. Sandra had a long and successful career with Asbury Place. She received the Excellence in Leadership Award from Leading Age TN in 2016 and the Tri-Cities Business Journal Health Care Hero Award in 2016.

Sandra has two children, Chance and Kaitlyn. Thank you for considering me for the Kingsport Public Library Commission.

## **Margaret L. Counts**

A non-profit executive with more than 30 years experience in non-profit leadership, Margaret has served on the local, regional and national levels of primarily health-related charities. Margaret became the Executive Director at Contact Concern of Northeast Tennessee in May of 2015, having returned to her hometown via Chicago and Greenville, South Carolina.

Margaret lived in Chicago for 24 years, most recently serving as the Chief Executive Officer of Y-ME National Breast Cancer Organization (later known as Network of Strength) for nine years. During her tenure as CEO, the organization grew in size from a \$1.5 million budget to an all-time high of \$18 million. In June of 2004, Margaret was recognized by *Crain's Chicago Business* as one of the 100 Most Influential Women in Chicago.

Prior to her work in breast cancer, Margaret worked for the Alzheimer's Association, first on the local level in Greenville, SC, followed by her move to Chicago to join the national staff. During her ten years with the Association, Margaret served in several leadership positions, including four years as the national Vice President of Development.

Margaret was born and raised in Kingsport, and holds a BS degree from ETSU and a Master of Arts degree from Indiana University.



## AGENDA ACTION FORM

### Reappointment to the Historic Zoning Commission

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

Action Form No.: AF-145-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Nathan Woods  
 Presentation By: Mayor Clark

### Recommendation:

Approve reappointment.

### Executive Summary:

It is requested that the Board of Mayor and Aldermen approve the reappointment of Dineen West with Cain Rash West Architects to the Historic Zoning Commission for the City of Kingsport. This reappointment is for a five-year term that will take effect immediately and will expire June 30, 2022.

### Attachments:

None

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



## AGENDA ACTION FORM

### Appointment and Reappointment to the Gateway Review Commission

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

Action Form No.: AF-164-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Jessica Harmon  
 Presentation By: Mayor Clark

### Recommendation:

Approve appointment.

### Executive Summary:

It is requested that Mr. Josh Davis be appointed to the Gateway Review Commission for a five-year term and Ms. Debra Bridwell be reappointed to a third term. If approved by the Board of Mayor and Aldermen, both terms will take effect immediately and will expire June 30, 2022.

### Attachments:

1. Bio – Josh Davis

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





**Dr. Joshua Davis**

Sullivan County Schools  
Rock Springs Elementary School-Principal  
1238 Moreland Drive  
Kingsport, TN 37660  
josh.davis@sullivank12.net  
www.sullivank12.net  
(Work) 423-354-1380  
(Cell Phone) 423-429-5926

*Dr. Davis currently serves as the principal of Rock Springs Elementary School in the Sullivan County Department of Education. Josh has been the principal of Rock Springs Elementary School for 5 years and is responsible for the overall operations and leadership of the school serving approximately 475 students in the Rock Springs community with grades Pre-K through 5.*

*Prior to this leadership position at Rock Springs, Josh was the Assistant Principal at Sullivan Central High School. While at Sullivan Central, Josh was responsible for the Math and English Departments, all athletics, scheduling, and assisted with student discipline.*

*Prior to joining Sullivan County Schools, Josh worked in Kingsport City Schools first as a teacher at John F. Kennedy Elementary School and later as an Academic and Instructional Coach serving John Adams Elementary School, Andrew Jackson Elementary School, and Abraham Lincoln Elementary School in math and literacy instruction. While with Kingsport City School, Davis served on several committees including the development of the elementary mathematics curriculum. In 2009, Josh was recognized by Kingsport City Schools as the system's Elementary Teacher of the Year.*

*Dr. Davis is currently an adjunct professor at East Tennessee State University teaching master- and doctoral-level coursework in Educational Leadership and Policy Analysis. Josh graduated from ETSU with an Ed.D in Educational Leadership and Policy Analysis in 2014; a M.Ed in Education in 2008; and a B.S. in Education in 2002.*

*Josh has been married to Wendi for 15 years and have two beautiful children, Emma-12, and Andrew-5.*

Community Involvement

*Josh is a graduate of Leadership Kingsport 2017. Josh is also actively involved with his church, Clouds Bend United Methodist Church, and has recently started serving on the PTA as a volunteer at his daughter's middle school.*



## AGENDA ACTION FORM

### Appointment to the Stormwater Appeals Board

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

Action Form No.: AF-166-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Jessica Harmon  
 Presentation By: Mayor Clark

### Recommendation:

Approve appointment.

### Executive Summary:

The Stormwater Appeals Board is composed of four members of which one is a member of the Regional Planning Commission. It is requested that Mr. Sam Booher, Regional Planning Commission Chair, be appointed to the Stormwater Appeals Board. If approved by the Board of Mayor and Aldermen, this three-year term will take effect immediately and will expire June 30, 2020.

### Attachments:

1. Bio – Sam Booher

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

## Bio – Sam Booher

Sam Booher is a native of Kingsport and is an attorney with Holmes & Stice, PLC. Sam is a graduate of Dobyns-Bennett High School and Samford University. Thereafter he graduated from the University of Miami School of Law. Sam concentrates his practice in litigation, estate planning, probate and business law. He is currently admitted to practice in the State of Tennessee and the United States District Court for the Eastern District of Tennessee.

Sam also devotes a substantial portion of his time to real estate development in Kingsport, including both residential and commercial properties.

Sam is actively involved with the Mountain Region Speech and Hearing Center, PEAK - Kingsport Young Professionals) (founding board member), and the Boys and Girls Club of Greater Kingsport (board of directors). He also gives his time as a volunteer for the court and bar association through its local pro bono programs.

Sam currently lives in Kingsport with his wife Maggie, daughter Elizabeth, and son Henry.

Minutes of the Regular Work Session of the  
Board of Mayor and Aldermen, City of Kingsport, Tennessee  
Monday, May 15, 2017, 4:30 PM  
Council Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor John Clark

Vice-Mayor Mike McIntire

Alderman Darrell Duncan

Alderman Colette George

Alderman Tommy Olterman

Alderman Tom C. Parham

Alderman Tom Segelhorst

City Administration

Jeff Fleming, City Manager

J. Michael Billingsley, City Attorney

James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:30 p.m. by Mayor Clark.
  2. **ROLL CALL:** By Deputy City Recorder Marshall.
  3. **PROJECTS STATUS.** City Manager Fleming gave an update on each project. Alderman George questioned the policy on non-contiguous annexations. Mr. Fleming stated they would have to talk about it, as it goes into effect on July 1<sup>st</sup>. Development Services Director Tully provided further details. Alderman Olterman asked Mr. Fleming to talk about the legislation that pertained to Aerospace Park and how it affected their funding.
  4. **REVIEW OF AGENDA ITEMS ON THE MAY 16, 2017 REGULAR BUSINESS MEETING AGENDA.** City Manager Fleming and members of staff gave a summary or presentation for each item on the proposed agenda. The following items were discussed at greater length or received specific questions or concerns.
    - VI.A.1 **Public Hearing and Resolution for 2017 Annual Action Plan for Community Development** (AF: 108-2017) City Planner Ken Weems presented this item and pointing out it was a down-zoning from B3 to R3 for low density apartments. Vice-Mayor McIntire noted this was being done by Easter Eight out of Johnson City and was announced months ago, but there was some issues with their funding. Ms. Tully stated the priority for residents would be given to veterans. Some discussion followed.
    - VI.A.3 **Bid Award for the Purchase of Two (2) Cargo Vans** (AF: 101-2017) City Planner Jessica Harmon provided information on this item, noting the rezoning from B4P to R1B was requested by the owner to facilitate future residential development on the property.
  5. **ADJOURN.** Seeing no other matters presented for discussion at this work session, Mayor Clark adjourned the meeting at 5:45 p.m.
-

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of  
Kingsport, Tennessee, Monday, May 15, 2017**

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, May 16, 2017, 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 Tommy Olterman  
Alderman Tom C. Parham  
Alderman Tom Segelhorst

City Administration

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

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor John Clark.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Charlie Glass.
- II.B. **INVOCATION:** Reverend Cathy Johnston, St. Timothy's Episcopal Church Deacon.
- III. **ROLL CALL:** By City Recorder Demming. All Present.
- IV.A. **RECOGNITIONS AND PRESENTATIONS.**
  1. Charlie Glass, YMCA Executive Director & CEO (Mayor Clark).
  2. Keep Kingsport Beautiful Awards - Robin Cleary.
  3. Racks by the Tracks.
  4. Proclamation - Public Works Week (Mayor Clark).

**IV.B. APPOINTMENTS/REAPPOINTMENTS.**

1. **Appointments to the Kingsport Public Library Commission**  
(AF: 114-2017) (Mayor Clark).

Motion/Second: Segelhorst/Parham, to approve:

APPOINTMENTS OF MS. PARIS BISHOP, MR. KEITH HICKEY AND MR. LANE DUKART TO SERVE A THREE-YEAR TERM ON THE **KINGSPORT PUBLIC LIBRARY COMMISSION** EFFECTIVE IMMEDIATELY AND EXPIRING ON JUNE 30, 2020. THE APPOINTEES WILL REPLACE JOHN DEMUTH, REGGIE MARTIN AND CALVIN CLIFTON WHOSE TERMS HAVE EXPIRED AND ARE ROTATING OFF.

Passed: All present voting "aye."

2. **Reappointments to the Regional Planning Commission**  
(AF: 124-2017) (Mayor Clark).

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, May 16, 2017**

Motion/Second: Parham/McIntire, to approve:

REAPPOINTMENTS OF MS. PAT BREEDING, MR. SAM BOOHER, MS. SHARON DUNCAN AND MS. BEVERLEY PERDUE TO SERVE A SECOND FOUR-YEAR TERM ON THE **REGIONAL PLANNING COMMISSION**. ALL REAPPOINTMENTS ARE EFFECTIVE IMMEDIATELY AND EXPIRE ON MAY 31, 2021.

Passed: All present voting "aye" except Duncan "abstaining."

**3. Appointment to the Emergency Communications District/E-911 Board (AF: 126-2017) (Mayor Clark).**

Motion/Second: McIntire/Parham, to approve:

APPOINTMENT OF MR. DR. PATRICK H. (MICKEY) SPIVEY, III, TO SERVE ON THE **EMERGENCY COMMUNICATIONS/E-911 BOARD**. DR. PATRICK WILL COMPLETE THE REMAINDER OF THE TERM OF OUTGOING DIRECTOR HUNTER W. WRIGHT, WHO ANNOUNCED HIS RESIGNATION AT THEIR APRIL MEETING. DR. SPIVEY'S TERM WILL TAKE EFFECT IMMEDIATELY AND WILL EXPIRE DECEMBER 31, 2019.

Passed: All present voting "aye."

**V. APPROVAL OF MINUTES.**

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

- A. May 1, 2017 Regular Work Session
- B. May 2, 2017 Regular Business Meeting
- C. May 9, 2017 Budget Work Session

Approved: All present voting "aye."

**VI. COMMUNITY INTEREST ITEMS.**

**A. PUBLIC HEARINGS.**

**1. Amend Zoning of Parcels 5, 6, 7 and 8, Tax Map 61D Located Adjacent to the Intersection of East Center Street and E Street in the Highland Community (AF: 111-2017) (Ken Weems).**

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

Motion/Second: McIntire/Duncan, to pass:

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO E STREET FROM B-3, HIGHWAY ORIENTED BUSINESS DISTRICT TO R-3, LOW DENSITY APARTMENT DISTRICT IN THE 11<sup>TH</sup> CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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



**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, May 16, 2017**

**2. Public Hearing for Annexation Annual Plan of Services**  
(AF: 110-2017) (Nathan Woods). City Planner Nathan Woods gave a brief presentation on this item.

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

**3. Amend Zoning of 1912 Seaver Road Located at the  
Intersection of Seaver Road and Princeton Road** (AF: 115-2017) (Jessica Harmon).

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

Motion/Second: McIntire/Parham, to pass:

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO SEAVER ROAD FROM B-4P, PLANNED BUSINESS DISTRICT TO R-1B, LOW DENSITY RESIDENTIAL DISTRICT IN THE 13<sup>TH</sup> CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

**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. Approve Receiving a Grant from the Kingsport Community  
Foundation Centennial Park Project Fund of East Tennessee Foundation and  
Appropriate Funds** (AF: 123-2017) (Chris McCartt).

Motion/Second: George/Olterman, to pass:

**Resolution No. 2017-207**, A RESOLUTION ACCEPTING GRANT NO. 20170437 FROM THE KINGSFORT COMMUNITY FOUNDATION CENTENNIAL PARK PROJECT FUND THROUGH THE EAST TENNESSEE FOUNDATION; APPROVING A LETTER OF AWARD; AND AUTHORIZING THE MAYOR TO EXECUTE THE LETTER, AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE LETTER

Passed: All present voting "aye."

Motion/Second: McIntire/George, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET BY APPROPRIATING DONATED FUNDS RECEIVED FROM THE EAST TENNESSEE FOUNDATION FOR THE YEAR ENDING JUNE 30, 2017; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, May 16, 2017**

**2. Amend the FY17 Schools Federal Projects Fund Budget**  
(AF: 121-2017) (David Frye).

Motion/Second: Parham/Duncan, to pass:

AN ORDINANCE TO AMEND THE FY 2017 SCHOOL FEDERAL GRANT PROJECTS  
FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

**3. Amend the FY17 School Special Projects Fund Budget**  
(AF: 122-2017) (David Frye).

Motion/Second: Segelhorst/George, to pass:

AN ORDINANCE TO AMEND THE FY 2017 SCHOOL SPECIAL PROJECTS FUND  
BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

**4. Amend the FY17 General Purpose School Fund and General  
Project Fund Budgets** (AF: 120-2017) (David Frye).

Motion/Second: McIntire/Olterman, to pass:

AN ORDINANCE TO AMEND THE FY 2016-17 GENERAL PURPOSE SCHOOL FUND  
AND GENERAL PROJECT FUND BUDGETS; AND, TO FIX THE EFFECTIVE DATE  
OF THIS ORDINANCE

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

**C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.**

**1. Budget Adjustment Ordinance for FY17** (AF: 91-2017)  
(Jeff Fleming).

Motion/Second: Parham/George, to pass:

**ORDINANCE NO. 6665**, AN ORDINANCE TO AMEND VARIOUS PROJECTS FOR  
THE YEAR ENDING JUNE 30, 2017; AND TO FIX THE EFFECTIVE DATE OF THIS  
ORDINANCE

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

**D. OTHER BUSINESS.**

**1. Bid Award for Concession Food Service Distributor for the  
Kingsport Aquatic Center to H. T Hackney Company and B.K.T., Inc.**  
(AF: 117-2017) (Chris McCartt).

Motion/Second: George/Duncan, to pass:

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, May 16, 2017**

**Resolution No. 2017-208**, A RESOLUTION AWARDING THE PROPOSAL FOR CONCESSION FOOD SERVICE DISTRIBUTOR FOR THE KINGSFORT AQUATIC CENTER TO THE H.T. HACKNEY COMPANY AND B.K.T., INC.; AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDERS FOR THE SAME

Passed: All present voting "aye."

**2. Accept TDOT's Proposal Related to East Center Street to East of Cook's Valley Road Route SR-126 (AF: 118-2017) (Ryan McReynolds)**

Motion/Second: McIntire/Parham, to pass:

**Resolution No. 2017-209**, A RESOLUTION APPROVING A PROPOSAL WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION RELATED TO A PROJECT DESIGNATED AS "FROM EAST CENTER STREET TO EAST OF COOKS VALLEY ROAD ROUTE: SR-126", AND AUTHORIZING THE MAYOR TO EXECUTE THE PROPOSAL AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE PROPOSAL

Passed: All present voting "aye."

**3. Purchase Furnishings for Water Services Operations Center Located at 1113 Konnarock Rod (AF: 112-2017) (Ryan McReynolds).**

Motion/Second: Duncan/George, to pass:

**Resolution No. 2017-210**, A RESOLUTION APPROVING THE PURCHASE OF OFFICE FURNITURE FOR THE WATER SERVICES OPERATIONS CENTER FROM WORKSPACE INTERIORS AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

Passed: All present voting "aye."

**4. Software Maintenance Agreement with Cartegraph Operations Management System (AF: 125-2017) (Ryan McReynolds).**

Motion/Second: McIntire/Segelhorst, to pass:

**Resolution No. 2017-211**, A RESOLUTION APPROVING A SOFTWARE MAINTENANCE AGREEMENT WITH CARTEGRAPH SYSTEMS, INC. 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."

**5. Change Order to Contract with Creative Bus Sales for Two (2) 22-Passenger Cutaway MiniBuses (AF: 116-2017) (Chris McCartt, Steve Hightower).**

Motion/Second: George/Parham, to pass:

**Resolution No. 2017-212**, A RESOLUTION APPROVING CHANGE ORDER #1 TO THE CONTRACT WITH CREATIVE BUS SALES FOR THE TWO (2) 22 PASSENGER

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, May 16, 2017**

CUTAWAY MINIBUSES AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

Passed: All present voting "aye."

**6. Adopt a Public Records Policy (AF: 127-2017) (Mike Billingsley).**

Motion/Second: McIntire/George, to pass:

**Resolution No. 2017-213**, A RESOLUTION ADOPTING A PUBLIC RECORDS POLICY AS REQUIRED BY TENNESSEE CODE ANNOTATED § 10-7-503(g)

Passed: All present voting "aye."

**7. Bid Award for the Purchase of One (1) Cab/Chassis with Street Sweeper (AF: 97-2017) (Ryan McReynolds).**

Motion/Second: Segelhorst/George, to pass:

**Resolution No. 2017-214**, A RESOLUTION AWARDING THE BID FOR THE PURCHASE OF ONE CAB/CHASSIS WITH STREET SWEEPER TO STRINGFELLOW, INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

Passed: All present voting "aye."

**8. Amend Personnel Policies and Procedures (AF: 119-2017) (George DeCroes).**

Motion/Second: Parham/George, to pass:

**Resolution No. 2017-215**, A RESOLUTION AMENDING RESOLUTION NO. 2008-213, A VACATION LEAVE POLICY FOR CITY EMPLOYEES

Passed: All present voting "aye."

Motion/Second: Parham/George, to pass:

**Resolution No. 2017-216**, A RESOLUTION AMENDING RESOLUTION NO. 2016-174, A WAGE AND SALARY POLICY FOR CITY EMPLOYEES

Passed: All present voting "aye."

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

Motion/Second: Segelhorst/Parham, to adopt:

**1. Contract for Maintenance Activities Performed on Designated State Highways and for Mowing and Litter on John B. Dennis and I-26 for FY18 (AF: 113-2017) (Ryan McReynolds).**

Pass:

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, May 16, 2017**

**Resolution No. 2017-217**, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR FISCAL YEAR 2018 WITH THE STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION FOR REIMBURSEMENT OF MAINTENANCE ACTIVITIES PERFORMED ON DESIGNATED STATE HIGHWAY ROUTES LOCATED IN THE KINGSFORT CITY LIMITS; EXECUTE A CONTRACT WITH THE STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION FOR MOWING AND LITTER CONTROL ON JOHN B. DENNIS; AND EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENTS

Passed: All present voting "aye."

**2. Approval of Easement and Right-of-Way** (AF: 129-2017)  
(Ryan McReynolds).

Approve:

OFFERS FOR EASEMENT AND RIGHT-OF-WAY IN CONNECTION WITH THE INSTALLATION OF A TRAFFIC SIGNAL AT SULLIVAN & CLAY STREETS.

Passed: All present voting "aye."

**VIII. COMMUNICATIONS.**

**A. CITY MANAGER.** Mr. Fleming talked about the activities and events happening on Public Works Day coming up at the Farmers Market next Tuesday during Public Works Week.

**B. MAYOR AND BOARD MEMBERS.** Alderman Duncan stated his tie was signed by "Team Duncan" and thanked those who have supported him during the election process. He also congratulated the other candidates for their willingness to serve the community. He invited everyone to the fundraiser event Grillin' Quillin at the Farmers Market to benefit the Kingsport Theatre Guild, the State Theatre Company and the Kingsport Police Department. Lastly, he commented on the budget process and expressed his appreciation for Judy Smith, Jeff Fleming and city staff. Alderman Segelhorst thanked the candidates as well and wished them luck. He thanked the sponsors for Keep Kingsport Beautiful and also spoke positively in regards to the recent budget presentation. He commended Hunter Wright and the contributions he made to the city through the 911 Board and his years of service. Alderman Parham commented on Mickey Spivey who is taking Mr. Wright's position on the 911 Board. He also commented on the election and how it is a privilege to represent the city. Alderman Olterman congratulated Sullivan South and Dobyys Bennett baseball teams. He also wished the candidates luck. Alderman George reminded everyone school gets out this week and to be mindful of the children. She stated she was honored to win the beautification award for Blue Ridge and congratulated everyone for their hard work. Vice-Mayor McIntire congratulated everyone graduating from high school and

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, May 16, 2017**

college. He mentioned the upcoming Flower Festival and a musical event featuring all the choirs from Church Circle. He thanked the candidates and expressed appreciation for the Community Pride award given by Keep Kingsport Beautiful. Lastly he added there would also be food at the Public Works Day event and invited everyone. Mayor Clark remarked on the awards and recognitions, noting the Kingsport spirit is alive and well. The mayor thanked the current board for their service, pointing out that a lot was accomplished, and stated he looked forward to working with the future board after the election and wishing everyone good luck.

**C. VISITORS. None.**

**IX. ADJOURN.** Seeing no other business for consideration at this meeting, Mayor Clark adjourned the meeting at 8:15 p.m.

---

ANGELA MARSHALL  
Deputy City Recorder

---

JOHN CLARK  
Mayor



## AGENDA ACTION FORM

### Public Hearing and Ordinance to Adopt the FY17-18 Sewer Fund Budget

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

Action Form No.: AF-148-2017  
 Work Session: June 5, 2017  
 First Reading: June 6, 2017

Final Adoption: June 20, 2017  
 Staff Work By: Smith, McReynolds, Austin, Ensor  
 Presentation By: McReynolds

#### Recommendation:

Approve the Ordinance.

#### Executive Summary:

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

The proposed ordinance reflects no sewer rate increases.

The Sewer Fund Budget less transfers is \$10,842,700.

#### Attachments:

1. Ordinance

Funding source appropriate and funds are available: *JS*

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



# PRE-FILED CITY RECORDER

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, 2017 AND ENDING JUNE 30, 2018, 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, 2017 and ending June 30, 2018 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 FY17-18 Budget of \$14,774,800 less inter-fund transfers, \$3,902,100, Net Sewer Budget Revenues \$10,842,700 are hereby appropriated.

Estimated Revenues and Appropriations for the Fiscal Period July 1, 2017-June 30, 2018.

412- Sewer Fund			
<u>Revenues</u>		<u>Expenditures</u>	
Sewer Sales	\$13,130,500	Administration	\$ 1,308,400
Misc. Charges	9,500	Finance	205,000
Tap Fees	480,000	Sewer Plant	3,142,200
Penalties	150,000	Maintenance	1,860,400
Disposal Receipts	70,000	PILOT	838,000
Investments	192,100	Debt Service	5,955,000
Fund Balance Approp.	742,700	Capital	1,265,000
		Other Exp	200,800
Total Revenues	\$14,774,800	Total Expenditures	\$14,774,800
Less Inter-fund Transfers	3,902,100	Less Inter-fund Transfers	3,902,100
Total FY17-18 Revenues	\$10,842,700	Total FY17-18 Expenditures	\$10,842,700

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 effective July 1, 2017.

Section VIII. That the Capital Improvements Plan (FY18-FY22) is hereby approved.

Section IX. That the Tennessee Consolidated Retirement System Rate be approved at 16.07% 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 X. That this ordinance shall take effect on July 1, 2017, the welfare of the City of Kingsport requiring it.

\_\_\_\_\_  
JOHN CLARK, Mayor

ATTEST:

\_\_\_\_\_  
Angie Marshall  
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: \_\_\_\_\_

PASSED ON 2ND READING: \_\_\_\_\_



## AGENDA ACTION FORM

### Public Hearing and Ordinance to Adopt the FY17-18 Water Fund Budget

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

Action Form No.: AF-149-2017  
 Work Session: June 5, 2017  
 First Reading: June 6, 2017

Final Adoption: June 20, 2017  
 Staff Work By: Smith, McReynolds, Austin, Ensor  
 Presentation By: McReynolds

#### Recommendation:

Approve the Ordinance.

#### Executive Summary:

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

The ordinance reflects no water rate increases.

The Water Fund budget less transfers is \$10,572,800.

#### Attachments:

1. Ordinance

Funding source appropriate and funds are available: JS

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

# PRE-FILED CITY RECORDER

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

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL WATER FUND BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018, 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, 2017 and ending June 30, 2018 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 FY17-18 Budget of \$14,444,200 less inter-fund transfers, \$3,871,400 Net Water Budget Revenues \$10,572,800 are hereby appropriated.

Estimated Revenues and Appropriations for the Fiscal Period July 1, 2017- June 30, 2018.

411- Water Fund

<u>Revenues</u>		<u>Expenditures</u>	
Water Sales	\$12,511,100	Administration	\$1,544,500
Service Charges	395,000	Finance	548,900
Tap Fees	205,200	Water Plant	3,152,800
Penalties	162,000	Maintenance	3,149,000
Rental Income	13,000	Reading & Services	661,800
Investments	105,100	Pilot	653,000
Miscellaneous	6,500	Other Expenses	191,800
Installation Fees	154,300	Debt Service	3,762,400
Admin Service Recovery	162,000	Capital	780,000
<u>Fund Balance</u>	<u>730,000</u>		<u>0</u>
Total Revenues	\$14,444,200	Total Expenditures	\$14,444,200
<u>Less Inter-fund Transfers</u>		<u>Less Inter-fund Transfers</u>	<u>3,871,400</u>
Total FY17-18 Revenues	\$10,572,800	Total FY17-18 Expenditures	\$10,572,800

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, effective July 1, 2017.

Section VIII. That the Capital Improvements Plan (FY18-FY22) is hereby approved.

Section IX. That the Tennessee Consolidated Retirement System Rate will be approved at 16.07% 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, 2017, the welfare of the City of Kingsport requiring it.

---

JOHN CLARK, Mayor

ATTEST:

---

ANGIE MARSHALL  
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: \_\_\_\_\_

PASSED ON 2ND READING: \_\_\_\_\_



## AGENDA ACTION FORM

### Public Hearing and Ordinance to Adopt the FY17-18 Budget

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

Action Form No.: AF-147-2017  
 Work Session: June 5, 2017  
 First Reading: June 6, 2017

Final Adoption: June 20, 2017  
 Staff Work By: Smith  
 Presentation By: Fleming

### Recommendation:

Approve the Ordinance.

### Executive Summary:

The attached budget ordinance incorporates the budget that was presented to the BMA at the May 9 budget work session. As required by charter, it was published in the Times News on May 27, 2017.

The total revenue and expenditures less transfers (duplicates) for the FY17-18 budget for all funds are \$167,773,048. 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*

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



AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018, 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, 2017 and ending June 30, 2018 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 FY17-18 Budget of \$218,113,110 less inter-fund transfers, \$50,340,062, Net Total Budget Revenues \$167,773,048, are hereby appropriated.

The estimated expenditures for the Total FY17-18 Budget of \$218,113,110 less inter-fund transfers \$50,340,062, Net Total Budget Expenditures \$167,773,048 are hereby appropriated.

Estimated Revenues and Appropriations for the Fiscal Period July 1, 2017 - June 30, 2018

110- General Fund

<u>Revenues</u>		<u>Expenditures</u>	
Property Taxes	\$40,890,700	Legislative	\$178,200
Gross Receipts Taxes	9,245,400	General Government	9,502,950
Licenses & Permits	485,900	Development Services Dept.	1,630,500
Fines & Forfeitures	895,700	Leisure Services Dept.	5,928,400
Investments	35,000	Police Department	12,055,550
Charges for Services	2,535,700	Fire Department	9,754,050
Other Revenue	369,300	Public Works Department	10,434,300
From Other Agencies	17,415,800	Transfers	29,577,862
State Shared	6,114,500	Other Expenses	973,488
Fund Transfers	2,047,300		
Total Revenues	\$80,035,300	Total Expenditures	\$80,035,300

211- Debt Service Fund

<u>Revenues</u>		<u>Expenditures</u>	
From General Fund	\$8,781,400	Redemption of Serial Bonds	\$8,667,300
From School Fund	3,704,300	Interest on Bonds/Notes	4,052,200
Interest on Investments	320,000	Other Expenses	73,300
Other Revenue	0	Bank Service Charges	12,900
Total Revenues	\$12,805,700	Total Expenditures	\$12,805,700

417-Storm Water Utility Fund

<u>Revenues</u>		<u>Expenditures</u>	
Storm Water Management	\$1,973,400	Operations	\$1,973,400
Total Revenue	\$1,973,400	Total Expenditures	\$1,973,400

415- Solid Waste Management Fund

<u>Revenues</u>		<u>Expenditures</u>	
Refuse Collection Charges	\$2,439,800	Trash Coll.	\$788,200
Tipping Fees	250,000	Household Refuse Coll.	1,913,900
Backdoor Collection	23,000	Demolition Landfill	765,300
Tire Disposal	0	Recycling	813,100
Miscellaneous	128,700	Miscellaneous	96,000
From General Fund	1,934,100	Debt Service	399,100
Recycling Proceeds	0		
Total Revenues	\$4,775,600	Total Expenditures	\$4,775,600

## 420- MeadowView Conference Center Fund

<u>Revenues</u>		<u>Expenditures</u>	
Room Surcharge	\$184,600	Operations	841,850
Investments	18,250	Capital	40,000
From Reg. Sales Tx. Fund	1,902,700	Debt Service	1,424,000
FF&E Fees	200,300		
From General Fund	0		
Total Revenues	\$2,305,850	Total Expenditures	\$2,305,850

## 421- Cattails Golf Course Fund

<u>Revenues</u>		<u>Expenditures</u>	
Sales & Fees	\$950,000	Operations	\$1,080,400
Investments	0	Debt Service	37,700
From Regional Sales Tax Fund	163,050	Capital Outlay	30,000
From FF&E	35,050	Transfer to Capital Projects	0
Total Revenues	\$1,148,100	Total Expenditures	\$1,148,100

## 511- Fleet Internal Service Fund

<u>Revenues</u>		<u>Expenditures</u>	
Charges/Sales & Serv.	\$4,809,500	Operations	\$10,996,900
Depreciation Recovery	2,656,700	Motor Pool	17,400
Investments	6,600		
From Fleet Reserve	3,541,500		
Total Revenues	\$11,014,300	Total Expenditures	\$11,014,300

## 615- Risk Management Service Fund

<u>Revenues</u>		<u>Expenditures</u>	
Charges/Sales & Serv.	\$2,307,200	Administration & Prem	\$1,070,700
		Insurance Claims	1,236,500
Total Revenues	\$2,307,200	Total Expenditures	\$2,307,200

## 725- Health Insurance Fund

<u>Revenues</u>		<u>Expenditures</u>	
City Contribution	\$6,089,100	Administration	\$1,421,000
Employee Contributions	2,526,600	Insurance Claims	6,816,200
Fund Balance	200,300	Clinic Operations	644,600
Other Revenue	65,300		
Investments	500		0
Total Revenues	\$8,881,800	Total Expenditures	\$8,881,800

## 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	\$12,100	Investigations	\$94,600
Judicial District	3,900	Supplies & Equipment	12,500
Court Fines & Costs/Local	80,300		
Fund Balance	60,800	Capital Outlay	50,000
Total Revenues	\$157,100	Total Expenditures	\$157,100

## 141 General Purpose School Fund

<u>Revenues</u>		<u>Expenditures</u>	
Taxes	\$30,137,000	Educational Services	\$70,404,300
From State of TN	30,166,000	To Debt Service Fund	3,704,300
From Federal Government	50,000	Transfers	2,343,200
Charges for Services	1,515,000	Capital Outlay	0
Direct Federal	57,500		
Miscellaneous	772,500		
From General Fund-MOE	10,465,300		

From General Fund-Debt	3,264,500		
Transfer to School Project	24,000		
Fund Balance Approp.	0		
Total Revenues	\$76,451,800	Total Expenditures	\$76,451,800

.47 School Food & Nutrition Services Fund

<u>Revenues</u>		<u>Expenditures</u>	
Meals	\$3,357,600	Personnel Services	\$1,640,350
Investments	0	Commodities	1,778,050
From State of TN	32,000	Fixed Charges	18,700
Fund Balance	750,000	Transfers	7,500
Unrealized Commodity Value	230,000	Capital Outlay	925,000
Total Revenues	\$4,369,600	Total Expenditures	\$4,369,600

121 State Street Aid Fund

<u>Revenues</u>		<u>Expenditures</u>	
From State of TN	\$1,663,800	Operations	\$2,727,000
From General Fund	1,063,200		
Fund Balance	0		0
Total Revenues	\$2,727,000	Total Expenditures	\$2,727,000

130- Regional Sales Tax Fund

<u>Revenues</u>		<u>Expenditures</u>	
Local Option Sales Tax	\$3,828,200	To MeadowView Fund	\$1,902,700
Investments	0	To Cattails Fund	163,050
Fund Balance Approp.	0	To Aquatic Center	1,762,450
Total Revenues	\$3,828,200	Total Expenditures	\$3,828,200

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	\$23,000
Donations	15,000	Contracts	23,000
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	\$283,800	Personal Services	18,300
Donations	63,700	Contractual	298,500
Fund Balance Appropriations	0	Supplies & Services	\$30,500
Investments	100	Other Expenses	300
Total Revenues	\$347,600	Total Expenditures	\$347,600

621 Steadman Cemetery Trust Fund

<u>Revenues</u>		<u>Expenditures</u>	
-----------------	--	---------------------	--

Fund Balance Appropriations	\$2,500		
Investments	50	Maintenance	\$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	Operations	\$81,900
	Reserves	Transfers	323,100
	Total Revenues	Total Expenditures	\$405,000

626	Retiree's Insurance Fund		
	<u>Revenues</u>	<u>Expenditures</u>	
	City Contributions	Administration	\$68,600
	Employee Contributions	Insurance Claims	1,100,000
	Earnings on Investment		
	Health Insurance Fund		
	Reserves		
	Total Revenues	Total Expenditures	\$1,068,600

419	Aquatic Center Fund		
	<u>Revenues</u>	<u>Expenditures</u>	
	Donations	Operations	\$1,992,800
	Sales/Fees	Debt Service	1,450,500
	Regional Sales Tax		
	Total Revenues	Total Expenditures	\$3,443,300

#### ALL FUNDS' REVENUE SUMMARY

Gross Revenues	\$218,113,110
Less Inter-fund Transfers	\$50,340,062
Total FY17-18 Revenues	\$167,773,048

#### ALL FUNDS' EXPENDITURE SUMMARY

Gross Expenditures	\$218,113,110
Less Inter-fund Transfers	\$50,340,062
Total FY17-18 Expenditures	\$167,773,048

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 (FY18-FY22) 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, 2017.

Section VIII. That the retirees Health Insurance will possibly increase 5% for FY18.

Section IX. That the Tennessee Consolidated Retirement System Rate will be approved at 16.07% for current employees only and the employees under the bridge will be 19.57%. 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 the state certified rate of \$1.9750 for Sullivan County inside city residents and \$1.9750 for Hawkins County inside city rates beginning July 1, 2017.

Section XII. That this ordinance shall take effect on July 1, 2017, the welfare of the City of Kingsport requiring it.

\_\_\_\_\_  
JOHN CLARK, Mayor

ATTEST:

\_\_\_\_\_  
ANGIE MARSHALL  
Deputy City Recorder

APPROVED AS TO FORM:

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

PASSED ON 1ST READING: \_\_\_\_\_

PASSED ON 2ND READING: \_\_\_\_\_



## AGENDA ACTION FORM

### Accept Donations for Veterans Memorial

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

Action Form No.: AF-131-2017  
 Work Session: June 5, 2017  
 First Reading: June 6, 2017

Final Adoption: June 20, 2017  
 Staff Work By: Chris McCartt  
 Presentation By: Chris McCartt

### Recommendation:

Approve the Resolution and Ordinance.

### Executive Summary:

Individual donations were given to the Veterans Memorial in memory of Mr. Jim Erwin as well as a donation from Signature Properties from earned commission. \$239.56 will be deposited in project GP1540 and will be used for future maintenance or capital improvements to the memorial. Staff recommends accepting the donations.

### Attachments:

1. Resolution
2. Ordinance

Funding source appropriate and funds are available:

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

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

A RESOLUTION ACCEPTING A DONATION FOR THE  
VETERANS MEMORIAL

WHEREAS, donations in the amount of \$239.56 have been received for the Veterans Memorial in memory of Mr. Jim Erwin from individuals as well as a donation from Signature Properties from earned commission ; and

WHEREAS, the funds will be used for future maintenance or capital improvements to the memorial.

Now therefore,

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

SECTION I. That the donation to the city in the amount of \$239.56 for the Veterans Memorial in memory of Mr. Jim Erwin, is accepted and will be used for future maintenance or capital improvement to the veterans memorial.

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

ADOPTED this the 6th day of June, 2017.

\_\_\_\_\_  
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 DONATED FUNDS TO THE VETERANS MEMORIAL PROJECT FOR THE 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 General Project Fund budget be amended by appropriating donated funds in the amount of \$239 to the Veterans Memorial project (GP1540). Individual donations were given to the Veterans Memorial from Signature Properties and in memory of Mr. Jim Erwin.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b><u>Fund 311: General Project Fund</u></b>			
<b><u>Veterans Memorial (GP1540)</u></b>			
<b><u>Revenues:</u></b>	\$	\$	\$
311-0000-364-1000 From Individuals	38,669	239	38,908
311-0000-364-2000 From Corporations	13,000	0	13,000
311-0000-364-3000 From Non-Profit	186,316	0	186,316
311-0000-368-1047 Series 2014A GO Bonds	75,000	0	75,000
311-0000-391-0100 From General Fund	60,800	0	60,800
311-0000-391-6900 Visitors Enhancement Fund	3,510	0	3,510
<b>Totals:</b>	<b>377,295</b>	<b>239</b>	<b>377,534</b>
<b><u>Expenditures:</u></b>	\$	\$	\$
311-0000-601-2022 Construction Contracts	335,609	3,273	338,882
311-0000-601-2023 Arch/Eng/Landscaping	36,923	(3,873)	33,050
311-0000-601-2075 Temporary Employees	4,263	115	4,378
311-0000-601-3010 Office Supplies	26	685	711
311-0000-601-3022 Maintenance Supplies	474	39	513
<b>Totals:</b>	<b>377,295</b>	<b>239</b>	<b>377,534</b>

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:

\_\_\_\_\_  
ANGIE MARSHALL  
Deputy City Recorder



APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: \_\_\_\_\_

PASSED ON 2ND READING: \_\_\_\_\_



## AGENDA ACTION FORM

### Ordinance to Adopt the FY17-18 School Public Law 93-380 Grant Project Fund Budget

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

Action Form No.: AF-150-2017  
 Work Session: June 5, 2017  
 First Reading: June 6, 2017

Final Adoption: June 20, 2017  
 Staff Work By: Smith, Frye  
 Presentation By: Fleming, 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 FY17-18 budget is \$3,943,194.

#### **Attachments:**

1. Ordinance

Funding source appropriate and funds are available: *JA*

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

**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**

<b>Revenues</b>	<b>Original Budget</b>
Federal Grants	<u>\$ 3,943,194</u>
<b>Total Revenues</b>	<b><u>\$ 3,943,194</u></b>
<b>Expenditures</b>	<b>Original Budget</b>
Instruction	\$ 2,119,484
Support Services	1,642,572
To School Fund	28,242
To Risk Fund	14,424
To Consolidated Admin.	138,472
<b>Total Expenditures</b>	<b><u>\$ 3,943,194</u></b>

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 July 1, 2017, the public welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
JOHN CLARK, Mayor

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL  
Deputy City Recorder

APPROVED AS TO FORM:

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

PASSED ON 1ST READING: \_\_\_\_\_

PASSED ON 2ND READING: \_\_\_\_\_



## AGENDA ACTION FORM

### Ordinance to Adopt the FY17-18 Special Schools Projects Grant Fund Budget

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

Action Form No.: AF-151-2017  
 Work Session: June 5, 2017  
 First Reading: June 6, 2017

Final Adoption: June 20, 2017  
 Staff Work By: Smith, Frye  
 Presentation By: Fleming, 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 \$1,261,652.

#### Attachments:

1. Ordinance

Funding source appropriate and funds are available: *js*

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
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**

<b>Revenues</b>	<b>Original Budget</b>
Federal Grants	\$ 0
State Grant	\$ 1,118,969
Local Revenue	\$ 50,000
From School Fund - 141	\$ 92,683
<b>Total Revenues</b>	<b>\$ 1,261,652</b>

<b>Expenditures</b>	<b>Original Budget</b>
Instruction	\$ 545,512
Support Services	\$ 462,368
Non-Instructional	\$ 249,450
Capital Outlay	\$ 0
To Risk Fund	\$ 4,322
<b>Total Expenditures</b>	<b>\$ 1,261,652</b>

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 July 1, 2017, the public welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
JOHN CLARK, Mayor

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL  
Deputy City Recorder

APPROVED AS TO FORM:

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

PASSED ON 1ST READING: \_\_\_\_\_

PASSED ON 2ND READING: \_\_\_\_\_



## AGENDA ACTION FORM

### Ordinance to Adopt the FY17-18 Urban Mass Transit Budget

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

Action Form No.: AF-152-2017  
 Work Session: June 5, 2017  
 First Reading: June 6, 2017

Final Adoption: June 20, 2017  
 Staff Work By: Smith, Taylor  
 Presentation By: 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 \$2,133,761.

### Attachments:

1. Ordinance

Funding source appropriate and funds are available: js

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
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 Trans Projects Grant budget be established by providing for the expenditure of funds by appropriating funding in the amount of \$2,133,761.

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>	
<b>Capital:</b>		
Federal Transit Administration	\$ 460,300	
Tennessee Dept. of Transportation	49,850	
General Fund	49,850	\$ 560,000
<b>Operating:</b>		
Federal Transit Administration	\$ 726,381	
Tennessee Dept. of Transportation	363,190	
Program Income:		
RCAT	49,000	
Bus Fares	72,000	
General Fund	363,190	\$ 1,573,761
<b>Total Revenues</b>		<b>\$ 2,133,761</b>

**Expenditure**

<b>Expenditure Category</b>	<b>Original Budget</b>	
<b>Capital:</b>		
Vehicle Purchase	410,000	
Vehicle Prev. Maint.	\$ 150,000	\$ 560,000
<b>Operating:</b>		
Personal Services	\$ 1,130,561	
Contractual Services	401,700	
Commodities	34,500	
Insurance	7,000	\$ 1,573,761
<b>Total Expenditures</b>		<b>\$ 2,133,761</b>

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.

\_\_\_\_\_  
JOHN CLARK, Mayor

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL  
Deputy City Recorder

APPROVED AS TO FORM:

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

PASSED ON 1ST READING: \_\_\_\_\_

PASSED ON 2ND READING: \_\_\_\_\_



## AGENDA ACTION FORM

### Ordinance to Adopt the FY17-18 Metropolitan Planning Project Grant Budget

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

Action Form No.: AF-153-2017  
 Work Session: June 5, 2017  
 First Reading: June 6, 2017

Final Adoption: June 20, 2017  
 Staff Work By: Smith, Albright  
 Presentation By: 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 \$362,425.

#### Attachments:

1. Ordinance

Funding source appropriate and funds are available:                     

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
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 \$362,425.

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	\$ 45,918	Personal Services	\$284,375
Federal FHWA TN	237,232	Contract Services	65,300
General Fund	66,322	Commodities	7,550
VDot-FHWA	9,250	Capital Outlay	5,000
V Dot-Sec 5303	3,703	Insurance	200
<b>Total Revenues</b>	<b><u>\$362,425</u></b>	<b>Total Expenditures</b>	<b><u>\$362,425</u></b>

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:

\_\_\_\_\_  
ANGIE MARSHALL  
Deputy City Recorder

APPROVED AS TO FORM:

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

PASSED ON 1ST READING: \_\_\_\_\_

PASSED ON 2ND READING: \_\_\_\_\_



## AGENDA ACTION FORM

### **Ordinance Transferring Funds to the Sullivan Street and Clay Street Intersection Signal Installation Project**

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

Action Form No.: AF-155-2017  
 Work Session: June 5, 2017  
 First Reading: June 6, 2017

Final Adoption: June 20, 2017  
 Staff Work By: M. Thompson, T. Elsea  
 Presentation By: Ryan McReynolds

#### **Recommendation:**

Approve the Ordinance.

#### **Executive Summary:**

Bids were opened May 25, 2017 for signal installation at the intersection of Sullivan Street and Clay Street. Two (2) bids were received, and the apparent low base bid for this project is \$179,260.00. This project includes demolition, concrete sidewalk, signal equipment, roadway markings, and maintenance of local traffic along with associated items.

A budget ordinance transferring funds to GP1740 in the total amount of \$200,000.00 is required. This will also allow the closeout of GP1017 and GP1414.

#### **Attachments:**

1. Ordinance

Funding source appropriate and funds are available: 

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

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

AN ORDINANCE TO AMEND THE GENERAL  
PROJECT FUND BUDGET BY TRANSFERRING  
FUNDS TO THE SULLIVAN AND CLAY SIGNAL  
PROJECT FOR THE 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 General Project Fund budget be amended by transferring \$7,500 from the Bridge Repair/Improvements project (GP1017), \$26,510 from the 2011 GO Road Design project (GP1208), and \$165,990 from the Lincoln Street Improvements project (GP1414) to the Sullivan and Clay Signal project (GP1740). The total amount transferred is \$200,000. The projects to be closed are GP1017 and GP1414.

**Account Number/Description:**

**Budget      Incr/<Decr>      New Budget**

**Fund 311: General Project Fund**

**Bridge Repair/Improvements (GP1017)**

**Revenues:**

	\$		\$		\$
311-0000-368-1037 Series 2009 D (BABS) GO	10,069		(1,290)		8,779
311-0000-368-2101 Premium From Bond Sale	7,423		(6,210)		1,213
<b>Totals:</b>	<b>17,492</b>		<b>(7,500)</b>		<b>9,992</b>

**Expenditures:**

	\$		\$		\$
311-0000-601-2022 Construction Contracts	1,872		0		1,872
311-0000-601-2023 Arch/Eng/Landscaping	7,500		(7,500)		0
311-0000-601-4041 Bond Sale Expense	3,482		0		3,482
311-0000-601-9003 Improvements	4,638		0		4,638
<b>Totals:</b>	<b>17,492</b>		<b>(7,500)</b>		<b>9,992</b>

**Fund 311: General Project Fund**

**2011 GO Road Design (GP1208)**

**Revenues:**

	\$		\$		\$
311-0000-368-1040 Series 2011 GO Pub Imp	361,820		(26,510)		335,310
311-0000-368-2101 Premium From Bond Sale	12,238		0		12,238
<b>Totals:</b>	<b>374,058</b>		<b>(26,510)</b>		<b>347,548</b>

**Expenditures:**

	\$		\$		\$
311-0000-601-2023 Arch/Eng/Landscaping	353,110		(26,510)		326,600
311-0000-601-4041 Bond Expense	20,948		0		20,948
<b>Totals:</b>	<b>374,058</b>		<b>(26,510)</b>		<b>347,548</b>

**Fund 311: General Project Fund**  
**Lincoln St Improvements (GP1414)**

**Revenues:**

311-0000-364-2000	From Corporations	\$	0	\$	29,854	\$	29,854
311-0000-368-1040	Series 2011 GO Pub Imp		105,184		0		105,184
311-0000-368-1046	Series 2013B GO Pub Imp		93,757		0		93,757
311-0000-368-2101	Premium From Bond Sale		6,059		0		6,059
<b>Totals:</b>			<b>205,000</b>		<b>29,854</b>		<b>234,854</b>

**Expenditures:**

311-0000-601-2022	Construction Contracts	\$	35,000	\$	29,854	\$	64,854
311-0000-601-2023	Arch/Eng/Landscaping		55,000		0		55,000
311-0000-601-4041	Bond Sale Expense		1,161		0		1,161
311-0000-601-9001	Land		113,839		0		113,839
<b>Totals:</b>			<b>205,000</b>		<b>29,854</b>		<b>234,854</b>

**Fund 311: General Project Fund**  
**Lincoln St Improvements (GP1414)**

**Revenues:**

311-0000-364-2000	From Corporations	\$	29,854	\$	(29,854)	\$	0
311-0000-368-1040	Series 2011 GO Pub Imp		105,184		(42,379)		62,805
311-0000-368-1046	Series 2013B GO Pub Imp		93,757		(93,757)		0
311-0000-368-2101	Premium From Bond Sale		6,059		0		6,059
<b>Totals:</b>			<b>234,854</b>		<b>(165,990)</b>		<b>68,864</b>

**Expenditures:**

311-0000-601-2022	Construction Contracts	\$	64,854	\$	(35,915)	\$	28,939
311-0000-601-2023	Arch/Eng/Landscaping		55,000		(16,236)		38,764
311-0000-601-4041	Bond Sale Expense		1,161		0		1,161
311-0000-601-9001	Land		113,839		(113,839)		0
<b>Totals:</b>			<b>234,854</b>		<b>(165,990)</b>		<b>68,864</b>

**Fund 311: General Project Fund**  
**Sullivan and Clay Signal (GP1740)**

**Revenues:**

311-0000-364-2000	From Corporations	\$	0	\$	29,854	\$	29,854
311-0000-368-1037	Series 2009 D (BABS) GO		0		1,290		1,290
311-0000-368-1040	Series 2011 GO Pub Imp		0		68,889		68,889
311-0000-368-1046	Series 2013B GO Pub Imp		0		93,757		93,757
311-0000-368-1051	Series 2015 A (Oct) GO PI		50,000		0		50,000
311-0000-368-2101	Premium From Bond Sale		0		6,210		6,210
<b>Totals:</b>			<b>50,000</b>		<b>200,000</b>		<b>250,000</b>

**Expenditures:**

311-0000-601-2023	Arch/Eng/Landscaping	\$	0	\$	12,000	\$	12,000
311-0000-601-9001	Land		10,000		0		10,000
311-0000-601-9003	Improvements		40,000		188,000		228,000
<b>Totals:</b>			<b>50,000</b>		<b>200,000</b>		<b>250,000</b>



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:

\_\_\_\_\_  
ANGIE MARSHALL  
Deputy City Recorder

APPROVED AS TO FORM:

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

PASSED ON 1ST READING: \_\_\_\_\_

PASSED ON 2ND READING: \_\_\_\_\_



## AGENDA ACTION FORM

### Ordinance Providing for the FY18 Community Development Block Grant Budget

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

Action Form No.: AF-159-2017  
 Work Session: June 5, 2017  
 First Reading: June 6, 2017

Final Adoption: June 20, 2017  
 Staff Work By: Haga, Smith  
 Presentation By: Lynn Tully, AICP

#### **Recommendation:**

Approve 2018 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: *JK*

	<u>Y</u>	<u>N</u>	<u>O</u>
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
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, 2018; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSFORT, 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			
<b>CD1801</b>	<b>CDBG Administration</b>		
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
<b>CD1804</b>	<b>KAHR Program</b>		
124-0000-603-1010	Salaries	\$ 43,201	
124-0000-603-4023	Grants	\$ 85,532	
124-0000-331-1000	Community Development Block Grant		\$ 128,733
<b>CD1805</b>	<b>Community Enrichment</b>		
124-0000-603-4023	Grants	\$ 35,000	
124-0000-331-1000	Community Development Block Grant		\$ 35,000
<b>CD1825</b>	<b>Code Enforcement</b>		
124-0000-603-1010	Salaries	\$ 40,000	
124-0000-331-1000	Community Development Block Grant		\$ 40,000
<b>CD1835</b>	<b>HOPE VI – Section 108</b>		
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

PASSED ON 1<sup>ST</sup> READING: \_\_\_\_\_

PASSED ON 2<sup>ND</sup> READING: \_\_\_\_\_



## AGENDA ACTION FORM

### Ordinance Amending City Code Sections 62-72 and 66-102 Pertaining to Weapons

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

Action Form No.: AF-135-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Mike Billingsley  
 Presentation By: Mike Billingsley

#### Recommendation:

Approve the Ordinance.

#### Executive Summary:

With the expected enactment of House bill 508 that allows an individual to sue the city for an ordinance that violates T.C.A. section 39-17-1314, it is advisable to delete city code Section 66-72, pertaining to carrying weapons, and amend Section 66-102 pertaining to projectile weapons or devices by added language that the section does not apply to firearms, ammunition, knives.

The attached ordinance makes the changes to the city code mentioned above to comply with T.C.A. section 39-17-1314, as amended by the Tennessee General Assembly during the last legislative session.

#### Attachments:

1. Ordinance
2. Code sections showing changes
3. Copy of enrolled bill from the General Assembly

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

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

AN ORDINANCE REPEALING AND DELETING SECTION 62-72 PERTAINING TO CARRYING WEAPONS AND AMENDING SECTION 66-102 PERTAINING TO PROJECTILE WEAPONS OR DEVICES OF THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT as follows:

SECTION I. That Section 62-72 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby repealed and deleted, and the remaining sections in that article are renumbered accordingly.

SECTION II. That Section 66-102 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended to read as follows:

Sec. 66-102. Projectile weapons or devices.

(a) It shall be unlawful for any person to discharge or be in possession of any bow and arrow, crossbow, rubber flippers, blowgun, slingshot, airgun or other weapon listed in T.C.A. § 39-17-1302, other than firearms, ammunition for firearms, components of firearms, or knives, while in or upon or traversing, using or crossing any public park, greenbelt, playground, nature preserve, civic center or building or facility, area or property owned, used or operated by the city for park or recreational purposes, or nature preserve established, provided or controlled by the city, within or without the corporate limits thereof.

(b) Subsection (a) of this section shall not apply to the following:

(1) Duly authorized law enforcement officers within the course and scope of their official duties or to employees of Bays Mountain Park when so authorized by the director of Bays Mountain Park.

(2) Only to the extent a person strictly conforms the person's behavior to the requirements of one of the following:

a. A person hunting during the lawful hunting season on lands owned by the city and designated as open to hunting by law or by the appropriate official;

b. A person possessing unloaded hunting weapons, other than firearms, ammunition for firearms, components of firearms, or knives, while traversing the grounds of any public recreational building or property for the purpose of gaining access to public or private lands open to hunting with the intent to hunt on the public or private lands unless the public recreational building or property is posted prohibiting entry; or

c. A person entering the property for the sole purpose of delivering or picking up passengers and who does not remove any weapon, other than firearms, ammunition for firearms, or knives, from the vehicle or utilize it in any manner.

(3) At any time the person's behavior no longer strictly conforms to one of the classifications in subsection (b)(2) of this section, the person shall be subject to the

provisions of subsection (a) of this section.

(c) Nothing herein shall be construed to regulate the possession of firearms, ammunition, components of firearms, or knives.

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

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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

PASSED ON 1ST READING .

PASSED ON 2ND READING \_\_\_\_\_

Sec. 66-102. Projectile weapons or devices.

(a) It shall be unlawful for any person to discharge or be in possession of any bow and arrow, crossbow, rubber flippers, blowgun, slingshot, airgun or other weapon listed in T.C.A. § 39-17-1302, other than firearms, ammunition for firearms, components of firearms, or knives, while in or upon or traversing, using or crossing any public park, greenbelt, playground, nature preserve, civic center or building or facility, area or property owned, used or operated by the city for park or recreational purposes, or nature preserve established, provided or controlled by the city, within or without the corporate limits thereof.

(b) Subsection (a) of this section shall not apply to the following:

(1) Duly authorized law enforcement officers within the course and scope of their official duties or to employees of Bays Mountain Park when so authorized by the director of Bays Mountain Park.

(2) Only to the extent a person strictly conforms the person's behavior to the requirements of one of the following:

a. . A person hunting during the lawful hunting season on lands owned by the city and designated as open to hunting by law or by the appropriate official;

b. A person possessing unloaded hunting weapons, other than firearms ammunition for firearms, components of firearms, or knives, while tranersing the grounds of any public recreational building or property for the purpose of gaining access to public or private lands open to hunting with the intent to hunt on the public or private lands unless the public recreational building or property is posted prohibiting entry; or

c. A person entering the property for the sole purpose of delivering or picking up passengers and who does not remove any weapon, other than firearms, ammunition for firearms, components of firearms, or knives, from the vehicle or utilize it in any manner.

(3) At any time the person's behavior no longer strictly conforms to one of the classifications in subsection (b)(2) of this section, the person shall be subject to the provisions of subsection (a) of this section.

(c) Nothing herein shall be construed to regulate the possession of firearms, ammunition, components of firearms, or knives.



# ENROLLED COPY

## HOUSE BILL NO. 508

By Representatives Lamberth, Holt, Casada, Williams, Eldridge, Rogers, Halford, Faison, Goins, Farmer, Dawn White, Hawk, Butt, Littleton, Coley, Matheny, Pody, Rudd, Powers, Van Huss, Matthew Hill, Timothy Hill, Ragan, Jerry Sexton, Terry, Gravitt, Byrd, Kumar, Sanderson, Crawford, Weaver, Matlock, Daniel, Zachary, Reedy, Sherrell, Gant

Substituted for: Senate Bill No. 445

By Senators Stevens, Bailey, Bowling

AN ACT to amend Tennessee Code Annotated, Title 29, Chapter 20 and Title 39, Chapter 17, Part 13, relative to firearms.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 39-17-1314, is amended by adding the following as new subsections:

(g)

(1) Notwithstanding title 29, chapter 20, a party who is adversely affected by an ordinance, resolution, policy, rule, or other enactment that is adopted or enforced by a county, city, town, municipality, or metropolitan government or any local agency, department, or official that violates this section may file an action in a court of competent jurisdiction against the county, city, town, municipality, or metropolitan government for:

(A) Declaratory and injunctive relief; and

(B) Damages, as provided in subsection (i).

(2) This subsection (g) shall apply to any ordinance, resolution, policy, rule, or other enactment that is adopted or enforced on or after July 1, 2017.

(h) As used in subsection (g), a party is "adversely affected" if:

(1) The party is an individual who:

(A) Lawfully resides within the United States;

(B) May legally possess a firearm under Tennessee law; and

(C) Is or was subject to the ordinance, resolution, policy, rule, or other enactment that is the subject of an action filed under subsection (g). An individual is or was subject to the ordinance, resolution, policy, rule, or other enactment if the individual is or was physically present within the boundaries of the political subdivision for any reason; or

(2) The party is a membership organization that:

(A) Includes two (2) or more individuals described in subdivision (h)(1); and

(B) Is dedicated in whole or in part to protecting the rights of persons who possess, own, or use firearms for competitive, sporting, defensive, or other lawful purposes.

(i) A prevailing plaintiff in an action under subsection (g) is entitled to recover from the county, city, town, municipality, or metropolitan government the following:

(1) The greater of:

(A) Actual damages, including consequential damages, attributable to the ordinance, resolution, policy, rule, or other enactment; or

(B) Three (3) times the plaintiff's attorney's fees;

(2) Court costs, including fees; and

(3) Reasonable attorney's fees; provided, that attorney's fees shall not be awarded under this subdivision (i)(3) if the plaintiff recovers under subdivision (i)(1)(B).

SECTION 2. Tennessee Code Annotated, Title 29, Chapter 20, Part 2, is amended by adding the following as a new section:

Immunity from suit of all governmental entities is removed for causes of action brought under § 39-17-1314(g)-(i).

SECTION 3. Tennessee Code Annotated, Section 39-17-1359, is amended by adding the following new subsection (g):

(1) Except as provided in subdivision (g)(2), nothing in this section shall authorize an entity of local government or a permittee thereof to enact or enforce a prohibition or restriction on the possession of a handgun by a handgun carry permit holder on property owned or administered by the entity unless the following are provided at each public entrance to the property:

(A) Metal detection devices;

(B) At least one (1) law enforcement or private security officer who has been adequately trained to conduct inspections of persons entering the property by use of metal detection devices; and

(C) That each person who enters the property through the public entrance when the property is open to the public and any bag, package, and other container carried by the person is inspected by a law enforcement or private security officer described in subdivision (g)(1)(B) or an authorized representative with the authority to deny entry to the property.

(2) Subdivision (g)(1) does not apply to:

(A) Facilities that are licensed under title 33, 37, or 68;

(B) Property on which firearms are prohibited by § 39-17-1309 or § 39-17-1311(b)(1)(H)(ii);

(C) Property on which firearms are prohibited by § 39-17-1306 at all times regardless of whether judicial proceedings are in progress;

(D) Buildings that contain a law enforcement agency, as defined in § 39-13-519;

(E) Libraries; or

(F) Facilities that are licensed by the department of human services, under title 71, chapter 3, part 5, and administer a Head Start program.

SECTION 4. Tennessee Code Annotated, Section 39-17-1359(f), is amended by deleting the language "This section shall not apply to" and substituting instead the language "Except as provided in subsection (g), this section shall not apply to".

**HB 508**

SECTION 5. Tennessee Code Annotated, Section 39-17-1306(a), is amended by deleting the word "room" and substituting instead the word "building".

SECTION 6. This act shall take effect July 1, 2017, the public welfare requiring it.

ENROLLED COPY



## AGENDA ACTION FORM

### **Amend Zoning of Parcels 5, 6, 7, and 8, Tax Map 61D, Located Adjacent to the Intersection of East Center Street and E Street in the Highland Community**

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

Action Form No.: AF-111-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

Final Adoption: June 6, 2017  
 Staff Work By: Ken Weems  
 Presentation By: Ken Weems

#### **Recommendation:**

- ~~Hold public hearing~~
- Approve ordinance amending the zoning ordinance to rezone parcels 5, 6, 7, and 8 from B-3, Highway Oriented Business District to R-3, Low Density Apartment District.

#### **Executive Summary:**

This is an owner-requested rezoning of approximately .832 acres located adjacent to the intersection of East Center Street and E Street from B-3 to R-3. The purpose of the rezoning request is to accommodate construction of a total of 12 new townhome units. As of May 2, 2017, the Planning Department only received positive public comment about the rezoning proposal. During their April 2017 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation for the rezoning to the Board of Mayor and Aldermen. The Notice of Public Hearing was published on May 1, 2016.

#### **Attachments:**

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

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



## AGENDA ACTION FORM

### Amend Zoning of Parcels 5, 6, 7, and 8, Tax Map 61D, Located Adjacent to the Intersection of East Center Street and E Street in the Highland Community

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

Action Form No.: AF-111-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

Final Adoption: June 6, 2017  
 Staff Work By: Ken Weems  
 Presentation By: Ken Weems

#### Recommendation:

- Hold public hearing
- Approve ordinance amending the zoning ordinance to rezone parcels 5, 6, 7, and 8 from B-3, Highway Oriented Business District to R-3, Low Density Apartment District.

#### Executive Summary:

This is an owner-requested rezoning of approximately .832 acres located adjacent to the intersection of East Center Street and E Street from B-3 to R-3. The purpose of the rezoning request is to accommodate construction of a total of 12 new townhome units. As of May 2, 2017, the Planning Department only received positive public comment about the rezoning proposal. During their April 2017 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation for the rezoning to the Board of Mayor and Aldermen. The Notice of Public Hearing was published on May 1, 2016.

#### Attachments:

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

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

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on May 16, 2017 to consider the rezoning for parcels 5,6,7, and 8 along East Center Street and E Street from B-3 District to R-3 District. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

*BEGINNING at a point, said point being the northeast corner of parcel 8, Tax Map 61D; thence in a southwesterly direction following the western right-of-way of E Street, approximately 152.5 feet to a point, said point lying in the middle of an unnamed alley; thence in a northwesterly direction, following the center of the unnamed alley, approximately 250 feet to a point, said point lying in the center of the unnamed alley; thence in a northeasterly direction, approximately 152.5 feet to a point, said point being the northern corner of parcel 5 in common with the southern right-of-way of East Center Street; thence in a southeasterly direction, following the southern right-of-way of East Center Street, approximately 250 feet to the point of BEGINNING, and being all of parcels 5, 6, 7, and 8, Tax Map 61D, as well as a portion of an unnamed alley, approximately 250 feet in length, as shown on the December 2016 Sullivan County Tax Maps.*

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

CITY OF KINGSFORT  
Angie Marshall, Deputy City Clerk  
PIT: 5/1/17

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

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO E STREET FROM B-3, HIGHWAY ORIENTED BUSINESS DISTRICT TO R-3, LOW DENSITY APARTMENT DISTRICT IN THE 11<sup>TH</sup> CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property adjacent to E Street from B-3, Highway Oriented Business District to R-3, Low Density Apartment District in the 11<sup>th</sup> Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

BEGINNING at a point, said point being the northeast corner of parcel 8, Tax Map 61D; thence in a southwesterly direction following the western right-of-way of E Street, approximately 152.5 feet to a point, said point lying in the middle of an unnamed alley; thence in a northwesterly direction, following the center of the unnamed alley, approximately 250 feet to a point, said point lying in the center of the unnamed alley; thence in a northeasterly direction, approximately 152.5 feet to a point, said point being the northern corner of parcel 5 in common with the southern right-of-way of East Center Street; thence in a southeasterly direction, following the southern right-of-way of East Center Street, approximately 250 feet to the point of BEGINNING, and being all of parcels 5, 6, 7, and 8, Tax Map 61D, as well as a portion of an unnamed alley, approximately 250 feet in length, as shown on the December 2016 Sullivan County Tax Maps.

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

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

\_\_\_\_\_  
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 \_\_\_\_\_



**Rezoning Report**

**Kingsport Regional Planning Commission**

**File Number 17-101-00002**

**E Street Rezoning**

<b>Property Information</b>			
Address	n/a		
Tax Map, Group, Parcel	Map 61D, Group N, Parcel 5-8		
Civil District	11		
Overlay District	n/a		
Land Use Designation	Retail		
Acres	.832 acres +/-		
Existing Use	Vacant property	Existing Zoning	B-3
Proposed Use	Total of 12 two bedroom townhomes	Proposed Zoning	R-3
<b>Owner /Applicant Information</b>			
Name: Eastern Eight CDC Address: 214 East Watauga Ave City: Johnson City State: TN                                  Zip Code: 37601 Phone: (423) 232-2042		Intent: <i>To rezone from B-3 (Highway Oriented Business District) to R-3 (Low Density Apartment District) to accommodate a total of 12 two bedroom townhomes.</i>	
<b>Planning Department Recommendation</b>			
The Kingsport Planning Division recommends sending a <b>POSITIVE</b> recommendation to the Kingsport Board of Mayor and Aldermen for the following reasons: <ul style="list-style-type: none"> <li>• <i>The proposed R-3 zone (Low Density Apartment District) will serve as an appropriate buffer between the single family home use to the south and commercial zoning and uses along East Center Street.</i></li> <li>• <i>The construction of new townhomes in this part of the Highland Community will complement the existing residential use along East Center Street and the mixed use nature of the area.</i></li> </ul> <b>Staff Field Notes and General Comments:</b> <ul style="list-style-type: none"> <li>• <i>The rezoning site was recently cleared of dilapidated structures to make way for new development.</i></li> <li>• <i>As of April 10, 2017, the Planning Department has not received any public comment about the rezoning.</i></li> <li>• <i>This rezoning is scheduled for the May 16, 2017 BMA meeting for 1<sup>st</sup> reading and public hearing.</i></li> </ul>			
Planner:	Ken Weems	Date:	April 10, 2017
<b>Planning Commission Action</b>		<b>Meeting Date:</b>	<b>April 20, 2017</b>
Approval:			
Denial:		Reason for Denial:	
Deferred:		Reason for Deferral:	

**Kingsport Regional Planning Commission**

**Rezoning Report**

**File Number 17-101-00002**

**PROPERTY INFORMATION**

<b>ADDRESS</b>	n/a
<b>DISTRICT</b>	11
<b>OVERLAY DISTRICT</b>	n/a
<b>EXISTING ZONING</b>	B-3 (Highway Oriented Business District)
<b>PROPOSED ZONING</b>	R-3 (Low Density Apartment District)
<b>ACRES</b>	.832 +/-
<b>EXISTING USE</b>	vacant
<b>PROPOSED USE</b>	Total of 12 two bedroom townhomes

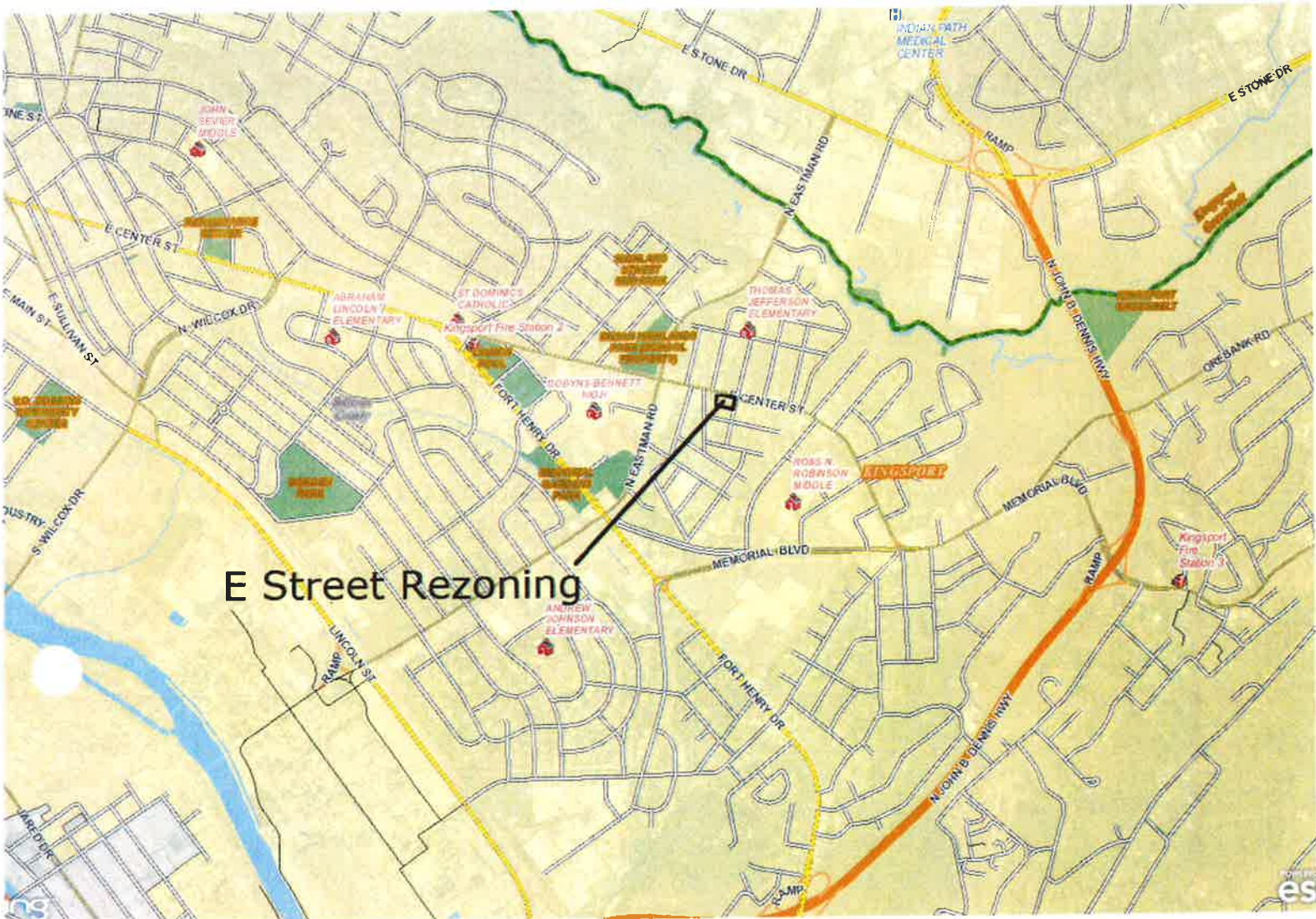
**PETITIONER**

**ADDRESS**                    **214 East Watauga Ave, Johnson City, TN 37601**

**INTENT**

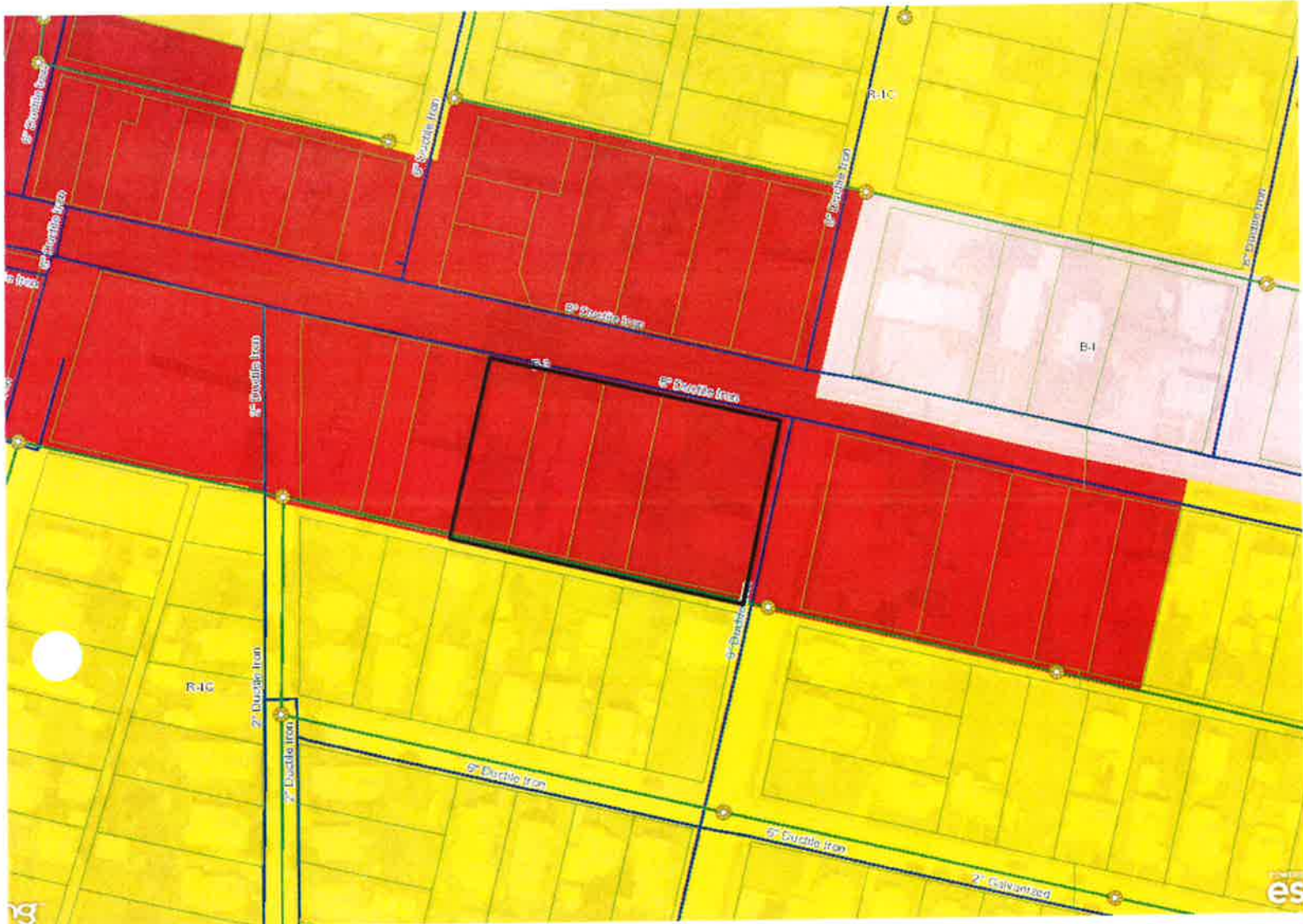
*To rezone from B-3 (Highway Oriented Business District) to R-3 (Low Density Apartment District) to accommodate a total of 12 two bedroom townhomes.*

Vicinity Map





Surrounding Zoning Map







**File Number 17-101-00002**

**Northeast View (towards intersection of E and East Center Streets)**



**West View (towards downtown)**





**South View**



**East View (towards Memorial Blvd)**





**Rezoning Report**

**Kingsport Regional Planning Commission**

**File Number 17-101-00002**

**Existing Zoning/ Land Use Table**

<b>Location</b>	<b>Parcel / Zoning Petition</b>	<b>Zoning / Use</b>	<b>History Zoning Action Variance Action</b>
North, East, Northwest	<b>1</b>	<u>Zone: City B-3</u> Use: Single Family & Commercial	n/a
Further North and Northwest	<b>2</b>	<u>Zone: City B-3</u> Use: Single Family	n/a
East	<b>3</b>	<u>Zone: City B-3</u> Use: Single Family	n/a
Further East	<b>4</b>	<u>Zone: City B-1</u> Use: Commercial	n/a
Southeast and South	<b>5</b>	<u>Zone: City R-1C</u> Use: Single Family	n/a
Further South	<b>6</b>	<u>Zone: City R-1C</u> Use: Single Family	n/a
West	<b>7</b>	<u>Zone: City B-3</u> Use: Commercial	n/a

EXISTING USES LOCATION MAP



**File Number 17-101-00002**

PER RECORDED PLAT: BRISTOL HIGHWAY (58' R.O.W.)

CURRENTLY CENTER STREET (38' PAVED)

15' ALLEY PER RECORDED PLAT (14' PAVED)

E STREET (50' R.O.W. PER RECORDED PLAT)

MAXWELL AVENUE (40' R.O.W. PER RECORDED PLAT)

REFERENCE NETWORK

VICINITY MAP

LEGEND

NOTES

CONCEPTUAL SITE PLAN  
CENTER STREET TOWNHOMES  
E. CENTER ST. AT E STREET  
UNAPPROVED - PENDING

DATE: 5/20/24

1/1

1/1

- Rear yard 20 ft
- Usable open space 20%
- Parking: 18 spaces required (1.5 spaces per unit); 19 provided

The proposal conforms to the R-3 (Low Density Apartment District) zoning standards

### Property Features

The rezoning site has been completely cleared as of early April, 2017. Formerly, a dilapidated building stood on the west side of the rezoning site (fronting E Street).

### Standards of Review

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

1. **Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby property?** The proposal will permit uses that are suitable for this area of the Highland Community. The mixed use nature of the area will allow the new townhomes to be a pleasant site and serve as a good transition between the mix of uses along East Center Street and the existing single family use to the south.
2. **Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** The adjacent and nearby property will not be adversely affected by the proposal. The proposal is a major upgrade from the former condition of the property.
3. **Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** The property to be affected by the proposal has a reasonable economic use as currently zoned. The same reasonable economic use is acknowledged for the proposed R-3 zone as well.
4. **Whether the proposal will result in a use which will or could cause an excessive or burdensome use of existing streets, transportation facilities, utilities or schools?** The proposal of will not cause an excessive or burdensome use of existing streets, trans facilities, utilities or schools. East Center Street, a minor arterial as classified in the Major Streets and Road Plan, is adequate to serve the proposal.
5. **Whether the proposal is in conformity with the policies and intent of the land use plan?** The land use plan addresses the rezoning site as appropriate for retail use. It is

staff's opinion that the property's highest and best use can also be captured the townhome proposal too.

**Proposed use:** 12 two bedroom townhomes

**The Future Land Use Plan Map recommends** Retail

6. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** The existing conditions of the property present a blank slate for new development. The townhome proposal will be a welcome change to the Highland Community.
7. **Whether the zoning proposal will permit a use which can be considered environmentally adverse to the natural resources, environment and citizens of the City of Kingsport?** There are no adverse uses proposed.
8. **Whether the change will create an isolated district unrelated to similar districts:** The proposed rezoning will create an isolated district. The R-3 district and proposed use will be compatible with the existing zones and uses.
9. **Whether the present district boundaries are illogically drawn in relation to existing conditions?** The present district boundaries are logically drawn in relation to the existing B-3 zone and uses.
10. **Whether the change will constitute a grant of special privilege to an individual as contrasted to the general welfare?** The change will not constitute a special privilege to an individual as contrasted to the general welfare. This downzoning proposal, with townhome plans, is also permitted in adjacent B-1 zoned properties.

## CONCLUSION

Staff recommends sending a POSITIVE recommendation to rezone from B-3 to R-3. It is staff's opinion that the property is that this downzoning proposal will appropriately serve the Highland Community in an area where the new housing is needed and appropriate to adjacent land uses.





## AGENDA ACTION FORM

### Amend Zoning of 1912 Seaver Road, Located at the Intersection of Seaver Road and Princeton Road

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

Action Form No.: AF-115-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

Final Adoption: June 6, 2017  
 Staff Work By: Jessica Harmon  
 Presentation By: Jessica Harmon

#### Recommendation:

- ~~Hold public hearing~~
- Approve ordinance amending the zoning ordinance to rezone 1912 Seaver Road, a portion of Tax Map 75M, Group A, Parcel 37 from B-4P, Planned Business District to R-1B, Low Density Residential District.

#### Executive Summary:

This is an owner-requested rezoning of approximately 6.4 acres located adjacent to the intersection of Seaver Road and Princeton Road from B-4P to R-1B. The purpose of the rezoning request is to allow for further single family development on the property. Staff has only received one phone call with general questions concerning the rezoning request. During their April 2017 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation for the rezoning to the Board of Mayor and Aldermen. The Notice of Public Hearing was published on May 1, 2016.

#### Attachments:

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

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



## AGENDA ACTION FORM

### Amend Zoning of 1912 Seaver Road, Located at the Intersection of Seaver Road and Princeton Road

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

Action Form No.: AF-115-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

Final Adoption: June 6, 2017  
 Staff Work By: Jessica Harmon  
 Presentation By: Jessica Harmon

### Recommendation:

- Hold public hearing
- Approve ordinance amending the zoning ordinance to rezone 1912 Seaver Road, a portion of Tax Map 75M, Group A, Parcel 37 from B-4P, Planned Business District to R-1B, Low Density Residential District.

### Executive Summary:

This is an owner-requested rezoning of approximately 6.4 acres located adjacent to the intersection of Seaver Road and Princeton Road from B-4P to R-1B. The purpose of the rezoning request is to allow for further single family development on the property. Staff has only received one phone call with general questions concerning the rezoning request. During their April 2017 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation for the rezoning to the Board of Mayor and Aldermen. The Notice of Public Hearing was published on May 1, 2016.

### Attachments:

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

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

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on May 16, 2017 to consider the rezoning for 1912 Seaver Road from B-4P District to R-1B District. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

*Beginning at a point, said point being a point on Tax Map 75M Group A Parcel 37 and the westerly edge of right-of-way for Seaver Road; thence continuing in a southeasterly direction approximately 786 feet to a point, said point being the southeasterly corner of Tax Map 75M Group A Parcel 37 and the edge of right-of-way for the intersection of Princeton Road and Seaver Road; thence continuing in a southwesterly direction approximately 712 feet along the northerly edge of right-of-way of Princeton Road to a point, said point being the southwesterly corner of Tax Map 75M Group A Parcel 37 and the edge of right-of-way for the intersection of Diana Road and Princeton Road; thence continuing in a northerly direction approximately 892 feet to a point, said point being a point along the westerly property line of Tax Map 75M Group A Parcel 37; thence continuing in an easterly direction approximately 84 feet to a point, said point being the point of BEGINNING, and being a portion of parcel 37, Group A, Tax Map 75M as shown on the December 2016 Sullivan County Tax Maps.*

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

CITY OF KINGSPORT  
Angie Marshall, Deputy City Clerk  
PIT: 5/1/17



PRE-FILED

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

CITY RECORDER

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO SEAVER ROAD FROM B-4P, PLANNED BUSINESS DISTRICT TO R-1B, LOW DENSITY RESIDENTIAL DISTRICT IN THE 13<sup>TH</sup> CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property adjacent to Seaver Road from B-4P, Planned Business District to R-1B, Low Density Residential District in the 13<sup>th</sup> Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

Beginning at a point, said point being a point on Tax Map 75M Group A Parcel 37 and the westerly edge of right-of-way for Seaver Road; thence continuing in a southeasterly direction approximately 786 feet to a point, said point being the southeasterly corner of Tax Map 75M Group A Parcel 37 and the edge of right-of-way for the intersection of Princeton Road and Seaver Road; thence continuing in a southwesterly direction approximately 712 feet along the northerly edge of right-of-way of Princeton Road and continuing with the northerly right-of-way with Diana Road to a point, thence in a northerly direction said point being the southwesterly corner of Tax Map 75M Group A Parcel 37 and the edge of right-of-way for the intersection of Diana Road; thence continuing in a northerly direction approximately 892 feet to a point, said point being a point along the westerly property line of Tax Map 75M Group A Parcel 37; thence continuing in an easterly direction approximately 84 feet to a point, said point being the point of BEGINNING, and being a portion of parcel 37, Group A, Tax Map 75M as shown on the December 2016 Sullivan County Tax Maps.

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

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

\_\_\_\_\_  
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 \_\_\_\_\_

**Kingsport Regional Planning Commission**  
**Rezoning Report**

**File Number 17-101-00001**

**1912 Seaver Road Rezoning**

<b>Property Information</b>			
<b>Address</b>		1912 Seaver Road, Kingsport TN	
<b>Tax Map, Group, Parcel</b>		Tax Map 75M Group A Parcel 37	
<b>Civil District</b>		13	
<b>Overlay District</b>		Not applicable	
<b>Land Use Designation</b>		Single Family	
<b>Acres</b>		6.74 acres +/-	
<b>Existing Use</b>	Single family	<b>Existing Zoning</b>	B-4P
<b>Proposed Use</b>	Single family	<b>Proposed Zoning</b>	R-1B
<b>Owner /Applicant Information</b>			
<b>Name:</b> John Dickenson <b>Address:</b> 233 New Beason Well Road <b>City:</b> Kingsport <b>State:</b> TN <b>Zip Code:</b> 37660 <b>Email:</b> <a href="mailto:dickensonbuilders@yahoo.com">dickensonbuilders@yahoo.com</a> <b>Phone Number:</b> (423) 571-9862		<b>Intent:</b> <i>To rezone from B-4P to R-1B to allow for subdivision of the property to construct single family homes.</i>	
<b>Planning Department Recommendation</b>			
<p>The Kingsport Planning Division recommends sending a <b>POSITIVE</b> recommendation to the Kingsport Board of Mayor and Alderman for the following reasons:</p> <ul style="list-style-type: none"> <li>• The rezoning site is designated as Low Density Residential on the Future Land Use Plan.</li> <li>• The property currently is being used as residential. The rezoning will not change the use of the property.</li> </ul> <p><b>Staff Field Notes and General Comments:</b></p> <ul style="list-style-type: none"> <li>• The parcel lies at the intersection of Seaver Road, Princeton Road, and Diana Road.</li> <li>• Letters were mailed to adjacent property owners within 300' of the rezoning site. No feedback has been received.</li> <li>• The rezoning site will help facilitate a smooth transition from the existing commercial districts to the residential districts along Seaver Rd and Diana Rd.</li> </ul>			
<b>Planner:</b>	Jessica Harmon	<b>Date:</b>	April 7, 2017
<b>Planning Commission Action</b>		<b>Meeting Date:</b>	April 20, 2017
<b>Approval:</b>			
<b>Denial:</b>		<b>Reason for Denial:</b>	
<b>Deferred:</b>		<b>Reason for Deferral:</b>	

# Kingsport Regional Planning Commission

## Rezoning Report

File Number 17-101-00001

### PROPERTY INFORMATION

<b>ADDRESS</b>	1912 Seaver Road Kingsport TN
<b>DISTRICT</b>	13
<b>OVERLAY DISTRICT</b>	Not Applicable
<b>EXISTING ZONING</b>	B-4P (Planned Business District)
<b>PROPOSED ZONING</b>	R-1B (Single Family Residential)
<b>ACRES</b>	6.4 +/-
<b>EXISTING USE</b>	Single Family
<b>PROPOSED USE</b>	Single Family

### PETITIONER

**ADDRESS** 233 New Beason Well Rd. Kingsport, TN

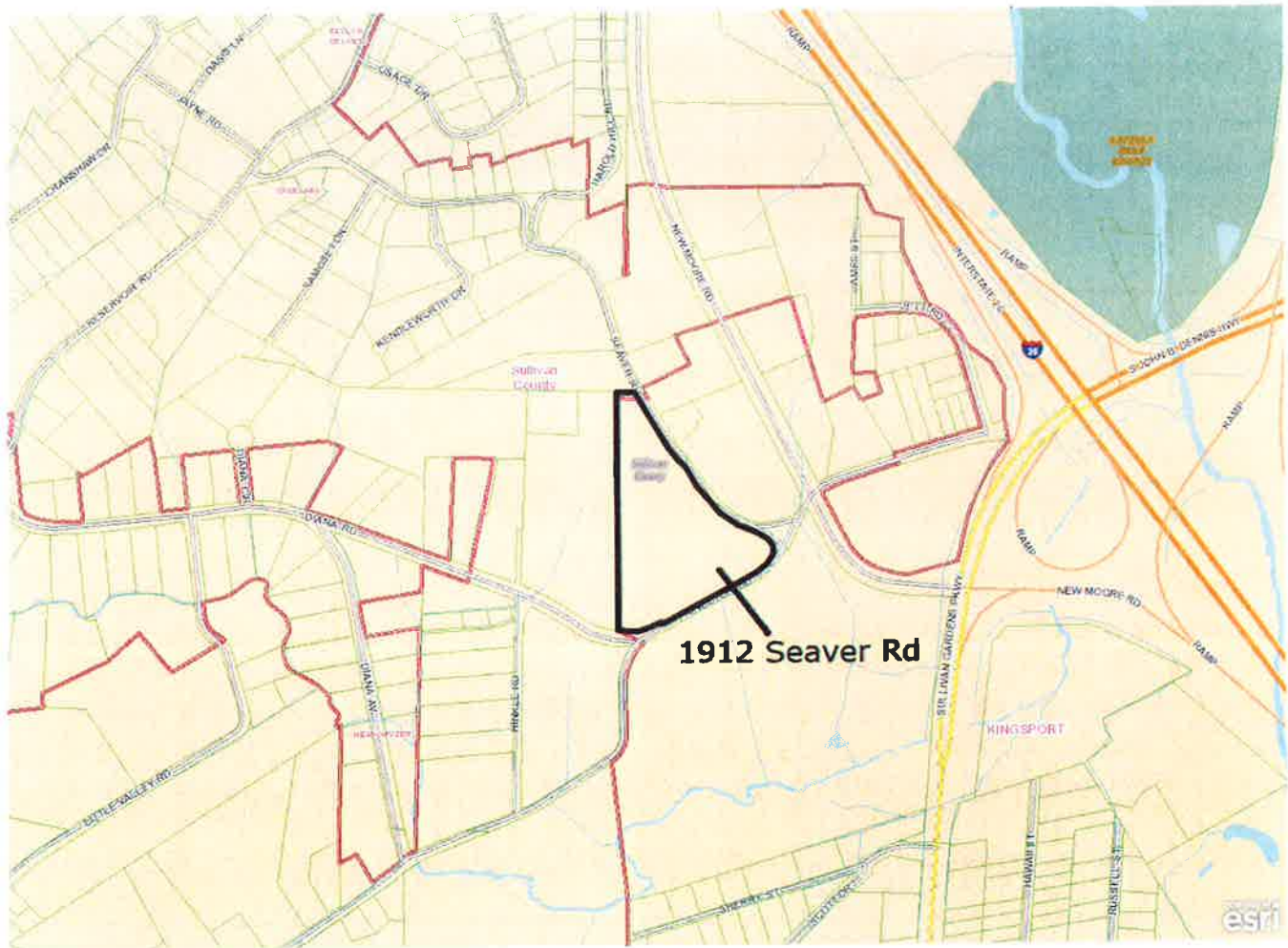
### REPRESENTATIVE

**PHONE** (423) 571-9862

### INTENT

*The property currently has one single family home on it. The petitioner is seeking to rezone the property from B-4P to R-1B so that he may subdivide the land and construct multiple single family residential structures.*

### Vicinity Map



### **Surrounding City Zoning Map**

Prepared by Kingsport Planning Department for the  
Kingsport Regional Planning Commission Meeting on April 20, 2017



**File Number 17-101-00001**



Page 4 of 12



**Future Land Use Plan 2030**

Prepared by Kingsport Planning Department for the  
Kingsport Regional Planning Commission Meeting on April 20, 2017





**Aerial**

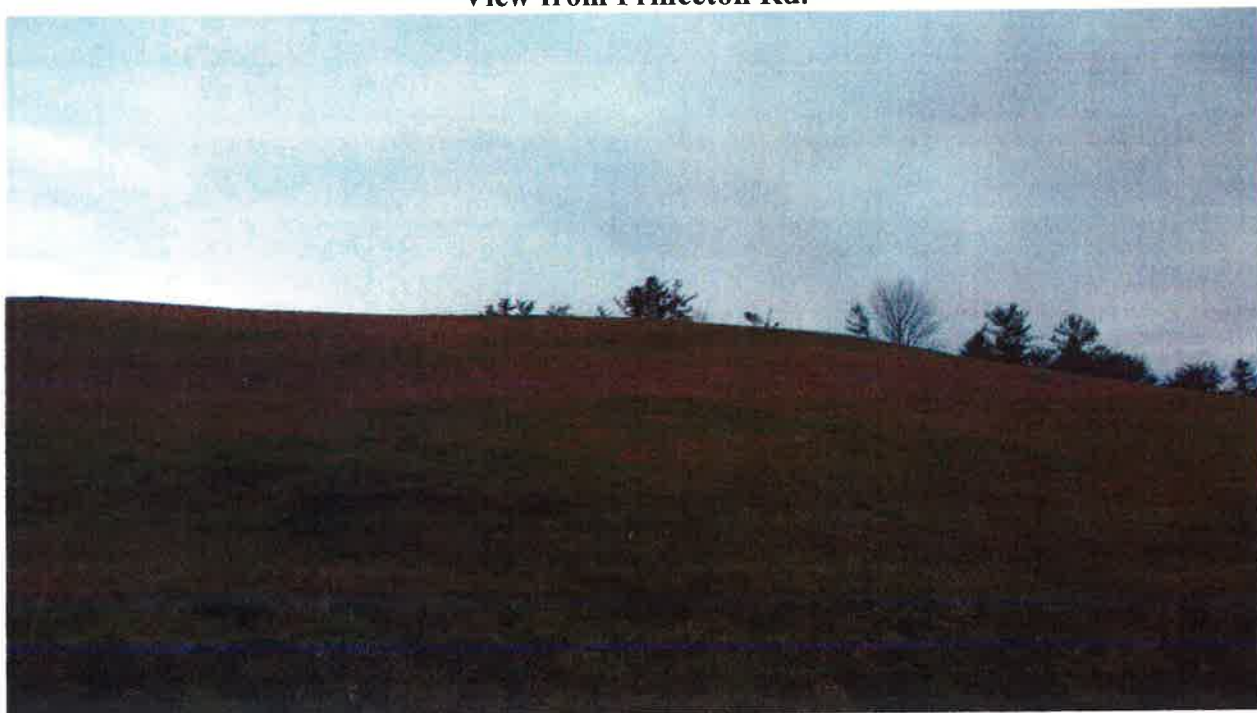




**View from Seaver Rd.**



**View from Princeton Rd.**



**Kingsport Regional Planning Commission**

**Rezoning Report**

**File Number 17-101-00001**

<b>Location</b>	<b>Parcel / Zoning Petition</b>	<b>Zoning / Name</b>	<b>History Zoning Action Variance Action</b>
North	<b>1</b>	<u>Zone: County R-1</u> Use: Church	n/a
East	<b>2</b>	<u>Zone: City B-4P</u> Use: Single Family	Annexed in July of 1999 as part of the Princeton Rd Annexation
Southeast	<b>3</b>	<u>Zone: City B-4P</u> Use: Gas Station/Fast Food Restaurant	Annexed in July of 1999 as part of the Princeton Rd Annexation
South	<b>4</b>	<u>Zone: City B-4P</u> Use: vacant	Annexed in July of 1999 as part of the Princeton Rd Annexation
Southwest	<b>5</b>	<u>Zone: County B-3</u> Use: Sull. Co. Hwy Dept.	n/a
West	<b>6</b>	<u>Zone: County R-1</u> Use: Church	n/a
Nothwest	<b>7</b>	<u>Zone: County R-1</u> Use: Vacant	Currently proposed for annexation as part of the Seaver Rd Annexation

**EXISTING USES LOCATION MAP**



**Standards of Review**

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

1. **Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** The proposal will permit the same single family uses that surround the property on all sides.
2. **Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** The adjacent and nearby property will not be adversely affected by the proposal. Adjacent property is zoned City R-1B and County R-1.

3. **Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** The property has a reasonable economic use as currently zoned. There is also a reasonable economic use for the proposed zone.
4. **Whether the proposal will result in a use which will or could cause an excessive or burdensome use of existing streets, transportation facilities, utilities or schools?** The proposal will not cause an excessive or burdensome use of existing streets, transportation facilities, utilities, or schools.
5. **Whether the proposal is in conformity with the policies and intent of the land use plan?**

**Proposed use:** Single Family

**The Future Land Use Plan Map recommends** single family use.

6. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** The existing conditions support approval of the proposed rezoning. The location of the parcel requested for rezoning demonstrates a reasonable transition from the B-4P Commercial zones to the Single Family City and County Zones along Seaver Rd and Diana Rd.
7. **Whether the zoning proposal will permit a use which can be considered environmentally adverse to the natural resources, environment and citizens of the City of Kingsport?** There are no adverse uses proposed. The zoning will permit uses consistent with single family use.
8. **Whether the change will create an isolated district unrelated to similar districts:** The proposal will not create an isolated district in that it is surrounded by both Sullivan County and Kingsport City residential districts.
9. **Whether the present district boundaries are illogically drawn in relation to existing conditions?** The present district boundaries are appropriately drawn as is. The proposed boundaries are logical too, in regards to following the current property lines.
10. **Whether the change will constitute a grant of special privilege to an individual as contrasted to the general welfare?** The change will not allow a special privilege to an individual as contrasted to the general welfare.

**CONCLUSION**

Staff recommends sending a POSITIVE recommendation to rezone from B-4P to R-1B based upon conformance to the Future Land Use Plan and Policy and the rezoning site acting as a smooth transition from the existing commercial district to the residential districts of Seaver Rd and Diana Rd.





## AGENDA ACTION FORM

### Approve Receiving a Grant from the Kingsport Community Foundation Centennial Park Project Fund of East Tennessee Foundation and Appropriate Funds

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

Action Form No.: AF-123-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

Final Adoption: June 6, 2017  
 Staff Work By: Chris McCartt  
 Presentation By: Chris McCartt

#### Recommendation:

Approve the ~~Resolution~~ and Ordinance.

#### Executive Summary:

The Kingsport Community Foundation Centennial Park Project Fund through the East Tennessee Foundation has awarded Grant No. 20170437 in the amount of \$45,000.00 to the city for use in the Kingsport Centennial Park project. The award letter, a copy of which is contained in the resolution, must be executed to approve the receipt of the grant. The letter sets out the terms and conditions of the grant donation.

#### Attachments:

1. Resolution
2. Ordinance

Funding source appropriate and funds are available: *JF*

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



## AGENDA ACTION FORM

### Approve Receiving a Grant from the Kingsport Community Foundation Centennial Park Project Fund of East Tennessee Foundation and Appropriate Funds

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

Action Form No.: AF-123-2017  
 Work Session: May 15, 2017  
 First Reading: N/A May 16, 2017

Final Adoption: May 16, 2017 June 6, 2017  
 Staff Work By: Chris McCartt  
 Presentation By: Chris McCartt

#### Recommendation:

Approve the Resolution and Ordinance.

#### Executive Summary:

The Kingsport Community Foundation Centennial Park Project Fund through the East Tennessee Foundation has awarded Grant No. 20170437 in the amount of \$45,000.00 to the city for use in the Kingsport Centennial Park project. The award letter, a copy of which is contained in the resolution, must be executed to approve the receipt of the grant. The letter sets out the terms and conditions of the grant donation.

#### Attachments:

1. Resolution
2. Ordinance

Funding source appropriate and funds are available: 

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

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

A RESOLUTION ACCEPTING GRANT NO. 20170437 FROM THE KINGSFORT COMMUNITY FOUNDATION CENTENNIAL PARK PROJECT FUND THROUGH THE EAST TENNESSEE FOUNDATION; APPROVING A LETTER OF AWARD; AND AUTHORIZING THE MAYOR TO EXECUTE THE LETTER, AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE LETTER

WHEREAS, the Kingsport Community Foundation Centennial Park Project Fund has awarded Grant No. 20170437 in the amount of \$45,000.00 to the city for use in the Kingsport Centennial Park; and

WHEREAS, to complete acceptance of the grant funds the East Tennessee Foundation has requested the city execute the letter of award as set out in the resolution below; and

WHEREAS, the terms and conditions of the grant are set out below in the letter of award.

Now therefore,

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

SECTION I. That Grant No. 20170437 from the Kingsport Community Foundation Centennial Park Project Fund through the East Tennessee Foundation in the amount of \$45,000.00 for the Kingsport Centennial Park and the letter of award are approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a letter of award and all documents necessary and proper receive Grant No. 20170437 from the Kingsport Community Foundation Centennial Park Project Fund through the East Tennessee Foundation in the amount of \$45,000.00 for the Kingsport Centennial Park, said letter as set out below:

May 3, 2017

The Honorable John Clark  
City of Kingsport  
225 West Center Street  
Kingsport, TN 37660-4237

Dear Mayor Clark:

The Board of Directors of East Tennessee Foundation is pleased to inform you that the City of Kingsport has been approved to receive a grant in the amount of \$45,000 from the Kingsport Community Foundation Centennial Park Project Fund of East Tennessee Foundation.

Please read your grant award letter carefully. If you have any questions about the terms, conditions, or any other aspect of the Kingsport Community Foundation Centennial Park Project Fund, please contact Trudy Hughes, Director of Regional Development.

The terms and conditions of this award are as follows:

1. Grant Number: Please refer to this grant as grant number 20170437 in all correspondence regarding this award.
2. Public Acknowledgement: Raising public awareness of Kingsport Community Foundation and East Tennessee Foundation is a grant requirement. In particular, East Tennessee Foundation:



- Requires the City of Kingsport to acknowledge this grant and the support of Kingsport Community Foundation and East Tennessee Foundation on all listings of your annual funders.
- Requires the City of Kingsport to acknowledge Kingsport Community Foundation and East Tennessee Foundation in all appropriate programs and publications, permanent site recognition, printed materials, press releases, or media coverage pertaining to the Greater Kingsport Centennial Park Project.
- Requests that the City of Kingsport display a link to East Tennessee Foundation's website ([www.easttennesseefoundation.org](http://www.easttennesseefoundation.org)) on its website.

3. General Terms and Condition : The City of Kingsport agrees:

- To use the funds from this award only for the designated purposes and not for any other purpose without advance written approval from East Tennessee Foundation;
- To notify ETF of any change in the City of Kingsport's executive or key staff for this project, or any other change that impairs the City's ability to utilize the grant as intended.
- To maintain books and records adequate to demonstrate that the funds were expended for the purpose intended;
- To give ETF reasonable access to the City of Kingsport's files and records for the purposes of making audits and verifications as it deems necessary concerning the grant; and
- To return any unexpended funds to East Tennessee Foundation or any portion of the grant that is not used for the purposes specified in this grant award letter

4. Acceptance of Grant Award and Check: To acknowledge your acceptance of this grant award and check, please return the signed original of this letter to East Tennessee Foundation.

5. Equal Opportunity: By accepting this grant award, the City of Kingsport certifies that it is an equal opportunity employer and provider of services.

Congratulations on the award and best wishes for successful completion of the Greater Kingsport Centennial Park Project

[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 letter of award set out herein that do not substantially alter the material provisions of the letter of award, 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 citizens of the city.

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

ADOPTED this the 16th day of May, 2017.

\_\_\_\_\_  
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 DONATED FUNDS RECEIVED FROM THE EAST TENNESSEE FOUNDATION FOR THE 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 General Project Fund budget be amended by appropriating donated funds in the amount of \$45,000 received from the East Tennessee Foundation to the Centennial Park/Downtown Parks project (GP1627).

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b><u>Fund 311: General Project Fund</u></b>			
<b><u>Centennial Park /Downtown Parks (GP1627)</u></b>			
<b><u>Revenues:</u></b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
311-0000-364-1000 Contributions/Individual	650	0	650
311-0000-364-5621 East Tenn. Foundation	590,000	45,000	635,000
311-0000-368-1047 Series 2014A GO Bonds	126,266	0	126,266
311-0000-368-1054 Series 2016 GO (Nov 4)	26,643	0	26,643
311-0000-368-2101 Premium From Bond Sale	27,074	0	27,074
311-0000-391-0100 From General Fund	851,200	0	851,200
<b><i>Totals:</i></b>	<b>1,621,833</b>	<b>45,000</b>	<b>1,666,833</b>
<b><u>Expenditures:</u></b>			
311-0000-601-2022 Construction Contracts	20,000	0	20,000
311-0000-601-2023 Arch/Eng/ Landscaping	77,315	0	77,315
311-0000-601-2095 Public Art	10,000	0	10,000
311-0000-601-4041 Bond Sale Expense	3,717	0	3,717
311-0000-601-9001 Land	31,000	0	31,000
311-0000-601-9003 Improvements	1,479,801	45,000	1,524,801
<b><i>Totals:</i></b>	<b>1,621,833</b>	<b>45,000</b>	<b>1,666,833</b>

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

**JAMES H. DEMMING, City Recorder**

**J. MICHAEL BILLINGSLEY, City Attorney**

**PASSED ON 2ND READING:**



## AGENDA ACTION FORM

### Amend the FY 2017 Schools Federal Projects Fund Budget

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

Action Form No.: AF-121-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

Final Adoption: June 6, 2017  
 Staff Work By: David Frye  
 Presentation By: David Frye

#### Recommendation:

Approve the Ordinance.

#### Executive Summary:

On May 2, 2017, the Board of Education approved an amendment to the FY 2016-2017 Schools' Federal Project Fund budget. This fund accounts for entitlement grants received from the federal government. The current budget is \$4,310,909, based on estimated amounts. The estimates are being adjusted to actual amounts. There is a net decrease for this budget of \$1,826. This makes the amended total \$4,309,083.

#### Attachments:

1. Ordinance
2. BOE Budget Amendment Number Six

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



## AGENDA ACTION FORM

### **Amend the FY 2017 Schools Federal Projects Fund Budget**

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

Action Form No.: AF-121-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

Final Adoption: June 6, 2017  
 Staff Work By: David Frye  
 Presentation By: David Frye

#### **Recommendation:**

Approve the Ordinance.

#### **Executive Summary:**

On May 2, 2017, the Board of Education approved an amendment to the FY 2016-2017 Schools' Federal Project Fund budget. This fund accounts for entitlement grants received from the federal government. The current budget is \$4,310,909, based on estimated amounts. The estimates are being adjusted to actual amounts. There is a net decrease for this budget of \$1,826. This makes the amended total \$4,309,083.

#### **Attachments:**

1. Ordinance
2. BOE Budget Amendment Number Six

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

ORDINANCE NO. \*\*\*\*

PRE-FILED  
CITY RECORDER

AN ORDINANCE TO AMEND THE FY 2017 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 2017 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>
<b><u>Revenues:</u></b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
ADMN17 Consolidated Administration	142,187	(235)	141,952
CPG017 Carl Perkins Grant	134,683	0	134,683
CPI017 Carl Perkins Incentive Grant	5,000	(5,000)	0
PS1701 IDEA Pre-School	40,125	2,096	42,221
T11701 Title I	2,014,556	(2,264)	2,012,292
FSG017 Focus School Grant	86,000	(309)	85,691
T21701 Title II – A	308,216	(1,294)	306,922
T31701 Title III	6,998	81	7,079
T61701 IDEA Part-B	1,573,144	(1,788)	1,571,356
T617D1 IDEA Discretionary Grant	0	6,887	6,887
<b>Totals:</b>	<b>4,310,909</b>	<b>(1,826)</b>	<b>4,309,083</b>
<b><u>Expenditures:</u></b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Instruction	2,702,873	(6,606)	2,696,267
Support Services	1,433,347	5,295	1,438,642
Other Charges (Fund Transfers)	174,689	(515)	174,174
<b>Totals:</b>	<b>4,310,909</b>	<b>(1,826)</b>	<b>4,309,083</b>

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

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

City of Kingsport, Tennessee

May 2, 2017

KINGSPORT CITY SCHOOLS  
FISCAL YEAR 2016-2017  
BUDGET AMENDMENT NUMBER SIX

**GENERAL PURPOSE SCHOOL FUND**

**ITEM ONE: BEP FUNDS**

Kingsport City Schools were notified in February that we were eligible for growth funds in FY 2017. The estimated amount was \$612,000. This estimate will be adjusted in June to an actual amount. The estimate was based on the membership in the 2<sup>nd</sup> and 3<sup>rd</sup> 20 days reporting periods. Traditionally we see a decrease in membership as the year goes on. We have the numbers that the State based their estimate on and we also have the attendance reports through the 7<sup>th</sup> reporting period. In looking at our membership numbers, we have not been decreasing as we have in the past. Since we will be spending this increase, instead of just letting it close to Fund Balance, I want to be conservative in estimated the actual amount. It is recommended that the estimate for BEP funds be increased by \$500,000.

**ITEM TWO: COUNTY CURRENT YEAR PROPERTY TAXES**

The current estimate for Current Year Property Taxes is \$18,200,000. Based on assessed values and the prior year ADA % the actual for the year would have been close to the original estimate. The ADA adjustment will be approximately \$650,000. It is recommended the estimate for Current Year Property Taxes be increased by \$650,000.

**ITEM THREE: PRIOR YEAR PROPERTY TAXES/ INTEREST AND PENALTY**

The estimates for these accounts total \$725,000. The projected actual amount for the year is \$625,000. It is recommended that the estimates for Prior Year Property Taxes and Interest and Penalty be reduced by a total of \$100,000.

**ITEM FOUR: COUNTY PICK UP TAXES**

The current estimate for County Pick-Up taxes is \$200,000. We have already collected \$500,000. Historically we don't see a lot of collections in the last quarter. It is recommended that the estimate for County Pick-Up Taxes be increased by \$300,000.

**ITEM FIVE: LOCAL OPTION SALES TAX**

The current estimate for Local Option Sales Tax is \$9,107,000. With an estimated \$220,000 ADA adjustment, the year-end projection is \$9,457,000. It is recommended that the estimate for Local Option Sales Tax be increased by \$350,000

**ITEM SIX: DOBYNS-BENNETT TRACK UPGRADES**

There are several items that need to be upgraded or added to the Dobyns-Bennett track facility. Items that need upgraded are; the track surface needs to be replaced, the bleachers need to be replaced, and the lighting needs to be upgraded. Additional needs are to fence in the entire area

and to terrace the hillside to provide additional space for spectators. The estimate to do all of this work is \$670,586 (Detail below). This price does not include terracing the hillside.

Architect/Engineering	\$ 30,000
Remove old track surface	20,000
Repair of base asphalt	10,000
New track surface	391,755
Remove existing bleachers	10,149
New bleachers	69,028
LED lighting	80,896
Fencing	20,800
Contingency 6%	<u>37,958</u>
Total	<u>\$670,586</u>

Because all of the above numbers listed above are preliminary quotes or estimates, it is recommended to establish project funding in the amount of \$700,000. Funding for this project can be provided by 3 different sources. Several years ago there was a reserve established for track maintenance in the amount of \$15,000. These funds are in the General Purpose School Fund. There are also some bond funds remaining in the amount of \$37,789. The balance of 647,211 will need to come from an appropriation from the General Purpose School Fund – Unreserved Fund Balance.

For purposes of a General Purpose School Fund budget amendment it is recommended that an estimated revenue amount be established for Appropriation of Reserve for Track Maintenance in the amount of \$15,000 and to increase the estimated revenue for Fund Balance Appropriations in the amount of \$647,211. It is also recommended that the appropriation for Fund Transfers be increased by \$662,211.

#### **ITEM SEVEN: TRANSFER TO HEALTH INSURANCE FUNDS**

The current deficit in the Health Insurance funds is approximately \$1,960,000. We are still continuing to pay claims, although the weekly amount for the last few weeks has been less than \$5,000. We should still be receiving a couple of quarters of pharmacy rebates, which should be approximately \$200,000. These funds should be received between now and the end of the calendar year. In order to end this fiscal year with a positive balance, I am recommending that \$2,000,000 be transferred from the General Purpose School Fund to the Active Employee and Retiree Health Insurance funds.

This will be funded by the net revenue increases listed in items 1-5. The net amount of those increases is \$1,700,000. The remaining \$300,000 will need to come from the Unreserved Fund Balance. It is recommended that the estimated revenue for Fund Balance Appropriations be increased by \$300,000 and that the appropriation for Funds Transfers be increased by \$2,000,000.

Any funds remaining in the Health Insurance funds at the end of FY 2018 will be transferred back to the General Purpose School Fund.



## **ITEM EIGHT: MISCELLANEOUS TRANSFERS**

1. Sevier Middle School has requested to transfer \$1,500 from Instructional Supplies to Staff Development.
2. Robinson Middle School has requested to transfer \$12,650 from their Instructional Equipment account and \$950 from their Student Travel account to their Non-Instructional Equipment account (\$13,600). This will provide funds to purchase tables and chairs.
3. Adams Elementary has requested to transfer \$1,000 from their Non-Instructional Equipment account to their Awards and Dues account and to transfer \$1,600 from their Audio-Visual account to their Library Book account.
4. Jefferson Elementary has requested to transfer \$600 from their Library Periodical account to their Library A-V account. They have also requested to transfer \$1,600 from their Staff Development account, \$1,000 from their Printing account, \$500 from their Principal Travel Account, and \$400 from their Office Supply account to their Instructional Supply account (\$3,500).
5. Lincoln Elementary has requested to transfer \$1,000 from their Principal Travel account to their Instructional Supply account.
6. Washington Elementary has requested to transfer \$1,000 from their Non-Instructional Equipment account to their Staff Development account.
7. The Special Education department has requested to transfer \$15,000 from their Instructional Equipment account to their Non-Instructional Equipment account.

It is recommended that these transfers be approved.

## **GENERAL PROJECT FUND**

### **School Improvements FY 14 &15 – GP1513**

This project accounted for the bond funds received in FY 14 (\$1,150,000) and FY 15 (\$350,000). The projects funded with these funds were/are:

Indian Highland Parking Lot	\$ 283,764
Lincoln Cooling Tower	113,250
Robinson Floor Covering	298,474
Sevier Roof	589,332
Lincoln Roof	<u>177,391</u>
Total	<u>\$1,462,211</u>

It is recommended that the remaining balance of \$37,789 be transferred to a new project for Dobyns-Bennett Track Upgrades.

### **Dobyns-Bennett Track Upgrades – GP1739**

The details of this project were given above. It is recommended that a new project be established for Dobyns-Bennett track Upgrades in the amount of \$700,000. Estimated revenue will be established for Transfers from School Fund in the amount of \$662,211 and from Bond Funds in

the amount of \$37,789. Appropriations for Architects, Construction, and Equipment will be established in the amount of \$700,000.

### **FEDERAL PROJECTS FUND**

The estimated revenue and appropriations for the Federal Projects Fund are currently in the amount of \$4,310,909. 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 IDEA Discretionary grant for \$6,887 and did not receive Carl Perkins Incentive grant of \$5,000.

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 decreased by the net amount of \$1,826. This will make the revised estimated revenue and appropriation amounts \$4,309,083.

### **SCHOOL SPECIAL PROJECTS FUND**

The estimated revenue and appropriations for active projects within the School Special Projects Fund are currently in the amount of \$1,140,172. The initial budgets for these grants were estimates based on previous year's information. The Transition School to Work grant was new this year, in the amount of \$137,302. There are increases in the Family Resource, the Homeless, the Coordinated School Health programs of \$11,000 that are local donations. There are increases in the grant amounts that total \$8,100 in the Family Resource, Pre-School, Safe Schools grants. There was a decrease in the Homeless and After-School Care grants of \$23,222.

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 \$133,180. This will make the revised estimated revenue and appropriation amounts \$1,273,352.

KINGSPORT CITY SCHOOLS  
SCHEDULE OF FEDERAL PROJECTS  
FISCAL YEAR 2016-2017

PROGRAM	ORIGINAL BUDGET	INCREASE	DECREASE	AMENDED BUDGET
Title I, Part A: Improving Academic Achievement/Disadvantaged	\$ 2,014,556		\$ 2,264	\$ 2,012,292
Focus School Grant	86,000		309	85,691
Title II, Part A: Teacher and Principal Training and Recruiting	308,216		1,294	306,922
Title III, Part A: English Language Acquisition	6,998	\$ 81		7,079
Consolidated Administration	142,187		235	141,952
IDEA, Part-B: Special Education	1,573,144		1,788	1,571,356
IDEA, Pre-School: Special Education	40,125	2,096		42,221
IDEA, Discretionary	0	6,887		6,887
Carl Perkins: Vocational	134,683			134,683
Carl Perkins Incentive Grant: Vocational	5,000		5,000	0
Total Federal Projects	\$ 4,310,909	\$ 9,064	\$ 10,890	\$ 4,309,083

KINGSPORT CITY SCHOOLS  
SCHEDULE OF SCHOOL SPECIAL PROJECTS  
FISCAL YEAR 2016-2017

PROGRAM	ORIGINAL BUDGET	INCREASE	DECREASE	AMENDED BUDGET
Coordinated School Health FY 17	\$ 123,050	\$ 3,000		\$ 126,050
Family Resource Center FY 17	50,000	3,700		53,700
Homeless Education Program FY 17	58,000	5,000	\$ 8,222	54,778
Lottery - After-School Care Grant FY 17	265,000		15,000	250,000
State - Pre-School Grant FY 17	491,322	7,000		498,322
Safe Schools Act Grant FY 17	49,080	400		49,480
Summer STEM Camp FY 17	50,000			50,000
Transition School to Work Grant FY 17	0	137,302		137,302
Truancy Intervention Grant FY 17	53,720			53,720
Total School Special Projects	\$ 1,140,172	\$ 156,402	\$ 23,222	\$ 1,273,352



## AGENDA ACTION FORM

### Amend the FY 2017 School Special Projects Fund Budget

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

Action Form No.: AF-122-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

Final Adoption: June 6, 2017  
 Staff Work By: David Frye  
 Presentation By: David Frye

#### **Recommendation:**

Approve the Ordinance.

#### **Executive Summary:**

On May 2, 2017, the Board of Education approved an amendment to the FY 2016-2017 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 \$1,140,172 based on estimated amounts. There has been one new project added and the estimates are being adjusted to actual amounts. There is a net increase for this budget of \$133,180. This makes the amended total \$1,273,352.

#### **Attachments:**

1. Ordinance
2. BOE Budget Amendment Number Six

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



## AGENDA ACTION FORM

### Amend the FY 2017 School Special Projects Fund Budget

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

Action Form No.: AF-122-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

Final Adoption: June 6, 2017  
 Staff Work By: David Frye  
 Presentation By: David Frye

### Recommendation:

Approve the Ordinance.

### Executive Summary:

On May 2, 2017, the Board of Education approved an amendment to the FY 2016-2017 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 \$1,140,172 based on estimated amounts. There has been one new project added and the estimates are being adjusted to actual amounts. There is a net increase for this budget of \$133,180. This makes the amended total \$1,273,352.

### Attachments:

1. Ordinance
2. BOE Budget Amendment Number Six

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

## ORDINANCE NO. \*\*\*\*

PRE-FILED  
CITY RECORDER

AN ORDINANCE TO AMEND THE FY 2017 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 2017 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>
<b><u>Revenues:</u></b>	\$	\$	\$
CSH017 Coordinated School Health	100,000	3,000	103,000
FRC017 Family Resource Center	29,612	3,700	33,312
HAG017 Homeless Assistance	58,000	(3,222)	54,778
KTIP17 Kingsport Truancy Intervention	53,720	0	53,720
LP5017 LEAPS After-School Program S-W	265,000	(15,000)	250,000
PK5117 Pre-K Expansion Grant System-Wide	491,322	7,000	498,322
SSA017 Safe Schools Act	29,080	400	29,480
STEM17 Summer STEM Camp	50,000	0	50,000
TSTW17 Transition School to Work	0	108,057	108,057
Transfer from General School Fund	63,438	29,245	92,683
<b>Totals:</b>	<b>1,140,172</b>	<b>133,180</b>	<b>1,273,352</b>
<b><u>Expenditures:</u></b>	\$	\$	\$
Instruction	540,780	200	540,980
Support Services	334,392	147,780	482,372
Non-Instructional Services	265,000	(15,000)	250,000
Capital Outlay	0	0	0
Other	0	0	0
<b>Totals:</b>	<b>1,140,172</b>	<b>133,180</b>	<b>1,273,352</b>

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

PASSED ON 1ST READING:  
PASSED ON 2ND READING:  
City of Kingsport, Tennessee

May 2, 2017

KINGSPORT CITY SCHOOLS  
FISCAL YEAR 2016-2017  
BUDGET AMENDMENT NUMBER SIX

**GENERAL PURPOSE SCHOOL FUND**

**ITEM ONE: BEP FUNDS**

Kingsport City Schools were notified in February that we were eligible for growth funds in FY 2017. The estimated amount was \$612,000. This estimate will be adjusted in June to an actual amount. The estimate was based on the membership in the 2<sup>nd</sup> and 3<sup>rd</sup> 20 days reporting periods. Traditionally we see a decrease in membership as the year goes on. We have the numbers that the State based their estimate on and we also have the attendance reports through the 7<sup>th</sup> reporting period. In looking at our membership numbers, we have not been decreasing as we have in the past. Since we will be spending this increase, instead of just letting it close to Fund Balance, I want to be conservative in estimated the actual amount. It is recommended that the estimate for BEP funds be increased by \$500,000.

**ITEM TWO: COUNTY CURRENT YEAR PROPERTY TAXES**

The current estimate for Current Year Property Taxes is \$18,200,000. Based on assessed values and the prior year ADA % the actual for the year would have been close to the original estimate. The ADA adjustment will be approximately \$650,000. It is recommended the estimate for Current Year Property Taxes be increased by \$650,000.

**ITEM THREE: PRIOR YEAR PROPERTY TAXES/ INTEREST AND PENALTY**

The estimates for these accounts total \$725,000. The projected actual amount for the year is \$625,000. It is recommended that the estimates for Prior Year Property Taxes and Interest and Penalty be reduced by a total of \$100,000.

**ITEM FOUR: COUNTY PICK UP TAXES**

The current estimate for County Pick-Up taxes is \$200,000. We have already collected \$500,000. Historically we don't see a lot of collections in the last quarter. It is recommended that the estimate for County Pick-Up Taxes be increased by \$300,000.

**ITEM FIVE: LOCAL OPTION SALES TAX**

The current estimate for Local Option Sales Tax is \$9,107,000. With an estimated \$220,000 ADA adjustment, the year-end projection is \$9,457,000. It is recommended that the estimate for Local Option Sales Tax be increased by \$350,000.

**ITEM SIX: DOBYNS-BENNETT TRACK UPGRADES**

There are several items that need to be upgraded or added to the Dobyns-Bennett track facility. Items that need upgraded are; the track surface needs to be replaced, the bleachers need to be replaced, and the lighting needs to be upgraded. Additional needs are to fence in the entire area.



and to terrace the hillside to provide additional space for spectators. The estimate to do all of this work is \$670,586 (Detail below). This price does not include terracing the hillside.

Architect/Engineering	\$ 30,000
Remove old track surface	20,000
Repair of base asphalt	10,000
New track surface	391,755
Remove existing bleachers	10,149
New bleachers	69,028
LED lighting	80,896
Fencing	20,800
Contingency 6%	<u>37,958</u>
Total	<u>\$670,586</u>

Because all of the above numbers listed above are preliminary quotes or estimates, it is recommended to establish project funding in the amount of \$700,000. Funding for this project can be provided by 3 different sources. Several years ago there was a reserve established for track maintenance in the amount of \$15,000. These funds are in the General Purpose School Fund. There are also some bond funds remaining in the amount of \$37,789. The balance of 647,211 will need to come from an appropriation from the General Purpose School Fund – Unreserved Fund Balance.

For purposes of a General Purpose School Fund budget amendment it is recommended that an estimated revenue amount be established for Appropriation of Reserve for Track Maintenance in the amount of \$15,000 and to increase the estimated revenue for Fund Balance Appropriations in the amount of \$647,211. It is also recommended that the appropriation for Fund Transfers be increased by \$662,211.

#### **ITEM SEVEN: TRANSFER TO HEALTH INSURANCE FUNDS**

The current deficit in the Health Insurance funds is approximately \$1,960,000. We are still continuing to pay claims, although the weekly amount for the last few weeks has been less than \$5,000. We should still be receiving a couple of quarters of pharmacy rebates, which should be approximately \$200,000. These funds should be received between now and the end of the calendar year. In order to end this fiscal year with a positive balance, I am recommending that \$2,000,000 be transferred from the General Purpose School Fund to the Active Employee and Retiree Health Insurance funds.

This will be funded by the net revenue increases listed in items 1-5. The net amount of those increases is \$1,700,000. The remaining \$300,000 will need to come from the Unreserved Fund Balance. It is recommended that the estimated revenue for Fund Balance Appropriations be increased by \$300,000 and that the appropriation for Funds Transfers be increased by \$2,000,000.

Any funds remaining in the Health Insurance funds at the end of FY 2018 will be transferred back to the General Purpose School Fund.

## **ITEM EIGHT: MISCELLANEOUS TRANSFERS**

1. Sevier Middle School has requested to transfer \$1,500 from Instructional Supplies to Staff Development.
2. Robinson Middle School has requested to transfer \$12,650 from their Instructional Equipment account and \$950 from their Student Travel account to their Non-Instructional Equipment account (\$13,600). This will provide funds to purchase tables and chairs.
3. Adams Elementary has requested to transfer \$1,000 from their Non-Instructional Equipment account to their Awards and Dues account and to transfer \$1,600 from their Audio-Visual account to their Library Book account.
4. Jefferson Elementary has requested to transfer \$600 from their Library Periodical account to their Library A-V account. They have also requested to transfer \$1,600 from their Staff Development account, \$1,000 from their Printing account, \$500 from their Principal Travel Account, and \$400 from their Office Supply account to their Instructional Supply account (\$3,500).
5. Lincoln Elementary has requested to transfer \$1,000 from their Principal Travel account to their Instructional Supply account.
6. Washington Elementary has requested to transfer \$1,000 from their Non-Instructional Equipment account to their Staff Development account.
7. The Special Education department has requested to transfer \$15,000 from their Instructional Equipment account to their Non-Instructional Equipment account.

It is recommended that these transfers be approved.

## **GENERAL PROJECT FUND**

### **School Improvements FY 14 &15 – GP1513**

This project accounted for the bond funds received in FY 14 (\$1,150,000) and FY 15 (\$350,000). The projects funded with these funds were/are:

Indian Highland Parking Lot	\$ 283,764
Lincoln Cooling Tower	113,250
Robinson Floor Covering	298,474
Sevier Roof	589,332
Lincoln Roof	<u>177,391</u>
Total	<u>\$1,462,211</u>

It is recommended that the remaining balance of \$37,789 be transferred to a new project for Dobyons-Bennett Track Upgrades.

### **Dobyons-Bennett Track Upgrades – GP1739**

The details of this project were given above. It is recommended that a new project be established for Dobyons-Bennett track Upgrades in the amount of \$700,000. Estimated revenue will be established for Transfers from School Fund in the amount of \$662,211 and from Bond Funds in

the amount of \$37,789. Appropriations for Architects, Construction, and Equipment will be established in the amount of \$700,000.

### **FEDERAL PROJECTS FUND**

The estimated revenue and appropriations for the Federal Projects Fund are currently in the amount of \$4,310,909. 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 IDEA Discretionary grant for \$6,887 and did not receive Carl Perkins Incentive grant of \$5,000.

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 decreased by the net amount of \$1,826. This will make the revised estimated revenue and appropriation amounts \$4,309,083.

### **SCHOOL SPECIAL PROJECTS FUND**

The estimated revenue and appropriations for active projects within the School Special Projects Fund are currently in the amount of \$1,140,172. The initial budgets for these grants were estimates based on previous year's information. The Transition School to Work grant was new this year, in the amount of \$137,302. There are increases in the Family Resource, the Homeless, the Coordinated School Health programs of \$11,000 that are local donations. There are increases in the grant amounts that total \$8,100 in the Family Resource, Pre-School, Safe Schools grants. There was a decrease in the Homeless and After-School Care grants of \$23,222.

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 \$133,180. This will make the revised estimated revenue and appropriation amounts \$1,273,352.

KINGSPORT CITY SCHOOLS  
SCHEDULE OF FEDERAL PROJECTS  
FISCAL YEAR 2016-2017

PROGRAM	ORIGINAL BUDGET	INCREASE	DECREASE	AMENDED BUDGET
Title I, Part A: Improving Academic Achievement/Disadvantaged	\$ 2,014,556		\$ 2,264	\$ 2,012,292
Focus School Grant	86,000		309	85,691
Title II, Part A: Teacher and Principal Training and Recruiting	308,216		1,294	306,922
Title III, Part A: English Language Acquisition	6,998	\$ 81		7,079
Consolidated Administration	142,187		235	141,952
IDEA, Part-B: Special Education	1,573,144		1,788	1,571,356
IDEA, Pre-School: Special Education	40,125	2,096		42,221
IDEA, Discretionary	0	6,887		6,887
Carl Perkins: Vocational	134,683			134,683
Carl Perkins Incentive Grant: Vocational	5,000		5,000	0
Total Federal Projects	\$ 4,310,909	\$ 9,064	\$ 10,890	\$ 4,309,083

KINGSPORT CITY SCHOOLS  
SCHEDULE OF SCHOOL SPECIAL PROJECTS  
FISCAL YEAR 2016-2017

PROGRAM	ORIGINAL BUDGET	INCREASE	DECREASE	AMENDED BUDGET
Coordinated School Health FY 17	\$ 123,050	\$ 3,000		\$ 126,050
Family Resource Center FY 17	50,000	3,700		53,700
Homeless Education Program FY 17	58,000	5,000	\$ 8,222	54,778
Lottery - After-School Care Grant FY 17	265,000		15,000	250,000
State - Pre-School Grant FY 17	491,322	7,000		498,322
Safe Schools Act Grant FY 17	49,080	400		49,480
Summer STEM Camp FY 17	50,000			50,000
Transition School to Work Grant FY 17	0	137,302		137,302
Truancy Intervention Grant FY 17	53,720			53,720
Total School Special Projects	\$ 1,140,172	\$ 156,402	\$ 23,222	\$ 1,273,352



## AGENDA ACTION FORM

### Amend the FY 2017 General Purpose School Fund and General Project Fund Budgets

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

Action Form No.: AF-120-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

**Final Adoption:** June 6, 2017  
**Staff Work By:** David Frye  
**Presentation By:** David Frye

#### Recommendation:

Approve the Ordinance.

#### Executive Summary:

The Board of Education approved fiscal year 2017 budget amendment number six at their meeting on May 2, 2016. This amendment increases the General Purpose School Fund budget by \$2,662,211. The estimated revenue for BEP Funds will be increased by \$500,000, the estimated revenue County revenues will be increased by \$1,200,000, and the estimated revenue for Fund Balance/Reserve Appropriations will be increased by \$962,211. The appropriation for Health Insurance will be increased by \$2,000,000 and the appropriation for Fund Transfers will be increased \$662,211. There are also some miscellaneous self-balancing transfers for various schools and departments. The General Project fund will amended by establishing a project for Dobyys-Bennett Track Upgrades in the amount of \$700,000. \$662,211 will come from a transfer from the General Purpose School Fund budget and \$37,789 will come from a transfer from a project for 2015 School Improvements.

#### Attachments:

1. Ordinance
2. BOE Budget Amendment Number Six – FY 2017

Funding source appropriate and funds are available: *js*

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



## AGENDA ACTION FORM

### Amend the FY 2017 General Purpose School Fund and General Project Fund Budgets

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

Action Form No.: AF-120-2017  
 Work Session: May 15, 2017  
 First Reading: May 16, 2017

Final Adoption: June 6, 2017  
 Staff Work By: David Frye  
 Presentation By: David Frye

#### Recommendation:

Approve the Ordinance.

#### Executive Summary:

The Board of Education approved fiscal year 2017 budget amendment number six at their meeting on May 2, 2016. This amendment increases the General Purpose School Fund budget by \$2,662,211. The estimated revenue for BEP Funds will be increased by \$500,000, the estimated revenue County revenues will be increased by \$1,200,000, and the estimated revenue for Fund Balance/Reserve Appropriations will be increased by \$962,211. The appropriation for Health Insurance will be increased by \$2,000,000 and the appropriation for Fund Transfers will be increased \$662,211. There are also some miscellaneous self-balancing transfers for various schools and departments. The General Project fund will amended by establishing a project for Dobyys-Bennett Track Upgrades in the amount of \$700,000. \$662,211 will come from a transfer from the General Purpose School Fund budget and \$37,789 will come from a transfer from a project for 2015 School Improvements.

#### Attachments:

1. Ordinance
2. BOE Budget Amendment Number Six – FY 2017

Funding source appropriate and funds are available: 

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



AN ORDINANCE TO AMEND THE FY 2016-17 GENERAL  
PURPOSE SCHOOL FUND AND GENERAL PROJECT  
FUND BUDGETS; 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 Six to increase the estimated revenue for BEP Funds by \$500,000; the estimated revenue for Current Year Property Taxes by \$650,000; the estimated revenue for Pick-Up Taxes by \$300,000; the estimated revenue for Local Option Sales Tax by \$350,000; the estimated revenue for Track Maintenance Reserve Appropriation by \$15,000; the estimated revenue for Fund Balance Appropriations by \$947,211 and to decrease the estimated revenue for Trustee's Collection-Prior Years by \$20,000; the estimated revenue for Circuit Clerk & Master-Prior Years by \$60,000; the estimated revenue for Interest & Penalty by \$20,000. The expenditure budget will be changed by increasing the appropriations for Medical Insurance by \$2,000,000; the appropriation for Sevier-Staff Development by \$1,500; the appropriation for Robinson-Non Instructional Equipment by \$13,600; the appropriation for Adams-Awards & Dues by \$1,000; the appropriation for Adams-Library Books by \$1,600; the appropriation for Jefferson-Audio Visual account by \$600; the appropriation for Jefferson-Instructional Supply account by \$3,500; the appropriation for Lincoln-Instructional Supply account by \$1,000; the appropriation for Washington-Staff Development by \$1,000; the appropriation for Special Education-Non Instructional Equipment by \$15,000; the appropriation for Fund Transfers by \$662,211 and to decrease the appropriation for Sevier-Staff Development by \$1,500; the appropriation for Robinson-Instructional Equipment by \$12,650; the appropriation for Robinson-Student Travel by \$950; the appropriation for Adams-Non Instructional Equipment by \$1,000; the appropriation for Adams-Audio Visual account by \$1,600; the appropriation for Jefferson Periodical account by \$600; the appropriation for Jefferson-Staff Development account by \$1,600; the appropriation for Jefferson-Printing account by \$1,000; the appropriation for Jefferson-Principal Travel by \$500; the appropriation for Jefferson-Office Supply account by \$400; the appropriation for Lincoln-Principal Travel by \$1,000; the appropriation for Washington-Non Instructional Equipment account by \$1,000; the appropriation for Special Education-Instructional Equipment account by \$15,000.

The General Project Fund Budget will be amended by increasing the estimated revenue for the Dobyns-Bennett Track Upgrades Project (GP1739) – 2015A General Obligation Bonds by \$37,789; and Transfers from the General Purpose School Fund by \$662,211 and by increasing the appropriation for Architect Fees by \$30,000; the appropriation for Construction Contracts by \$600,000; the appropriation for Equipment by \$70,000. In addition the General Project Fund will be amended by decreasing the estimated revenue for the School Improvements project (GP1513) – 2015A General Obligation

Bonds by \$37,789 and by decreasing appropriation for Construction Contracts by \$37,789.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b>Fund 141: School Fund</b>			
<b>Revenues:</b>	\$	\$	\$
141-0000-338-6511 BEP Funds	27,959,000	500,000	28,459,000
141-0000-339-0110 Current Year Property Taxes	18,302,000	650,000	18,952,000
141-0000-339-0120 Trustee Collect Prior Years	375,000	(20,000)	355,000
141-0000-339-0130 Clerk & Master Prior Years	200,000	(60,000)	140,000
141-0000-339-0140 Interest & Penalty	150,000	(20,000)	130,000
141-0000-339-0150 Pick-Up Taxes	200,000	300,000	500,000
141-0000-339-0210 Local Option Sales Tax	9,107,000	350,000	9,457,000
141-0000-392-1300 Fund Balance Appropriation	940,817	947,211	1,888,028
141-0000-392-1300 Track Maint. Res. Appr.	0	15,000	15,000
<b>Totals:</b>	<b>57,233,817</b>	<b>2,662,211</b>	<b>59,896,028</b>

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b>Expenditures:</b>	\$	\$	\$
141-7150-711-0207 Regular Ed. Health Ins.	4,013,100	1,210,000	5,223,100
141-7150-715-0207 Alternative Ed. Health Ins.	72,650	21,900	94,550
141-7150-721-0207 Special Ed. Health Ins.	507,600	153,100	660,700
141-7150-731-0207 Vocational Ed. Health Ins.	108,550	32,700	141,250
141-7250-772-0207 Health Services Health Ins.	92,400	27,900	120,300
141-7250-773-0207 Other Std. Sup. Health Ins.	174,100	52,500	226,600
141-7250-781-0207 Regular Ed. Sup. Health Ins.	222,700	67,200	289,900
141-7250-782-0207 Special Ed. Sup. Health Ins.	49,700	15,000	64,700
141-7250-783-0207 Vocation Ed. Sup. Health Ins.	21,650	6,500	28,150
141-7250-785-0207 Technology Health Ins.	112,250	33,800	146,050
141-7250-792-0207 Superintendent Off. Hlth. Ins.	57,150	17,200	74,350
141-7250-801-0207 Principals Off. Health Ins.	302,350	91,200	393,550
141-7250-811-0207 Finance Health Ins.	38,650	11,700	50,350
141-7250-812-0207 Human Resources Health Ins	43,250	13,000	56,250
141-7250-821-0207 Operations Health Ins.	349,900	105,500	455,400
141-7250-822-0207 Maintenance Health Ins.	159,850	48,200	208,050
141-7250-831-0207 Regular Ed Trans Health In	121,000	36,500	157,500
141-7253-772-0207 Sp Ed Health Ser Health ins	3,200	1,000	4,200
141-7253-831-0207 Sp Ed Trans Health Ins.	48,700	14,700	63,400
141-7312-861-0207 Adams SACC Health Ins.	3,350	1,000	4,350
141-7313-861-0207 Adams ECLC Health Ins.	27,750	8,400	36,150
141-7340-861-0207 Wash. ECLC Health Ins.	46,800	14,100	60,900
141-7341-861-0207 Wash. SACC Health Ins.	16,450	5,000	21,450
141-7350-861-0207 Palmer ECLC Health Ins.	39,300	11,900	51,200
141-7105-711-0722 Robinson-Inst. Equipment	15,174	(12,650)	2,524

141-7205-773-0599	Robinson-Student Travel	2,000	(950)	1,050
141-7605-871-0790	Robinson-Non Inst. Equip.	15,174	13,600	28,774
141-7110-711-0429	Sevier-Inst. Supplies	33,817	(1,500)	32,317
141-7210-871-0457	Sevier-Staff Development	5,650	1,500	7,150
141-7112-711-0433	Adams-Audio Visual	3,836	(1,600)	2,236
141-7212-711-0432	Adams-Library Books	6,292	1,600	7,892
141-7212-781-0599	Adams-Awards & Dues	1,488	1,000	2,488
141-7612-871-0790	Adams-Non Inst. Equipment	7,976	(1,000)	6,976
141-7120-711-0429	Jefferson-Inst. Supplies	22,913	3,500	26,413
141-7120-711-0433	Jefferson-Audio Visual	3,819	600	4,419
141-7220-781-0437	Jefferson-Periodicals	1,505	(600)	905
141-7220-781-0457	Jefferson-Staff Development	3,100	(1,600)	1,500
141-7220-781-0595	Jefferson-Printing	1,754	(1,000)	754
141-7220-801-0355	Jefferson-Principal Travel	2,000	(500)	1,500
141-7220-801-0435	Jefferson-Office Supplies	2,350	(400)	1,950
141-7135-711-0429	Lincoln-Inst. Supplies	21,056	1,000	22,056
141-7235-801-0355	Lincoln-Principal Travel	2,000	(1,000)	1,000
141-7240-781-0457	Washington-Staff Dev.	3,662	1,000	4,662
141-7640-871-0790	Washington-Non Inst. Equip.	8,480	(1,000)	7,480
141-7150-721-0725	Special Ed.-Inst. Equipment	50,000	(15,000)	35,000
141-7653-871-0790	Sp. Ed.-Non Inst. Equipment	0	15,000	15,000
141-7950-811-0590	Fund Transfers	45,750,636	662,211	46,412,847
<b>Totals:</b>		<b>52,597,082</b>	<b>2,662,211</b>	<b>55,259,293</b>

**Fund 311: General Project Fund**  
**School Improvements(GP1513)**

**Revenues:**

311-0000-368-1051	2015A GO Bonds	\$ 319,564	\$ (37,789)	\$ 281,775
<b>Total:</b>		<b>319,564</b>	<b>(37,789)</b>	<b>281,775</b>

**Expenditures:**

311-0000-601-2022	Construction Contracts	\$ 1,456,588	\$ (37,789)	\$ 1,418,799
<b>Total:</b>		<b>1,456,588</b>	<b>(37,789)</b>	<b>1,418,799</b>

**Dobyns-Bennett Track Upgrades (GP1739)**

**Revenues:**

311-0000-368-1051	2015A GO Bonds	\$ 0	\$ 37,789	\$ 37,789
311-0000-391-2100	Transfers from School Fund	0	662,211	662,211
<b>Total:</b>		<b>0</b>	<b>700,000</b>	<b>700,000</b>

**Expenditures:**

311-0000-601-2022	Architect Fees	\$ 0	\$ 30,000	\$ 30,000
311-0000-601-2023	Construction Contracts	0	600,000	600,000
311-0000-601-9004	Equipment	0	70,000	70,000
<b>Total:</b>		<b>0</b>	<b>700,000</b>	<b>700,000</b>

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

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

May 2, 2017

KINGSPORT CITY SCHOOLS  
FISCAL YEAR 2016-2017  
BUDGET AMENDMENT NUMBER SIX

**GENERAL PURPOSE SCHOOL FUND**

**ITEM ONE: BEP FUNDS**

Kingsport City Schools were notified in February that we were eligible for growth funds in FY 2017. The estimated amount was \$612,000. This estimate will be adjusted in June to an actual amount. The estimate was based on the membership in the 2<sup>nd</sup> and 3<sup>rd</sup> 20 days reporting periods. Traditionally we see a decrease in membership as the year goes on. We have the numbers that the State based their estimate on and we also have the attendance reports through the 7<sup>th</sup> reporting period. In looking at our membership numbers, we have not been decreasing as we have in the past. Since we will be spending this increase, instead of just letting it close to Fund Balance, I want to be conservative in estimated the actual amount. It is recommended that the estimate for BEP funds be increased by \$500,000.

**ITEM TWO: COUNTY CURRENT YEAR PROPERTY TAXES**

The current estimate for Current Year Property Taxes is \$18,200,000. Based on assessed values and the prior year ADA % the actual for the year would have been close to the original estimate. The ADA adjustment will be approximately \$650,000. It is recommended the estimate for Current Year Property Taxes be increased by \$650,000.

**ITEM THREE: PRIOR YEAR PROPERTY TAXES/ INTEREST AND PENALTY**

The estimates for these accounts total \$725,000. The projected actual amount for the year is \$625,000. It is recommended that the estimates for Prior Year Property Taxes and Interest and Penalty be reduced by a total of \$100,000.

**ITEM FOUR: COUNTY PICK UP TAXES**

The current estimate for County Pick-Up taxes is \$200,000. We have already collected \$500,000. Historically we don't see a lot of collections in the last quarter. It is recommended that the estimate for County Pick-Up Taxes be increased by \$300,000.

**ITEM FIVE: LOCAL OPTION SALES TAX**

The current estimate for Local Option Sales Tax is \$9,107,000. With an estimated \$220,000 ADA adjustment, the year-end projection is \$9,457,000. It is recommended that the estimate for Local Option Sales Tax be increased by \$350,000

**ITEM SIX: DOBYNS-BENNETT TRACK UPGRADES**

There are several items that need to be upgraded or added to the Dobyns-Bennett track facility. Items that need upgraded are; the track surface needs to be replaced, the bleachers need to be replaced, and the lighting needs to be upgraded. Additional needs are to fence in the entire area

and to terrace the hillside to provide additional space for spectators. The estimate to do all of this work is \$670,586 (Detail below). This price does not include terracing the hillside.

Architect/Engineering	\$ 30,000
Remove old track surface	20,000
Repair of base asphalt	10,000
New track surface	391,755
Remove existing bleachers	10,149
New bleachers	69,028
LED lighting	80,896
Fencing	20,800
Contingency 6%	<u>37,958</u>
Total	<u>\$670,586</u>

Because all of the above numbers listed above are preliminary quotes or estimates, it is recommended to establish project funding in the amount of \$700,000. Funding for this project can be provided by 3 different sources. Several years ago there was a reserve established for track maintenance in the amount of \$15,000. These funds are in the General Purpose School Fund. There are also some bond funds remaining in the amount of \$37,789. The balance of 647,211 will need to come from an appropriation from the General Purpose School Fund – Unreserved Fund Balance.

For purposes of a General Purpose School Fund budget amendment it is recommended that an estimated revenue amount be established for Appropriation of Reserve for Track Maintenance in the amount of \$15,000 and to increase the estimated revenue for Fund Balance Appropriations in the amount of \$647,211. It is also recommended that the appropriation for Fund Transfers be increased by \$662,211.

#### **ITEM SEVEN: TRANSFER TO HEALTH INSURANCE FUNDS**

The current deficit in the Health Insurance funds is approximately \$1,960,000. We are still continuing to pay claims, although the weekly amount for the last few weeks has been less than \$5,000. We should still be receiving a couple of quarters of pharmacy rebates, which should be approximately \$200,000. These funds should be received between now and the end of the calendar year. In order to end this fiscal year with a positive balance, I am recommending that \$2,000,000 be transferred from the General Purpose School Fund to the Active Employee and Retiree Health Insurance funds.

This will be funded by the net revenue increases listed in items 1-5. The net amount of those increases is \$1,700,000. The remaining \$300,000 will need to come from the Unreserved Fund Balance. It is recommended that the estimated revenue for Fund Balance Appropriations be increased by \$300,000 and that the appropriation for Funds Transfers be increased by \$2,000,000.

Any funds remaining in the Health Insurance funds at the end of FY 2018 will be transferred back to the General Purpose School Fund.

## **ITEM EIGHT: MISCELLANEOUS TRANSFERS**

1. Sevier Middle School has requested to transfer \$1,500 from Instructional Supplies to Staff Development.
2. Robinson Middle School has requested to transfer \$12,650 from their Instructional Equipment account and \$950 from their Student Travel account to their Non-Instructional Equipment account (\$13,600). This will provide funds to purchase tables and chairs.
3. Adams Elementary has requested to transfer \$1,000 from their Non-Instructional Equipment account to their Awards and Dues account and to transfer \$1,600 from their Audio-Visual account to their Library Book account.
4. Jefferson Elementary has requested to transfer \$600 from their Library Periodical account to their Library A-V account. They have also requested to transfer \$1,600 from their Staff Development account, \$1,000 from their Printing account, \$500 from their Principal Travel Account, and \$400 from their Office Supply account to their Instructional Supply account (\$3,500).
5. Lincoln Elementary has requested to transfer \$1,000 from their Principal Travel account to their Instructional Supply account.
6. Washington Elementary has requested to transfer \$1,000 from their Non-Instructional Equipment account to their Staff Development account.
7. The Special Education department has requested to transfer \$15,000 from their Instructional Equipment account to their Non-Instructional Equipment account.

It is recommended that these transfers be approved.

## **GENERAL PROJECT FUND**

### **School Improvements FY 14 &15 – GP1513**

This project accounted for the bond funds received in FY 14 (\$1,150,000) and FY 15 (\$350,000). The projects funded with these funds were/are:

Indian Highland Parking Lot	\$ 283,764
Lincoln Cooling Tower	113,250
Robinson Floor Covering	298,474
Sevier Roof	589,332
Lincoln Roof	<u>177,391</u>
Total	<u>\$1,462,211</u>

It is recommended that the remaining balance of \$37,789 be transferred to a new project for Dobyys-Bennett Track Upgrades.

### **Dobyys-Bennett Track Upgrades – GP1739**

The details of this project were given above. It is recommended that a new project be established for Dobyys-Bennett track Upgrades in the amount of \$700,000. Estimated revenue will be established for Transfers from School Fund in the amount of \$662,211 and from Bond Funds in



the amount of \$37,789. Appropriations for Architects, Construction, and Equipment will be established in the amount of \$700,000.

### **FEDERAL PROJECTS FUND**

The estimated revenue and appropriations for the Federal Projects Fund are currently in the amount of \$4,310,909. 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 IDEA Discretionary grant for \$6,887 and did not receive Carl Perkins Incentive grant of \$5,000.

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 decreased by the net amount of \$1,826. This will make the revised estimated revenue and appropriation amounts \$4,309,083.

### **SCHOOL SPECIAL PROJECTS FUND**

The estimated revenue and appropriations for active projects within the School Special Projects Fund are currently in the amount of \$1,140,172. The initial budgets for these grants were estimates based on previous year's information. The Transition School to Work grant was new this year, in the amount of \$137,302. There are increases in the Family Resource, the Homeless, the Coordinated School Health programs of \$11,000 that are local donations. There are increases in the grant amounts that total \$8,100 in the Family Resource, Pre-School, Safe Schools grants. There was a decrease in the Homeless and After-School Care grants of \$23,222.

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 \$133,180. This will make the revised estimated revenue and appropriation amounts \$1,273,352.

KINGSPORT CITY SCHOOLS  
SCHEDULE OF FEDERAL PROJECTS  
FISCAL YEAR 2016-2017

PROGRAM	ORIGINAL BUDGET	INCREASE	DECREASE	AMENDED BUDGET
Title I, Part A: Improving Academic Achievement/Disadvantaged	\$ 2,014,556		\$ 2,264	\$ 2,012,292
Focus School Grant	86,000		309	85,691
Title II, Part A: Teacher and Principal Training and Recruiting	308,216		1,294	306,922
Title III, Part A: English Language Acquisition	6,998	\$ 81		7,079
Consolidated Administration	142,187		235	141,952
IDEA, Part-B: Special Education	1,573,144		1,788	1,571,356
IDEA, Pre-School: Special Education	40,125	2,096		42,221
IDEA, Discretionary	0	6,887		6,887
Carl Perkins: Vocational	134,683			134,683
Carl Perkins Incentive Grant: Vocational	5,000		5,000	0
Total Federal Projects	\$ 4,310,909	\$ 9,064	\$ 10,890	\$ 4,309,083

KINGSPORT CITY SCHOOLS  
SCHEDULE OF SCHOOL SPECIAL PROJECTS  
FISCAL YEAR 2016-2017

PROGRAM	ORIGINAL BUDGET	INCREASE	DECREASE	AMENDED BUDGET
Coordinated School Health FY 17	\$ 123,050	\$ 3,000		\$ 126,050
Family Resource Center FY 17	50,000	3,700		53,700
Homeless Education Program FY 17	58,000	5,000	\$ 8,222	54,778
Lottery - After-School Care Grant FY 17	265,000		15,000	250,000
State - Pre-School Grant FY 17	491,322	7,000		498,322
Safe Schools Act Grant FY 17	49,080	400		49,480
Summer STEM Camp FY 17	50,000			50,000
Transition School to Work Grant FY 17	0	137,302		137,302
Truancy Intervention Grant FY 17	53,720			53,720
Total School Special Projects	\$ 1,140,172	\$ 156,402	\$ 23,222	\$ 1,273,352



## AGENDA ACTION FORM

### Enter Into a Lease Agreement with the Kingsport Art Guild

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

Action Form No.: AF-144-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Bonnie Macdonald  
 Presentation By: Chris McCart

### Recommendation:

Approve the Resolution.

### Executive Summary:

Kingsport Art Guild is expanding their office due to growth of their program. Formerly they shared an office with the Kingsport Theatre Guild. Now the Kingsport Art Guild will occupy a suite of offices on the second floor of the Renaissance Center. This lease reflects the change of space and the increased rent payment.

### Attachments:

1. Resolution

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

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

A RESOLUTION APPROVING A LEASE AGREEMENT WITH THE  
KINGSPORT ART GUILD AND AUTHORIZING THE MAYOR TO  
EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS  
NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE  
OF THE AGREEMENT

WHEREAS, the Kingsport Art Guild has been renting and sharing space with the Kingsport Theatre Guild in the Renaissance Center; and

WHEREAS, the Kingsport Art Guild is expanding and would like its own place on the second floor of the Renaissance Center; and

WHEREAS, the term of the lease begins July 1, 2017, and has an automatic renewal for 5 years, and the rent is \$5,843.75 for a year.

Now therefore,

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

SECTION I. That a Lease Agreement with the Kingsport Art Guild is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the lease agreement with Kingsport Art Guild 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:

**RENAISSANCE CENTER  
LEASE AGREEMENT**

THIS LEASE, made and entered into as of this 1<sup>st</sup> day of July, 2017, by and between the City of Kingsport, Tennessee, a municipal corporation (herein called "Landlord"), and Kingsport Art Guild, a non-profit corporation (herein called "Tenant").

**WITNESSETH:**

THAT, in consideration of the premises and the mutual covenants and agreements herein contained and other good and valuable consideration, the Parties do hereby agree as follows:

**1. Premises.** Landlord does hereby lease to Tenant and Tenant leases from Landlord that certain space in the building known as the Renaissance Center. Tenant shall have exclusive occupancy of certain areas, One Thousand, Three Hundred and Sixteen square feet of floor areas and use of other areas more specifically described in Exhibit A (herein called "Premises"). Said Premises are located in the City of Kingsport, Sullivan County, Tennessee.

This Lease is subject to the terms, covenants and conditions herein set forth and the Tenant covenants as a material part of the consideration for this Lease to keep and perform each and all of said terms, covenants and conditions by it to be kept and performed.

**2. Term.** The term of this Lease shall be until June 30, 2018, and shall commence to run on July 1, 2017. The Parties shall have the option to renew this Lease for five (5) successive renewal terms of twelve (12) months each. Each such renewal term shall be upon the same terms, covenants and conditions hereof; except (a) there shall be no further renewal right after the expiration of said fifth and last renewal term, and (b) rent shall be as provided in Paragraph 4. Such options to renew shall be deemed to have been exercised by Tenant by written notice served upon Landlord prior to the termination of this Lease on June 30, 2018, or the termination of any successive renewal term. This Lease shall be extended without any further instrument providing the Lease is not terminated for other reasons as stated herein. For the purpose of clarification, if the Tenant exercises all the renewal

options as set out in this paragraph, the final renewal will expire on June 30, 2022. This Lease may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination.

**3. Use.** Tenant shall use the Premises for Kingsport Art Guild including office functions, rehearsals, performances, classes, workshops, receptions, exhibits, meetings, and fund-raising activities and shall not use or permit the Premises to be used for any other purpose without the prior written consent of Landlord.

**4. Rent.** Tenant agrees to pay to Landlord as Rent, without notice or demand, the annual amount of Five Thousand, Eight Hundred Forty-three and 75/100 dollars (\$5,843.75) payable in monthly installments of Four Hundred Eighty-six and 98/100 (\$486.98) dollars, in advance, on or before the first day of each and every successive calendar month during the term hereof. The first payment is due on July 1, 2017. Tenant may, from time to time and with Landlord's approval, use additional space at a cost outlined in Exhibit A.

**5. Uses Prohibited.** Tenant shall not do or permit anything to be done in or about the Premises or bring or keep anything therein that is not within the permitted use of the Premises or that will in any way increase the existing rate of or affect any fire or other insurance upon the building in which the Premises are located, or any of its contents or cause a cancellation of any insurance policy covering said building or any part thereof; or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises that will in any way obstruct or interfere with the rights of other tenants or occupants of the Renaissance Center, or injure or annoy them or use or allow the Premises to be used for any unlawful purpose. Building Policies, as set forth by the Renaissance Center Advisory Board, shall govern all building usage. Tenant shall not cause, maintain or permit any nuisance in, on or about the Premises. Nor shall Tenant commit, or allow to be committed, any waste in or upon the Premises.

**6. Compliance with Law.** Tenant shall not use the Premises, or permit anything to be done in or about the Premises, that will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or that shall hereafter be enacted or promulgated. Tenant shall, 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 the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment or any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between the Landlord and Tenant.

**7. Repairs and Alterations.** Tenant shall not make or allow to be made any alterations, additions or improvements to or of the Premises or any part thereof without first obtaining the written consent of Landlord and any alterations, additions or improvements to or of said Premises, including, but not limited to, wall coverings, paneling and built-in cabinet work, but excepting movable furniture and trade fixtures, shall at once become a part of the realty and belong to the Landlord and shall be surrendered with the Premises. In the event Landlord consents to the making of any alterations, additions or improvements to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense.

Upon the expiration or sooner termination of the term hereof; Tenant shall, upon written demand by Landlord, given at least thirty (30) days prior to the end of the term, at Tenant's sole cost and expense, forthwith and with all due diligence, remove any alteration, additions, or improvements made by Tenant, designated by Landlord to be removed, and Tenant shall, forthwith and with all due diligence, at its sole cost and expense, repair any damage to the Premises caused by such removal.

Landlord shall, at its sole cost and expense, keep the Premises and every part thereof in good condition and repair, and Landlord shall provide and pay for regular custodial services.

**8. Surrendered Premises.** By entry hereunder, Tenant shall be deemed to have accepted the Premises as being in good, sanitary order, condition and repair. Tenant shall, upon the expiration or sooner termination of this Lease, surrender the Premises to the Landlord in good condition, broom clean, ordinary wear and tear excepted. Any damage to adjacent premises caused by Tenant's use of the Premises shall be repaired at the sole cost and expense of Tenant.

**9. Liens.** Tenant shall keep the Premises and the property on which the Premises are situated free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Tenant.

**10. Assignment and Subletting.** Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the said Premises or any part thereof; or any right or privilege appurtenant thereto, or allow any other person (employees, agents, servants, member, groups and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof; without first obtaining the written consent

of Landlord, which consent need not be given and shall be at Landlord's sole and absolute discretion. Consent to one assignment, subletting, occupation or use by any other person shall not be deemed to be consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease.

**11. Hold Harmless.** Tenant shall indemnify and hold harmless Landlord against and from any and all claims arising from Tenant's use of the Premises or from the conduct of its business and from any activity, work, or other things done, permitted or suffered by Tenant in or about the Premises, and shall further indemnify and hold harmless Landlord against and from any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of the Tenant, or any officer, agent, employee, guest, or invitee of Tenant, and from all costs, attorneys' fees and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon.

In case any action or proceeding is brought against Landlord by reason of such claim, Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises, from any cause; and Tenant hereby waives all claims in respect thereof against Landlord. Tenant shall give prompt notice to Landlord in case of casualty or accidents on the Premises.

**12. Liability Insurance.** Tenant shall, at Tenant's expense, obtain and keep in force during the term of this Lease a policy of comprehensive public liability insurance insuring Landlord and Tenant against any liability arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be in the amount of not less than one million (\$1,000,000) dollars per occurrence. The limit of any such insurance shall not, however, limit the liability of Tenant hereunder. Insurance required hereunder shall: (a) be in companies acceptable to Landlord; (b) shall name Landlord as a named insured on all such policies; and (c) contain an endorsement prohibiting cancellation, failure to renew, reduction of amount of insurance or change in coverage without the insurers first giving Landlord thirty (30) days' prior written notice of such proposed action. Tenant shall deliver to Landlord a duplicate original of each such policy, together with a receipt evidencing payment of the premium for such insurance on or before the commencement date of this Lease and at least annually thereafter. Any failure, or non-coverage, by such policy shall not affect the indemnity or hold harmless provisions of this Lease. Duplicate policies or certificates of all such insurance shall be delivered to Landlord not less than ten (10) days prior to each effective date. Additional insurance may be required if use of facility includes activities not herein listed.

**13. Rules and Regulations.** Tenant shall faithfully observe and comply with any and all rules and regulations that Landlord shall from time to time promulgate and/or modify regulating use and occupancy of the Premises. The rules and regulations shall be binding upon the Tenant upon delivery of a copy of them to Tenant.

**14. Holding Over.** If Tenant remains in possession of the Premises or any part thereof after the expiration of the term hereof without the express written consent of Landlord, then Tenant's occupancy subsequent to such expiration shall be deemed that of a tenant at will, and in no event a tenant from month to month.

**15. Entry by Landlord.** Landlord reserves, and shall at any and all times have, the right to enter the Premises to inspect the same, to repair the Premises and any portion of the building of which the Premises are a part that Landlord may deem necessary or desirable. For each of the aforesaid purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, and Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in an emergency, in order to obtain entry to the Premises without liability to Tenant.

**16. Parking and Common Areas.** All parking and common areas and other common facilities made available by Landlord in or about the Renaissance Center shall be subject to the exclusive control and management of Landlord, expressly reserving to Landlord, without limitation, the right to erect and install within said areas, planters, sculpture, or otherwise. The Tenant, in the use of said common and parking areas, agrees to comply with such reasonable rules, and regulations as the Landlord may adopt from time to time for the orderly and proper operation of said common and parking areas. IN WITNESS WHEREOF, the Parties hereto executed this Lease on the day and date first above written.

[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 6th day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



## AGENDA ACTION FORM

### **Approve a Contracting Services Agreement with Kingsport Power Company and an Amendment to the Agreement**

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

Action Form No.: AF-156-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Tim Elsea  
 Presentation By: Ryan McReynolds

### **Recommendation:**

Approve the Resolution.

### **Executive Summary:**

Throughout the City our daily operations occasionally require contracting services provided by Kingsport Power Company for electrical service requests. This agreement allows Kingsport Power Company to furnish labor, equipment and specified materials at the city's request for preventative maintenance, emergency service restoration, and equipment repairs related to our facilities. A detailed scope of work is outlined in Exhibit 17-KG-2000(A); and charges for the contracting services are outlined in Exhibit 17-KG-2000(B).

It is recommended to enter into a Contracting Services Agreement with Kingsport Power Company and their Amendment to the agreement for electrical service requests. Funding for this service will be identified from various projects and budget line items.

### **Attachments:**

1. Resolution
2. Amendment to Agreement (2 pages)
3. Agreement (4 pages)

Funding source appropriate and funds are available: 

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

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

A RESOLUTION APPROVING A CONTRACTING SERVICES AGREEMENT WITH KINGSPORT POWER COMPANY; APPROVING AN AMENDMENT TO THE AGREEMENT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, Kingsport Power provides electrical service requests throughout the city; and

WHEREAS, the city would like to enter into a contracting services agreement that will allow Kingsport Power Company to furnish labor, equipment and specified materials at the city's request for preventative maintenance, emergency service restoration, and equipment repairs related to our facilities; and

WHEREAS, the scope of work is outlined in Exhibit 17-KG-2000(A); and charges for the contracting services are outlined in Exhibit 17-KG-2000(B); and .

WHEREAS, at the request of the city, Kingsport Power Company has agreed to the Amendment to the Contracting Services Agreement as set out in this resolution; and

WHEREAS, funding for this service will be identified from various projects and budget line items.

Now therefore,

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

SECTION I. That the Contracting Services Agreement with Kingsport Power Company is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the agreement with Kingsport Power Company 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:

**KINGSPORT POWER COMPANY  
CONTRACTING SERVICES AGREEMENT**

Client: Attn: Sandra Crawford  
CITY OF KINGSPORT  
1400 Lincoln Street  
Kingsport, TN 37660  
Project: Electrical Services

License Nos.: 9371612  
Client Solicitation No.: 17-KG-2000  
Dated: May 26, 2017  
Client Purchase Order No.: \_\_\_\_\_  
Dated: \_\_\_\_\_

Kingsport Power Company (KSPT) agrees to furnish and CITY OF KINGSPORT (Client) agrees to pay for the contracting services listed below. Notwithstanding any terms and conditions contained in the Client's request for proposals or any other Client furnished documents, the contracting services provided hereunder shall be performed in accordance with the Kingsport Power Company General Terms & Conditions attached to and made a part of this Agreement.

Contracting Services:

Electrical Services

Kingsport Power Company agrees to furnish, upon request of the Client and acceptance by

KSPT, the labor, equipment and specified materials necessary to provide preventative maintenance, emergency service restoration and equipment repairs on Client's facilities located in the Kingsport, TN area. This agreement shall act as a master agreement and sets forth the terms and conditions which will apply to any work requested and accepted by KSPT, except otherwise agreed to in writing between the two parties.

A detailed scope of work is attached as Exhibit 17-KG-2000(A).

Charges:

Contracting services provided by KSPT as described above shall be billed at the cost-plus rates as outlined in Exhibit 17-KG-2000(B). KSPT will update labor rates effective January 1 of each year, and will forward a copy to the Client. KSPT will provide Client with an estimate of charges, if requested, prior to preventative maintenance or repair activities. This offer is open for acceptance through December 31, 2017. If accepted, this Agreement will terminate at midnight, December 31, 2021.

Schedule:

Contracting services provided by Kingsport Power Company shall be billed at the quoted rates as outlined in Exhibit 17-KG-2000(B). Charges will be billed based on the actual time of day or day of week that the activity is performed. Each activity will be scheduled at a time that is agreeable to both parties and pricing will reflect the actual time of day or day of week worked. KSPT will provide the Client with the category of the charges prior to the activity, upon request.

Terms of Payment:

The contracting services provided by KSPT, as described above shall be invoiced by KSPT and paid by the Client as follows:

**Charges to be billed after completion of each activity and will be due 30 days from date of invoice.**

Acceptance:

All terms, conditions, and charges, as specified herein, are agreed to, as of the last date noted below by:

[Acknowledgements Deleted for Inclusion in this Resolution]

**CITY OF KINGSFORT  
Electrical Services - Proposal 17-KG-2000  
Detailed Scope of Work**

I. Existing Documents/Test Results:

Instruction books, one-line and control drawings for the subject equipment should be provided by Client, if they are available. A copy of any previous equipment test results, including PCB levels, should be provided by Client, if available. If the information is not available, a PCB test will be performed on the specified equipment by KSPT prior to the transportation or service of that unit. If the equipment is found to have a PCB level of greater than 49 ppm, KSPT will not transport or perform maintenance on the equipment until Client has removed the contaminated oil and provided a certified document of the extraction. If Client decided to scrap a unit transported by KSPT that meets the above PCB criteria, KSPT will offer disposal services to Client to dispose of its scrap units. Client agrees that it retains title, ownership and all other responsibilities for disposal and is free to use KSPT's services or any other certified disposal contractor as it sees fit.

KSPT and Client further agree that only in the event Client chooses to transport equipment to KSPT, Client may conduct the PCB test to determine whether or not each unit has a PCB level of greater than 49 ppm. If Client provides KSPT with a certified document to the effect that each piece of equipment has PCB levels that are not in excess of 49 ppm, KSPT will accept such equipment for service.

Should it later be determined that any of Client's equipment transported to KSPT by any means, contains PCB levels in excess of 49 ppm, Client retains and assumes full responsibility for all required disposal.

Note: The above policy will apply to all equipment and services covered under this Agreement.

II. Safety:

To the extent that the performance of any of the work as provided for under this agreement, would create and unreasonable safety risk to persons or property, or would violate any of the terms or provisions of the "AEP Safety Manual," as determined in the sole discretion of KSPT, KSPT reserves the right to discontinue performance until such time as the work can be performed safely and in conformance with the "AEP Safety Manual." If performance cannot be accomplished expeditiously, while KSPT personnel are still at the job site, then that portion of the work will not be performed and Client will not be charged for that portion of the work.

III. Extra Work:

If the Client is not able to make the work areas available to KSPT crews as originally scheduled, then Client will be responsible for the cost of any delays.

Client will supply personnel to assist with each project if requested in advance.  
All Extra Work charges shall be determined based on the applicable labor, material, and other expenses as noted in Exhibit 17-KG-2000(B).

Client will still have the option to request a separate lump sum agreement for selected projects.

IV. Termination Provisions:

This Agreement may be terminated by either party with 60 days written notice. If the Agreement is terminated, Client will be responsible for all costs incurred up to the point of termination.

**CITY OF KINGSPORT.  
Electrical Services – Proposal 17-KG-2000  
2017 Contracting Charges**

Contracting Services provided by Kingsport Power Company shall be billed at the following quoted rates, which are valid through December 31, 2017. The 'Emergency Callout Charge' will apply to all Client requests to perform emergency repairs or provide emergency assistance. The cost of work will be based on the following:

A. Actual Labor Charges will be billed based on the following rates through 2017:

Employee	Straight time	Overtime Rates
Classification	Rates	1.5Time Doubletime
Station and T&D Engineer-Senior	171.54	243.58 315.63
Station and T&D Engineer	145.18	206.15 267.13
T&D Technician	100.61	142.86 185.12
Lead Technician	118.87	168.79 218.71
Senior R/W Agent	129.64	184.09 238.54
Trans/Dist Line Exempt Crew Supervisor	157.22	223.25 289.29
Trans/Dist Non-Exempt Supv.	119.92	170.29 217.91
Servicer	107.85	153.15 198.45
Trans/Dist Line Mechanic	105.41	149.69 193.96
Transformer & Breaker Specialist	118.87	168.79 218.71
Lab Technician	106.46	151.18 195.89
Meter Electrician	105.41	149.69 193.96
Telecommunication Technician	112.29	159.45 206.61
Technician Specialist	118.87	168.79 218.71
P&C and Measurement Engineer – Senior	179.50	254.89 330.28
P&C and Measurement Engineer	157.22	223.25 289.29
Protection & Control Relay Specialist	133.06	188.95 244.83
Protection & Control Technician	133.06	188.95 244.83
Emergency Callout Charge (per event)	150.00	-- --

B. Materials will be billed at actual costs plus 20%.

C. Work performed on Holidays will be billed at triple time rates. (available upon request)

D. Equipment and Vehicle Transportation Expenses will be billed based upon the current vehicle hourly rate allocation for the applicable vehicle plus 20%.

E. New Non-PCB Insulating Oil will be billed at APCo's cost per gallon for the most recent shipment plus \$0.50 per gallon for handling, testing, processing and other expenses.

F. Doble Testing Equipment will be billed at \$58/hr.

G. All other expenses (meals, hotels, etc.) will be billed at actual cost plus 20%.

H. Contractor Expenses will be billed at costs plus 20%.

I. Infrared Testing will be available at a cost of \$1,400 per day; \$950 per half-day.

J. Outdoor lighting repairs for fixtures under 40' will be performed by one Servicer and truck at a rate of \$126 per hour, lights 40' and higher will require two Linemen and aerial truck and will be cost \$247 per hour.

K. A minimum of 2 hours/person will be billed for each callout.

**KINGSPORT POWER COMPANY - GENERAL TERMS & CONDITIONS**

1. Use of American Electric Power System Resources

Kingsport Power Company (KSPT) will provide services under this Agreement by using a mix of subcontractors, suppliers and consultants (collectively "subcontractor") and the resources of its affiliated companies in the American Electric Power ("AEP") System, including the American Electric Power Service Corporation. KSPT and its affiliated companies have agreed upon the portions of the total compensation required to be paid under this Agreement, and KSPT shall be responsible for paying such compensation to its affiliated companies. Only KSPT shall be responsible for liabilities

and failure to perform under this Agreement, and any liability resulting from such failure shall constitute the aggregate liability of KSPT, and its affiliated companies. All releases and disclaimers of liability shall include KSPT and its affiliated companies and its subcontractors.

2. Title to the Equipment

Title to all equipment to be incorporated into the Work shall pass to Client upon its delivery to the Site.

3. Warranty

KSPT warrants that, unless specified or agreed to otherwise, all equipment shall be new, and all equipment and labor shall be free from defects in material and workmanship for 12 months from completion of the work. KSPT shall repair or replace, at KSPT's option, any equipment or labor found to be defective during the warranty period as long as Client has notified KSPT of such defect within a reasonable time and has properly maintained and operated the equipment.

The above repair or replacement warranty sets forth KSPT's sole and exclusive liability and Client's sole and exclusive remedy for all claims, whether arising out of contract, tort (including negligence), strict liability or any other cause or form of action, based on failure of, or defect in, goods or services provided under this Agreement.

KSPT EXPRESSLY EXCLUDES ANY AND ALL WARRANTIES EITHER EXPRESSED OR IMPLIED, WHICH MIGHT ARISE UNDER LAW OR EQUITY OR CUSTOM OF TRADE, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR SPECIFIED OR INTENDED PURPOSE.

4. Limitation of Liability

a) Neither KSPT, its affiliated companies or its subcontractors shall be liable, whether arising out of contract, tort (including negligence), strict liability, or from any other cause or form of action whatsoever, for loss of anticipated profits, loss by reason of plant or other facility shutdown, non-operation or increased expense of operation, service interruption, cost of purchased or replacement power, claims of Client's customers, subcontractors, vendors or suppliers, cost of money, loss of use of capital or revenue, fines or penalties assessed or levied against the Client by any governmental agency or arising out of KSPT's performance of services or supply of goods or out of or in connection with the Client's use, or inability to use, the information, apparatus, method or process resulting from these services or for any special, incidental or consequential loss or damage of any nature, whether similar to those enumerated above, arising at any time or from any cause whatsoever.

b) The total liability of KSPT, its affiliated companies and its subcontractors, whether arising out of contract, tort (including negligence), strict liability, or any other cause or form of action, shall not exceed the contract price for the contract services upon which such liability is based.

5. Records of Accounting

If this Agreement is on a cost plus basis, then KSPT shall maintain its normal cost accounting records as required for proper financial management of the work. Upon request, KSPT will make these accounting records available to Client for inspection during normal business hours.

6. Termination

a) In the event of a default by one party hereto to the other party, in addition to pursuing any other remedy, may elect to terminate this Agreement and the work being performed hereunder by giving written notice of termination to the defaulting party.

b) Client may terminate this Agreement without regard to whether or not KSPT has failed to comply with the provisions of this Agreement. If Client should so terminate this Agreement, settlement between KSPT and Client shall be made as provided below.

c) If Client or KSPT terminates pursuant to paragraph a), or Client terminates pursuant to paragraph b), Client shall pay KSPT all costs incurred to date of termination plus a pro rata share of fee.

7. Force Majeure

a) KSPT shall not be liable for loss or damage resulting from (1) any delay in performance within the time specified or (2) failure to perform its contractual obligations, in whole or in part, insofar as such delay or nonperformance is caused by Force Majeure as defined in paragraph b) below, provided that KSPT provides written notice within fifteen (15) days of the Force Majeure event to Client of the circumstances giving rise to such delay or nonperformance.

b) "Force Majeure" means the occurrence of an unforeseen event beyond reasonable control of KSPT which disrupts, hinders, or otherwise delays the performance of its contractual obligations, including but not limited to the following: acts of God, war, act of public enemy; acts of civil or military authorities; riots, civil commotion, sabotage, strikes; floods, fires or other violent natural disasters; epidemics; quarantine restrictions; embargoes; unavoidable delays in procuring necessary materials, labor, equipment, services or facilities; act(s), by any government, governmental body or instrumentality, or regulatory agency (including delay or failure to act in the issuance of approvals, permits or licenses); and acts, including delays or failure to act of Client.

c) In the event of a delay in performance caused by Force Majeure, the time for performance shall be extended by such length of time as may be reasonably necessary to compensate for any such delay. KSPT will make every effort to keep delays in performance to a minimum, except that settlements of labor disputes shall be within its sole discretion.

8. Proprietary Information

KSPT shall perform the services based upon information furnished to it by Client, and KSPT shall be entitled to rely upon such information. Both parties shall take reasonable precautions to preserve the confidentiality of all shared information. Any information so furnished which is marked "Proprietary" shall be treated during the term of this Agreement by the other party as confidential, shall be for use only under this Agreement and shall not be disclosed to any third parties. This provision shall not apply to information within any one of the following categories or any combination thereof:

a) Information which was in the public domain prior to receipt thereof from the other party or which subsequently becomes part of the public domain by publication or otherwise except by the party's wrongful act.

b) Information which was in the receiving party's possession without obligation of secrecy prior to its receipt from the disclosing party.

c) Information received from a third party having no obligation of secrecy with respect thereto.

9. Taxes

KSPT's price is exclusive of any federal, state or local sales or use tax, or any other tax or similar charge based upon or measured by the gross receipts from this Agreement. If KSPT is required by applicable law or regulation to pay or collect any such tax, or if Client is required to withhold such tax, then such amount shall be reimbursed to KSPT by Client.

10. Permits and Access

Client shall secure all permits required to install or operate any equipment supplied hereunder or needed to perform any work or service provided. Client shall provide KSPT access to the work area and is responsible for the removal of all barriers.

11. Applicable Law

This Agreement shall be construed in accordance with, and its performance shall be governed by, applicable laws in effect in the State of Tennessee.

12. Entire Agreement

This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior or collateral representations, negotiations, writings, memoranda and agreements. Any prior or collateral representation, warranty, promise or condition relating hereto but not incorporated in the Agreement will not be binding on either party. This Agreement and all of its provisions shall inure to and be binding upon the respective parties hereto, their successors and assigns; provided, that neither party hereto may assign this Agreement or any part hereof without the prior written consent of the other party hereto, but this provision shall not prohibit KSPT from utilizing the services of its affiliated companies. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of each party.

[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 an Amendment to Contracting Services Agreement with Kingsport Power Company is approved.

SECTION V. 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 agreement with Amendment to Contracting Services Agreement with Kingsport Power Company 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:

**AMENDMENT TO CONTRACTING SERVICES AGREEMENT**



This Amendment amends the Contracting Services Agreement and all applicable documents, including but not limited to, Electrical Services – Proposal 17-KG-2000 2017 Detailed Services of Work, Electrical Services – Proposal 17-KG-2000 2017 Contracting Charges, and Kingsport Power Company - General Terms & Conditions, ("Agreement") between the Kingsport Power Company (KSPT) and the City of Kingsport (Client) dated \_\_\_\_\_, 2017.

The KSPT and Client agree to amend to Agreement as follows:

**Amendment 1:**

On the page labeled "CONTRACTING SERVICES AGREEMENT", under the heading entitled "Charges" change the last sentence to read as follows:

If accepted, this Agreement will terminate at midnight, December 31, 2021; provided this Agreement will terminate on July 1 of any year funds for the Agreement are not appropriated for the Agreement for a fiscal year in the Client's approved budget. The fiscal year is July 1 through June 30.

**Amendment 2:**

On the page labeled "KINGSPORT POWER COMPANY – GENERAL TERMS & CONDITIONS" add the following to section 8.

Notwithstanding anything in this Agreement to the contrary the Agreement and any documents or material, in any format, including, but not limited to, paper, electronic, or virtual, that are a part of the Agreement are public records and are subject to disclosure in whole or in part pursuant to the Tennessee Open Records Act, set out in T. C. A. §10-7-503 et seq., without regard to any provision contained in the Agreement declaring information confidential. Additionally, Client must, upon proper request, release public documents and records as defined by T. C. A. §10-7-503 et seq., including the Agreement and all records created and maintained related to the Agreement without the requirement to disclose such request to KSPT or providing KSPT with notice or the time to obtain a protective order.

**Amendment 3:**

On the page labeled "KINGSPORT POWER COMPANY – GENERAL TERMS & CONDITIONS" insert the following as section 12 and renumber the section following the insertion accordingly:

12. **Indemnification, Limitation of Liability and Disclaimer of Warranty.** Article II, Section 29 of the Tennessee Constitution prohibits cities from lending their credit to private entities and, therefore, prohibits an agreement by the Client to indemnify a third party or agree to a limitation of liability provision. Notwithstanding anything in this Agreement to the contrary any indemnity or hold harmless provision contained in the Agreement requiring the Client to indemnify or hold harmless KSPT or any other person or entity and any limitation of liability is enforceable only to the extent permitted by Tennessee law. Because Tennessee law may not allow the Client to agree to the disclaimer of warranties any such disclaimer of warranties shall be enforceable only to the extent permitted by Tennessee law. No provision of this Agreement shall act or be deemed to be a waiver by the Client of any immunity or of any provision of the TENNESSEE GOVERNMENTAL TORT LIABILITY ACT, Tenn. Code Ann. §§29-20-101 et seq. Any liability of the Client to the KSPT or third parties for any claims, damages, losses, or costs arising out of, or related to acts performed by the Client under this Agreement will be governed and limited by the provisions of the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. §29-20-101 et seq.

In witness whereof the parties have executed this Amendment to Agreement as of the \_\_\_\_ day of \_\_\_\_\_, 2017.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

ADOPTED this the 6th day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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

## AMENDMENT TO CONTRACTING SERVICES AGREEMENT

This Amendment amends the Contracting Services Agreement and all applicable documents, including but not limited to, Electrical Services – Proposal 17-KG-2000 2017 Detailed Services of Work, Electrical Services – Proposal 17-KG-2000 2017 Contracting Charges, and Kingsport Power Company - General Terms & Conditions, (“Agreement”) between the Kingsport Power Company (KSPT) and the City of Kingsport (Client) dated \_\_\_\_\_, 2017.

The KSPT and Client agree to amend to Agreement as follows:

### **Amendment 1:**

On the page labeled “CONTRACTING SERVICES AGREEMENT”, under the heading entitled “Charges” change the last sentence to read as follows:

If accepted, this Agreement will terminate at midnight, December 31, 2021; provided this Agreement will terminate on July 1 of any year funds for the Agreement are not appropriated for the Agreement for a fiscal year in the Client's approved budget. The fiscal year is July 1 through June 30.

### **Amendment 2:**

On the page labeled “KINGSPORT POWER COMPANY – GENERAL TERMS & CONDITIONS” add the following to section 8.

Notwithstanding anything in this Agreement to the contrary the Agreement and any documents or material, in any format, including, but not limited to, paper, electronic, or virtual, that are a part of the Agreement are public records and are subject to disclosure in whole or in part pursuant to the Tennessee Open Records Act, set out in T. C. A. §10-7-503 et seq., without regard to any provision contained in the Agreement declaring information confidential. Additionally, Client must, upon proper request, release public documents and records as defined by T. C. A. §10-7-503 et seq., including the Agreement and all records created and maintained related to the Agreement without the requirement to disclose such request to KSPT or providing KSPT with notice or the time to obtain a protective order.

### **Amendment 3:**

On the page labeled “KINGSPORT POWER COMPANY – GENERAL TERMS & CONDITIONS” insert the following as section 12 and renumber the section following the insertion accordingly:

12. Indemnification, Limitation of Liability and Disclaimer of Warranty. Article II, Section 29 of the Tennessee Constitution prohibits cities from lending their credit to private entities and, therefore, prohibits an agreement by the Client to indemnify a third party or agree to a limitation of liability provision. Notwithstanding anything in this Agreement to the contrary any indemnity or hold harmless provision contained in the Agreement requiring the Client to indemnify or hold harmless KSPT or any other person or entity and any limitation of liability is enforceable only to the extent permitted by Tennessee law. Because Tennessee law may not allow the Client to agree to the disclaimer of warranties any such disclaimer of warranties shall be enforceable only to the extent permitted by Tennessee law. No provision of this Agreement shall act or be deemed to be a waiver by the Client of any immunity or of any provision of the TENNESSEE

GOVERNMENTAL TORT LIABILITY ACT, Tenn. Code Ann. §§29-20-101 et seq. Any liability of the Client to the KSPT or third parties for any claims, damages, losses, or costs arising out of, or related to acts performed by the Client under this Agreement will be governed and limited by the provisions of the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. §29-20-101 et seq.

In witness whereof the parties have executed this Amendment to Agreement as of the \_\_\_\_ day of \_\_\_\_\_, 2017.

**KINGSPORT POWER COMPANY**

**CITY OF KINGSPORT**

\_\_\_\_\_  
James R. Alouf, Principal Engineer

\_\_\_\_\_  
Sandra Crawford, Purchasing Manager

Attest:

\_\_\_\_\_  
City Recorder

Approved as to form:

\_\_\_\_\_  
City Attorney

**KINGSPORT POWER COMPANY**  
**CONTRACTING SERVICES AGREEMENT**

Client: Attn: Sandra Crawford  
CITY OF KINGSPORT  
1400 Lincoln Street  
Kingsport, TN 37660  
Project: Electrical Services

License Nos.: 9371612  
Client Solicitation No.: 17-KG-2000  
Dated: May 25, 2017  
Client Purchase Order No.: \_\_\_\_\_  
Dated: \_\_\_\_\_

Kingsport Power Company (KSPT) agrees to furnish and **CITY OF KINGSPORT** (Client) agrees to pay for the contracting services listed below. Notwithstanding any terms and conditions contained in the Client's request for proposals or any other Client furnished documents, the contracting services provided hereunder shall be performed in accordance with the Kingsport Power Company General Terms & Conditions attached to and made a part of this Agreement.

**Contracting Services:**

**Electrical Services**

Kingsport Power Company agrees to furnish, upon request of the Client and acceptance by KSPT, the labor, equipment and specified materials necessary to provide preventative maintenance, emergency service restoration and equipment repairs on Client's facilities located in the Kingsport, TN area. This agreement shall act as a master agreement and sets forth the terms and conditions which will apply to any work requested and accepted by KSPT, except otherwise agreed to in writing between the two parties.

A detailed scope of work is attached as Exhibit 17-KG-2000(A).

**Charges:**

Contracting services provided by KSPT as described above shall be billed at the cost-plus rates as outlined in **Exhibit 17-KG-2000(B)**. KSPT will update labor rates effective January 1 of each year, and will forward a copy to the Client. KSPT will provide Client with an estimate of charges, if requested, prior to preventative maintenance or repair activities. This offer is open for acceptance through **December 31, 2017**. If accepted, this Agreement will terminate at midnight, **December 31, 2021**.

**Schedule:**

Contracting services provided by Kingsport Power Company shall be billed at the quoted rates as outlined in **Exhibit 17-KG-2000(B)**. Charges will be billed based on the actual time of day or day of week that the activity is performed. Each activity will be scheduled at a time that is agreeable to both parties and pricing will reflect the actual time of day or day of week worked. KSPT will provide the Client with the category of the charges prior to the activity, upon request.

**Terms of Payment:**

The contracting services provided by KSPT, as described above shall be invoiced by KSPT and paid by the Client as follows:

**Charges to be billed after completion of each activity and will be due 30 days from date of invoice.**

**Acceptance:**

All terms, conditions, and charges, as specified herein, are agreed to, as of the last date noted below by:

CLIENT: CITY OF KINGSPORT

Kingsport Power Company

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: James R. Alouf

Title: \_\_\_\_\_

Title: Principal Engineer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**CITY OF KINGSPORT**  
**Electrical Services - Proposal 17-KG-2000**  
**Detailed Scope of Work**

**I. Existing Documents/Test Results:**

Instruction books, one-line and control drawings for the subject equipment should be provided by Client, if they are available. A copy of any previous equipment test results, including PCB levels, should be provided by Client, if available. If the information is not available, a PCB test will be performed on the specified equipment by KSPT prior to the transportation or service of that unit. If the equipment is found to have a PCB level of greater than 49 ppm, KSPT will not transport or perform maintenance on the equipment until Client has removed the contaminated oil and provided a certified document of the extraction. If Client decided to scrap a unit transported by KSPT that meets the above PCB criteria, KSPT will offer disposal services to Client to dispose of its scrap units. Client agrees that it retains title, ownership and all other responsibilities for disposal and is free to use KSPT's services or any other certified disposal contractor as it sees fit.

KSPT and Client further agree that only in the event Client chooses to transport equipment to KSPT, Client may conduct the PCB test to determine whether or not each unit has a PCB level of greater than 49 ppm. If Client provides KSPT with a certified document to the effect that each piece of equipment has PCB levels that are not in excess of 49 ppm, KSPT will accept such equipment for service.

Should it later be determined that any of Client's equipment transported to KSPT by any means, contains PCB levels in excess of 49 ppm, Client retains and assumes full responsibility for all required disposal.

Note: The above policy will apply to all equipment and services covered under this Agreement.

**II. Safety:**

To the extent that the performance of any of the work as provided for under this agreement, would create and unreasonable safety risk to persons or property, or would violate any of the terms or provisions of the "AEP Safety Manual," as determined in the sole discretion of KSPT, KSPT reserves the right to discontinue performance until such time as the work can be performed safely and in conformance with the "AEP Safety Manual." If performance cannot be accomplished expeditiously, while KSPT personnel are still at the job site, then that portion of the work will not be performed and Client will not be charged for that portion of the work.

**III. Extra Work:**

If the Client is not able to make the work areas available to KSPT crews as originally scheduled, then Client will be responsible for the cost of any delays.

Client will supply personnel to assist with each project if requested in advance.

All Extra Work charges shall be determined based on the applicable labor, material, and other expenses as noted in Exhibit 17-KG-2000(B).

Client will still have the option to request a separate lump sum agreement for selected projects.

**IV. Termination Provisions:**

This Agreement may be terminated by either party with 60 days written notice. If the Agreement is terminated, Client will be responsible for all costs incurred up to the point of termination.

**CITY OF KINGSPORT.**  
**Electrical Services – Proposal 17-KG-2000**  
**2017 Contracting Charges**

Contracting Services provided by Kingsport Power Company shall be billed at the following quoted rates, which are valid through December 31, 2017. The ‘Emergency Callout Charge’ will apply to all Client requests to perform emergency repairs or provide emergency assistance. The cost of work will be based on the following:

**A. Actual Labor Charges will be billed based on the following rates through 2017:**

<u>Employee Classification</u>	<u>Straight time Rates</u>	<u>Overtime Rates</u>	
		<u>1.5Time</u>	<u>Doubletime</u>
Station and T&D Engineer-Senior	171.54	243.58	315.63
Station and T&D Engineer	145.18	206.15	267.13
T&D Technician	100.61	142.86	185.12
Lead Technician	118.87	168.79	218.71
Senior R/W Agent	129.64	184.09	238.54
Trans/Dist Line Exempt Crew Supervisor	157.22	223.25	289.29
Trans/Dist Non-Exempt Supv.	119.92	170.29	217.91
Servicer	107.85	153.15	198.45
Trans/Dist Line Mechanic	105.41	149.69	193.96
Transformer & Breaker Specialist	118.87	168.79	218.71
Lab Technician	106.46	151.18	195.89
Meter Electrician	105.41	149.69	193.96
Telecommunication Technician	112.29	159.45	206.61
Technician Specialist	118.87	168.79	218.71
P&C and Measurement Engineer – Senior	179.50	254.89	330.28
P&C and Measurement Engineer	157.22	223.25	289.29
Protection & Control Relay Specialist	133.06	188.95	244.83
Protection & Control Technician	133.06	188.95	244.83
<b>Emergency Callout Charge (per event)</b>	<b>150.00</b>	<b>--</b>	<b>--</b>

- B. Materials will be billed at actual costs plus 20%.**
- C. Work performed on Holidays will be billed at triple time rates. (available upon request)**
- D. Equipment and Vehicle Transportation Expenses will be billed based upon the current vehicle hourly rate allocation for the applicable vehicle plus 20%.**
- E. New Non-PCB Insulating Oil will be billed at APCo’s cost per gallon for the most recent shipment plus \$0.50 per gallon for handling, testing, processing and other expenses.**
- F. Doble Testing Equipment will be billed at \$58/hr.**
- G. All other expenses (meals, hotels, etc.) will be billed at actual cost plus 20%.**
- H. Contractor Expenses will be billed at costs plus 20%.**
- I. Infrared Testing will be available at a cost of \$1,400 per day; \$950 per half-day.**
- J. Outdoor lighting repairs for fixtures under 40’ will be performed by one Servicer and truck at a rate of \$126 per hour, lights 40’ and higher will require two Linemen and aerial truck and will be cost \$247 per hour.**
- K. A minimum of 2 hours/person will be billed for each callout.**



# KINGSPORT POWER COMPANY - GENERAL TERMS & CONDITIONS

1. Use of American Electric Power System Resources

Kingsport Power Company (KSPT) will provide services under this Agreement by using a mix of subcontractors, suppliers and consultants (collectively "subcontractor") and the resources of its affiliated companies in the American Electric Power ("AEP") System, including the American Electric Power Service Corporation. KSPT and its affiliated companies have agreed upon the portions of the total compensation required to be paid under this Agreement, and KSPT shall be responsible for paying such compensation to its affiliated companies. Only KSPT shall be responsible for liabilities and failure to perform under this Agreement, and any liability resulting from such failure shall constitute the aggregate liability of KSPT, and its affiliated companies. All releases and disclaimers of liability shall include KSPT and its affiliated companies and its subcontractors.

2. Title to the Equipment

Title to all equipment to be incorporated into the Work shall pass to Client upon its delivery to the Site.

3. Warranty

KSPT warrants that, unless specified or agreed to otherwise, all equipment shall be new, and all equipment and labor shall be free from defects in material and workmanship for 12 months from completion of the work. KSPT shall repair or replace, at KSPT's option, any equipment or labor found to be defective during the warranty period as long as Client has notified KSPT of such defect within a reasonable time and has properly maintained and operated the equipment.

The above repair or replacement warranty sets forth KSPT's sole and exclusive liability and Client's sole and exclusive remedy for all claims, whether arising out of contract, tort (including negligence), strict liability or any other cause or form of action, based on failure of, or defect in, goods or services provided under this Agreement.

KSPT EXPRESSLY EXCLUDES ANY AND ALL WARRANTIES EITHER EXPRESSED OR IMPLIED, WHICH MIGHT ARISE UNDER LAW OR EQUITY OR CUSTOM OF TRADE, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR SPECIFIED OR INTENDED PURPOSE.

4. Limitation of Liability

a) Neither KSPT, its affiliated companies or its subcontractors shall be liable, whether arising out of contract, tort (including negligence), strict liability, or from any other cause or form of action whatsoever, for loss of anticipated profits, loss by reason of plant or other facility shutdown, non-operation or increased expense of operation, service interruption, cost of purchased or replacement power, claims of Client's customers, subcontractors, vendors or suppliers, cost of money, loss of use of capital or revenue, fines or penalties assessed or levied against the Client by any governmental agency or arising out of KSPT's performance of services or supply of goods or out of or in connection with the Client's use, or inability to use, the information, apparatus, method or process resulting from these services or for any special, incidental or consequential loss or damage of any nature, whether similar to those enumerated above, arising at any time or from any cause whatsoever.

b) The total liability of KSPT, its affiliated companies and its subcontractors, whether arising out of contract, tort (including negligence), strict liability, or any other cause or form of action, shall not exceed the contract price for the contract services upon which such liability is based.

5. Records of Accounting

If this Agreement is on a cost plus basis, then KSPT shall maintain its normal cost accounting records as required for proper financial management of the work. Upon request, KSPT will make these accounting records available to Client for inspection during normal business hours.

6. Termination

a) In the event of a default by one party hereto the other party, in addition to pursuing any other remedy, may elect to terminate this Agreement and the work being performed hereunder by giving written notice of termination to the defaulting party.

b) Client may terminate this Agreement without regard to whether or not KSPT has failed to comply with the provisions of this Agreement. If Client should so terminate this Agreement, settlement between KSPT and Client shall be made as provided below.

c) If Client or KSPT terminates pursuant to paragraph a), or Client terminates pursuant to paragraph b), Client shall pay KSPT all costs incurred to date of termination plus a pro rata share of fee.

7. Force Majeure

a) KSPT shall not be liable for loss or damage resulting from (1) any delay in performance within the time specified or (2) failure to perform its contractual obligations, in whole or in part, insofar as such delay or nonperformance is caused by Force Majeure as defined in paragraph b) below, provided that KSPT provides written notice within fifteen (15) days of the Force Majeure event to Client of the circumstances giving rise to such delay or nonperformance.

b) "Force Majeure" means the occurrence of an unforeseen event beyond reasonable control of KSPT which disrupts, hinders, or otherwise delays the performance of its contractual obligations, including but not limited to the following: acts of God, war, act of public enemy; acts of civil or military authorities; riots, civil commotion, sabotage, strikes; floods, fires or other violent natural disasters; epidemics; quarantine restrictions; embargoes; unavoidable delays in procuring necessary materials, labor, equipment, services or facilities; act(s), by any government, governmental body or instrumentality, or regulatory agency (including delay or failure to act in the issuance of approvals, permits or licenses); and acts, including delays or failure to act of Client.

c) In the event of a delay in performance caused by Force Majeure, the time for performance shall be extended by such length of time as may be reasonably necessary to compensate for any such delay. KSPT will make every effort to keep delays in performance to a minimum, except that settlements of labor disputes shall be within its sole discretion.

8. Proprietary Information

KSPT shall perform the services based upon information furnished to it by Client, and KSPT shall be entitled to rely upon such information. Both parties shall take reasonable precautions to preserve the confidentiality of all shared information. Any information so furnished which is marked "Proprietary" shall be treated during the term of this Agreement by the other party as confidential, shall be for use only under this Agreement and shall not be disclosed to any third parties. This provision shall not apply to information within any one of the following categories or any combination thereof:

- a) Information which was in the public domain prior to receipt thereof from the other party or which subsequently becomes part of the public domain by publication or otherwise except by the party's wrongful act.
- b) Information which was in the receiving party's possession without obligation of secrecy prior to its receipt from the disclosing party.
- c) Information received from a third party having no obligation of secrecy with respect thereto.

9. Taxes

KSPT's price is exclusive of any federal, state or local sales or use tax, or any other tax or similar charge based upon or measured by the gross receipts from this Agreement. If KSPT is required by applicable law or regulation to pay or collect any such tax, or if Client is required to withhold such tax, then such amount shall be reimbursed to KSPT by Client.

10. Permits and Access

Client shall secure all permits required to install or operate any equipment supplied hereunder or needed to perform any work or service provided. Client shall provide KSPT access to the work area and is responsible for the removal of all barriers.

11. Applicable Law

This Agreement shall be construed in accordance with, and its performance shall be governed by, applicable laws in effect in the State of Tennessee.

12. Entire Agreement

This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior or collateral representations, negotiations, writings, memoranda and agreements. Any prior or collateral representation, warranty, promise or condition relating hereto but not incorporated in the Agreement will not be binding on either party. This Agreement and all of its provisions shall inure to and be binding upon the respective parties hereto, their successors and assigns; provided, that neither party hereto may assign this Agreement or any part hereof without the prior written consent of the other party hereto, but this provision shall not prohibit KSPT from utilizing the services of its affiliated companies. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of each party.



## AGENDA ACTION FORM

### Amendment to the Contract between the City of Kingsport and the Tennessee Department of Environment and Conservation (TDEC)

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

Action Form No.: AF-160-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Ronnie Hammonds  
 Presentation By: Ryan McReynolds

#### Recommendation:

Approve the Resolution.

#### Executive Summary:

Tennessee's solid waste act requires that landfill owners be able to demonstrate financial responsibility for future closure and post-closure activities. In June 1996, the City executed a contract in lieu of a performance bond. The present amount of financial assurance is \$2,009,949.82. This amount must be adjusted annually for inflation. The new amount of \$2,036,079.17 requires an amendment to the contract.

#### Attachments:

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

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

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

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

WHEREAS, in 1996, the board approved a resolution authorizing the mayor to sign an Contract in Lieu of Performance Bond with the Tennessee Department of Environment and Conservation for the demolition landfill; and

WHEREAS, due to inflation, the amount of the financial assurance changes annually; and

WHEREAS, the amount of the financial assurance in the current contract should be changed from \$2,009,949.82 to \$2,036,079.17.

Now therefore,

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

SECTION I. That an amendment to the Contract in Lieu of Performance Bond with Tennessee Department of Environment and Conservation is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an amendment to the Contract in Lieu of Performance Bond with Tennessee Department of Environment and Conservation for the demolition landfill and all other documents necessary and proper to effectuate the purpose of the agreement or this resolution, said amendment being generally as follows:

Amendment of Contract in Lieu of Performance Bond

Whereas, Kingsport, TN and the State of Tennessee Department of Environment and Conservation, entered into a Contract in Lieu of Performance Bond (Copy attached) for proper operation and closure and/or post-closure of Kingsport Demolition Landfill, Registration Number DML820000016; and

Whereas, said contract included a provision allowing the Commissioner of Environment and Conservation to collect up to \$2,009,949.82 from any funds being disbursed or to be disbursed from the State to Kingsport, TN as financial assurance for said proper operation, closure and post-closure; and

Whereas, the State and Kingsport, TN desire to change the amount of said financial assurance from \$2,009,949.82 to \$2,036,079.17.

Paragraph 3 of the Agreement in Lieu of Performance Bond is amended as follows:  
The figure "\$ 2,009,949.82" is deleted and the figure "\$2,036,079.17" is substituted in lieu thereof.  
Date of Amendment to Contract June 10, 2016.

[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 as setout 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 6th day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



STATE OF TENNESSEE  
**DEPARTMENT OF ENVIRONMENT AND CONSERVATION**  
Division of Financial Responsibility & Business Process Improvement  
William R. Snodgrass Tennessee Tower  
312 Rosa L. Parks Ave., 10<sup>th</sup> Floor  
Nashville, TN 37243  
(615) 532-0851

May 22, 2017

The Honorable John Clark  
Mayor of Kingsport  
c/o Mr. Ronnie Hammonds  
City Hall, 225 West Center Street  
Kingsport, Tennessee 37660-4237

RE: 2017 Annual Inflation Adjustment of the financial assurance for the ***City of Kingsport Demolition Landfill, Permit Number DML820000016*** as required by the Regulations of the Division of Solid Waste Management

Dear Mayor Clark:

**All county and municipal "Contracts in Lieu of Performance Bonds" must be adjusted annually for inflation by no later than the anniversary date of the issuance of the contract.**

Rule Chapters 0400-12-01-.06(8) and 0400-11-01-.03(3) state that the inflation adjustment may be made by recalculating the closure and/or post-closure cost estimate in current dollars or by using an inflation factor derived from the most recent Implicit Price Deflator for the Gross National Product published by the U.S. Department of Commerce in its Survey of Current Business.

The staff of the Division of Financial Responsibility & Business Process Improvement, utilizing data published by the U.S. Department of Commerce, has projected the inflation factor to be used for **2017** inflation adjustments as **1.30%**. The amount of your financial assurance instrument(s) from the **Year 2016** must be multiplied by **1.0130**. The permitted facility and/or the Department may reserve the right to adjust this figure later based upon revised data released by the U.S. Department of Commerce during the year.

**Effective immediately, any County or Municipal Contract in Lieu of Performance Bond incurring an annual inflation adjustment shall not be processed by amendment until the cumulative amount of the adjustment(s) equals or exceeds TEN THOUSAND DOLLARS (\$10,000.00). This is a change from the previous threshold of Five Thousand Dollars (\$5,000.00). For example, if the inflation adjustment is \$4,000 in year one, \$5,000 in year two, and \$6,000 in year three, the amendment will be processed in year three when the total of adjustments exceeds \$10,000. We will continue to send your inflation adjustment figures annually for your records whether or not an amendment to the contract is required.**

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

Mayor Clark  
c/o Mr. Ronnie Hammonds  
City of Kingsport  
May 22, 2017  
Page 2

2017 Inflation Adjustment **REQUIRED**

Facility Permit No.	Financial Instrument Type & No.	Financial Instrument Anniversary Due Date	Present Amount of Financial Assurance On File	Inflation Adjustment/ Increase Required	Inflation Adjustment and Allowable Post-Closure Reduction	Total Required Amount of Financial Assurance
DML820000016	Contract	07/24/17	\$ 2,009,949.82	\$ 26,129.35	\$ 0.00	\$ 2,036,079.17

Please see the attached spreadsheets, which list in detail the amount of financial assurance required due to the 2017 annual inflation adjustment and/or post-closure reduction (if applicable) for your permit(s). The spreadsheets also list the current amount of financial assurance on file for each permit.

**PLEASE NOTE**

- (1) Any County and/or Municipal Contract In Lieu of Performance Bonds incurring an annual inflation adjustment shall not be processed by amendment until the amount of the adjustment equals or exceeds TEN THOUSAND DOLLARS (\$10,000.00).

Please submit the inflation adjusted financial instrument to the Division of Financial Responsibility & Business Process Improvement to my attention at the address listed on the letterhead as indicated above. If you have any questions, please call me at (615) 532-8571, or you may email me at Debra.Long@tn.gov.

Respectfully,

Debra F. Long, Financial Analyst

CC: Chris Lamb, Manager of Solid Waste Management, Johnson City Field Office, TDEC

Enclosures: Customer Information Data Sheet, Summary Spreadsheet, Detailed Financial Assurance Information

## Amendment of Contract in Lieu of Performance Bond

Whereas, the City of Kingsport and the State of Tennessee Department of Environment and Conservation, entered into a Contract in Lieu of Performance Bond for proper operation and closure and/or post-closure of the City of Kingsport Demolition Landfill, Permit Number DML820000016; and

Whereas, said contract included a provision allowing the Commissioner of Environment and Conservation to collect up to \$ 2,009,949.82 from any funds being disbursed or to be disbursed from the State to the City of Kingsport as financial assurance for said proper operation, closure and post-closure; and

Whereas, the State and the City of Kingsport desire to change the amount of said financial assurance from \$ 2,009,949.82 to \$ 2,036,079.17.

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

The figure "\$2,009,949.82" is deleted and the figure "\$ 2,036,079.17" is substituted in lieu thereof.

Date of Amendment to Contract \_\_\_\_\_

\_\_\_\_\_  
Commissioner  
Department of Environment  
& Conservation

\_\_\_\_\_  
Title: Mayor  
For the City of: Kingsport

\_\_\_\_\_  
Commissioner  
Department of Finance  
& Administration

\_\_\_\_\_  
Title \_\_\_\_\_  
For the County of: \_\_\_\_\_

\_\_\_\_\_  
Title \_\_\_\_\_  
For \_\_\_\_\_

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



# FINANCIAL RESPONSIBILITY

## CUSTOMER DATABASE

<b>DESCRIPTION</b>	Solid Waste Management		<b>Evaluated by:</b>	DFL
<b>(UST ONLY)</b>	<input type="checkbox"/> FUND PARTICIPANT <input type="checkbox"/> ELIGIBILITY ASSUMED	<input type="checkbox"/> FUND PARTICIPANT <input type="checkbox"/> NOT FUND ELIGIBLE	<input type="checkbox"/> NOT PARTICIPATING IN THE FUND	
<b>OWNER/ OPERATOR NAME</b>	Kingsport Demolition Landfill			
<b>ADDRESS</b>	City Hall, 225 West Center Street	City Hall, 225 West Center Street		
	Kingsport, TN 37660-4237	Kingsport, TN 37660-4237		
<b>CONTACT PERSON</b>	Mr. John Clark	c/o Ronnie Hammonds		
<b>TITLE</b>	Mayor (Kingsport, TN)	Streets and Sanitation Manager		
<b>TELEPHONE #</b>	(423) 229-9400	(423) 229-9497		
<b>FAX NUMBER</b>	<a href="mailto:johnclark@kingsporttn.gov">johnclark@kingsporttn.gov</a>	<a href="mailto:ronniehammonds@kingsporttn.gov">ronniehammonds@kingsporttn.gov</a>		
<b>CORPORATE PARENT/OWNER ADDRESS</b>	EMAIL Inflation Adjustment Notice			
<b>CONTACT PERSON</b>				
<b>TITLE</b>				
<b>TELEPHONE #</b>				
<b>FAX NUMBER</b>				
<b>HW INSTALLATION ID # (EPA)</b>				
<b>SOLID WASTE PERMIT #</b>	DML820000016			
<b>UST OWNER ID #</b>				
<b>RADIOLOGICAL HEALTH PERMIT #</b>				
<b>SUPERFUND PERMIT #</b>				
<b>GEOLOGY (OIL &amp; GAS) PERMIT #</b>				
<b>WATER POLLUTION CONTROL (SURFACE MINING) PERMIT #</b>				

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

**FACILITY OR PERMIT  
ID #**

**LOCATION OR ADDRESS**

DML820000016

Kingsport, TN



## AGENDA ACTION FORM

### Changing the Meeting Date for the Business Meeting of the Board of Mayor and Aldermen from July 4, 2017 to July 5, 2017

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

Action Form No.: AF-134-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: A. Marshall/M. Billingsley  
 Presentation By: Mike Billingsley

#### **Recommendation:**

Approve the Resolution.

#### **Executive Summary**

Article III, Section 7 of the city charter provides that except as, "provided by ordinance or resolution, the regular meeting of said board shall be held at 7:00 p.m. (local time) on the first and third Tuesday of each month."

Since the first Tuesday in July is July 4, a national holiday, the regular business meeting should be moved from that date to July 5, 2017, at 7:00 p.m. The attached resolution moves the regular business meeting from July 4, 2017, to July 5, 2017.

#### **Attachments:**

1. Resolution

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

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

A RESOLUTION CHANGING THE DATE OF THE REGULAR  
BUSINESS MEETING OF THE BOARD OF MAYOR AND  
ALDERMEN FROM JULY 4, 2017 TO JULY 5, 2017

WHEREAS, the charter of the city provides that the business meeting of the board of mayor and aldermen will take place on the first and third Tuesdays of each month at 7:00 p.m., unless otherwise provided by resolution or ordinance; and

WHEREAS, the first Tuesday in July is July 4, 2017, a national holiday day celebrating the independence of our country; and

WHEREAS, the board of mayor and aldermen wants to ensure that all citizens have the opportunity to participate in the celebration of this country's independence; and

WHEREAS, it is fitting to move the business meeting from July 4, 2017, to allow all citizens to celebrate the holiday.

Now therefore,

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

SECTION I. That the regular business meeting of the board of mayor and aldermen scheduled for July 4, 2017, at 7 p.m. is moved to July 5, 2017, at 7:00 p.m.

SECTION II. That the city recorder is authorized and directed to advertise the change in the date of business meeting of the board of mayor and aldermen from July 4, 2017, at 7:00 p.m. to July 5, 2017, at 7:00 p.m. and to take all acts needed to ensure that notice of the meeting is made to the public in compliance with T.C.A. § 10-7-503.

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

ADOPTED this the 6<sup>th</sup> day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



## AGENDA ACTION FORM

**Authorizing the Industrial Development Board of the City of Kingsport, Tennessee to Negotiate and Accept from WSD Group or an Affiliated Entity Payments In Lieu Of Ad Valorem Tax with Respect to New Retail and Restaurant Facilities in the City**

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

Action Form No.: AF-140-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Lynn Tully, AICP  
 Presentation By: Lynn Tully, AICP

**Recommendation:**

Approve the Resolution.

**Executive Summary:**

The Board of Mayor and Alderman has previously authorized the incorporation of The Industrial Development Board of the City of Kingsport, Tennessee (KEDB) as an industrial development board duly organized and existing under the provisions of Title 53 of Chapter 7, Tennessee Code Annotated. As such, the KEDB is charged with acquiring and managing properties for economic development purposes. WSD (Company) has requested the KEDB to take leasehold ownership of certain property on which the Company proposes to construct approximately 50,400 square feet of retail facilities at the intersection of Netherland Inn Road and Stone Drive.

The property is in the city and is the site of the former Armory. There was little reuse opportunity. Since that time the Company has demolished several obsolete buildings and is working with TDOT and the city staff to improve the intersection access at Lewis lane and connections to Netherland Inn Road. The current plan includes; 5 sites for restaurants, a convenience store, a retail building of 3,500 square feet and an inline retail facility of approximately 29,070 square feet with multifamily units possible on the property, with approximately 4.95 acres of property available for future development. No current sales or property taxes are lost in the negotiation of this agreement.

**Attachments:**

1. Resolution

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

RESOLUTION NO. 2017-\_\_\_\_\_

A RESOLUTION AUTHORIZING THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT, TENNESSEE TO NEGOTIATE AND ACCEPT FROM WSD GROUP OR AN AFFILIATED ENTITY PAYMENTS IN LIEU OF AD VALOREM TAX WITH RESPECT TO NEW RETAIL AND RESTAURANT FACILITIES KNOWN AS \_\_\_\_\_ IN THE CITY OF KINGSPORT, TENNESSEE AND FINDING THAT SUCH PAYMENTS ARE DEEMED TO BE IN FURTHERANCE OF THE PUBLIC PURPOSES OF THE BOARD AS DEFINED IN TENNESSEE CODE ANNOTATED SECTION 7-53-305

WHEREAS, the Board of Mayor and Aldermen (the "Governing Body") of the City of Kingsport, Tennessee (the "Municipality") has met pursuant to proper notice; and

WHEREAS, the Governing Body has previously authorized the incorporation of The Industrial Development Board of the City of Kingsport, Tennessee (the "Board") as an industrial development board duly organized and existing under the provisions of Title 53 of Chapter 7, Tennessee Code Annotated (the "Act"); and

WHEREAS, WSD Group (the "Company") has requested the Board to take leasehold ownership of certain property on which the Company proposes to expand retail and restaurant facilities, which is a project that is eligible to be owned by the Board under the Act and which is located in the Municipality (the "Project"); and

WHEREAS, as a part of such discussions, the Company has requested that the Board lease the Project to the Company or an affiliated entity under an arrangement whereby the Company or its affiliated entity will make payments in lieu of ad valorem taxes; and

WHEREAS, upon the acquisition of the Project by the Board and the lease of the Project to the Company or an affiliated entity, the Company intends to make additional improvements to the Project site; and

WHEREAS, Tennessee Code Annotated Section 7-53-305(b) authorizes the Governing Body to delegate to the Board the authority to negotiate payments for infrastructure and accept from the lessees of the Board payments in lieu of ad valorem taxes upon the finding that such payments are deemed to be in furtherance of the public purposes of the Board as defined in that Code Section; and

WHEREAS, the improvement and renovations of the Project would increase retail sales and property values, would maintain and increase employment opportunities, and would generate additional sales tax revenues and other revenues for the Municipality.

Now therefore,

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

SECTION I. The Governing Body hereby finds that the negotiation and acceptance by the Board from the Company of payments in lieu of ad valorem taxes consistent with this resolution are deemed to be in furtherance of the public purposes of the Board as defined in



Tennessee Code Annotated Section 7-53-305, and the City hereby delegates to the Board the authority to negotiate and accept such payments in lieu of ad valorem taxes from the Company or an affiliated entity.

SECTION II. The Board's agreement with the Company concerning payments in lieu of ad valorem taxes may provide that any ad valorem taxes paid by the Company to any taxing jurisdiction with respect to its leasehold interest in the Project shall constitute a credit against the payments in lieu of ad valorem taxes due such taxing jurisdiction.

SECTION III. The Board's agreement with the Company concerning payments in lieu of ad valorem taxes may contain such administrative provisions not inconsistent with this resolution as the Board deems appropriate.

SECTION IV. All other resolutions and orders, or parts thereof, in conflict with the provisions of this resolution are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.

ADOPTED this the 6<sup>th</sup> day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, Mayor

ATTEST:

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

APPROVED AS TO FORM:

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





## AGENDA ACTION FORM

### Apply for and Receive a DOJ-Office of Justice Programs' Bureau of Justice Assistance Bulletproof Vest Partnership (BVP) Reimbursement Grant

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

Action Form No.: AF-137-2017  
Work Session: June 5, 2017  
First Reading: N/A

Final Adoption: June 6, 2017  
Staff Work By: Capt. Gore  
Presentation By: Chief Quillin

#### **Recommendation:**

Approve the Resolution.

#### **Executive Summary:**

The Bulletproof Vest Partnership (BVP), created by the Bulletproof Vest Partnership Grant Act of 1998 is a unique U.S. Department of Justice initiative designed to provide a critical resource to state and local law enforcement. The Office of Justice Programs' Bureau of Justice Assistance (BJA) administers the Bulletproof Vest Program.

The Police Department budgets for and purchases vests each year as they are replaced due to expiration, wear and tear, or as new officers are hired. This grant program provides reimbursement to law enforcement agencies at up to 50% of their total vest expenditures. This grant application requests approval of application for \$9,750. The actual amount approved may be slightly more or less.

#### **Attachments:**

1. Resolution

Funding source appropriate and funds are available: je

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

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

A RESOLUTION APPROVING AN APPLICATION FOR AND RECEIPT OF A UNITED STATES DEPARTMENT OF JUSTICE BUREAU OF JUSTICE ASSISTANCE BULLET PROOF VEST (BPV) REIMBURSEMENT GRANT AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER FOR SUCH APPLICATION AND RECEIPT OF GRANT FUNDS

WHEREAS, the Bulletproof Vest Partnership (BVP), created by the Bulletproof Vest Partnership Grant Act of 1998 is a unique United States Department of Justice initiative designed to provide a critical resource to state and local law enforcement; and

WHEREAS, the Office of Justice Programs' Bureau of Justice Assistance administers the BVP Program; and

WHEREAS, the grant provides reimbursement to law enforcement agencies at fifty (50%) percent of the total spent to acquire bullet proof vests; and

WHEREAS, the grant will reimburse the police department to a maximum amount \$9,750.00 with no matching funds required; and

WHEREAS, certain documents must be completed and executed to receive the grant funds.

Now therefore,

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

SECTION I. That application for and receipt of a United States Department of Justice Bureau of Justice Assistance Bullet Proof Vest (BPV) grant in the amount of up to \$9,750.00 to provide reimbursement for the cost of purchasing bullet proof vests is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive a United States Department of Justice Bureau of Justice Assistance Bullet Proof Vest (BPV) grant and any and all documents necessary and proper for such application and receipt of funds.

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 6th 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

### Amendment to the Agreement with Tyson Prepared Foods, Inc.

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

Action Form No.: AF-163-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Committee  
 Presentation By: D. Frye/ J. Walker

### Recommendation:

Approve the Resolution.

### Executive Summary:

At the Board of Mayor and Alderman Meeting April 4, 2016 a resolution was passed to enter in to an agreement with Tyson Prepared Foods, Inc. for chicken commodity processing for Kingsport City Schools Nutrition Services for July 1, 2016 – June 30, 2017 for the not to exceed amount of \$65,000.00. The agreement with Tyson Prepared Foods, Inc. included the option to renew the agreement in one year increments for up to three additional years providing all terms, conditions and cost are acceptable by both parties. Tyson Prepared Foods pricing increased for one popular menu item for reason related to supply and demand. School Nutrition Services finds the increase in pricing acceptable.

It is recommended to renew the agreement with Tyson Prepared Foods, Inc. for the July 1, 2017 – June 30, 2018 term and to increase the contract not to exceed amount to \$85,000.00.

All expenditures from this contract are fully funded by the School Nutrition Services budget. School Nutrition Services is a self-supporting department within Kingsport City Schools. We receive funding from federal reimbursements, state funding and revenue generated by meal fees, a la carte items sold and catering.

### Attachments:

1. Resolution
2. Intent to Renew Letter
3. Recommendation Letter

Funding source appropriate and funds are available: 

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

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

A RESOLUTION AMENDING THE AGREEMENT TYSON PREPARED FOODS, INC. FOR COMMODITY 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

WHEREAS, on April 5, 2016, the board approved an agreement with Tyson Prepared Foods, Inc. for commodities for various Kingsport City Schools; and

WHEREAS, the terms of the agreement included an option to renew for up to three additional years in one year increments, provided pricing and quality of services are acceptable to the city; and

WHEREAS, the city would like to amend the agreement to extend the agreement from July 1, 2017, to June 30, 2018, in an amount not to exceed \$85,000.00; and

WHEREAS, funding is available in the School Nutrition Budget.

Now therefore,

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

SECTION I. That the amendment to the agreement with Tyson Prepared Foods, Inc. for commodities for use by Kingsport City Schools Nutrition Services extending the agreement from July 1, 2017, to June 30, 2018, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an amendment to the agreement with Tyson Prepared Foods, Inc. for commodities for use by Kingsport City Schools Nutrition Services extending the agreement from for produce used by School Nutrition Services and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the amendment or this resolution, said amendment being as follows:

**ADDENDUM TO AGREEMENT  
BETWEEN TYSON PREPARED FOODS, INC.  
AND CITY OF KINGSFORT, TENNESSEE  
FOR ITS KINGSFORT CITY SCHOOLS**

**MADE AND ENTERED INTO ON THE 1ST DAY OF JULY 2017**

**SECTION 2. CONTRACT TERM.** The work to be performed under this Contract shall be from JULY 1, 2017 to JUNE 30, 2018. The Contract will be awarded for a period of one (1) year with a renewal option on an annual basis in one (1) year increments up to two (2) years providing all terms, conditions and cost are acceptable to both parties. The City reserves the right to re-bid at the end of any contract period.

**SECTION 3. THE CONTRACT PRICE.** The City shall pay, in current fund, the Contractor for the performance of this Contract on the basis of the unit price cost per unit, as set forth in SECTION 1 above, and as set out and stipulated in the bid or proposal of said Contract, and the total cost of EIGHTY FIVE THOUSAND DOLLARS AND NO CENTS (\$85,000.00) is an estimated total cost, based upon the number of units required for the performance of this Contract and in the event there is any variation in the units actually required in the performance of this Contract, and the estimate made above, then the unit price shall in all things control, so that the total estimated cost of EIGHTY

FIVE THOUSAND DOLLARS AND NO CENTS (\$85,000.00) is subject to being increased in the event the units required for this Contract are greater than that estimated, and is subject to being decreased in the event said units are less than that estimated; which said payment, based upon the unit costs mentioned above, shall be full compensation for all materials and supplies furnished, and all labor done by the Contractor under and pursuant to this Agreement, and said sum shall also pay for all losses or damages of the Contractor arising out of the nature of the work, and for any and all expenses incurred in consequence of the work under this Contract, and for the well and faithful performance of said Contract.

Notwithstanding any other language to the contrary in the Agreement, the following terms shall be controlling:

1. This Agreement shall terminate at the end of the contract year, JUNE 30, 2018. Additional annual term(s), each of which said term shall expire at the end of the then current contract year, shall be at the sole option of the City of Kingsport. If not renewed, for reason of Funding Out (which means school has insufficient funds to pay at June 30), City shall have no obligation to pay any additional costs and City shall surrender all rights and interest in any asset(s) which are not fully owned by City to Company. Except for the Maintenance Component and charges based upon the usage of the Equipment, the balance of the monthly payment owed by the City shall be consistent during the term(s) of the Agreement.

2. The Agreement shall be governed by the laws of the State of Tennessee. Any action brought in law or in equity to enforce any provision of the entire Agreement shall be filed in the appropriate state court in Sullivan County, Tennessee.

3. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney's fees.

By our signatures we have read the above terms of this Addendum and agree with the terms.

[Acknowledgements Deleted for Inclusion in this Resolution]

SECTION III. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the amendment herein set out that do not substantially alter the material provisions of the amendment 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 6<sup>th</sup> day of June, 2017.

---

JOHN CLARK, MAYOR

ATTEST:

---

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



April 28, 2017

Kingsport City Schools  
400 Clinchfield Street, Ste. 200  
Kingsport, TN 37660  
Attn: Michelle Ramey

RE: Contract for Various USDA Commodity Processing Items SY 17/18 Extension – Cover Letter

Enclosed is our response to the Request For Contract for Various USDA Commodity Processing Items SY 17/18 Extension. Tyson Prepared Foods appreciates and accepts the opportunity to extend your contract for SY 17/18. Attached is our pricing page for SY 17/18 as confirmation.

**Serving Average Statement**

Our products are packed based on the average number of servings. The average servings per case is calculated and checked for compliance for every production shift (eight hours). The average servings per case, as set forth on the EPDS, meets FNS guidelines. The serving price has been calculated using the average number of servings. While the number of servings in each individual case could vary, the per serving price in this bid has been calculated to accurately reflect the per serving price over the school year.

**No Artificial Ingredient Statement**

Providing safe, wholesome, nutritious food is one of the highest standards that Tyson Prepared Foods upholds within our operations each and every day. It is not only at the heart of our Core Values but, it also reflects the defining standard to which we hold ourselves accountable. Our passion and purpose is to make great food and make a difference. With this said, we are excited to announce that we are working towards updating some of our commodity chicken products to meet a No Artificial Ingredients claim. These changes will be in effect in July for school year 17/18. If any of the items submitted as part of this proposal is affected by this change, we will send you a notification along with an updated ingredient statement and product label when the change is official. We do not anticipate any changes to the nutritional panel, EPDS donated food amount, piece size or servings per case due to this change, but will provide notification if any of these values do change slightly.

**CONTACT INFORMATION** – Please update your contact information for Tyson to:

- Charles Boger / SR. Director Pricing  
479-290-3519  
[K12bidgroup@tyson.com](mailto:K12bidgroup@tyson.com)

**PRICING**

- We are adjusting the price of product code 019957-0328 for reasons that are not represented in any price index. We understand if you must put this item out for re-bid due to this situation.
- Product code 070382-0928 will receive a “No Offer” due to it being unavailable for bid pricing for SY 17/18. In its place we have included pricing for code 070387-0928 as an alternate for your consideration.

The key contact authorized to legally bind Tyson Prepared Foods, Inc. for itself and on behalf of its affiliates, Tyson Sales and Distribution, Inc., and Tyson Refrigerated Processed Meats, Inc. (hereinafter collectively, “Tyson”) for this proposal is as follows:

Charles Boger  
Tyson Prepared Foods - Director Pricing  
2200 Don Tyson Parkway, Springdale, AR 72762  
479.290.3519 office / 479.203.4246 fax  
[K12bidgroup@tyson.com](mailto:K12bidgroup@tyson.com)





Tyson Foods, Inc.  
2200 Don Tyson Parkway  
Springdale, AR 72762  
ph: (800) 248-9766

Request #: TN-2017-08917

Operator:

Kingsport City School District  
1701 EAST CENTER STREET  
Kingsport, TN 37664  
ph: (423) 378-2100

Requesting User:

Gayle McKenzie  
Waypoint  
100 Southside Drive  
Charlotte, NC  
ph: (704) 398-0204

Bid Title:

SY16-17 USDA Commodity Processing Renewal

Products:

Request Type: Commodity  
Commodity Bid #: 150017293  
Price Status: Provided  
Shipment Type: Direct Shipment  
Award Type: Line Item  
Issue Date: 4/28/2017  
Opening Date: 5/2/2017  
Start Date: 7/1/2017  
End Date: 6/30/2018  
Print Date: 5/4/2017

Material No	Description	Pack	Item #	Qty	Commercial	PTV	Commodity
070364-0928	Fully Cooked Whole Grain Golden Crispy Chicken Chunk Fritters-CN	149 / 3.5 Ounces	3821	5000	\$52.78/cs	100103D - \$5.36 100103W - \$8.05	\$39.37
070332-0928	FC Whole Grain, Golden Crispy Breaded Chicken Tenderloins-CN	117 / 4.23 Ounces	2	5000	\$90.34/cs	100103W - \$29.91	\$60.43
070322-0928	Fully Cooked Glazed Grilled Portioned Chicken Breast Filets With Rib Meat-CN	215 / 2.26 Ounces	3	5000	\$108.51/cs	100103W - \$35.57	\$72.94
019957-0328	Chicken Taco Meat	4 / 5.031 Pounds	lt4	5000	\$46.49/cs	100103D - \$24.36	\$22.13
070303-0928	FC Whole Grain Portioned Homestyle Breaded Chicken Breast Filet w/RM-CN	226 / 2.12 Ounces	5	5000	\$84.77/cs	100103W - \$27.77	\$57.00
070300-0928	FC Whole Grain, Golden Crispy, Breaded, CKN BST Filets w/ Rib Meat-CN	30.0 Pounds	7	300	\$101.95/cs	100103W - \$26.95	\$75.00
070302-0928	FC Whole Grain, Golden Crispy, Breaded, Portioned CKN BST Filets-CN w/ RMT	132 / 3.75 Ounces	2	300	\$88.22/cs	100103W - \$29.43	\$58.79
070368-0928	FC CN Whole Grain Golden Crispy Popcorn Chicken Fritter	155 / 3.36 Ounces	8	300	\$52.76/cs	100103D - \$5.36 100103W - \$8.05	\$39.35
666010-0928	Fully Cooked Breaded Chicken Drumsticks	29.64 Pounds	6	5000	\$75.82/cs	100103D - \$20.69	\$55.13
070382-0928	FC Glazed, Grilled Chicken Breast Chunks with Rib Meat-	228 / 2.15 Ounces	6	300			No Offer
070387-0928	Fully Cooked Coated Chicken Breast Chunks with Rib Meat-CN	176 / 2.75 Ounces	6	300	\$94.26/cs	100103W - \$36.56	\$57.70
026436-0928	FC Mesquite Glazed Chicken Drumsticks	30.0 Pounds			\$72.25/cs	100103D - \$22.15	\$50.10
000413-0928	Fully Cooked Buffalo Style Glazed Chicken Drumsticks	80 - 128 Count			\$71.29/cs	100103D - \$21.19	\$50.10
070377-0928	FC CN Whole Grain Hot & Spicy Chicken Stick Fritter	146 / 3.44 Ounces			\$66.40/cs	100103D - \$5.15 100103W - \$7.73	\$53.52

Notes & Comments:

Terms & Conditions:

COMMERCIAL: Total Product Cost before USDA discount.

PTV: (Pass-Thru-Value) Dollar value of USDA donated food per case.

PROCESSING FEE (COMMODITY): USDA Commodity Fee-For-Service Pricing. Valid only on sales reported and validated via K12 Foodservice.

**NOI PROCESS:**

Distributors must billback against the commercial bid pricing. The distributor will be credited on a separate payment for the PTV after the distributor draws down the recipient agency's commodity balance via K12 Foodservice.

Billback with proof of delivery. The supplying distributor is responsible for offering the appropriate product code to the requesting agency. This quote from Tyson Foods, Inc. supersedes any quote previously provided to the stated recipient and on behalf of the stated agency for the same items and for any overlapping time frame. Any previous quote received by the stated recipient on behalf of the stated agency for the same items and for any overlapping time frame is hereby null and void and of no further force or effect.

This quote is not a guaranty of availability of products. Tyson Foods, Inc. shall be liable for providing specified or comparable products only when Tyson Foods, Inc. executes an agreement with agreed upon volumes or provides written acceptance of an order. When aggregate purchase volumes have been agreed upon, Purchaser may not increase or decrease proportional product draw +/- five percent (5%) of the agreed upon volume without written acceptance by Tyson Foods, Inc.

Tyson Foods, Inc. retains the right to adjust prices and to add, delete or substitute comparable products with a minimum of 90 days advance written notice.

Force Majeure: Tyson Foods, Inc. shall not be responsible for inability to ship full or partial orders due to any incident beyond its reasonable control, including but not limited to, fire, labor dispute, strike, war, windstorm, insurrection, unavailability of raw material or utilities, riot, government restriction or embargo or act of government, act of God, or act of terrorism.

**Contact:**

Tyson Foods, Inc. Bid Department CP576  
2200 Don Tyson Parkway  
Springdale, AR 72762  
Tel: 800-643-3410 Fax: 479-203-4246

Confidentiality Clause: All information contained in this document that has been provided to the requesting party (you) by Tyson Foods, Inc. or its subsidiaries (collectively Tyson) is confidential and proprietary information of Tyson Foods, Inc. and may also be a trade secret, and are legally protected interests of Tyson. You are hereby advised, and you agree, that you, your officers, agents, and employees are responsible for maintaining the confidentiality of Tysons information and shall not divulge it to anyone in any format or manner without the prior express written permission of Tyson.



**Jennifer Walker**  
Supervisor of School Nutrition Services

400 Clinchfield Street, Ste. 200  
Kingsport, TN 37660

p: (423) 378.2106  
f: (423) 378.2109

[jwalker@k12k.com](mailto:jwalker@k12k.com)  
[www.k12k.com](http://www.k12k.com)

## MEMORANDUM

**TO:** KCS Board of Education/Board of Mayor and Alderman

**FROM:** Jennifer Walker, Supervisor of School Nutrition

**DATE:** 05/11/2017

**RE:** Tyson Foods, Inc. KCS SNS renewal agreement

Recommendation: Approve renewal agreement with Tyson Foods, Inc. for one year

Kingsport City entered into an agreement with Tyson Foods, Inc. beginning July 1, 2016 through June 30, 2017 to process commodity chicken and maintain a continuous supply to KCS school nutrition. The agreement included an option to renew the contract for up to three additional years in one year increments, providing pricing and quality of services are acceptable to the City of Kingsport.

Tyson prices stayed consistent for five of six chicken items processed. The one product with an increased price is for reasons related to supply and demand. This product is in fact one of the most popular menu items with KCS students and is not available to buy commercially. Last year, no other vendors bid against this item and combined with its high approval rating among students SNS is choosing to continue usage and not re-bid.

With KCS rising enrollment and improved meal participation with CEP schools, SNS allotted additional entitlement funds to process 10,000 more pounds of chicken in the coming year. With this increase, we are requesting to raise the contract spend amount from \$65,000 to \$85,000 with Tyson Chicken.

KCS School Nutrition recommends to renew the agreement with Tyson Foods, Inc. and to increase the contract spend amount to \$85,000 beginning July 1, 2017 through June 30, 2018.

All expenditures from this contract are fully funded by the School Nutrition Services budget. School Nutrition Services is a self-supporting department within Kingsport City Schools. We receive funding from federal reimbursements, state funding and revenue generated by meal fees, a la carte items sold and catering.

STUDENT FOCUSED ... WORLD CLASS

Facebook: KptSchools  
Twitter: @KCS\_District

[WWW.K12K.COM](http://WWW.K12K.COM)



**ADDENDUM TO AGREEMENT**

**BETWEEN TYSON PREPARED FOODS, INC.**

**AND CITY OF KINGSPORT, TENNESSEE FOR ITS KINGSPORT CITY SCHOOLS**

**MADE AND ENTERED INTO ON THE 1ST DAY OF JULY 2017**

**SECTION 2. CONTRACT TERM.** The work to be performed under this Contract shall be from JULY 1, 2017 to JUNE 30, 2018. The Contract will be awarded for a period of one (1) year with a renewal option on an annual basis in one (1) year increments up to two (2) years providing all terms, conditions and cost are acceptable to both parties. The City reserves the right to re-bid at the end of any contract period.

**SECTION 3. THE CONTRACT PRICE.** The City shall pay, in current fund, the Contractor for the performance of this Contract on the basis of the unit price cost per unit, as set forth in SECTION 1 above, and as set out and stipulated in the bid or proposal of said Contract, and the total cost of EIGHTY FIVE THOUSAND DOLLARS AND NO CENTS (\$85,000.00) is an estimated total cost, based upon the number of units required for the performance of this Contract and in the event there is any variation in the units actually required in the performance of this Contract, and the estimate made above, then the unit price shall in all things control, so that the total estimated cost of EIGHTY FIVE THOUSAND DOLLARS AND NO CENTS (\$85,000.00) is subject to being increased in the event the units required for this Contract are greater than that estimated, and is subject to being decreased in the event said units are less than that estimated; which said payment, based upon the unit costs mentioned above, shall be full compensation for all materials and supplies furnished, and all labor done by the Contractor under and pursuant to this Agreement, and said sum shall also pay for all losses or damages of the Contractor arising out of the nature of the work, and for any and all expenses incurred in consequence of the work under this Contract, and for the well and faithful performance of said Contract.

Notwithstanding any other language to the contrary in the Agreement, the following terms shall be controlling:

1. This Agreement shall terminate at the end of the contract year, JUNE 30, 2018. Additional annual term(s), each of which said term shall expire at the end of the then current contract year, shall be at the sole option of the City of Kingsport. If not renewed, for reason of Funding Out (which means school has insufficient funds to pay at June 30), City shall have no obligation to pay any additional costs and City shall surrender all rights and interest in any asset(s) which are not fully owned by City to Company. Except for the Maintenance Component and charges based upon the usage of the Equipment, the balance of the monthly payment owed by the City shall be consistent during the term(s) of the Agreement.

2. The Agreement shall be governed by the laws of the State of Tennessee. Any action brought in law or in equity to enforce any provision of the entire Agreement shall be filed in the appropriate state court in Sullivan County, Tennessee.

3. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney's fees.

By our signatures we have read the above terms of this Addendum and agree with the terms.

TYSON PREPARED FOODS, INC

CITY OF KINGSPORT, TENNESSEE

BY: \_\_\_\_\_

BY: \_\_\_\_\_  
Mayor John Clark

ATTEST:

\_\_\_\_\_  
Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney





April 28, 2017

Kingsport City Schools  
400 Clinchfield Street, Ste. 200  
Kingsport, TN 37660  
Attn: Michelle Ramey

RE: Contract for Various USDA Commodity Processing Items SY 17/18 Extension – Cover Letter

Enclosed is our response to the Request For Contract for Various USDA Commodity Processing Items SY 17/18 Extension. Tyson Prepared Foods appreciates and accepts the opportunity to extend your contract for SY 17/18. Attached is our pricing page for SY 17/18 as confirmation.

#### Serving Average Statement

Our products are packed based on the average number of servings. The average servings per case is calculated and checked for compliance for every production shift (eight hours). The average servings per case, as set forth on the EPDS, meets FNS guidelines. The serving price has been calculated using the average number of servings. While the number of servings in each individual case could vary, the per serving price in this bid has been calculated to accurately reflect the per serving price over the school year.

#### No Artificial Ingredient Statement

Providing safe, wholesome, nutritious food is one of the highest standards that Tyson Prepared Foods upholds within our operations each and every day. It is not only at the heart of our Core Values but, it also reflects the defining standard to which we hold ourselves accountable. Our passion and purpose is to make great food and make a difference. With this said, we are excited to announce that we are working towards updating some of our commodity chicken products to meet a No Artificial Ingredients claim. These changes will be in effect in July for school year 17/18. If any of the items submitted as part of this proposal is affected by this change, we will send you a notification along with an updated ingredient statement and product label when the change is official. We do not anticipate any changes to the nutritional panel, EPDS donated food amount, piece size or servings per case due to this change, but will provide notification if any of these values do change slightly.

**CONTACT INFORMATION** – Please update your contact information for Tyson to:

- Charles Boger / SR. Director Pricing  
479-290-3519  
[K12bidgroup@tyson.com](mailto:K12bidgroup@tyson.com)

#### PRICING

- We are adjusting the price of product code 019957-0328 for reasons that are not represented in any price index. We understand if you must put this item out for re-bid due to this situation.
- Product code 070382-0928 will receive a "No Offer" due to it being unavailable for bid pricing for SY 17/18. In its place we have included pricing for code 070387-0928 as an alternate for your consideration.

The key contact authorized to legally bind Tyson Prepared Foods, Inc. for itself and on behalf of its affiliates, Tyson Sales and Distribution, Inc., and Tyson Refrigerated Processed Meats, Inc. (hereinafter collectively, "Tyson") for this proposal is as follows:

A handwritten signature in blue ink, appearing to read "Charles Boger".

Charles Boger  
Tyson Prepared Foods - Director Pricing  
2200 Don Tyson Parkway, Springdale, AR 72762  
479.290.3519 office / 479.203.4246 fax  
[K12bidgroup@tyson.com](mailto:K12bidgroup@tyson.com)



Tyson Foods, Inc.  
2200 Don Tyson Parkway  
Springdale, AR 72762  
ph: (800) 248-9766

Request #: TN-2017-08917

Operator:

Kingsport City School District  
1701 EAST CENTER STREET  
Kingsport, TN 37664  
ph: (423) 378-2100

Requesting User:

Gayle McKenzie  
Waypoint  
100 Southside Drive  
Charlotte, NC  
ph: (704) 398-0204

Bid Title:

SY16-17 USDA Commodity Processing Renewal

Request Type: Commodity

Commodity Bid #: 150017293

Price Status: Provided

Shipment Type: Direct Shipment

Award Type: Line Item

Issue Date: 4/28/2017

Opening Date: 5/2/2017

Start Date: 7/1/2017

End Date: 6/30/2018

Print Date: 5/4/2017

Products:

Material No	Description	Pack	Item #	Qty	Commercial	PTV	Commodity
070364-0928	Fully Cooked Whole Grain Golden Crispy Chicken Chunk Fritters-CN	149 / 3.5 Ounces	3821	5000	\$52.78/cs	100103D - \$5.36 100103W - \$8.05	\$39.37
070332-0928	FC Whole Grain, Golden Crispy Breaded Chicken Tenderloins-CN	117 / 4.23 Ounces	2	5000	\$90.34/cs	100103W - \$29.91	\$60.43
070322-0928	Fully Cooked Glazed Grilled Portioned Chicken Breast Filets With Rib Meat-CN	215 / 2.26 Ounces	3	5000	\$108.51/cs	100103W - \$35.57	\$72.94
019957-0328	Chicken Taco Meat	4 / 5.031 Pounds	114	5000	\$46.49/cs	100103D - \$24.36	\$22.13
070303-0928	FC Whole Grain Portioned Homestyle Breaded Chicken Breast Filet w/RM-CN	226 / 2.12 Ounces	5	5000	\$84.77/cs	100103W - \$27.77	\$57.00
070300-0928	FC Whole Grain, Golden Crispy, Breaded, CKN BST Filets w/ Rib Meat-CN	30.0 Pounds	7	300	\$101.95/cs	100103W - \$26.95	\$75.00
070302-0928	FC Whole Grain, Golden Crispy, Breaded, Portioned CKN BST Filets-CN w/ RMT	132 / 3.75 Ounces	2	300	\$88.22/cs	100103W - \$29.43	\$58.79
070368-0928	FC CN Whole Grain Golden Crispy Popcorn Chicken Fritter	155 / 3.36 Ounces	8	300	\$52.76/cs	100103D - \$5.36 100103W - \$8.05	\$39.35
666010-0928	Fully Cooked Breaded Chicken Drumsticks	29.64 Pounds	6	5000	\$75.82/cs	100103D - \$20.69	\$55.13
070382-0928	FC Glazed, Grilled Chicken Breast Chunks with Rib Meat-	228 / 2.15 Ounces	6	300			No Offer
070387-0928	Fully Cooked Coated Chicken Breast Chunks with Rib Meat-CN	176 / 2.75 Ounces	6	300	\$94.26/cs	100103W - \$36.56	\$57.70
026436-0928	FC Mesquite Glazed Chicken Drumsticks	30.0 Pounds			\$72.25/cs	100103D - \$22.15	\$50.10
000413-0928	Fully Cooked Buffalo Style Glazed Chicken Drumsticks	80 - 128 Count			\$71.29/cs	100103D - \$21.19	\$50.10
070377-0928	FC CN Whole Grain Hot & Spicy Chicken Stick Fritter	146 / 3.44 Ounces			\$66.40/cs	100103D - \$5.15 100103W - \$7.73	\$53.52

Notes & Comments:

Terms & Conditions:



COMMERCIAL: Total Product Cost before USDA discount.

PTV: (Pass-Thru-Value) Dollar value of USDA donated food per case.

PROCESSING FEE (COMMODITY): USDA Commodity Fee-For-Service Pricing. Valid only on sales reported and validated via K12 Foodservice.

**NOI PROCESS:**

Distributors must billback against the commercial bid pricing. The distributor will be credited on a separate payment for the PTV after the distributor draws down the recipient agency's commodity balance via K12 Foodservice.

Billback with proof of delivery. The supplying distributor is responsible for offering the appropriate product code to the requesting agency. This quote from Tyson Foods, Inc. supersedes any quote previously provided to the stated recipient and on behalf of the stated agency for the same items and for any overlapping time frame. Any previous quote received by the stated recipient on behalf of the stated agency for the same items and for any overlapping time frame is hereby null and void and of no further force or effect.

This quote is not a guaranty of availability of products. Tyson Foods, Inc. shall be liable for providing specified or comparable products only when Tyson Foods, Inc. executes an agreement with agreed upon volumes or provides written acceptance of an order. When aggregate purchase volumes have been agreed upon, Purchaser may not increase or decrease proportional product draw +/- five percent (5%) of the agreed upon volume without written acceptance by Tyson Foods, Inc.

Tyson Foods, Inc. retains the right to adjust prices and to add, delete or substitute comparable products with a minimum of 90 days advance written notice.

Force Majeure: Tyson Foods, Inc. shall not be responsible for inability to ship full or partial orders due to any incident beyond its reasonable control, including but not limited to, fire, labor dispute, strike, war, windstorm, insurrection, unavailability of raw material or utilities, riot, government restriction or embargo or act of government, act of God, or act of terrorism.

**Contact:**

Tyson Foods, Inc. Bid Department CP576  
2200 Don Tyson Parkway  
Springdale, AR 72762  
Tel: 800-643-3410 Fax: 479-203-4246

Confidentiality Clause: All information contained in this document that has been provided to the requesting party (you) by Tyson Foods, Inc. or its subsidiaries (collectively Tyson) is confidential and proprietary information of Tyson Foods, Inc. and may also be a trade secret, and are legally protected interests of Tyson. You are hereby advised, and you agree, that you, your officers, agents, and employees are responsible for maintaining the confidentiality of Tysons information and shall not divulge it to anyone in any format or manner without the prior express written permission of Tyson.



## AGENDA ACTION FORM

### Accept Donation of Real Property from First Baptist Church of Kingsport, Inc.

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

Action Form No.: AF-139-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: R. Trent; T. Elsea  
 Presentation By: R. McReynolds

#### **Recommendation:**

Approve the Resolution.

#### **Executive Summary:**

The city is installing a traffic signal at Sullivan & Clay Streets as part of an agreement with First Baptist Church. A 92 square foot section of land is being donated from the First Baptist Church of Kingsport, Tennessee, Inc. for the completion of the traffic signal, as well as a temporary construction easement of approximately 117 square feet.

The acquisition and temporary construction easement are necessary to have a location for the signal foundation as there was not adequate room in the existing right-of-way due to utility conflicts. The legal description of the property is set out in the attached resolution.

#### **Attachment:**

1. Resolution

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

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

A RESOLUTION ACCEPTING A DONATION OF REAL  
PROPERTY FROM THE FIRST BAPTIST CHURCH OF  
KINGSPORT, INC.

WHEREAS, the city is installing a traffic signal at Sullivan and Clay Streets as part of an agreement with First Baptist Church of Kingsport, Inc.; and

WHEREAS, the First Baptist Church of Kingsport, Inc. would like to donate a 92 square foot portion of property along with a temporary construction easement containing 117 square feet required for the traffic signal.

Now therefore,

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

SECTION I. That the donation to the city of real property and temporary construction easement from First Baptist Church of Kingsport, Inc., is accepted.

SECTION II. That the legal description of the property and temporary construction easement that First Baptist Church of Kingsport, Inc. is donating to the city for the installation of a traffic signal is as follows:

FEE SIMPLE ACQUISITION

SITUATE in the 11<sup>th</sup> Civil District of Sullivan County, Tennessee and being more particularly described as follows:

BEGINNING at a point, being the intersection of the south existing uncontrolled right of way line of West Sullivan Street and the east existing uncontrolled right of way line of Clay Street; thence with the said right of way line of West Sullivan Street, south 40 degrees 50 minutes 36 seconds east 18.39 feet to a point on the proposed right of way line; thence with the proposed right of way line, north 73 degrees 26 minutes 11 seconds west 18.68 feet to a point on the said right of way line of Clay Street; thence with the said right of way line of Clay Street, north 34 degrees 24 minutes 24 seconds east 10.40 feet to the Point of the BEGINNING. Containing 92 square feet, more or less.

The above described tract of land is conveyed to the grantee in fee simple.

TEMPORARY CONSTRUCTION EASEMENT

Being a parcel of land 5 feet in width, contiguous with and south of the above described proposed right of way line and extending from the south existing uncontrolled right of way line of West Sullivan Street to the east existing uncontrolled right of way line of Clay Street. Containing 117 square feet, more or less.

By this instrument the grantor hereby conveys an easement for the construction of a work area. The title to the above described land remains vested in the grantor and is to be used by the City of Kingsport, its contractors or its assigns for a period of 1 year from and after the commencement of the construction.

And being a portion of the same property conveyed to the Grantor by deed of record in the Register's Office for Sullivan County at Blountville, Tennessee, in Deed Book 871C at page 462, to all of which reference is hereby made.

Portion of Tax Map #0461; Group B; Parcel #008.00

SECTION III. 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, any and all documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the donation or this resolution.

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

ADOPTED this the 6th day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



## AGENDA ACTION FORM

### Agreement with Med Fit LLC for a City-wide Medical Wellness Pilot Program

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

Action Form No.: AF-128-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Committee  
 Presentation By: Ryan McReynolds

#### **Recommendation:**

Approve the Resolution.

#### **Executive Summary:**

In our efforts of maintaining a healthy workforce and an injury free workplace, proper training and education is required. Med Fit LLC provides an overall medical wellness program through their local Med Fit Center facility. This program includes, but is not limited to, job evaluation (identify needs of ergonomic intervention, recommendation for any workstation changes, provide a strength/flexibility program); job coaching/medical exercise training (assess muscle strength/imbances, stretching/exercise program), and educational seminars.

It is recommended to enter into an agreement with Med Fit LLC for city-wide services for preventative measures related to medical wellness and avoidance of workplace injury in the amount of \$126,240.00. Funding for this service is available and identified in Risk Management's operating budget.

#### **Attachments:**

1. Resolution
2. Med Fit Proposal (4 pages)
3. Med Fit Employee Health Management Program (2 pages)
4. Memo (RE: City-wide Wellness Pilot Program)

Funding source appropriate and funds are available:

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

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

A RESOLUTION APPROVING AN AGREEMENT WITH MED FIT, LLC AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in an effort of maintaining a healthy workforce, the city would like to enter into an agreement with Med Fit, LLC; and

WHEREAS, Med Fit, LLC provides an overall medical wellness program through their local Med Fit Center facility; and

WHEREAS, the program includes, but is not limited to, job evaluation (identify needs of ergonomic intervention, recommendation for any workstation changes, provide a strength/flexibility program); job coaching/medical exercise training (assess muscle strength/imbalance, stretching/exercise program), and educational seminars; and

WHEREAS, the city and Medfit developed a pilot program for employees in public works that has been in use for some time; and

WHEREAS, the results of that pilot program have been encouraging, and the city would like to expand the pilot program to all city (non-school) employees; and

WHEREAS, this agreement will maintain consistency in the application of the program to provide results from the operation of the program on a larger scale; and

WHEREAS, the cost of the program is up to \$126,240.00 and funding is available in the Risk Managment operating budget.

Now therefore,

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

SECTION I. That an agreement with Med Fit, LLC, for the pilot program is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the agreement with Med Fit, LLC and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution.

SECTION III. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the agreement 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 6th day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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





## **Employee Health Management Program.**

1. Preventative Medical Wellness (Early Intervention)
  - a. Allow assessments of any employee that has an ache or pain.
  - b. Follow up with employees who have been assessed to help mitigate musculoskeletal issues with specific medical exercise training.
  - c. Assess all new hires for muscular imbalances that have the potential to lead to a MSD.
  - d. Methodically work through current hires to get a baseline, determine potential issues and work with them to correct.
2. Ergonomics
  - a. Assess workers at high risk workstations.
  - b. Assess employees' workstations as they come through the program.
  - c. Assess any high risk workstations.
  - d. Make and body mechanic changes or engineering changes and train.
  - e. Use the data to drive a continuous improvement plan.
  - f. Create a standards program for desk workers.
3. New Hire Assessments
  - a. An assessment done on all new hires to identify any medical issues or muscular imbalances that may lead to future injuries. Gives us the ability to address them now before they have a chance to become an injury.
4. Develop an Office Environment Standards Program.
  - a. Develop office equipment that will work ergonomically for all individuals.
  - b. Work spaces will be able to be transferred from person to person and continue to be ergonomically correct.
  - c. Reduces the amount of office furniture buying in the future.
  - d. Creates volume-based discounting on furniture.
  - e. Reduces Health Care costs.
5. Pre shift Stretching Program
  - a. Design a pre shift stretching program for the different areas in the plant. Design specific to the different line needs.
  - b. Educate workforce on the reasons behind pre shift stretching programs.
  - c. Implement program and educate line leaders.

- Provide a strength/flexibility program that will decrease the incidence of injury by addressing muscular weakness/imbbalances and flexibility issues.

**Workstation assessment for ergonomics.** Bidder's employees will evaluate employee workstations as requested and determine recommendations that will reduce pressure on the musculoskeletal system of the employee. The assessment will include the following:

- Confidential employee assessment – symptom survey;
- Comfort level survey;
- Determine if job is high risk for repetitive injury;
- Identify the number of separate regular tasks involved in the job;
- Evaluate each task separately for ergonomic risks;
- Identify risks; and
- Develop recommendations.

3. The cost of the program is \$7800.00 for the PMW and \$2720.00 for ergonomics per month for a total of \$10,520.00/month.
4. We will be able to see up to 58 clients per week and follow up with their workstations if needed. This will allow us to service the needs of Kingsport's 735 employee workforce.

#### **How does the program work?**

- The MedFit Center will have a dedicated time for employees to come in and be assessed or perform their Medical Exercise Training. The employees will initially be set by the employer. Follow ups will be directed by the MedFit Center staff as needed.
- The employees will be seen by a Certified Athletic Trainer or a Masters level Exercise Physiologist.
- Employees will go through a 30 minute assessment that will include: Your medical history, any medications, exercise history, job requirements, goals assessment & a complete musculoskeletal assessment.
- During your second session, you will go through your individualized program based on your assessment and your job requirements.
- All of your sessions will be one on one and you will not be put in a group setting or left alone to do your program during an appointment.
- Our goal is to get your comfortable with your program in order for you to be able to do it between your appointments. The frequency of appointments will be determined by the assessment. The employees will have specific MET exercises to perform between sessions.

### **How does the referral process work?**

- You will initially be referred to the MedFit program by your employer. This may be at your request to the employer or your supervisor's request.
- You will be assessed and seen according to the findings of the assessment
- The MET sessions will be 30 min in length. This time frame will be strictly adhered to in order to get the employees back to their job in an efficient manner.
- The MedFit program will have specific times set up to see employees. These times will be set by the employer and the MedFit Center.
- Once in the program, the MedFit staff will schedule the employees according to their needs.

Metrics will be kept in order to identify the positive outcomes from the program.

Please see the attached document that explains our complete Employee Health Management Program. All of this program can eventually be implemented into this proposal.

Stan L. Johnson, MS, CEAS  
MedFit Center  
[Medfit@charter.net](mailto:Medfit@charter.net)  
423 677-1980



## **Preventative Medical Wellness for the City of Kingsport**

The MedFit Center offers an employee-based program positively affects the business in both culture and bottom line – creating cost savings while decreasing lost work time, ultimately increasing productivity and reducing medical expenses. Cost savings can be seen by decreasing medical costs both through decreased injuries and physician visits and also improved navigational efficiency for the employees.

We know that approximately 70% of all injuries start as aches and pains. Our Preventative Medical Wellness program identifies ergonomic issues and imbalances that are causing those aches and pains, so they can be properly addressed prior to injury.

In addition to medical cost savings, the program will have a positive impact on the MOD rating for workers compensation. This rating can significantly decrease workers compensation premiums.

We know that employees that have or are addressing their aches and pains are less likely to have a job related injury. This is due to both decreased aches and pains and an improved work culture. Research tells us that an employees that have pain are more distracted and have decreased productivity. It also tells us that a facility in which employees perceive the employer cares about their well-being also demonstrates lower injury rates, which is why our program is an employee based program that helps the employer and not an employer based program that helps the employee. This a vital thought shift that enables a culture change within an organization.

In creating a healthy continuum, the next step we offer is a significantly reduced rate at our fitness facility for all city employees and their families. Once their medical issues have been addressed, we can encourage a healthier lifestyle and continue education on any population health issues that are present.

## The proposal for the City of Kingsport

### 1. 30 hours per week for the Preventative Medical Wellness (PMW) Program

- **Job Coaching/Assessment/Exercise Training.** Bidder's employees will assess muscle strength/imbalance for employees who voluntarily access the program and compare to their specific job requirements. Assess employees who voluntarily access the program with aches and/or pains. The assessment, coaching, and/or training may include the following:
  - Medical history;
  - Symptom survey;
  - Musculoskeletal assessment;
  - Range of motion assessment;
  - Develop individual improvement plan, with home exercise plan, if necessary;
  - Fitting the worker to his/her workstation;
  - Assess muscle strength/imbalance in the employee;
  - Compare employee assessment with job requirements;
  - Teach body mechanics in order to meet the job requirements in a safer manner;
  - Educate and demonstrate correct mechanics that reduce stress;
  - Stretching program – both general and specific for their job requirements;
  - Provide an exercise program specific to the employee and their job requirements; and/or
  - Help employee to reintegrate back to their job after an injury (provided the injury is not covered by worker's compensation).
- **Educational Seminars.** Bidder will provide seminars as requested at City facilities. Seminars shall be scheduled for the benefit of all parties. Bidder will provide materials and presentation as part of each seminar. The City will be responsible to provide any other necessary items pertaining to the seminar. Seminars will cover the following topics (or any other topic that the bidder and the City deems necessary):
  - Back education;
  - Nutrition;
  - Body mechanics; and
  - Weight Management

### 2. 32 hours a month for ergonomics throughout the city.

**Job evaluation for ergonomics.** Evaluate jobs as requested and determine recommendations that will reduce pressure on the musculoskeletal system of the employee. The evaluation may include the following:

- Compile job descriptions;
- Identify the greatest needs for ergonomic intervention;
- Evaluate stressors of each individual job;
- Assess the requirement for the work performed including specific strength and range of motion needs;
- Recommend any changes that may be necessary for the work performed; and



May 10, 2017

Ms. Sandy Crawford  
625 West Industry Drive  
Kingsport, TN 37660

RE: Preventative Wellness Pilot Program

Kingsport City Administration has been challenged by the BMA to reduce, with a goal of eliminating, the risks related to Worker Compensation Claims throughout City Operations. Many initiatives have been utilized to accomplish this goal; increased safety training, evaluation of equipment specifications and providing monthly reports to the BMA. These programs have delivered marked improvement related to the number and costs of claims while raising awareness within the employees regarding safe work environments. These initiatives have driven Kingsport's employee safety ratings from 0.87 in 2014 to 0.63 in 2016.

The City was introduced to an innovative program being delivered to a regional industry by a wellness organization located within Kingsport, the MedFit Center. Initially, the City through its Water Programs piloted the initiative and has received what appears to be very positive results. The program is a multi-faceted approach to understanding the physical tasks required by our employees and then either preparing the employees for the tasks through recommending modifications to the employee's workstations and providing a medical exercise training program. City Administration anticipates a very positive result by offering this program across all city departments. Therefore, I am recommending that the full city operations pilot the program for one year in order to better quantify the impact, work out any organizational and delivery issues that may arise, and allow time to determine if this tool needs to be adopted on a more permanent basis. Please work directly with MedFit Center to enter into a pilot program contract once the BMA has authorized the Mayor to sign all applicable contract documents.

Thank you for your assistance on this and all past projects.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Fleming", is written over a light blue circular stamp.

Jeff Fleming  
City Manager

JF/RM/jlc



## AGENDA ACTION FORM

### Right-of-Way Easement with Kingsport Power Company

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

Action Form No.: AF-165-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: R. Trent  
 Presentation By: D. Frye

### Recommendation:

Approve the Resolution.

### Executive Summary:

AEP, d/b/a Kingsport Power Company, has requested easements across a portion of the Dobyns-Bennett High School campus to reposition a power pole it has on Eastman Road. To accomplish the relocation without disruption to the school, the work needs to be done during the summer vacation.

With the relocation of the electrical lines Kingsport Power Company will convey the right-of-way across the campus that it currently uses for the electrical lines that will be relocated. The relocation of the electrical lines will allow the school system to enclose the open air pedestrian connector between the vocational facility and the band facility, should the school system decide to do that in the future. Currently the location of the electrical lines prevents the enclosure of the connector.

The resolution approves the easements and authorizes the mayor to execute the documents necessary to convey the right-of-way easements to Kingsport Power Company and receive the right-of-way being given up by Kingsport Power Company, as a result of the relocation.

AEP has been working with school personnel for some time to accomplish the relocation of the electrical lines.

### Attachment:

1. Resolution
2. Project Location Map and Easement
3. Right of Entry Form

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



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

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

WHEREAS, American Electric Power is currently in the process of repositioning electrical lines currently located on Eastman Road, which will require an easement across a portion of the Dobyns-Bennett High School campus; and

WHEREAS, with the relocation of the electrical lines, Kingsport Power Company will abandon and convey the right-of-way across the campus that it currently uses for the electrical lines being relocated which will allow the school system to enclose the open air pedestrian connector between the vocational facility and the band facility should the school system decide to do that in the future; and

WHEREAS, in order to reposition the power pole located on Eastman Road, American Electric Power has requested that the city execute Right-of-Way Easements to Kingsport Power Company, a subsidiary of American Electric Power; and

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN, as follows:

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, Right-of-Way Easements with Kingsport Power Company.

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. Pending the execution of the right-of-way easements, the mayor may execute a right of entry allowing AEP, d/b/a Kingsport Power Company, the right to proceed with construction and installation of power lines on the Dobyns-Bennett High School campus.

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

ADOPTED this the 6<sup>th</sup> day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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

City of Kingsport, Tennessee  
225 West Center Street  
Kingsport, TN 37660

RE: Right of Entry – Dobyys-Bennett High School Property

June 6, 2017

This grants AEP, d/b/a Kingsport Power Company, the right to proceed with construction and installation of power lines on the Dobyys-Bennett High School campus prior to the execution of the right-of-way and easement for the Eastman Road repositioning of power poles.

It is understood and agreed that the City of Kingsport will grant to Kingsport Power Company a right-of-way and easement for the installation in the near future.

---

JOHN CLARK, MAYOR

ATTEST:

---

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

City of Kingsport Eas No. \_\_\_\_\_ RW Map No. 3783-1151- B3 & B4  
1324 Midland Drive W. O. No. W002851101 Job No. 17560027 Prop No. 1  
Kingsport, TN 37664 Line Dobyns Bennett High School

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 2017,  
by and between CITY OF KINGSPORT, a  
municipal corporation organized and existing under the laws of the State of  
Tennessee, herein called "Grantor", and KINGSPORT POWER  
COMPANY, a Virginia corporation, herein called "Kingsport",  
WITNESSETH:

That for and in consideration of the sum of One Dollar (\$1.00), cash in hand paid  
to Grantor by Kingsport, the receipt whereof is hereby acknowledged, Grantor hereby  
grants, conveys and warrants to Kingsport, its successors, assigns, lessees and  
tenants, a right of way and easement for an electric power line or lines, and  
communication lines, in, on, along, through, across or under the following described  
lands of the Grantor situated in 11<sup>th</sup> Civil District, County of Sullivan,  
State of Tennessee.

On the North by the lands of E Center Street  
On the East by the lands of N Eastman Road  
On the South by the lands of State of Tennessee  
On the West by the lands of \_\_\_\_\_

Being a right of way and easement twenty feet (20) in width as shown shaded on that  
certain Kingsport Power Company drawing entitled "Proposed Right of Way on  
Property of City of Kingsport, V-2402 dated 4/25/2017", attached hereto and made a  
part hereof.

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

Being a right of way easement over the same property conveyed to Grantors herein by  
Ross H. Fletcher and Betty Fletcher, by  
deed dated March 26, 1999, and recorded in Sullivan County, Deed  
Book No. 1409C, Page 296.

Map 061D, Group J, CTL Map 061D, Parcel 002.70.

Being a right of way easement over the same property conveyed to Grantors herein by  
Helen Gray Phillips Caldwell, Et Al, by  
deed dated April 11, 1990, and recorded in Sullivan County, Deed Book  
No. 725C, Page 009.

Map 061D, Group J, CTL Map 061D, Parcel 002.60.

TOGETHER with the right, privilege and authority to Kingsport, its successors,  
assigns, lessees and tenants, to construct, erect, install, place, operate, maintain,  
inspect, repair, renew, remove, add to the number of, and relocate at will, underground  
conduits, ducts, vaults, cables, wires, transformers, pedestals, risers, pads, fixtures and  
appurtenances (hereinafter called "Kingsport's Facilities"), in, on, along, through, across  
and under the above referred to premises; the right to disturb the surface of said  
premises and to excavate thereon, and to cut down, trim, clear and/or otherwise control,  
and at Kingsport's option, remove from said premises, brush, undergrowth, trees, tree  
roots, shrubs, buildings or other obstructions which may endanger the safety of, or  
interfere with the use of Kingsport's Facilities; and the right of ingress and egress to and  
over said above referred to premises, and any of the adjoining lands of the Grantors at  
any and all times, for the purpose of exercising and enjoying the rights herein granted,  
and for doing anything necessary or useful or convenient in connection therewith.

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

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

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

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

CITY OF KINGSPORT

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Recorder

STATE OF TENNESSEE )  
COUNTY OF \_\_\_\_\_ ) To-wit:

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

Witness my hand and official seal in \_\_\_\_\_ County, State of \_\_\_\_\_, this the \_\_\_\_\_ day of \_\_\_\_\_, 2017.

My Commission expires: \_\_\_\_\_ Notary Public

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

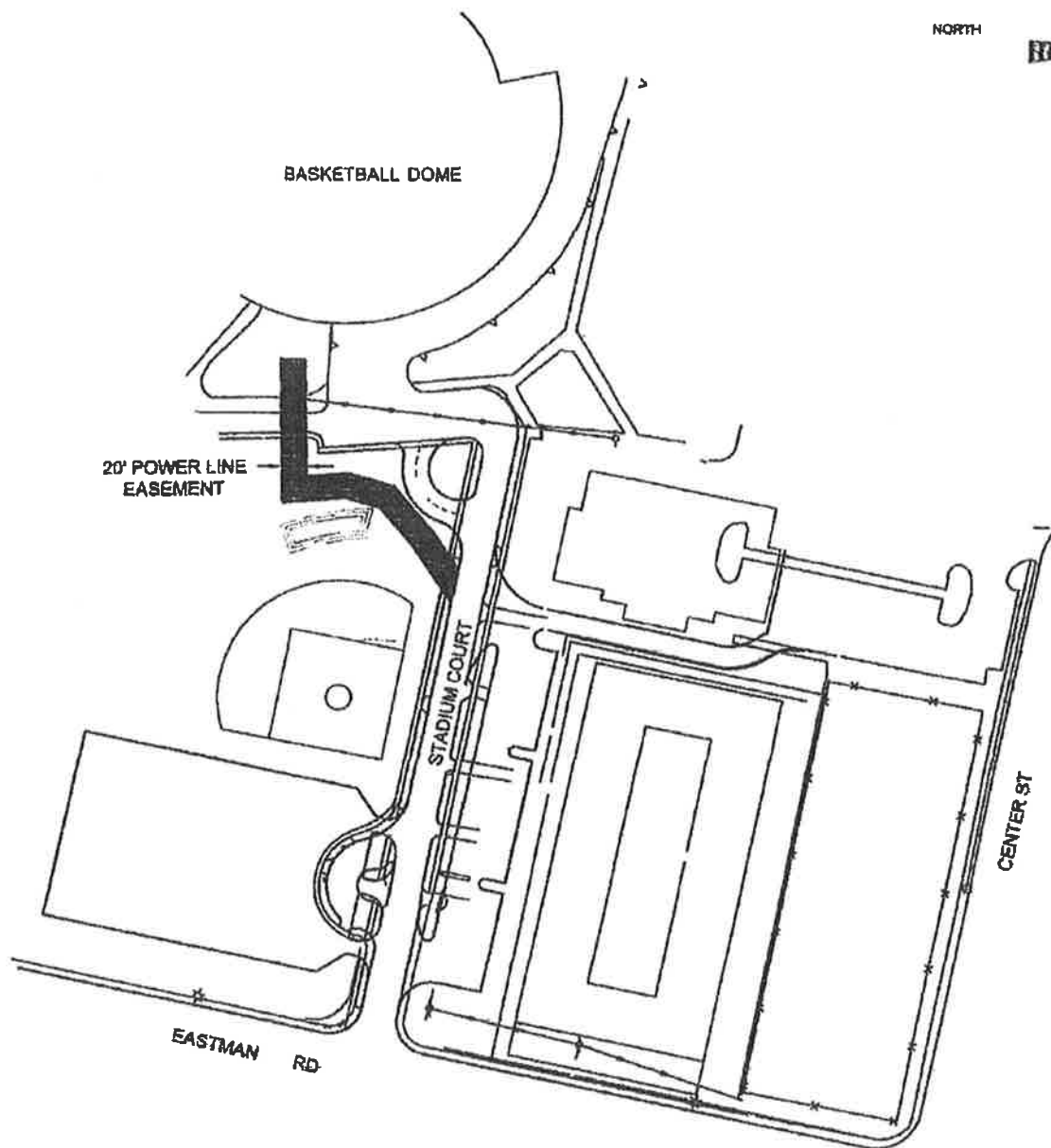
KINGSPORT POWER COMPANY

By: \_\_\_\_\_

STATE OF TENNESSEE )  
COUNTY OF \_\_\_\_\_ ) To-wit:

Subscribed and sworn to before me this the \_\_\_\_\_ day of \_\_\_\_\_, 2017.

My Commission Expires: \_\_\_\_\_ Notary Public



Kingsport, Tennessee  
 T.D. 501010  
 Map Section 3783-1152-A4

KINGSFORT POWER COMPANY  
 CHARLESTON REGION- KINGSFORT DISTRICT KINGSFORT TENNESSEE

**PROPOSED RIGHT OF WAY  
 ON THE PROPERTY OF  
 CITY OF KINGSFORT**

DRAWN BY	T.HENSLEY	DATE	0425/2017
APP BY	T.HENSLEY	SCALE	NONE

DRAWING NO

**V-2402**

**Line Name:** Highland – Holston 34kV  
**Easement No.** 25-27A **Map No:** 061D  
**Line No.** TLN:260:00403

### **SUPPLEMENTAL EASEMENT AND RIGHT OF WAY**

THIS SUPPLEMENTAL EASEMENT AND RIGHT OF WAY made by and between City of Kingsport, TN, whose address is 225 West Center Street, Kingsport, TN 37660 (“Grantor”), and Kingsport Power Company, a Virginia corporation, whose principal business address is 1 Riverside Plaza, Columbus, Ohio 43215 (“AEP”).

WHEREAS, AEP is the owner of a right of way and easement under the terms of the following agreement recorded in the Recorder’s Office of Sullivan County, Tennessee and between Jas. H. Eps Jr. and Tennessee Public Service Company, a predecessor in title to AEP, dated June 2, 1927 and recorded in Volume 224, Page 117 (the “Original Easement”); and

WHEREAS, Grantor is the successor in interest to all or part of the lands affected by the Original Easement.

NOW, THEREFORE, in consideration of the sum of Ten and NO/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which Grantor hereby acknowledges, the Grantor hereby grants and conveys and warrants to AEP this Supplemental Easement and Right of Way ("Easement") for electric transmission, distribution, and communication purposes to modify the Original Easement insofar as it encumbers property of the Grantor situated in the State of Tennessee, Sullivan County, being the same premises as described in Document Number Deed Book 132A, Page 326 (Parcel No. 11061DJ), as follows:

The Easement Area shall be revised to be as more fully described and depicted on Exhibit "A", a copy of which is attached hereto and made a part hereof ("Easement Area"). Upon completion of construction and energization of the new line within the Easement Area, all AEP's right, title and interest to the portion of the property marked "Easement Area to be Released" on the attached Exhibit A shall be released and automatically revert to Grantor.

#### GRANTOR FURTHER GRANTS AEP THE FOLLOWING RIGHTS

The right, now and in the future, to construct, reconstruct, operate, maintain, alter, improve, extend, inspect, patrol, protect, repair, remove, replace, upgrade and relocate within the Easement Area, any number of poles, towers, and structures, made of wood, metal, concrete or other materials, and crossarms, guys, anchors, grounding systems, and all other appurtenant equipment and fixtures, and to string conductors, wires and cables ("Facilities"); together with the right to add to said Facilities from time to time, and the right to do anything necessary, useful or convenient for the enjoyment of the Easement granted herein.

The right, in AEP's discretion, to cut down, trim, remove, and otherwise control, using herbicides or tree growth regulators or other means any and all trees, overhanging branches, vegetation and brush situated within the Easement Area. AEP shall also have the right to cut down, trim or remove trees situated on lands of Grantor which adjoin the Easement Area when in the opinion of AEP those trees may endanger the safety of, or interfere with the construction, operation or maintenance of Facilities or ingress or egress to, from or along the Easement Area.

The right of unobstructed ingress and egress, at any and all times, over, across and along and upon the Easement Area, and across the adjoining lands of Grantor as may be necessary for access to and from the Easement Area for the above referenced purposes.

#### THIS GRANT IS SUBJECT TO THE FOLLOWING CONDITIONS:

In no event shall Grantor, its heirs, successors, and assigns plant or cultivate any trees or place, construct, install, erect or permit any temporary or permanent building, structure, improvement or obstruction including but not limited to, storage tanks, billboards, signs, sheds, dumpsters, light poles, water impoundments, above ground irrigation systems, swimming pools or wells, or permit any alteration of the ground elevation, over, or within the Easement Area. AEP may, at



Grantor's cost, remove any structure or obstruction if placed within the Easement Area, and may re-grade any alterations of the ground elevation within the Easement Area.

AEP agrees to repair or pay the Grantor for actual damages sustained by Grantor to crops, fences, gates, irrigation and drainage systems, drives, or lawns that are permitted herein, when such damages arise out of AEP's exercise of the rights herein granted.

The failure of AEP to exercise any of the rights granted herein, or the removal of any Facilities from the Easement Area, shall not be deemed to constitute an abandonment or waiver of the rights granted herein.

The Original Easement shall remain in full force and effect as to the date of recording for priority of title purposes. The Easement, as supplemented and amended herein, contains the complete agreement, express and implied between the parties herein and shall inure to the benefit of and be binding on their respective successors, assigns, heirs, executors, administrators, lessees, tenants, and licensees.

This Easement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

**Any remaining space on this page left intentionally blank. See next page for signatures.**

Executed this \_\_\_\_ day of \_\_\_\_\_, 2017.

**Kingsport Power Company**

By: \_\_\_\_\_

American Electric Power Service Corporation  
Authorized Signer

STATE OF \_\_\_\_\_)

COUNTY OF \_\_\_\_\_) SS:

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by \_\_\_\_\_, American Electric Power Service Corporation, as Authorized Signer for Kingsport Power Company, a Virginia corporation, a unit of American Electric Power, on behalf of the corporation.

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

\_\_\_\_\_  
Notary Public (Print/Type Name)

My Commission Expires: \_\_\_\_\_

**GRANTOR**

By: \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Recorder

Approved as to form:

\_\_\_\_\_  
City Attorney

STATE OF TENNESSEE )

COUNTY OF SULLIVAN ) SS:

This Instrument was acknowledged before me on the \_\_\_\_\_ day of  
\_\_\_\_\_, 2017, by \_\_\_\_\_.

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

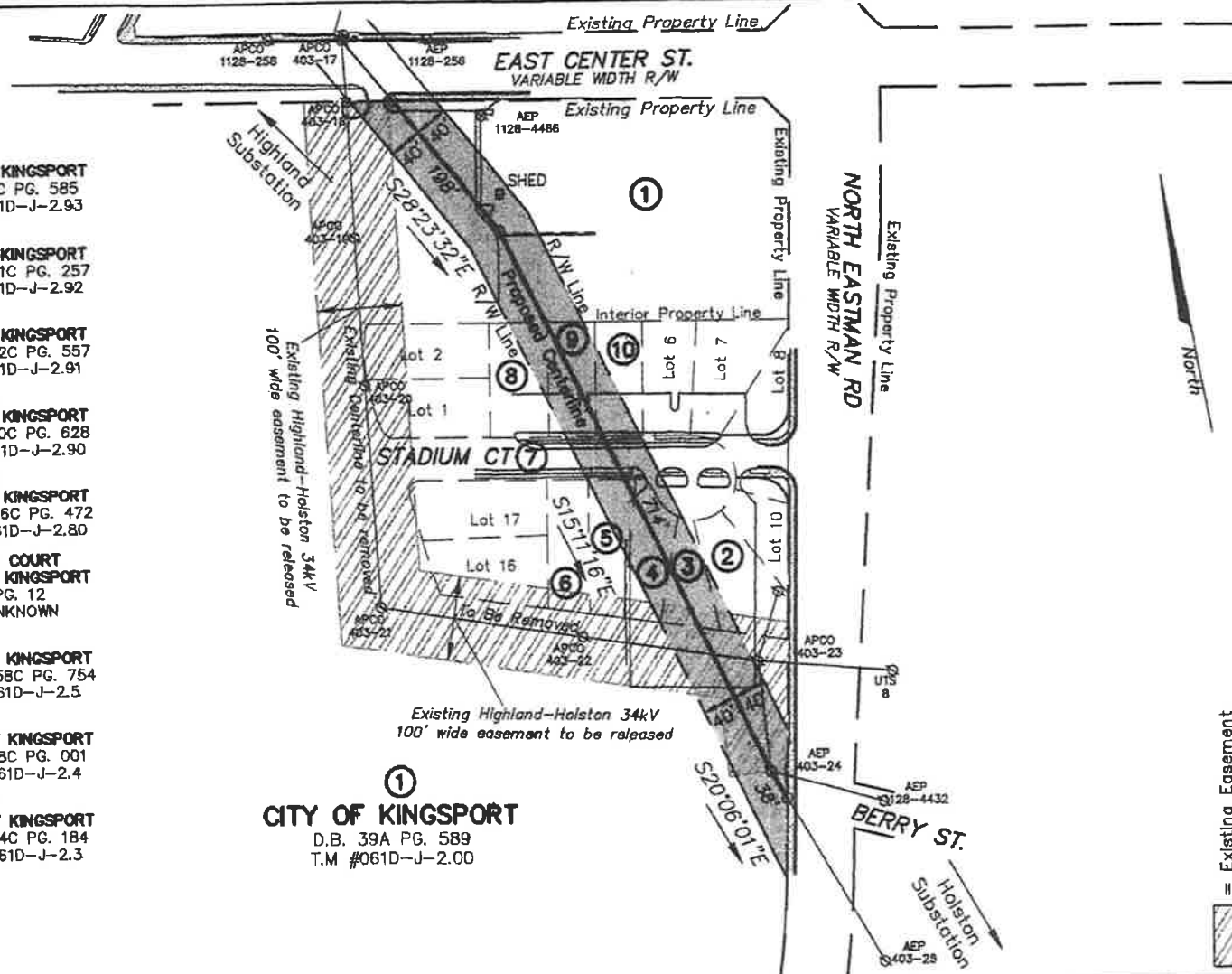
\_\_\_\_\_  
Notary Public (Print/Type Name)



My Commission Expires: \_\_\_\_\_

This Instrument Prepared by Thomas St. Pierre, Assistant General Counsel – Real Estate,  
American Electric Power Service Corporation, 1 Riverside Plaza, Columbus, OH 43215- for and  
on behalf of Kingsport Power Company. **When recorded return to: Kingsport Power  
Company – Transmission Right of Way,** \_\_\_\_\_

- ② LOT #11  
CITY OF KINGSPORT  
D.B. 112C PG. 585  
T.M. #061D-J-2.93
- ③ LOT #12  
CITY OF KINGSPORT  
D.B. 2251C PG. 257  
T.M. #061D-J-2.92
- ④ LOT #13  
CITY OF KINGSPORT  
D.B. 1292C PG. 557  
T.M. #061D-J-2.91
- ⑤ LOT #14  
CITY OF KINGSPORT  
D.B. 1510C PG. 628  
T.M. #061D-J-2.90
- ⑥ LOT #15  
CITY OF KINGSPORT  
D.B. 1486C PG. 472  
T.M. #061D-J-2.80
- ⑦ STADIUM COURT  
CITY OF KINGSPORT  
P.B. 4 PG. 12  
T.M. #UNKNOWN
- ⑧ LOT #3  
CITY OF KINGSPORT  
D.B. 2158C PG. 754  
T.M. #061D-J-2.5
- ⑨ LOT #4  
CITY OF KINGSPORT  
D.B. 488C PG. 001  
T.M. #061D-J-2.4
- ⑩ LOT #5  
CITY OF KINGSPORT  
D.B. 234C PG. 184  
T.M. #061D-J-2.3

①  
**CITY OF KINGSPORT**  
D.B. 39A PG. 589  
T.M. #061D-J-2.00



 = Existing Easement Area to be Released (2.64 Acres)  
 = New Easement Area (1.76 Acres)

SHEET 1 OF 1

'EXHIBIT A'

DATE: 05-31-17	PROPOSED HIGHLAND-HOLSTON LINE	APPALACHIAN POWER COMPANY
SCALE: 1"=150'	ACROSS THE PROPERTY OF	T.L.P.E. - R/W ROANOKE, VA
DRAWN BY: BKG	CITY OF KINGSPORT	EAS NO. : TLN260:00403
APPROVED BY: MBT	SULLIVAN COUNTY	DWG. NO. : E-25-27A
	TENNESSEE	

**Line Name:** Highland-Holston 34kV Line AKA Kingsport-Waterville  
**Line No.** TLN260:00403 **Easement No.** 25-27A

### **RELEASE OF EASEMENT**

THIS RELEASE OF EASEMENT, made this day \_\_\_\_ of \_\_\_\_\_, by and between American Electric Power, whose principal business address is 1 Riverside Plaza, Columbus, Ohio 43215, herein called "Grantor" a successor of Tennessee Public Service Company and 15<sup>th</sup> Civil District of Sullivan County Tennessee, herein called "Grantee", whether one or more persons.

### **WITNESSETH:**

That in consideration of Ten and NO/100 (\$10.00) Dollars and other valuable consideration, the receipt of which is hereby acknowledged, Grantor does hereby remise, release, quit-claim and surrender unto Grantee, their respective heirs, executors, administrators, successors and assigns, any and all of the Grantor's right, title, and interest in and to that certain right of way and easement granted to Grantor by the document, dated June 8, 1927 and recorded at Deed book 224 page 117 in Sullivan County Recorder's Office, State of Tennessee as to parcel numbers 061D J 002.00 and as shown as Existing Highland-Holston 34kV 100' wide easement to be released on drawing titled "Proposed Highland-Holston Line Across the Property of City of Kingsport" dated 05-31-17 and attached hereto as exhibit A.

Grantee claims title by the following vesting deeds of record which all recorded in the Office of the Register of Deeds for Sullivan County at Blountville, Tennessee: deed from Kingsport Corporation to the City of Kingsport dated February 23, 1939 in deed book 39A at page 589; deed from Ross H. Fletcher and wife, Betty Fletcher to the City of Kingsport dated March 26, 1999 in deed book 1409C at page 296; deed from Helen Gray Phillips Caldwell, etal to the City of Kingsport dated April 11, 1990 in deed book 725C at page 9; deed from Rhoda Eller to the City of Kingsport dated August 31, 1999 in deed book 1466C at page 472; deed from Fred O. Booher to the City of Kingsport dated January 21, 2000 in deed book 1510C at page 628; deed from James David Shoemaker to the City of Kingsport dated March 3, 1998 in deed book 1292C at page 557; deed from Henry Earl Meade and wife, Emma Lou Meade to the City of Kingsport dated May 13, 2005 in deed book 2251C at page 257; deed from Charles Virgil Anderson and wife, Stella G. Anderson to the City of Kingsport dated October 13, 1976 in deed book 112C at page 585; deed from William C. Holtzclaw and wife, Virginia Holtzclaw dated April 2, 1975 in deed book 49C at page 455; and Judgment of record from Georgia Conference Association of Seventh Day Adventists to the City of Kingsport dated November 4, 1975, Civil Action No. 15026 in the Law Court, Part I at Kingsport Tennessee, and this Easement is being released only to the extent it affects the above cited land of Grantee situated in the 11th district of Sullivan County, City of Kingsport, One Tribe Way, Tax Map:061D Grp:J Ctrl Map:061D Parcel's 002.00, 002.60, 002.70, 002.80, 002.90, 002.91, 002.92 and 002.93.

American Power Company

By: \_\_\_\_\_  
Thomas Schaffer  
Manager, Transmission Right of Way  
American Electric Power Service Corporation  
Authorized Signer

STATE OF OHIO )

COUNTY OF \_\_\_\_\_ ) SS:

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by Thomas Schaffer, Manager, Transmission Right of Way, American Electric Power Service Corporation, as Authorized Signer, on behalf of the corporation.

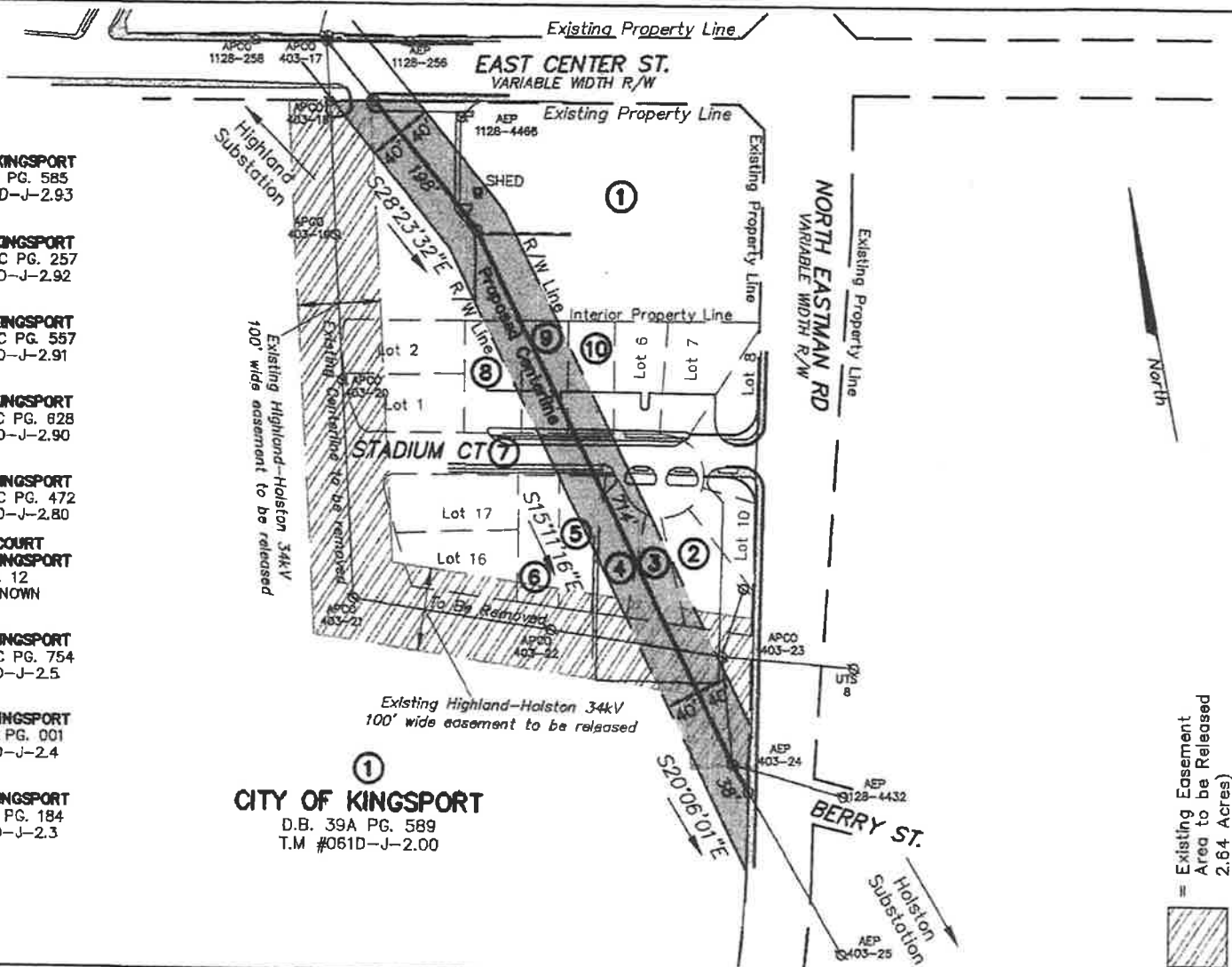
\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Notary Public (Print/Type Name)

My Commission Expires: \_\_\_\_\_

- ② LOT #1  
CITY OF KINGSPORT  
D.B. 112C PG. 585  
T.M. #061D-J-2.93
- ③ LOT #12  
CITY OF KINGSPORT  
D.B. 2251C PG. 257  
T.M. #061D-J-2.92
- ④ LOT #13  
CITY OF KINGSPORT  
D.B. 1292C PG. 557  
T.M. #061D-J-2.91
- ⑤ LOT #14  
CITY OF KINGSPORT  
D.B. 1510C PG. 828  
T.M. #061D-J-2.90
- ⑥ LOT #15  
CITY OF KINGSPORT  
D.B. 1466C PG. 472  
T.M. #061D-J-2.80
- ⑦ STADIUM COURT  
CITY OF KINGSPORT  
P.B. 4 PG. 12  
T.M. UNKNOWN
- ⑧ LOT #3  
CITY OF KINGSPORT  
D.B. 2158C PG. 754  
T.M. #061D-J-2.5
- ⑨ LOT #4  
CITY OF KINGSPORT  
D.B. 488C PG. 001  
T.M. #061D-J-2.4
- ⑩ LOT #5  
CITY OF KINGSPORT  
D.B. 234C PG. 184  
T.M. #061D-J-2.3

①  
**CITY OF KINGSPORT**  
D.B. 39A PG. 589  
T.M. #061D-J-2.00



= Existing Easement  
Area to be Released  
2.64 Acres)

= New Easement Area  
(1.76 Acres)

SHEET 1 OF 1

'EXHIBIT A'

PROPOSED HIGHLAND-HOLSTON LINE  
ACROSS THE PROPERTY OF  
CITY OF KINGSPORT

DATE: 05-31-17

SCALE: 1"=150'

DRAWN BY: BKG

APPROVED BY: MBT

APPALACHIAN POWER COMPANY  
T.L.P.E. - R/W ROANOKE, VA

EAS NO. : TLN260-00403

DWG. NO. : E-25-27A

SULLIVAN COUNTY TENNESSEE



City of Kingsport, Tennessee  
225 West Center Street  
Kingsport, TN 37660

RE: Right of Entry – Dobyys-Bennett High School Property

June 7, 2017

This grants AEP, d/b/a Kingsport Power Company, the right to proceed with construction and installation of power lines on the Dobyys-Bennett High School campus prior to the execution of the right-of-way and easement for the Eastman Road repositioning of power poles.

It is understood and agreed that the City of Kingsport will grant to Kingsport Power Company a right-of-way and easement for the installation in the near future.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



## AGENDA ACTION FORM

### Authorizing a Reduction of Certain Fees for Single Family Housing to Encourage Single Family House Construction

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

Action Form No.: AF-141-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Lynn Tully, AICP  
 Presentation By: Lynn Tully, AICP

#### Recommendation:

Approve the Resolution.

#### Executive Summary:

Based on recommendations from the ONEKingsport Summit, a proposal was presented to the Board of Mayor and Aldermen several months ago to encourage new home construction inside the city limits. The program is intended to temporarily lower construction costs inside vs. outside city limits (or adjoining counties) without compromising city design standards. The goal is to provide housing options for those with jobs (or job opportunities) in Kingsport, but living (or seeking homes) elsewhere.

The original proposal was limited to new development, but based on feedback at the previous work session it was expanded to include infill construction on existing lots.

Therefore, the current proposal has components that are available to developers, builders, and individual homeowners:

- A temporary reduction in building permit fees for new single family home construction (all permits must be acted upon within 6 months to maintain validity) on vacant lots
- A temporary reduction in sewer tap fees for 5 or more vacant lots (non-transferable after purchase)
- A purchase of property for public amenities within new single family subdivision developments

From a total fund of \$215,000 no single new development shall be allowed more than \$150,000 of reductions. The reduced fee for building permits and sewer taps will be available to any applicant constructing a new single family home on a vacant lot while the reduction is in effect.

#### Attachments:

1. Resolution

Funding source appropriate and funds are available:                     

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

RESOLUTION NO. 2017-\_\_\_\_

A RESOLUTION APPROVING A TEMPORARY REDUCTION OF  
FEES FOR BUILDING PERMITS AND SEWER TAPS FOR  
SINGLE-FAMILY HOUSE CONSTRUCTION AND AUTHORIZING  
THE CITY MANAGER TO DEVELOP PROCEDURES FOR THE  
PROGRAM

WHEREAS, the board finds, based on data from the Multiple Listing Service that Kingsport has a demonstrable shortage of new single-family house construction; and

WHEREAS, the board finds that the availability of single-family housing is an important factor to many potential new residents; and

WHEREAS, the board finds that a substantial number of those who work in Kingsport are statistically more likely to reside outside the city limits, not by choice, but due to a lack of housing choices in recently constructed homes, and the city therefore does not gain the full economic impact of jobs being created locally; and

WHEREAS, the board finds that the city manager can develop procedures for the program before the construction season ends and can begin executing this program; and

WHEREAS, it is recommended that the board appropriate up to \$215,000 for this program.

Now therefore,

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

SECTION I. That the findings set forth hereinabove are adopted by the board and this resolution is based on those findings.

SECTION II. That the board authorizes a temporary reduction in the building permit fee for single-family houses construction in the city limits to zero dollars (\$0) per square foot from June 19, 2017, until September 30, 2017, provided all permits issued at the reduced fee must be acted upon within six (6) months to remain valid.

SECTION III. That the board authorizes a temporary reduction in the sewer tap fees for vacant lots in the city limits if purchased for five (5) or more lots, to one thousand dollars (\$1,000) per lot to be available from June 19, 2017, until September 30, 2017, provided, however, such sewer taps are non-transferable after date of purchase.

SECTION IV. That no single new development or individual shall be eligible for more than \$150,000 of the reduction of these fees.

SECTION V. That the city manager is authorized to develop procedures for the program before the construction season ends this year so as to begin executing the program subject to funding.

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

ADOPTED this the 6th day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

\_\_\_\_\_  
JIM DEMMING, CITY RECORDER

APPROVED AS TO FORM:

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



## AGENDA ACTION FORM

### Agreements with Various Agencies and Organizations for Services in Fiscal Year 2017-2018 Benefiting the General Welfare of Kingsport Residents

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

Action Form No.: AF-154-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 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 2017-2018 benefiting the general welfare of Kingsport residents. The list of agencies and organizations is attached as supplemental information.

#### Attachments:

1. Supplemental Information
2. Resolution
3. Agreements

Funding source appropriate and funds are available: *je*

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

## **Supplemental Information – AF-154-2017**

The City of Kingsport desires to enter into agreements with the following agencies and organizations for services in fiscal year 2017-2018 benefiting the general welfare of City of Kingsport residents:

- 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 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
- Greater Kingsport Area Chamber of Commerce, Inc. for the Kingsport Convention and Visitors Bureau- Summer Concert Series

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

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE  
AGREEMENTS WITH VARIOUS AGENCIES AND  
ORGANIZATIONS FOR SERVICES IN FISCAL YEAR 2017-2018  
BENEFITING THE GENERAL WELFARE OF KINGSPORT  
RESIDENTS

WHEREAS, the City of Kingsport desires to enter into agreements for services in fiscal year 2017-2018 benefiting the general welfare of city residents with the 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 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; Greater Kingsport Area Chamber of Commerce, Inc. for the Kingsport Convention and Visitors Bureau- Summer Concert Series 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 2017-2018 benefiting the general welfare of City of Kingsport residents with the 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 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; Greater Kingsport Area Chamber of Commerce, Inc. for the Kingsport Convention and Visitors Bureau- Summer Concert Series 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 2017-2018 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 6th day of June, 2017.

\_\_\_\_\_  
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**  
**CHILDREN'S ADVOCACY CENTER OF SULLIVAN COUNTY**

THIS AGREEMENT made and entered into as of this 1st day of July, 2017, 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.** CHILDREN'S CENTER prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
  - (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.
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, 2017 to June 30, 2018. 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, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018
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, 2017, 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. 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.
  6. Promote Downtown Events- Downtown Wine Festival, Farm to Table Event, Downtown Holiday Loft Tours, and First Thursday and Merchant Open House Events;
  7. Work with OneKingsport committee regarding any post summit projects that are identified pertaining to the Downtown Core;
  8. Enhance Church Circle Improvements;
  9. Oversee a Young Professional Network organization that attracts and retains young professionals to Kingsport: PEAK; and
  10. Aesthetic Community Designs will be promoted through a number of initiatives from the DKA Design Committee.
- F. 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.

G. 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, 2017; Thirty Thousand Five Hundred and fifty and NO/100 dollars (\$30,550.00) will be paid to the ASSOCIATION on January 1, 2018; and Thirty Thousand Five Hundred and fifty and NO/100 dollars (\$30,550.00) will be paid to the ASSOCIATION on April 1, 2018.
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, 2018.
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.** ASSOCIATION prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
  - (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.

- 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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to ASSOCIATION can be used to reimburse ASSOCIATION for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.
- 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, 2017, by and between the City of Kingsport, hereinafter called "CITY", and the First Tennessee Development District, hereinafter called "FTDD".

**W I T N E S S E T H:**

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.** FTDD prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
- (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.
- The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.
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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to FTDD can be used to reimburse FTDD for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.
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**Error! Bookmark not defined.

**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, 2017, 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.** FIRST TENNESSEE prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
- (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.
- The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.
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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to FIRST TENNESSEE can be used to reimburse FIRST TENNESSEE for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.
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, 2017, 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, 2017 through June 30, 2018, 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, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018, 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 prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

- (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
- (B) A description of the program that serves the residents of the municipality; and
- (C) The proposed use of the municipal assistance.

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.

**IV. COMPENSATION.**

- A. CITY will pay HOLSTON Twenty Nine Thousand Two Hundred and NO/100 (\$29,200) 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, 2017; October 1, 2017; January 1, 2018; and April 1, 2018).

- 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.**

IN WITNESS WHEREOF, the parties have set their hand to this Agreement in duplicate originals effective the date first above written.

**HOLSTON BUSINESS GROUP**

\_\_\_\_\_  
KEITH NAKOFF,  
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 2017): \$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 KINGSFORT, TENNESSEE**  
**AND**  
**THE KINGSFORT CHAMBER FOUNDATION**  
**“KEEP KINGSFORT BEAUTIFUL PROGRAM”**

THIS AGREEMENT made and entered into as of this 1st day of July, 2017, 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 4<sup>th</sup> 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.** FOUNDATION prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
- (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.
- The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.
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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to FOUNDATION can be used to reimburse FOUNDATION for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.
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 its 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, 2017, by and between the City of Kingsport, hereinafter called "CITY", and the Kingsport Art Guild, hereinafter called "GUILD".

**W I T N E S S E T H:**

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.** GUILD prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
  - (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.
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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to GUILD can be used to reimburse GUILD for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.
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**

\_\_\_\_\_  
CAROL DIXON  
President

**CITY OF KINGSPORT**

\_\_\_\_\_  
JOHN CLARK  
Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
JAMES H. DEMMING

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY

City Recorder

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, 2017, 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 SEVEN THOUSAND TWO HUNDRED DOLLARS (\$7,200.00).
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.** KINGSPORT BALLET prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
  - (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.
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 SEVEN THOUSAND TWO HUNDRED DOLLARS (\$7,200.00).
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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to KINGSPORT BALLET can be used to reimburse KINGSPORT BALLET for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.
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, 2017, 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.
- B. Work with the Kingsport Economic Development Board and the City to encourage and promote the downtown area.

- C. Work with the Kingsport Economic Development Board and its Façade and Redevelopment Committee to promote the aesthetics for the downtown area and the redevelopment of downtown properties through the Façade and Redevelopment Grant Program.
  - D. KHRA will work with the city to identify and redevelop old industrial sites and infrastructure.
  - E. KHRA will work with the City to implement OneKingsport Initiatives, including the redevelopment of all KHRA housing.
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.** KHRA prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
- (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.
- The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. KHRA 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 KHRA with regard to the project. Such records will be retained for this purpose for a period of not less than three years.
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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to KHRA can be used to reimburse KHRA for eligible project expenses beginning on July 1, 2017. In no event shall CITY participate in project expenses incurred after June 30, 2018.
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

**AMENDMENT TO THE AGREEMENT**  
**BETWEEN**  
**THE CITY OF KINGSPORT, TENNESSEE**  
**AND**  
**KINGSPORT THEATRE GUILD**

THIS AGREEMENT made and entered into as of this 1st day of July, 2017, by and between the City of Kingsport, hereinafter called "CITY", and the Kingsport Theatre Guild, hereinafter called "THEATRE GUILD".

**WITNESSETH:**

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 productions. The staff and actors are from the Greater Tri-Cities area. The THEATER GUILD hosts a Youth Camp and Teen Camp in the summer and partners with Barter Youth Academy to provide workshops in the fall, spring and summer 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 2017-2018 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 SEVEN THOUSAND TWO HUNDRED DOLLARS (\$7,200).
4. **REQUEST FOR REIMBURSEMENT.** THEATRE GUILD will bill CITY for payment of funds after July 1, 2018, 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.** THEATRE GUILD prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
  - (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105 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.
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 SEVEN THOUSAND TWO HUNDRED DOLLARS (\$7,200).
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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to THEATRE GUILD can be used to reimburse THEATRE GUILD for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.
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, 2017, by and between the City of Kingsport, hereinafter called "CITY", and the Sullivan County-Kingsport-Bluff City Animal Control Center, Inc., hereinafter called "CENTER".

**W I T N E S S E T H:**

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, 2017.

#### **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.**

CENTER prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

- (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
- (B) A description of the program that serves the residents of the municipality; and
- (C) The proposed use of the municipal assistance.

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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 CENTER with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

#### **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 instruments 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

---

TOM PARHAM  
President

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY  
City Attorney

**AGREEMENT**  
**BETWEEN**  
**THE CITY OF KINGSFORT, TENNESSEE**  
**AND**  
**SYMPHONY OF THE MOUNTAINS**

THIS AGREEMENT made and entered into as of this 1st day of July, 2017, by and between the City of Kingsport, hereinafter called "CITY", and Symphony of the Mountains, hereinafter called "SYMPHONY".

**W I T N E S S E T H:**

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 SEVEN THOUSAND TWO HUNDRED DOLLARS (\$7,200).
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 SEVEN THOUSAND TWO HUNDRED DOLLARS (\$7,200).

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.** SYMPHONY prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
  - (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.
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 SEVEN THOUSAND TWO HUNDRED DOLLARS (\$7,200).

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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to SYMPHONY can be used to reimburse SYMPHONY for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.
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**

---

MELISSA ROBERTS  
General Manager

**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, 2017, 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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to CHAMBER can be used to reimburse CHAMBER for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses

incurred after June 30, 2018.

## **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. CHAMBER prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. §6-56-105. 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.

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

**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 KINGSPORT, TENNESSEE**  
**AND**  
**THE KINGSPORT CHAMBER FOUNDATION**  
**“SMALL BUSINESS DEVELOPMENT**  
**AND ENTREPRENEURSHIP PROGRAM**

THIS AGREEMENT made and entered into as of the 1st day of July, 2017, 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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to FOUNDATION can be used to reimburse FOUNDATION for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.

## **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, 2017 and payments of Twenty Eight Thousand Six Hundred Dollars and NO/100 (\$28,600.00) on October 1, 2017, January 1, 2018, and April 1, 2018, 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. FOUNDATION prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
  - (A) Either a copy of the entity's most recently completed annual audit or an annual

report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.

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, 2017, 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, 2017, 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.** HEALTHY KINGSPORT prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
  - (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - (B) A description of the program that serves the residents of the municipality; and
  - (C) The proposed use of the municipal assistance.The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.
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, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to HEALTHY KINGSPORT can be used to reimburse HEALTHY KINGSPORT for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.
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

**AGREEMENT**  
**BETWEEN**  
**THE CITY OF KINGSPORT, TENNESSEE**

**AND**

**THE GREATER KINGSPORT AREA CHAMBER OF COMMERCE, INC.**  
**“KINGSPORT CONVENTION AND VISITORS BUREAU”**  
**“SUMMER CONCERT SERIES”**

THIS AGREEMENT made and entered into as of this 1st day of July, 2017, by and between the City of Kingsport, hereafter called “CITY” and the Greater Kingsport Area Chamber of Commerce, Inc., hereafter called “CHAMBER”.

**WITNESSETH:**

WHEREAS, CHAMBER is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for 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, CHAMBER has requested financial assistance pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

1. **PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to provide quality of life services and promote economic development in the downtown area and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by CHAMBER.
2. **DESCRIPTION OF THE PROJECT.**

The CHAMBER agrees to provide the following:

A free Summer Concert Series, also known as the Downtown Concert Series, on Broad Street in fiscal year 2017.

Stage, sound system, concert staff, security adequate to ensure audience safety, publicity, crowd control, provision of sanitary and toilet facilities, clean up after the concerts, the acquisition of the proper music licenses, and other services needed to stage the performances;

Responsibility for the management of the events and for any royalty fees, performance fees, license fees or any other costs for the concerts; and

A comprehensive general liability insurance policy to the CITY from an insurance company authorized to do business in Tennessee applicable to the serving of beer at the concerts and providing insurance coverage for all liabilities including death, personal injury or property damage, arising out of or in any way related to the activities pursuant to this Agreement and the exercise of the rights and responsibilities described herein, in the amount of one million dollars (\$1,000,000) combined single limits. Such insurance shall be in a form satisfactory to the CITY'S risk manager, shall include an endorsement naming the CITY as additional insured under the coverage afforded, shall be primary and noncontributing with respect to any other insurance available to CITY, shall contain a severability of interest (cross-liability) cause, and shall require the insurer to provide to CITY at least 30 days prior notice of cancellation. Proof of such insurance, also in a form satisfactory to CITY'S risk manager, shall be filed with the risk manager.

3. **PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to CHAMBER under this Agreement will not exceed TWENTY FIVE THOUSAND (\$25,000) Dollars. These funds can only be used to acquire or enhance the performers for the concerts and the costs of providing the insurance required in paragraph 2 herein.

4. **REPORTING.** CHAMBER will report to CITY the actual costs incurred for acquiring the performers for the concerts and insurance required as needed using forms and procedures specified by CITY.

6. **AUDITS.** CHAMBER prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. 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.

6. **ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** 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 government.

7. **USE OF NAME "TWILIGHT ALIVE."** The parties understand and agree that CITY is the owner and owns the rights to the service mark "Twilight Alive." During the duration of this Agreement CITY hereby grants to CHAMBER a royalty free, non-exclusive license to

use the name "Twilight Alive" and any images, symbol or logos owned by CITY pertaining to "Twilight Alive" for labeling, advertising, and promoting the concert series that is the subject of this Agreement. ASSOCIATION agrees to properly designate the use of the service mark by the use of abbreviation SM or TM following the words, and agrees it will do nothing to diminish the right of the CITY in such mark. CHAMBER shall not use the service mark other than as permitted herein.

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
9. **ASSIGNMENT AND SUBLETTING.** CHAMBER 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, 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 Twenty Five Thousand (\$25,000) Dollars.
11. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** CHAMBER 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.** CHAMBER hereby assures CITY that CHAMBER is legally entitled to funds from CITY.
13. **OPERATING INFORMATION.** CHAMBER will provide any relevant information requested by CITY concerning CHAMBER'S Summer Concert Series including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
14. **PROJECT TERM.** CITY and CHAMBER agree that the project term for this Agreement is from July 1, 2017 to June 30, 2018. Accordingly, funds allocated by CITY to CHAMBER can be used to reimburse CHAMBER for eligible project expenses beginning on July 1, 2017. In no event will CITY participate in project expenses incurred after June 30, 2018.
15. **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 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 CHAMBER, or its employees or agents.
16. **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 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.

**THE GREATER KINGSPORT AREA  
CHAMBER OF COMMERCE**

\_\_\_\_\_  
MILES BURDINE, President and CEO

**KINGSPORT CONVENTION &  
VISITORS BUREAU**

\_\_\_\_\_  
JUD TEAGUE, Executive Director

**CITY OF KINGSPORT**

\_\_\_\_\_  
JOHN CLARK, Mayor

ATTEST:

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

APPROVED AS TO FORM:

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



### **Amendment to the Agreement with KBC Distributing, LLC**

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

Action Form No.: AF-161-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: David Frye/ Jennifer Walker  
 Presentation By: David Frye/Jennifer Walker

### **Recommendation:**

Approve the Resolution.

### **Executive Summary:**

At the Board of Mayor and Aldermen meeting of November 17, 2015 a resolution was passed to execute an agreement with KBC Distributing, LLC. This agreement was to establish a continuous supply of Beaded Yogurt Dots for use by the City of Kingsport School Nutrition Services for the time period of November 18, 2015 – June 30, 2016. The bid documents included an option to renew the agreement for up to three additional years, in one year increments, provided pricing and quality of services are acceptable to the City of Kingsport. The agreement was renewed last year for the 2016-2017 school Year. The contract amount is not to exceed \$101,250.00.

It is now recommended to amend this agreement to extend it for the July 1, 2017 – June 30, 2018 term at \$101,250.00.

Funding will be provided from the School Nutrition Services.

### **Attachments:**

1. Resolution
2. KBC Distributing, LLC Response Letter
3. Addendum to Agreement

Funding source appropriate and funds are available: Je

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

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

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

WHEREAS, on November 17, 2015, the board approved an agreement with KBC Distributing, Inc. for beaded yogurt dots for various Kingsport City Schools; and

WHEREAS, the terms of the agreement included an option to renew for up to three additional years in one year increments, provided pricing and quality of services are acceptable to the city; and

WHEREAS, the city would like to amend the agreement to extend the agreement for July 1, 2017, to June 30, 2018, in an amount not to exceed \$101,250.00; and

WHEREAS, funding is available in the School Nutrition Budget.

Now therefore,

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

SECTION I. That the amendment to the agreement with KBC Distributing, LLC for beaded yogurt dots for use by Kingsport City Schools Nutrition Services extending the agreement for July 1, 2017, to June 30, 2018, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an amendment to the agreement with KBC Distributing, LLC for beaded yogurt dots used by School Nutrition Services and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the amendment or this resolution, said amendment being as follows:

**ADDENDUM TO AGREEMENT**

**BETWEEN KBC DISTRIBUTING, LLC AND CITY OF KINGSFORT  
MADE AND ENTERED INTO ON THE 1ST DAY OF JULY 2017**

**SECTION 2. CONTRACT TERM.** The work to be performed under this Contract shall be from July 1, 2017 to June 30, 2018. The Contract will be awarded for a period of one

(1) year with a renewal option on an annual basis in one (1) year increments up to one (1) year providing all terms, conditions and cost are acceptable to both parties. The City reserves the right to re-bid at the end of any contract period.

**SECTION 3. THE CONTRACT PRICE.** The City shall pay, in current fund, the Contractor for the performance of this Contract on the basis of the unit price cost per unit, as set forth in SECTION 1 above, and as set out and stipulated in the bid or proposal of said Contract, and the total cost of ONE HUNDRED ONE THOUSAND TWO HUNDRED FIFTY DOLLARS

AND NO CENTS (\$101,250.00) is an estimated total cost, based upon the number of units required for the performance of this Contract and in the event there is any variation in the units actually required in the performance of this Contract, and the estimate made above, then the unit price shall in all things control, so that the total estimated cost of ONE HUNDRED ONE THOUSAND TWO HUNDRED FIFTY DOLLARS AND NO CENTS (\$101,250.00) is subject

to being increased in the event the units required for this Contract are greater than that estimated, and is subject to being decreased in the event said units are less than that estimated; which said

payment, based upon the unit costs mentioned above, shall be full compensation for all materials and supplies furnished, and all labor done by the Contractor under and pursuant to this Agreement, and said sum shall also pay for all losses or damages of the Contractor arising out of the nature of the work, and for any and all expenses incurred in consequence of the work under this Contract, and for the well and faithful performance of said Contract.

Notwithstanding any other language to the contrary in the Agreement, the following terms shall be controlling:

1. This Agreement shall terminate at the end of the contract year, June 30, 2018. Additional annual term(s), each of which said term shall expire at the end of the then current contract year, shall be at the sole option of the City of Kingsport. If not renewed, for reason of Funding Out (which means school has insufficient funds to pay at June 30), School shall have no obligation to pay any additional costs and School shall surrender all rights and interest in any asset(s) which are not fully owned by School to Company. Except for the Maintenance Component and charges based upon the usage of the Equipment, the balance of the monthly payment owed by the School shall be consistent during the term(s) of the Agreement.

2. The Agreement shall be governed by the laws of the State of Tennessee. Any action brought in law or in equity to enforce any provision of the entire Agreement shall be filed in the appropriate state court in Sullivan County, Tennessee.

3. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney's fees.

By our signatures we have read the above terms of this Addendum and agree with the terms.

[Acknowledgements Deleted for Inclusion in this Resolution]

SECTION III. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the amendment herein set out that do not substantially alter the material provisions of the amendment 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 6<sup>th</sup> day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



**Jennifer Walker**  
Supervisor of School Nutrition Services

400 Clinchfield Street, Ste. 200  
Kingsport, TN 37660

p: (423) 378.2106  
f: (423) 378.2109

[jwalker@k12k.com](mailto:jwalker@k12k.com)  
[www.k12k.com](http://www.k12k.com)

## MEMORANDUM

**TO:** KCS Board of Education/Board of Mayor and Alderman

**FROM:** Jennifer Walker, Supervisor of School Nutrition

**DATE:** 05/11/2017

**RE:** SNS Contract Renewals (KBC Distributing LLC & Crook Brothers)

Recommendation: Approve renewal agreements for SNS vendor contracts for additional year

Kingsport City entered into an agreement with the following vendors:

KBC Distributing LLC (Dippin' Dots) - \$101,250	(term: July 1, 2016 – June 30, 2017)
Crook Brother's (produce) - \$200,000	(term: July 1, 2016 – June 30, 2017)

These agreements were renewed for the 2016-2017 school year to maintain a continuous supply of items to KCS school nutrition. The contract agreements included an option to renew contracts for up to three additional years in one year increments, providing pricing and quality of services are acceptable to the City of Kingsport. Both vendors listed are satisfactorily meeting the terms of their individual contracts and pricing did not increase.

KCS School Nutrition recommends renewing agreements with both vendors for the July 1, 2017- June 30, 2018 term.

All expenditures from the contracts are fully funded by the School Nutrition Services budget. School Nutrition Services is a self-supporting department within Kingsport City Schools. We receive funding from federal reimbursements, state funding and revenue generated by meal fees, a la carte items sold and catering.

STUDENT FOCUSED ... WORLD CLASS

Facebook: KptSchools  
Twitter: @KCS\_District

[WWW.K12K.COM](http://WWW.K12K.COM)





KBC Distributing, LLC  
P.O. Box 1073  
London KY 40743

Kingsport City Schools  
400 Clinchfield St.  
Kingsport TN 37660

May 2, 2017

ATTN: Michelle Ramey

Thank you for the opportunity to renew the agreement and to provide Dippin Dots / YoDots to Kingsport City Schools. KBC Distributing is excited to renew the Beaded Yogurt Contract for the 2018 school year (extension date June 30, 2018) without a price increase.

Please feel free to contact me should you have any questions.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Mark W. Mowery', written over the typed name and title.

Mark W. Mowery  
Regional Sales Director  
KBC Distributing  
Cell: 865.660.6600

Email: [mmowery@kbcdistributing.com](mailto:mmowery@kbcdistributing.com)

---

## **ADDENDUM TO AGREEMENT**

**BETWEEN KBC DISTRIBUTING, LLC**

**AND CITY OF KINGSPORT**

**MADE AND ENTERED INTO ON THE 1ST DAY OF JULY 2017**

**SECTION 2. CONTRACT TERM.** The work to be performed under this Contract shall be from July 1, 2017 to June 30, 2018. The Contract will be awarded for a period of one (1) year with a renewal option on an annual basis in one (1) year increments up to one (1) year providing all terms, conditions and cost are acceptable to both parties. The City reserves the right to re-bid at the end of any contract period.

**SECTION 3. THE CONTRACT PRICE.** The City shall pay, in current fund, the Contractor for the performance of this Contract on the basis of the unit price cost per unit, as set forth in SECTION 1 above, and as set out and stipulated in the bid or proposal of said Contract, and the total cost of ONE HUNDRED ONE THOUSAND TWO HUNDRED FIFTY DOLLARS AND NO CENTS (\$101,250.00) is an estimated total cost, based upon the number of units required for the performance of this Contract and in the event there is any variation in the units actually required in the performance of this Contract, and the estimate made above, then the unit price shall in all things control, so that the total estimated cost of ONE HUNDRED ONE THOUSAND TWO HUNDRED FIFTY DOLLARS AND NO CENTS (\$101,250.00) is subject to being increased in the event the units required for this Contract are greater than that estimated, and is subject to being decreased in the event said units are less than that estimated; which said payment, based upon the unit costs mentioned above, shall be full compensation for all materials and supplies furnished, and all labor done by the Contractor under and pursuant to this Agreement, and said sum shall also pay for all losses or damages of the Contractor arising out of the nature of the work, and for any and all expenses incurred in consequence of the work under this Contract, and for the well and faithful performance of said Contract.

Notwithstanding any other language to the contrary in the Agreement, the following terms shall be controlling:

1. This Agreement shall terminate at the end of the contract year, June 30, 2018. Additional annual term(s), each of which said term shall expire at the end of the then current contract year, shall be at the sole option of the City of Kingsport. If not renewed, for reason of Funding Out (which means school has insufficient funds to pay at June 30), School shall have no obligation to pay any additional costs and School shall surrender all rights and interest in any asset(s) which are not fully owned by School to Company. Except for the Maintenance Component and charges based upon the usage of the Equipment, the balance of the monthly payment owed by the School shall be consistent during the term(s) of the Agreement.

2. The Agreement shall be governed by the laws of the State of Tennessee. Any action brought in law or in equity to enforce any provision of the entire Agreement shall be filed in the appropriate state court in Sullivan County, Tennessee.

3. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney's fees.

By our signatures we have read the above terms of this Addendum and agree with the terms.

KBC DISTRIBUTING, LLC.

CITY OF KINGSPORT, TENNESSEE

BY: \_\_\_\_\_

BY: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney





**KBC Distributing, LLC  
P.O. Box 1073  
London KY 40743**

**Kingsport City Schools  
400 Clinchfield St.  
Kingsport TN 37660**

**May 2, 2017**

**ATTN: Michelle Ramey**

**Thank you for the opportunity to renew the agreement and to provide Dippin Dots / YoDots to Kingsport City Schools. KBC Distributing is excited to renew the Beaded Yogurt Contract for the 2018 school year (extension date June 30, 2018) without a price increase.**

**Please feel free to contact me should you have any questions.**

**Respectfully,**

A handwritten signature in blue ink, appearing to read 'Mark W. Mowery', written over the printed name and title.

**Mark W. Mowery  
Regional Sales Director  
KBC Distributing**

**Cell: 865.660.6600**

**Email: [mmowery@kbcdistributing.com](mailto:mmowery@kbcdistributing.com)**

---



## AGENDA ACTION FORM

### Amendment to the Agreement with Crook Brothers

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

Action Form No.: AF-162-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Committee  
 Presentation By: D. Frye/ J. Walker

### Recommendation:

Approve the Resolution.

### Executive Summary:

At the Board of Mayor and Aldermen meeting of June 6, 2016 a resolution was passed to execute an amendment to the agreement with Crook Brothers. This amended agreement was executed to maintain a continuous supply of produce for use by the City of Kingsport School Nutrition Services for the time period of July 1, 2016 – June 30, 2017. The original contract with Cook Brothers (executed July 1, 2015) included the option to renew the agreement for up to three additional years, in one year increments, provided pricing and quality of services are acceptable to the City of Kingsport. The contract amount is not to exceed \$200,000.00

It is now recommended to amend this agreement to extend it for the July 1, 2017 – June 30, 2018 term at \$200,000.00.

Funding will be provided from the School Nutrition Services.

### Attachments:

1. Resolution
2. Crook Brothers Response Letter
3. Addendum to Agreement

Funding source appropriate and funds are available:

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

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

A RESOLUTION AMENDING THE AGREEMENT WITH CROOK BROTHERS FOR PRODUCE ITEMS FOR USE BY KINGSPORT 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

WHEREAS, on June 2, 2015, the board approved an agreement with Crook Brothers for produce for various Kingsport City Schools; and

WHEREAS, the terms of the agreement included an option to renew for up to three additional years in one year increments, provided pricing and quality of services are acceptable to the city; and

WHEREAS, the city would like to amend the agreement to extend the agreement from July 1, 2017, to June 30, 2018, in an amount not to exceed \$200,000.00; and

WHEREAS, funding is available in the School Nutrition Budget.

Now therefore,

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

SECTION I. That the amendment to the agreement with Crook Brothers for produce for use by Kingsport City Schools Nutrition Services extending the agreement from July 1, 2017, to June 30, 2018, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an amendment to the agreement with Crook Brothers for produce used by School Nutrition Services and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the amendment or this resolution, said amendment being as follows:

**ADDENDUM TO AGREEMENT  
BETWEEN CROOK BROTHERS AND CITY OF KINGSPORT  
MADE AND ENTERED INTO ON THE 1ST DAY OF JULY 2017**

**SECTION 2. CONTRACT TERM.** The work to be performed under this Contract shall be from July 1, 2017 to June 30, 2018. The Contract will be awarded for a period of one (1) year with a renewal option on an annual basis in one (1) year increments up to one (1) year providing all terms, conditions and cost are acceptable to both parties. The City reserves the right to re-bid at the end of any contract period.

**SECTION 3. THE CONTRACT PRICE.** The City shall pay, in current fund, the Contractor for the performance of this Contract on the basis of the unit price cost per unit, as set forth in SECTION 1 above, and as set out and stipulated in the bid or proposal of said Contract, and the total cost of TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00)

is an estimated total cost, based upon the number of units required for the performance of this Contract and in the event there is any variation in the units actually required in the performance of this Contract, and the estimate made above, then the unit price shall in all things control, so that the total estimated cost of TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00) is subject to being increased in the event the units required for this Contract are greater than that estimated, and is subject to being decreased in the event said units are less than that estimated; which said payment, based upon the unit costs mentioned above, shall be full compensation for all materials and supplies furnished, and all labor done by the Contractor under and pursuant to this

Agreement, and said sum shall also pay for all losses or damages of the Contractor arising out of the nature of the work, and for any and all expenses incurred in consequence of the work under this Contract, and for the well and faithful performance of said Contract. Notwithstanding any other language to the contrary in the Agreement, the following terms shall be controlling:

1. This Agreement shall terminate at the end of the contract year, June 30, 2018. Additional annual term(s), each of which said term shall expire at the end of the then current contract year, shall be at the sole option of the City of Kingsport. If not renewed, for reason of Funding Out (which means school has insufficient funds to pay at June 30), School shall have no obligation to pay any additional costs and School shall surrender all rights and interest in any asset(s) which are not fully owned by School to Company. Except for the Maintenance Component and charges based upon the usage of the Equipment, the balance of the monthly payment owed by the School shall be consistent during the term(s) of the Agreement.

2. The Agreement shall be governed by the laws of the State of Tennessee. Any action brought in law or in equity to enforce any provision of the entire Agreement shall be filed in the appropriate state court in Sullivan County, Tennessee.

3. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney's fees.

By our signatures we have read the above terms of this Addendum and agree with the terms.

[Acknowledgements Deleted for Inclusion in this Resolution]

SECTION III. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the amendment herein set out that do not substantially alter the material provisions of the amendment 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 6<sup>th</sup> day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



April 28, 2017

Michelle Ramey  
Assistant Procurement Manager/School  
400 Clinchfield Street, Ste. 200  
Kingsport, TN 37660

RE: Produce Contract – City of Kingsport School Nutrition Program

Dear Michelle,

Please accept this as our letter of intent to extend the contract with Kingsport for another school year. The new extension period shall be for July 1, 2017 through June 30, 2018.

We do not have any price changes for this extension.

We appreciate your business and look forward to working with you another year.

Thank you,

A handwritten signature in dark ink, appearing to read 'Kenneth Crook', is written over a light blue circular background.

Kenneth Crook  
President





**Jennifer Walker**  
Supervisor of School Nutrition Services

400 Clinchfield Street, Ste. 200  
Kingsport, TN 37660

p: (423) 378.2106  
f: (423) 378.2109

[jwalker@k12k.com](mailto:jwalker@k12k.com)  
[www.k12k.com](http://www.k12k.com)

## MEMORANDUM

**TO:** KCS Board of Education/Board of Mayor and Alderman

**FROM:** Jennifer Walker, Supervisor of School Nutrition

**DATE:** 05/11/2017

**RE:** SNS Contract Renewals (KBC Distributing LLC & Crook Brothers)

Recommendation: Approve renewal agreements for SNS vendor contracts for additional year

Kingsport City entered into an agreement with the following vendors:

KBC Distributing LLC (Dippin' Dots) - \$101,250	(term: July 1, 2016 – June 30, 2017)
Crook Brother's (produce) - \$200,000	(term: July 1, 2016 – June 30, 2017)

These agreements were renewed for the 2016-2017 school year to maintain a continuous supply of items to KCS school nutrition. The contract agreements included an option to renew contracts for up to three additional years in one year increments, providing pricing and quality of services are acceptable to the City of Kingsport. Both vendors listed are satisfactorily meeting the terms of their individual contracts and pricing did not increase.

KCS School Nutrition recommends renewing agreements with both vendors for the July 1, 2017- June 30, 2018 term.

All expenditures from the contracts are fully funded by the School Nutrition Services budget. School Nutrition Services is a self-supporting department within Kingsport City Schools. We receive funding from federal reimbursements, state funding and revenue generated by meal fees, a la carte items sold and catering.



## **ADDENDUM TO AGREEMENT**

### **BETWEEN CROOK BROTHERS**

### **AND CITY OF KINGSFORT**

**MADE AND ENTERED INTO ON THE 1<sup>ST</sup> DAY OF JULY 2017**

**SECTION 2. CONTRACT TERM.** The work to be performed under this Contract shall be from July 1, 2017 to June 30, 2018. The Contract will be awarded for a period of one (1) year with a renewal option on an annual basis in one (1) year increments up to one (1) year providing all terms, conditions and cost are acceptable to both parties. The City reserves the right to re-bid at the end of any contract period.

**SECTION 3. THE CONTRACT PRICE.** The City shall pay, in current fund, the Contractor for the performance of this Contract on the basis of the unit price cost per unit, as set forth in SECTION 1 above, and as set out and stipulated in the bid or proposal of said Contract, and the total cost of TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00) is an estimated total cost, based upon the number of units required for the performance of this Contract and in the event there is any variation in the units actually required in the performance of this Contract, and the estimate made above, then the unit price shall in all things control, so that the total estimated cost of TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00) is subject to being increased in the event the units required for this Contract are greater than that estimated, and is subject to being decreased in the event said units are less than that estimated; which said payment, based upon the unit costs mentioned above, shall be full compensation for all materials and supplies furnished, and all labor done by the Contractor under and pursuant to this Agreement, and said sum shall also pay for all losses or damages of the Contractor arising out of the nature of the work, and for any and all expenses incurred in consequence of the work under this Contract, and for the well and faithful performance of said Contract.

Notwithstanding any other language to the contrary in the Agreement, the following terms shall be controlling:

1. This Agreement shall terminate at the end of the contract year, June 30, 2018. Additional annual term(s), each of which said term shall expire at the end of the then current contract year, shall be at the sole option of the City of Kingsport. If not renewed, for reason of Funding Out (which means school has insufficient funds to pay at June 30), School shall have no obligation to pay any additional costs and School shall surrender all rights and interest in any asset(s) which are not fully owned by School to Company. Except for the Maintenance Component and charges based upon the usage of the Equipment, the balance of the monthly payment owed by the School shall be consistent during the term(s) of the Agreement.

2. The Agreement shall be governed by the laws of the State of Tennessee. Any action brought in law or in equity to enforce any provision of the entire Agreement shall be filed in the appropriate state court in Sullivan County, Tennessee.

3. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney's fees.

By our signatures we have read the above terms of this Addendum and agree with the terms.

CROOK BROTHERS

CITY OF KINGSPORT, TENNESSEE

BY: \_\_\_\_\_

BY: \_\_\_\_\_  
Mayor John Clark

ATTEST:

\_\_\_\_\_  
Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney





---

April 28, 2017

Michelle Ramey  
Assistant Procurement Manager/School  
400 Clinchfield Street, Ste. 200  
Kingsport, TN 37660

RE: Produce Contract – City of Kingsport School Nutrition Program

Dear Michelle,

Please accept this as our letter of intent to extend the contract with Kingsport for another school year. The new extension period shall be for July 1, 2017 through June 30, 2018.

We do not have any price changes for this extension.

We appreciate your business and look forward to working with you another year.

Thank you,

Kenneth Crook  
President

---

250 Grey Flats Road Beckley, WV 25801 Office: 304.252.7711 Fax: 304.252.3020





## AGENDA ACTION FORM

### **Execute the Annual Renewal of the Public Library Service Agreement with the Tennessee State Library and Archives for Services via Holston River Regional Library**

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

Action Form No.: AF-132-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Helen Whittaker  
 Presentation By: Chris McCart

#### **Recommendation:**

Approve the Resolution.

#### **Executive Summary:**

This is an annual agreement which makes the library eligible to receive, from the State Library through the Holston River Regional Library (a Multi-County Regional System):

- Professional and technical assistance to library staff and boards valued @ \$30,000
- Annual funds, which over the past 20 years have purchased approximately 27% of our total print collection
- Downloadable ebook, eAudio, and streaming movies available through Overdrive purchased with State/Regional funds and online reference resources/databases valued @ \$1,700,000
- Statewide courier service valued @ \$10,000
- Access to library grants
- Access to State Construction Grant of \$100,000 – which we received this year.

#### **Attachments:**

1. Resolution

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

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

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, TRAINING, AND SERVICES THROUGH THE HOLSTON RIVER REGIONAL LIBRARY SYSTEM FOR FISCAL YEAR 2017/2018

WHEREAS, the city is eligible to receive fiscal year 2017-2018 Tennessee State Library and Archives funding for books, online resources and professional training, and use of the courier service, the automation system and internet service through the Holston River Regional Library System; and

WHEREAS, receipt of the funding and services requires execution of a renewal of the Public Library Service Agreement with the Tennessee State Library and Archives.

Now therefore,

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

SECTION I. That a Public Library Service Agreement with the Tennessee State Library and Archives to receive funding for books, online resources and professional training, and allow use of courier service, the automation system and internet service through the Holston River Regional Library System for fiscal year 2017-2018 is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a Public Library Service Agreement with the Tennessee State Library and Archives to receive funding for books, online resources and professional training, and allow use of courier service, the automation system and internet service through the Holston River Regional Library System for fiscal year 2017-2018, 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:

**PUBLIC LIBRARY SERVICE AGREEMENT**  
**Holston River Sullivan County**  
**FY 2017-2018**

**Responsibilities of the Kingsport Public Library & Archives**

*The Public Library Board of Trustees will:*

1. Confirm and provide proof (upon request) that the library has been legally established in accordance with Tennessee Code Annotated 10-3-101.
2. Furnish annual documents for participation in the Tennessee State Library and Archives Regional System, including, but not limited to:
  - The Public Library Maintenance of Effort Agreement
  - The Public Library Service Agreement
  - The Official Public Library Service Area Population Agreement
  - Official Library Board Appointment form
  - The Public Library Statistics Survey (Data Collection)
  - Tennessee Non-Metropolitan Public Library Standards Survey
  - Board of Trustees minutes and other reports made to the County and/or City governing body
  - A Long-range Plan for Library Services and Technology
3. Support the allocation of locally appropriated public funds at a level not less than the amount appropriated in the last fiscal year, as well as the expenditure of locally appropriated funds at a level

not less than the total amount expended in the last fiscal year. This is referred to as "Maintenance of Effort" (MOE) in various documents and also applies to library operating hours as detailed in item 4 of this document. (T.C.A. 10-3-102)

4. Maintain a schedule of service hours which best meets the needs of the residents and which will not fall below the level set in the preceding year. (T.C.A. 10-3-102) Note: Unduplicated branch hours are included in the service hours provided system-wide.

5. Follow all local, state and federal laws and regulations, including, but not limited to, display, provision and transmission of the mail-in Application for Voter Registration within the library facilities. (See National Voter Registration Act of 1993) Display posters and provide written material, provided by the Tennessee Division of Elections, educating the public regarding election law changes such as photo identification requirements.

6. Provide basic library services free to the inhabitants of the city or county. Extend the privileges and facilities of the library to persons residing outside the County or City upon such terms as it may deem proper. (T.C.A. 10-3-107)

7. Adopt written board bylaws and library usage policies and provide copies to the Regional Library. Bylaws should be reviewed/revised every 3 years and usage policies every 2 years. (*TN Non-Metropolitan Standards for Public Libraries: Governance 2,3*)

8. Follow Open Meetings Law, including adequate public notices (T.C.A. 8-44-103), minutes properly recorded and distributed (T.C.A. 8-44-104). All meetings, including committee meetings, must be open to the public.

9. Include Regional Director, or regional designee, in all board meetings as a non-voting participant and provide information related to the meetings in a timely manner, including but not limited to library and board official acts.

10. Participate in trustee continuing education and training provided by the Regional Library and the Tennessee State Library and Archives, including but not limited to Trustee Workshops and the Tennessee Trustee Certification Program.

11. Require library director and/or staff participation at a minimum of four Regional Library-sponsored training programs annually.

12. Provide complete and correct MARC records compatible with the statewide catalog database (ShareIT), which facilitates the statewide interlibrary loan program.

*The following resources, available upon request, will be helpful to public libraries in meeting these responsibilities:*

- Tennessee Code Annotated, Title 10

- Tennessee Standards for Non-Metropolitan Public Libraries, 2014 **Responsibilities of the State Library and Its Regional Offices** *Subject to availability of resources, the State will :*

1. Provide assistance to County and City officials and library board(s) in developing a unified system of public library service for all residents of the county.

2. Provide professional library consultant services to local public library boards and staff, which may include, but not be limited to:

- Planning and Development
- Personnel Management
- Policy Development
- Recruitment and Hiring of Library Directors
- Collection Management
- Grant Preparation Guidance
- Automation Guidance
- Facilities Management and Construction Guidance

3. Upon request, furnish technical and technology assistance to local public library boards and staff, which may include, but not be limited to:

- Materials Acquisitions
- Original Cataloging
- Data Collection and Analysis
- Computer Hardware/Software Problem Resolutions
- Shared ILS Problem Resolutions

4. Allocate and monitor State funds for a collection of library materials on indefinite loan.

5. Facilitate access to R.E.A.D.S. (Regional eBook and Audiobook Download System) or other digital resources provided by the regional library system.

6. Provide an annual summer reading program workshop and selected library participant materials for promotion and implementation.

7. Purchase and maintain a collection of print and online professional materials to support the improvement of library and management skills of local public library boards and staff.

8. Supply statistical information and data pertaining to the operation and use of the library.

9. Offer a minimum of 30 contact hours of workshops and training for library boards and staff.  
Training may include in-services, workshops, roundtables, or online training.  
[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

ADOPTED this the 6th day of June, 2017.

\_\_\_\_\_  
JOHN CLARK, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



## AGENDA ACTION FORM

### Approval of Easements and Rights-of-Way

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

Action Form No.: AF-142-2017  
Work Session: June 5, 2017  
First Reading: N/A

Final Adoption: June 6, 2017  
Staff Work By: R. Trent; P. Gilmer  
Presentation By: R. McReynolds

### Recommendation:

Approve the offers.

### Executive Summary:

In order to update existing water lines in the Galloway Road area, the Public Works Department has requested easements and right-of-way across affected properties. Appraisals have been prepared in accordance with the City of Kingsport's Real Property Acquisition Policies & Procedures and indicate the fair market values as per the below property owners.

<u>Tax Map &amp; Parcel</u>	<u>Property Owner/s</u>	<u>Easement Area</u>	<u>Appraised Value</u>
#91; 088.00	Billy & Deborah Wilson 281 Galloway Road Kingsport, TN 37664	Perm. 785 sq. ft.	\$252.00
#91; 093.00	Cathy Lynn Snavelly 285 Galloway Road Kingsport, TN 37664	Perm. 90 sq. ft.	\$7.00

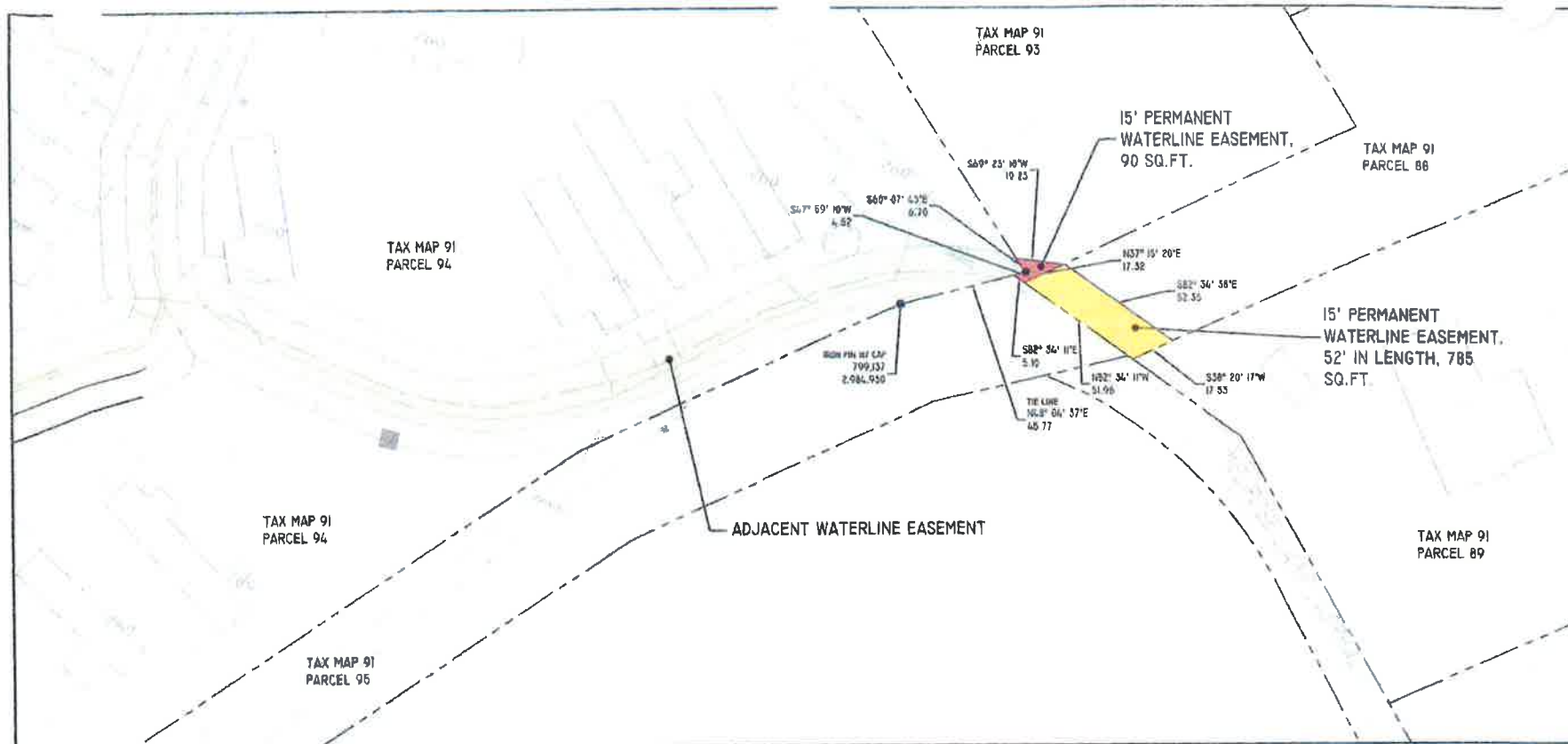
This project will be funded under # WA1601

### Attachments:

1. Easement Location Map

Funding source appropriate and funds are available: 

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



ALL BEARINGS KGRN  
(KINGSPORT GEODETIC  
REFERENCE NETWORK)



# WATERLINE EASEMENTS ACROSS

## TAX MAP 91 PARCELS 88 & 93

LOCATED IN THE 13TH CIVIL DISTRICT OF SULLIVAN CO., TN  
LAWRENCE H. EMMERT, REGISTERED LAND SURVEYOR TENNESSEE NO. 14,75

OFFICE OF THE CITY ENGINEER  
DATE: 18 MAY 2017

N-2597

KINGSPORT, TN  
SCALE: 1"=50'





## AGENDA ACTION FORM

### Approve Issuance of Certificate of Compliance for Business to Sell Retail Alcoholic Beverages

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

Action Form No.: AF-167-2017  
 Work Session: June 5, 2017  
 First Reading: N/A

Final Adoption: June 6, 2017  
 Staff Work By: Angie Marshall  
 Presentation By: Jim Demming

#### Recommendation:

Approve the issuance of a Certificate of Compliance to Porter's Wine and Liquor to sell retail alcoholic beverages.

#### Executive Summary:

On December 20, 2016 the BMA approved certificates of compliance to all nine package stores in Kingsport, including Sam's Package Store located at 1304 East Stone Drive. The owner, Kenneth Glass, has since gone through the process with the Tennessee Alcoholic Beverage Commission to change the "doing business as" name from Sam's Package Store to Porter's Wine and Liquor. A new application has been filed with the city recorder to reflect this change. No other information regarding this business is different than what was originally submitted.

Staff recommends approval of this certificate to reflect the name change

#### Attachments:

None

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