



AGENDA

BOARD OF MAYOR AND ALDERMEN WORK SESSION

Monday, November 14, 2016, 4:30 p.m.
City Hall, 225 W. Center St., Council Room, 2nd Floor

Board of Mayor and Aldermen

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

Alderman Colette George
Alderman Tommy Olterman
Alderman Tom C. Parham

Leadership Team

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

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

1. Call to Order
2. Roll Call
3. Kingsport Housing and Redevelopment Authority Update – Maria Catron
4. Alderman Vacancy – Mayor Clark
5. Sales Tax, Wellness Clinic, Safety and Projects Status – Jeff Fleming
6. Review of Items on November 15, 2016 Business Meeting Agenda
7. Adjourn

Next Work Session, December 5, 2016: City/County Schools Update and Projects Status.

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

BMA Report, November 14, 2016



Financial Comments, Judy Smith

Sales tax revenue was under budget for the month of August by \$113,703 and is \$161,663 under last year.

Sales for the month of August are realized in October.

The October monthly report indicates:

August 2015	\$1,513,366
August 2016	\$1,351,703
• \$113,703 Under budget	-7.76%
• \$161,663 Under last year's actual	-10.68%
Year to Date 2015	\$2,854,393
Year to Date 2016	\$2,706,651
• \$171,069 under budget	-5.91%
• \$147,742 under last year	-4.82%

Kingsport Employee Wellness, Terri Evans

	01/01/2016 – 10/31/2016	10/01/2016 – 10/31/2016
Total Utilization	94.3%	84.9%
City – Active Employees	31.7%	20.5%
City – Dependents	19.7%	6.2%
City – Retirees	3.3%	.8%
Schools – Active Employees	21.1%	29%
Schools – Dependents	11.5%	21.8%
Schools – Retirees	1.5%	1.2%
Extended-Patient Services/Other	.5%	.6%
Work Comp	.3%	0
No Show	4.7%	4.8%

Worker's Compensation, Terri Evans

For the month of September 2016, the City had no compensable lost time workers compensation claims.

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	5/7/2017	Concrete has been placed and shockcrete applied to approximately half the tunnel. Inside of pump station is being painted. Electricians continue to work on underground conduit. Pump shaft installation to begin next week.
\$7,500,000.00	Ryan McReynolds	Thompson, Michael	SR 347 (Rock Springs Road) [State & MTPO funded]	No City Funds	12/31/2020	TDOT correspondence 8/15/2016 states that the contract was fully returned 5/16/2016. Funds were obligated for NEPA (Environmental Review) on 5/10/2016.
\$6,411,000.00	Chad Austin	Norman Eichmann	Reedy Creek Sewer Trunk Line	SW1400	12/20/2017	Liner plates for Rail Road bore on order. Bore scheduled to begin week of Nov. 21.
\$3,300,000.00	Michael Thompson	Thompson, Michael	Indian Trail Drive Extension	GP1615	12/31/2017	Preliminary plans reviewed 9/2/16. Staff has reviewed and commented. Meetings with affected property owners are underway.
\$3,192,108.00	Chad Austin	Mike Hickman	Colonial Heights Ph II Sewer & Water	SW1501	3/9/2017	Crews working on bore at Buchelew, Shadyside backline, and Foothills Backline.
\$2,711,000.00	Chris McCartt	Mason, David	Meadowview Renovations	MV1600	4/14/2017	Contract for BMA approval 11/15.
\$2,646,731.00	Chad Austin	Mike Hickman	Colonial Heights Ph III Sewer & Water	SW1502/ WA1502	12/10/2016	Crews working on Meadow Lane and Countryshire Ct.
\$2,500,000.00	Chad A./Niki E.	Mike Hickman	Colonial Heights Ph IV Sewer & Water	SW1511	9/3/2017	Aquiring Easements
\$1,886,220.00	Chad Austin	Pamela Gilmer	System Wide Water Upgrades FY15 Phase 2	TBD	4/4/2017	Crews running services on Anco Drive and Ridgeway Road.
\$1,700,000.00	Michael Thompson	Thompson, Michael	Main Street Rebuild [City & MTPO Funded]	GP1516	4/1/2021	Revised scope and fee received and under review by staff.
\$1,593,370.00	Chad Austin	Mason, David	Water/Wastewater/Stormwater Office	SW1705/ WA1703/S T1708	7/15/2017	Notice to proceed 11/7
\$1,245,300.00	Justin Steinmann	Mason, David	Centennial Park	GP1533	6/15/2017	Groundbreaking and 2nd reading to appropriate funds 11/15.
\$1,123,727.93	Chad Austin	Pamela Gilmer	Ft. Henry and Moreland Dr. Sewer Rehabilitation	SW1401	12/24/2016	Rehab of lines and manholes continuing on Moreland Drive.
\$961,140.00	Michael Thompson	Thompson, Michael	Phase 2 Stone Drive (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to Lynn Garden Drive [95% State Funded 5% City]		8/31/2020	Fully executed contract received 9/27/2016. Budget ordinance expected in October BMA meeting.
\$940,000.00	Kitty Frazier	Clabaugh, Hank	Kingsport Greenbelt - Eastern Extension - Phase 1 [Fed. Grant & City funded]	GP1529	11/1/2017	Meeting with designer on November 11 to discuss final layout.

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$900,000.00	Chad Austin	Sam Chase	ARC Kingsport Sewer System Upgrade	SW1504	4/29/2017	Portland currently doing Pre-Construction camera work. Starting on MLK section week of Nov. 14th.
\$697,475.00	Michael Thompson	Thompson, Michael	Stone Drive (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to American Way [95% State Funded 5% City]	TBD	12/8/2018	Survey & Design underway.
\$683,252.64	Kitty Frazier	Clabaugh, Hank	Greenbelt (Rotherwood/Pedestrian Bridge) [Fed. Grant and City Funded]	GP1013	12/9/2016	Contractor has completed the majority of the grading, forming, and concrete work. The shipment of the steel handrail has been delayed for several weeks. Contractor will re-mobilize and complete the project once the handrail has arrived on site.
\$631,700.00	Ronnie Hammonds	Elsea, Tim	Wilcox Sidewalk Phase 5 [State & MTPO funded]	MPO15D	7/31/2017	Working on additional services with consultant to update bid documents to rebid project.
\$552,800.00	Chad Austin	Hank Clabaugh	Miscellaneous Annexation Utility Improvements		2/21/2017	Pre bid conference 10/25. Bid opening 11/9.
\$550,000.00	Michael Thompson	Grieb, Jacob	Enterprise Place Roadway Improvements	GP1611	6/30/2017	Project advertised 10/9/16. Bid opening 11/9/16
\$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	ROW is certified. Finalizing Utility coordination / certification prior to NTP with construction.
\$373,656.40	Chad Austin/Steve Robbins	David Edwards	Site Improvements - Konnarock Water Services Center		12/23/2016	Construction underway. Work progressing on grading, water quality swales, and retaining wall.
\$250,000.00	Chad Austin		Border Region Area 3 Water Upgrades		2/17/2020	Design to start 1/1/19. Will be included with sewer upgrades to Border Regions Area.
\$221,800.00	Tim Elsea	Elsea, Tim	Lynn Garden Signal System [MTPO & City funded]	MPO15C	1/31/2018	Preliminary design plans sent to TDOT for review.
\$152,293.29	Chad Austin	Hank Clabaugh	Cliffside Dr Force Main Replacement	TBD	12/31/2016	Preconstruction conference is scheduled for November 10.
\$131,000.00	Chad Austin	Chad Austin	JB Dennis Annexation - Water	GP1405	12/31/2016	Agreement has been signed by Bloomingdale Utility District. They are going to contract with American Environmental for the work
\$91,060.00	Niki Ensor	Mason, David	Storage Building at Waste Water Treatment Plant	SW1607	12/30/2016	Slab poured. Ready for building erection.
\$90,000.00	Kitty Frazier	Clabaugh, Hank	Reedy Creek Terrace Bridge	ST1503	12/31/2016	Property acquisition documents are being finalized.
\$77,357.00		Mason, David	Bays Mountain Park CIP Improvements	GP1509	12/20/2016	The new barge is operational. Work on the dock is underway using old barge as a work platform.
\$65,160.00	Lewis Bausell	Mason, David	Landscape Enhancements for Wilcox/I-26 Gateway	GP1706	2/1/2017	Executing contract for \$65,160.

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$48,967.00	Kitty Frazier	Mason, David	Domtar Park Storage Building	GP1542	1/7/2017	Structure, siding, roofing complete. Preparing to place concrete floor.
		Mason, David	Riverbend Park	GP1512		Received 5 responses to the RFQ for master planning services. The selection committee is reviewing the responses.
		Mason, David	Borden Park Improvements Phase 1	GP1510	5/31/2017	In design.
		Mason, David	Bays Mountain - Pavillion at Lily Pad Cove	GP1707	4/1/2017	Preliminary drawings have been submitted for review.
	Chad Austin	Chris Alley	Camp Bays Mountain Annexation		4/30/2017	Annexation is effective 7 October 2016. Customer is planning to open for the summer 2017.
	Chad Austin	Mike Hickman	Colonial Heights Ph V Sewer & Water	SW1512/ WA1404	12/29/2017	Meeting with residents
	Chris McCartt	Mason, David	New KATS Transit Center		12/31/2017	30% Schematic Design complete and reviewed last week.
	Morris Baker	Mason, David	Library Children's Area	GP1400	7/1/2017	Bid Opening scheduled for 12/7.
	Morris Baker	Mason, David	Bays Mountain Dam Rehabilitation	GP1707	12/31/2017	Design agreement with Spoden & Wilson executed. Design underway.

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\$1,700,000.00	Michael Thompson	Thompson, Michael	Main Street Rebuild [City & MTPO Funded]	GP1516	4/1/2021	Revised scope and fee received and under review by staff.



AGENDA

BOARD OF MAYOR AND ALDERMEN

BUSINESS MEETING

**Tuesday, November 15, 2016, 7:00 p.m.
City Hall, 225 W. Center St., Courtroom, 2nd Floor**

Board of Mayor and Aldermen

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

Alderman Colette George
Alderman Tommy Olterman
Alderman Tom C. Parham

City Administration

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

I. CALL TO ORDER

II.A. PLEDGE OF ALLEGIANCE TO THE FLAG – Led by New Vision Youth

II.B. INVOCATION – Mitch Whisnant, Assoc. Minister, First Baptist Church, Kingsport

III. ROLL CALL

IV.A. RECOGNITIONS & PRESENTATIONS

1. Malora Quesinberry – TSSA Administrator of the Year (Alderman George)
2. Dobyons-Bennett High School Band – 2016 Grand National Championships

IV.B APPOINTMENTS

1. Reappointments to the Historic Zoning Commission (Mayor Clark)
 - Jim Henderson
 - Jewell McKinney

V. APPROVAL OF MINUTES

1. Work Session – October 31, 2016
2. Business Meeting – November 1, 2016

VI. COMMUNITY INTEREST ITEMS

Revision

AA. ALDERMAN VACANCY

Declaration by the Mayor of a Vacancy on the Board of Mayor and Aldermen and Consideration of an Individual to Fill the Vacancy

- Declare Vacancy and Consideration to Fill

A. PUBLIC HEARINGS

None

COMMENT

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

B. BUSINESS MATTERS REQUIRING FIRST READING

1. Amend the General Project Fund Budget by Appropriating General Obligation Public Improvement Bond Series 2016 (AF: 299-2016) (Jeff Fleming)
 - Ordinance – First Reading
2. Award Contract and Budget Ordinance for Miscellaneous Annexation Utilities Improvements Project (AF: 307-2016) (Ryan McReynolds)
 - Ordinance – First Reading
 - Resolution

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Award Contract and Budget Ordinance to Appropriate Funds for the Centennial Park Project (AF: 284-2016) (Chris McCartt)
 - Ordinance – **Second Reading and Final Adoption**
2. Agreement with Kingsport Economic Development Board for Economic Development in the Downtown Redevelopment District and Appropriate Funds (AF: 289-2016) (Lynn Tully)
 - Ordinance – **Second Reading and Final Adoption**
3. Enter into a Materials Agreement with Danny Karst Related to Edinburgh South Phase I Development and an Ordinance to Appropriate the Funds (AF: 293-2016) (Ryan McReynolds)
 - Ordinance – **Second Reading and Final Adoption**

D. OTHER BUSINESS

1. Award Contract for the Meadowview Conference Center Renovations Project
 - Resolution
2. Issue a Purchase Order to Walton Signage for Wayfinding Sign Program Upgrades (AF: 301-2016) (Ryan McReynolds, Chris McCartt)
 - Resolution
3. Authorization to Purchase Phase II Furnishings for DB-Excel (AF: 303-2016) (David Frye, Shanna Hensley)
 - Resolution
4. Approve Riverbend Park Redevelopment Agreement with KHRA for Development of Riverbend Park (AF: 297-2016) (David Mason)
 - Resolution
5. Approve Receiving a Grant from the Kingsport Community Foundation Centennial Park Project Fund through the East Tennessee Foundation and Approving a Grant Award Letter with the East Tennessee Foundation for the Kingsport Centennial Park (AF: 292-2016) (Jeff Fleming)
 - Resolution
6. Approving Four “Notice of Termination of Temporary Construction Easement” for Easements Acquired from the Industrial Development Board of the City of Kingsport (KEDB) (AF: 304-2016) (Mike Billingsley)
 - Resolution
7. Approving a Subordination Agreement for the DB Excel Project and an Agreement Pertaining to the Same (AF: 305-2016) (Mike Billingsley)
 - Resolution
8. Approving a Contribution, if Needed, to KEDB for Economic or Industrial Development and Authorizing One or More Agreements Pertaining to the Same (AF: 309-2016) (Jeff Fleming)
 - Resolution

Addition

VII. CONSENT AGENDA

1. Agreement Extension with Redflex Traffic Systems, Inc. (AF: 300-2016) (David Quillin)
 - Resolution
2. Amend the Agreement with Prairie Farms Dairy to Renew for an Additional Year (AF: 302-2016) (Jennifer Walker)
 - Resolution
3. Approving an Agreement Renewing Property Insurance for City Owned Buildings (AF: 296-2016) (Terri Evans)
 - Resolution

4. Renew the Workers Compensation Excess Insurance Coverage through Safety National Insurance Company (AF: 295-2016) (Terri Evans)
 - Resolution

VIII. COMMUNICATIONS

- A. City Manager
- B. Mayor and Board Members
- C. Visitors
- D. Presentation of Submission to the State of Tennessee the Report on Debt Obligation (State Form CT-0253) - \$21,335,000 General Obligation Public Improvement Bond – Series 2016

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

IX. ADJOURN

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, October 31, 2016, 4:30 PM
Council Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor John Clark	
Vice-Mayor Mike McIntire	Alderman Michele Mitchell
Alderman Darrell Duncan	Alderman Tommy Olterman
Alderman Colette George	Alderman Tom C. Parham

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. **CENTENNIAL PARK UPDATE.** Ms. CeeGee McCord, Ms. Jeanette Blazier and Mr. Roger Mowen presented information on this item. Assistant City Manager Chris McCart provided further details and answered questions from the board. Discussion followed.
4. **HEALTHY KINGSPORT.** Ms. Kandy Childress and Mr. Roger Mowen gave a presentation on this item and showed a video of the Live SugarFreed campaign. There was some discussion.
5. **PROJECTS STATUS.** City Manager Fleming provided a brief summary on this item.
6. **REVIEW OF AGENDA ITEMS ON THE NOVEMBER 1, 2016 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 Amend the 2015 Consolidated Plan for Housing and Community Development (AF: 290-2016). City Manager Fleming stated this was a new requirement from HUD to keep the project on track.

VI.D.2 Approve a Real Property Acquisition for Property Subject to Eminent Domain Policy (AF: 282-2016). City Attorney Billingsley provided information on this item, noting the TDOT settlement procedure being used actually streamlines what the city does already.

VI.D.3 Approve Offer to Purchase Property for the Transit Center Project (AF: 176-2016). City Manager Fleming pointed out only 10% of this project utilized local funds, pointing out the rest are state and federal dollars.

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of
Kingsport, Tennessee, Monday, October 31, 2016**

7. **ADJOURN.** Seeing no other matters presented for discussion at this work session, Mayor Clark adjourned the meeting at 5:45 p.m.

ANGELA MARSHALL
Deputy City Recorder

JOHN CLARK
Mayor

Minutes of the Regular Business Meeting of the
Board of Mayor and Aldermen of the City of Kingsport, Tennessee
Tuesday, November 1, 2016, 7:00 PM
Large Court Room – City Hall

PRESENT:

Board of Mayor and Aldermen

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

Alderman Michele Mitchell
Alderman Tommy Olterman
Alderman Tom C. Parham

City Administration

Jeff Fleming, City Manager
Joseph E. May, Acting 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:** Alderman Michele Mitchell.
- II.B. **INVOCATION:** James Meade (Retired Minister Who Served Baptist Churches).
- III. **ROLL CALL:** By City Recorder Demming. All Present.
- IV. **RECOGNITIONS AND PRESENTATIONS.**
 1. Jim Demming/City Finance Department – Certificate of Achievement for Excellence in Financial Reporting.
- V. **APPROVAL OF MINUTES.**

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

- A. October 17, 2016 Regular Work Session
- B. October 18, 2016 Regular Business Meeting

Approved: All present voting “aye.”

VI. **COMMUNITY INTEREST ITEMS.**

A. **PUBLIC HEARINGS.**

1. **Amend the 2015 Consolidated Plan for Housing and Community Development (AF: 290-2016) (Lynn Tully).**

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

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, November 1, 2016**

Motion/Second: Mitchell/Duncan, to pass:

Resolution No. 2017-076, A RESOLUTION REQUESTING APPROVAL OF AN AMENDMENT TO THE 2015 NORTHEAST TN/SOUTHWEST VA HOME CONSORTIUM CONSOLIDATED PLAN

Passed: 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. Award Contract and Budget Ordinance to Appropriate Funds for the Centennial Park Project (AF: 284-2016) (Chris McCartt).

Motion/Second: McIntire/Parham, 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."

Motion/Second: Parham/McIntire, to pass:

Resolution No. 2017-077, A RESOLUTION AWARDING A CONTRACT FOR THE CONSTRUCTION OF CENTENNIAL PARK TO ARMSTRONG CONSTRUCTION AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT FOR SAME AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT.

Passed: All present voting "aye."

2. Agreement with Kingsport Economic Development Board for Economic Development in the Downtown Redevelopment District and Appropriate Funds (AF: 289-2016) (Lynn Tully).

Motion/Second: McIntire/Mitchell, to pass:

Resolution No. 2017-078, A RESOLUTION APPROVING AN AGREEMENT WITH KINGSFORT ECONOMIC DEVELOPMENT BOARD FOR THE ECONOMIC DEVELOPMENT IN THE DOWNTOWN REDEVELOPMENT DISTRICT 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" except Alderman George "abstained."

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Motion/Second: McIntire/Duncan, to pass:

AN ORDINANCE TO AMEND THE GENERAL FUND BUDGET BY TRANSFERRING FUNDS TO THE KINGSPORT ECONOMIC DEVELOPMENT BOARD FAÇADE PROGRAM FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting “aye” except Alderman George “abstained.”

3. Enter into a Materials Agreement with Danny Karst Related to Edinburgh South Phase I Development and an Ordinance to Appropriate the Funds (AF: 293-2016) (Ryan McReynolds).

Motion/Second: McIntire/George, to pass:

Resolution No. 2017-079, A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A MATERIALS AGREEMENT WITH DANNY KARST RELATED TO EDINBURG SOUTH PHASE I DEVELOPMENT AND AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting “aye.”

Motion/Second: Parham/George, to pass:

AN ORDINANCE TO AMEND THE WATER AND SEWER PROJECT FUNDS BY TRANSFERRING FUNDS TO THE EDINBURGH SOUTH PHASE 1 MATERIALS AGREEMENT PROJECTS (WA1785 AND SW1785); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.

1. Appropriate the Best Buy Foundation Community Grant Funds for the Library (AF: 263-2016) (Morris Baker).

Motion/Second: Olterman/McIntire, to pass:

ORDINANCE NO. 6617, AN ORDINANCE TO AMEND THE GENERAL FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE BEST BUY FOUNDATION FOR THE LIBRARY 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, Mitchell, Olterman and Parham voting “aye.”

2. Appropriate the Tennessee State Library and Archives Construction Grant Funds for the Library (AF: 258-2016) (Morris Baker).

Motion/Second: McIntire/George, to pass:

ORDINANCE NO. 6618, AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE

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STATE OF TENNESSEE FOR THE LIBRARY 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, Mitchell, Olterman and Parham voting "aye."

3. Appropriate \$20,800.00 from the Tennessee Department of Safety & Homeland Security/Tennessee Highway Safety Office (THSO) (AF: 275-2016) (David Quillin).

Motion/Second: McIntire/Duncan, to pass:

ORDINANCE NO. 6619, AN ORDINANCE TO AMEND THE GENERAL PROJECTS - SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE GOVERNOR'S HIGHWAY SAFETY GRANT 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, Mitchell, Olterman and Parham voting "aye."

4. Budget Ordinance to Transfer Funds to Wilcox Drive Sidewalk Phase 5 Improvements (AF: 276-2016) (Ryan McReynolds).

Motion/Second: Parham/McIntire, to pass:

ORDINANCE NO. 6620, AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET BY TRANSFERRING FUNDS TO THE ROAD DESIGN IMPROVEMENT PROJECT 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, Mitchell, Olterman and Parham voting "aye."

5. Amend the FY17 General Project Fund Budget (AF: 269-2016) (David Frye).

Motion/Second: McIntire/Duncan, to pass:

ORDINANCE NO. 6621, AN ORDINANCE TO AMEND THE GENERAL PROJECTS FUND BUDGETS FOR THE FISCAL 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, Mitchell, Olterman and Parham voting "aye."

6. Enter into a Contractual Agreement, TDOT Project No: 825307-S3-019, with the Tennessee Department of Transportation for Reimbursement of Capital Expenses to Build the Transit Center (AF: 265-2016) (Chris McCartt).

Motion/Second: McIntire/Mitchell, to pass:

ORDINANCE NO. 6622, AN ORDINANCE TO AMEND THE URBAN MASS TRANSIT FUND BUDGET BY APPROPRIATING GRANT FUNDS FROM THE TENNESSEE

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DEPARTMENT OF TRANSPORTATION TO THE TRANSIT CENTER PROJECT 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, Mitchell,
Olterman and Parham voting "aye."

D. OTHER BUSINESS.

**1. Approve an Architectural Agreement with Perkins + Will for
Dobyns-Bennett Science and Technology Building (AF: 288-2016) (David Frye).**

Motion/Second: Parham/Duncan, to pass:

Resolution No. 2017-080, A RESOLUTION APPROVING AN AGREEMENT WITH
PERKINS + WILL FOR THE DOBYNS-BENNETT SCIENCE AND TECHNOLOGY
BUILDING 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."

**2. Approve a Real Property Acquisition for Property Subject to
Eminent Domain Policy (AF: 282-2016) (Mike Billingsley)**

Motion/Second: George/Mitchell, to pass:

Resolution No. 2017-081, A RESOLUTION APPROVING A REAL PROPERTY
ACQUISITION FOR PROPERTY SUBJECT TO EMINENT DOMAIN POLICY

Passed: All present voting "aye."

**3. Approve Offer to Purchase Property for the Transit Center
Project (AF: 176-2016) (Chris McCartt).**

Motion/Second: Parham/Duncan, to pass:

Resolution No. 2017-082, A RESOLUTION APPROVING AN OFFER FOR THE
PURCHASE OF TWO TRACTS OF REAL PROPERTY FOR THE TRANSIT CENTER
PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE A PURCHASE
AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO
EFFECTUATE THE PURPOSE OF THIS RESOLUTION

Passed: All present voting "aye."

**4. Amend Agreement with Barge Waggoner Sumner and Cannon
for Design Services Related to Centennial Park to Include Construction
Administration Services (AF: 285-2016) (Chris McCartt).**

Motion/Second: George/McIntire, to pass:

Resolution No. 2017-083, A RESOLUTION APPROVING THE AMENDMENT WITH
BARGE WAGGONER SUMNER & CANNON, INC. FOR DESIGN SERVICES FOR

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CENTENNIAL PARK INCLUDING SPECIALIZED FOUNTAIN DESIGN AND CONSULTATION SERVICES; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT TO THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT; AND AUTHORIZING THE MAYOR TO MAKE CERTAIN CHANGES TO THE AMENDMENT, AS NEEDED

Passed: All present voting "aye."

5. Apply and Receive Assistance to Firefighters (AFG) Grant
(AF: 286-2016) (Craig Dye).

Motion/Second: Olterman/Parham, to pass:

Resolution No. 2017-084, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE AN ASSISTANCE TO FIREFIGHTERS GRANT FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY

Passed: All present voting "aye."

6. Accept a Donation, Resolution Ratifying the City Manager's Signature and Approve a Memorandum of Understanding with the Fred and June Childress Fund for the Kingsport Centennial Park (AF: 291-2016) (Mike Billingsley).

Motion/Second: Parham/Duncan, to pass:

Resolution No. 2017-085, A RESOLUTION ACCEPTING A DONATION FROM THE FRED AND JUNE CHILDRESS FOUNDATION; RATIFYING THE CITY MANAGER'S SIGNATURE; APPROVING A MEMORANDUM OF UNDERSTANDING AND AUTHORIZING THE MAYOR TO EXECUTE THE MEMORANDUM OF UNDERSTANDING AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE MEMORANDUM OF UNDERSTANDING

Passed: All present voting "aye."

E. APPOINTMENTS/REAPPOINTMENTS.

1. Reappointments to the Kingsport Higher Education Commission (AF: 287-2016) (Mayor Clark).

Motion/Second: McIntire/George, to approve:

REAPPOINTMENTS OF MESSRS. JOHN WILLIAMS, PARKER SMITH AND KEITH WILSON TO SERVE A SECOND FOUR-YEAR TERM ON THE **KINGSPORT HIGHER EDUCATION COMMISSION** EFFECTIVE IMMEDIATELY AND EXPIRING ON NOVEMBER 30, 2020.

Passed: All present voting "aye."

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

Motion/Second: McIntire/Duncan, to adopt:

1. Approve Easements and Rights-of-Way – Colonial Heights
(AF: 279-2016) (Ryan McReynolds).

Pass:

APPROVE EASEMENTS AND RIGHTS-OF-WAY – COLONIAL HEIGHTS

Passed: All present voting “aye.”

2. Approve Easements and Rights-of-Way – Centennial Park
(AF: 280-2016) (Chris McCartt).

Pass:

APPROVE EASEMENTS AND RIGHTS-OF-WAY – CENTENNIAL PARK

Passed: All present voting “aye.”

3. Approve Easements and Rights-of-Way – Enterprise Place
(AF: 283-2016) (Ryan McReynolds).

Pass:

APPROVE EASEMENTS AND RIGHTS-OF-WAY – ENTERPRISE PLACE

Passed: All present voting “aye.”

**4. Annual Renewal of Public Library Maintenance of Effort
Agreement with the Tennessee State Library and Archives** (AF: 281-2016)
(Morris Baker).

Pass:

Resolution No. 2017-086, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE THE ANNUAL RENEWAL OF THE PUBLIC LIBRARY MAINTENANCE OF EFFORT AGREEMENT WITH THE TENNESSEE STATE LIBRARY AND ARCHIVES TO RECEIVE FUNDING FOR BOOKS AND TRAINING AND FOR SERVICES THROUGH THE HOLSTON RIVER REGIONAL LIBRARY SYSTEM

Passed: All present voting “aye.”

**5. Approve an Amendment to a Materials Agreement with
Gregory DePriest** (AF: 278-2016) (Jeff Fleming).

Pass:

Resolution No. 2017-087, A RESOLUTION APPROVING AN AMENDMENT TO THE MATERIALS AGREEMENT DATED MAY 7, 2015, WITH GREGORY DEPRIEST; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF

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THE AMENDMENT; REPEALING RESOLUTION NUMBER 2017-038; AND
AUTHORIZING REIMBURSEMENT TO CHRIST FELLOWSHIP CHURCH, INC.

Passed: All present voting "aye."

6. Acquisition of Property for Stormwater Management
(AF: 252-2016) (Ryan McReynolds).

Pass:

Resolution No. 2017-088, A RESOLUTION APPROVING AN OFFER FOR THE
PURCHASE OF REAL PROPERTY FOR STORMWATER MANAGEMENT;
AUTHORIZING THE MAYOR TO MAKE CERTAIN CHANGES TO THE AGREEMENT,
IF NECESSARY; AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT
AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE
PURPOSE OF THIS RESOLUTION

Passed: All present voting "aye."

VIII. COMMUNICATIONS.

- A. CITY MANAGER.** Mr. Fleming recognized Assistant City Manager Chris McCartt for his work with the committee working on the Centennial Park project. He thanked the board for their willingness to adopt and adhere to policies. Mr. Fleming commented on the availability of livestreaming the business meetings, noting the last meeting was the first one. Lastly he gave an update on the new housing and apartment building permits recently issued by the city.
- B. MAYOR AND BOARD MEMBERS.** Alderman Mitchell invited everyone for downtown open house this Thursday. She also commented on two upcoming theatre events, Into the Woods by the Kingsport Theatre Guild and Romeo and Juliet by the State Theatre. Ms. Mitchell stated she was resigning her seat and this was her last meeting as Alderman as she is relocation due to her husband's new job. Alderman Duncan stated his tie was signed by the Dobyys Bennett football team, noting they are in the playoffs and wishing them the best. He commented on the livestreaming and thanked Alderman Mitchell for her service to the city and wished her luck. Alderman Parham recognized Alderman Mitchell, listing the attributes she has contributed to the board. Alderman Olterman stated it has been an honor and privilege to serve with Alderman Mitchell. Alderman George mentioned that early voting ends tomorrow and encouraged everyone to vote. She also stated Alderman Mitchell will be missed and hoped she will return to Kingsport one day and assume another leadership position. Vice-Mayor McIntire added his thanks for Alderman Mitchell's service and wished her well in her move. He thanked the Centennial Committee for all their hard work and for those who contributed to Centennial Park. He also commented on the presentation by Healthy Kingsport at the work session yesterday, noting they have done some

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great work. Lastly, the vice-mayor stated the schools recognized the police department today by wearing blue and thanked them for their support. Mayor Clark congratulated the Dobyys Bennett band on winning their competition last weekend. He stated Holston Valley Medical Center has been in operation for 80 years and continues to make investments in our community, noting the new neo-natal wing opening tomorrow. He stated the State of the City address will be in two weeks and invited everyone to attend, which will be followed by the ground-breaking for the Centennial Park later that day. The mayor presented the first commissioned print of Centennial Park to Alderman Mitchell. She thanked the board and the community for all their love and support during her tenure as Alderman.

C. VISITORS. None.

IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Clark adjourned the meeting at 8:00 p.m.

ANGELA MARSHALL
Deputy City Recorder

JOHN CLARK
Mayor



AGENDA ACTION FORM

Declaration by the Mayor of a Vacancy on the Board of Mayor and Aldermen and Consideration of an Individual to Fill the Vacancy

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

Action Form No.:	AF-306-2016	Final Adoption:	November 15, 2016
Work Session:	November 14, 2016	Staff Work By:	Jeff Fleming
First Reading:	N/A	Presentation By:	Mayor Clark

Recommendation:

Declare a vacancy and consider appointment of an individual to fill the vacancy.

Executive Summary:

As a result of the recent resignation of Michele Mitchell from the board, a vacancy has been created on the board. In accordance with the requirements of Article III, sections 2 and 10 of the Charter of the City of Kingsport, the mayor must declare the office of aldermen vacant. The position must be filled by the remaining board members within thirty (30) days of the declaration of the vacancy. The appointment must be made by an affirmative vote of the majority (4) of the remaining members of the board. The vote appointing an individual must be a roll call vote. The term of the appointment will be from the date the appointee is sworn into office until the first regular meeting in July, 2017.

The individual selected must be: 1) a legal resident of the city; 2) 18 years of age or older; 3) residing in the city for at least one year preceding the selection or has been annexed in the year prior to the selection; 4) and is not an employee of the city, including the city school system.

At the work session yesterday the board discussed an individual to fill the vacancy. When the board is ready to make the appointment, it should be made by a motion, a second, discussion and a roll call vote.

For your convenience attached is a copy of Article III, sections 2 and 10 of the Charter of the City of Kingsport.

Attachments:

- Article III, sections 2 and 10 Charter of the City of Kingsport

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

ARTICLE III. BOARD OF MAYOR AND ALDERMEN

Sec. 2. Election, term of mayor; designation of members as board of mayor and aldermen.

At the general city election in May of 1979, and every two (2) years thereafter, there shall be elected by the qualified voters of the City of Kingsport, a mayor who shall serve a term of two (2) years beginning at the first regular meeting of the board in July following his election. The mayor and aldermen shall together constitute the board of mayor and aldermen of the City of Kingsport.

No person shall be a candidate for the office of mayor and the office of alderman in the same election, nor shall any person hold both offices at the same time.

In the event an incumbent alderman having an unexpired term remaining to serve, shall run and be elected to the office of mayor, upon taking office as mayor the vacancy thus created in the office of alderman shall be filled as hereinafter set out in section 10 of this article.

Sec. 10. Vacancies.

(a) *Causes of vacancies.* The office of mayor, vice-mayor or alderman is vacated:

- (1) By the death of the incumbent;
- (2) By the resignation of the incumbent;
- (3) By the incumbent ceasing to be a resident of the city; or
- (4) By the incumbent's violation of the Charter.

(b) *Declaration of vacancies to board.* The mayor or vice-mayor shall declare to the board, at each session thereof, all offices to be filled by that body, which have become vacant.

(c) *Appointment of successors.* After any office becomes vacant, such vacancy in said board shall be filled by appointment within thirty (30) days by an affirmative vote of a majority of the remaining members thereof; provided, however, that no member shall be appointed under this section at any time when the said board already has as many as three (3) members so appointed, but in case of any additional vacancy, the said board shall forthwith by ordinance or resolution call upon the election commissioners for Sullivan County and Hawkins County to call a special election for the purpose of filling such additional vacancy, whereupon said election commissioners shall immediately call such special election and appoint the necessary officers therefor, and said special election shall be held in the same manner as and subject to the regulations in this Charter respecting general city elections.

(d) *Vote.* All such appointments by the board shall be made viva voce, on the calling of the roll.

(e) *Term of office of successors.* The successors so appointed to hold office until the first regular meeting in July following the next general city election held after his appointment.



AGENDA ACTION FORM

Amend the General Project Fund Budget by Appropriating General Obligation Public Improvement Bond Series 2016

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

Action Form No.: AF-299-2016
Work Session: November 14, 2016
First Reading: November 15, 2016

Final Adoption: December 6, 2016
Staff Work By: Smith/Winkle
Presentation By: Fleming

Recommendation:

Approve the Ordinance.

Executive Summary:

On September 06, 2016, the BMA approved resolution 2017-044 to issue General Obligation Public Improvement Bond Series 2016 not to exceed \$23,225,000 for public works projects, road, street, parking and sidewalk construction, improvement and expansion, including Greenbelt improvements, improvement and renovation of public schools, and renovations to the Library, HVAC improvements, acquisition of public works equipment, including firefighting equipment, fire software upgrade, fire generator, technology system improvements and improvements to the Water system and improvements to the Waste Water system..

This ordinance appropriates the funding for these projects.

Attachments:

- 1. Ordinance

Funding source appropriate and funds are available: 

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

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND, THE WATER AND SEWER FUND PROJECT BUDGETS BY APPROPRIATING GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND, SERIES 2016; FOR THE FISCAL YEAR ENDING JUNE 30, 2017; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

WHEREAS, Resolution No. 2016-044 was adopted authorizing the issuance of bonded debt Series 2016 in an amount not to exceed \$23,225,000 to provide funding for certain public works projects, consisting of the acquisition of public art; construction, improvement and renovation of public schools, road, street, parking, and sidewalk construction, improvement and expansion, including Greenbelt improvements; acquisition, construction, renovation, improvement and equipping of public buildings within the Municipality, including renovations to the library and including HVAC improvements; acquisition of public works equipment, including firefighting equipment, fire software upgrades a fire station generator, and improvements to the Municipality's water system, construction, expansion and improvement of the Municipality's sewer system; the acquisition of all property real and personal, appurtenant thereto or connected with such work; and to pay legal, fiscal, administrative, and engineering costs, (collectively, the "Project"); to reimburse the Municipality for the costs of any of the above projects, to pay capitalized interest, and to pay costs incident to the issuance and sale of Bonds;

Section I. That the General Project Fund be amended by appropriating G.O. Public Improvement Bond Series 2016 to fund the Library Improvements Project (GP1712) in the amount of \$252,655 and by transferring \$283,641 from the Library Improvement project (GP1400) to the Library Improvement project (GP1712) by appropriating G.O. Public Improvement Bond Series 2016 to fund the Borden Park Improvements Project (GP1510) in the amount of \$131,380, Bays Mountain Road Stabilization project (GP1720) in the amount of \$232,442, Bays Mountain Dam Repair project (GP1711) in the amount of \$242,549, the School Improvements project (GP1715) in the amount of \$757,965, Facilities & HAVAC Improvements (GP1719) in the amount of \$333,504, Fire Apparatus Equipment (GP1719) in the amount of \$85,902, Generator Fire Station #5 (GP1604) in the amount of \$45,478, Firehouse Software Upgrade (GP1717) in the amount of \$75,797, Allandale Repairs & Maintenance project (GP1724) in the amount of \$131,380, Greenbelt Improvements project (GP1710 in the amount of \$101,062, Greenbelt East Ext. Phase 1 (GP1529) in the amount of \$186,965, Lynn View Site Improvement project (GP1714) in the amount of \$202,124, General Park Improvement project (GP1713) in the amount of \$353,717, Stone Drive Sidewalk Extension Phase 2 (GP1725) in the amount of \$101,062, Indian Trail Drive Extension (GP1615) in the amount of \$3,268,652, Riverport Road Stabilization (GP1723) in the amount of \$606,372, Park Maintenance Equipment Replacement project (GP1722) in the amount of \$40,425, Traffic Flashing Yellow Upgrade Program (GP1726) in the amount of \$40,425, Transit Center (GP1718) in the amount of \$380,296 and by transferring \$4,755,047 from the Transit Center (FTA015) to GP1718, Transit Garage (GP1727) in the amount of \$267,814, Rolling Hills Drive (GP1721) in the amount of \$106,115, Centennial/Downtown Parks (GP1627) in the amount of \$353,717, Public Works Equipment/Expanded Mowing (GP1703) in the amount of \$171,805, Meadowview Ballroom/Meeting Room (MV1600) in the amount of \$3,500,000 and by transferring \$257,800 to the Meadowview operating budget.

Section II. That the Water Project Fund be amended by appropriating G.O. Public Improvement Bond Series 2016 to fund the Master Plan Water System Upgrades (WA1704) in the amount of \$1,730,000, WTP SCADA Improvements (WA1700) in the amount of \$1,200,000, Tri-County Tank Replacement (WA1705) in the amount of \$600,000.

Section III. That the Sewer Project Fund be amended by appropriating G.O. Public Improvement Bond Series 2016 to fund Colonial Heights Sewer Line Ext. Phase 5 project (SW1512) in the amount of \$2,500,000, WWTP Equalization Basin project (SW1707) in the amount of \$810,000 and West Kingsport SLS Replacement (SW1708) in the amount of \$4,140,000.

**G.O. Public
Improvements Series
20016**

**General Project
Fund:311
Library Improvements
(GP1400)**

Revenue:

		<u>Budget</u>	<u>Amendments Increase (Decrease)</u>	<u>Amended Budget</u>
311-0000-332-7300	TN State Library Grant	100,000	(100,000)	0
311-0000-364-1000	Contributions/Individuals	3	2	5
311-0000-368-1041	Series 2012 CGO Public Imp.	46,170	0	46,170
311-0000-368-1046	Series 2013B GO Pub. Imp.	156,808	0	156,808
311-0000-368-1047	Series 2014A GO Bonds	97,000	0	97,000
311-0000-368-1051	Series 2015A GO (Oct) Pl.	220,971	(183,643)	37,328
311-0000-368-2101	Premium From Bond Sale	21,270	0	21,270
Total Revenue		642,222	(283,641)	358,581

Appropriation:

311-0000-601-2023	Arch/Eng/Landscaping	75,597	3,219	78,816
311-0000-601-4041	Bond Expense	6,757	2	6,759
311-0000-601-9003	Improvements	559,868	(286,862)	273,006
Total Appropriation		642,222	(283,641)	358,581

**General Project
Fund:311
Library Improvements
(GP1712)**

Revenue:

311-0000-332-7300	TN State Library Grant	0	100,000	100,000
311-0000-368-1051	Series 2015A GO (Oct) Pl.	0	183,643	183,643
311-0000-368-1054	Series 2016 GO Pub Imp (Nov 4)	0	233,316	233,316
311-0000-368-2101	Bond Premium	0	19,339	19,339
Total Revenue		0	536,298	536,298

Appropriation:

311-0000-601-2023	Arch/Eng/Landscaping	0	50,000	50,000
311-0000-601-4041	Bond Expense	0	2,655	2,655
311-0000-601-9003	Improvements	0	483,643	483,643
Total Appropriation		0	536,298	536,298

Borden Park

Improvements (GP1510)

Revenue:

311-0000-368-1047	Series 2014A GO Pub Imp.	182,751	0	182,751
311-0000-368-1051	Series 2015A GO (Oct) Pl.	44,301	0	44,301
311-0000-368-1054	Series 2016 GO Pub Imp (Nov 4)	0	121,324	121,324
311-0000-368-2101	Premium from Bond Sale	49,528	10,056	59,584
Total Revenue		276,580	131,380	407,960

Appropriation:

311-0000-601-2023	Arch/Eng/Landscaping	57,400	0	57,400
311-0000-601-4041	Bond Sale Expense	7,080	1,380	8,460
311-0000-601-9003	Improvements	212,100	130,000	342,100
Total Appropriation		276,580	131,380	407,960

Bays MNT Road Stabilization (GP1720)

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp (Nov 4)	0	214,651	214,651
311-0000-368-2101	Premium from Bond Sale	0	17,791	17,791
Total Revenue		0	232,442	232,442

Appropriation:

311-0000-601-2023	Arch/Eng/Landscaping	0	30,000	30,000
311-0000-601-4041	Bond Sale Expense	0	2,442	2,442
311-0000-601-9003	Improvements	0	200,000	200,000
Total Appropriation		0	232,442	232,442

Bays MNT Dam Repair (GP1711)

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp (Nov 4)	0	223,984	223,984
311-0000-368-2101	Premium on Sale	0	18,565	18,565
Total Revenue		0	242,549	242,549

Appropriation:

311-0000-601-2023	Arch/Eng/Landscaping	0	240,000	240,000
311-0000-601-4041	Bond Sale Expense	0	2,549	2,549
Total Appropriation		0	242,549	242,549

**School Improvements
(GP1715)**

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp (Nov 4)	0	699,949	699,949
311-0000-368-2101	Premium on Sale	0	58,016	58,016
Total Revenue		0	757,965	757,965

Appropriation:

311-0000-601-2022	Construction Contracts	0	352,500	352,500
311-0000-601-2023	Arch/Eng/Landscaping	0	45,000	45,000
311-0000-601-4041	Bond Sale Expense	0	7,965	7,965
311-0000-601-9003	Improvements	0	352,500	352,500
Total Appropriation		0	757,965	757,965

**Facilities Maint &
HVAC Improvements
(GP1716)**

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp (Nov 4)	0	307,977	307,977
311-0000-368-2101	Premium on Bond Sale	0	25,527	25,527
Total Revenue		0	333,504	333,504

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	3,504	3,504
311-0000-601-9003	Improvements	0	330,000	330,000
Total Appropriation		0	333,504	333,504

**Fire Apparatus
Equipment (GP1719)**

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp (Nov 4)	0	79,327	79,327
311-0000-368-2101	Premium on Bond Sale	0	6,575	6,575
Total Revenue		0	85,902	85,902

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	902	902
311-0000-601-9004	Equipment	0	25,000	25,000
311-0000-601-9006	Purchases Over \$5,000	0	60,000	60,000
Total Appropriation		0	85,902	85,902

**Generator Fire Station
#5 (GP1604)**

Revenue:

311-0000-368-1051	Series 2015A GO (Oct) Pl.	14,534	0	14,534
311-0000-368-1054	Series 2016 GO Pub Imp (Nov 4)	0	41,997	41,997
311-0000-368-2101	Premium on Bond Sale	1,028	3,481	4,509

Total Revenue

15,562	45,478	61,040
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Appropriation:

311-0000-601-4041

Bond Sale Expense

562

478

1,040

311-0000-601-9006

Purchases Over \$5,000

15,000

45,000

60,000

Total Appropriation**15,562****45,478****61,040****Firehouse Software Upgrade (GP1717)****Revenue:**

311-0000-368-1054

Series 2016 GO Pub Imp (Nov 4)

0

69,995

69,995

311-0000-368-2101

Premium on Bond Sale

0

5,802

5,802

Total Revenue**0****75,797****75,797****Appropriation:**

311-0000-601-4041

Bond Sale Expense

0

797

797

311-0000-601-9006

Purchases Over \$5,000

0

75,000

75,000

Total Appropriation**0****75,797****75,797****Allandale Repairs & Maintenance (GP1724)****Revenue:**

311-0000-368-1054

Series 2016 GO Pub Imp (Nov 4)

0

121,324

121,324

311-0000-368-2101

Premium on Bond Sale

0

10,056

10,056

Total Revenue**0****131,380****131,380****Appropriation:**

311-0000-601-4041

Bond Sale Expense

0

1,380

1,380

311-0000-601-9006

Purchases Over \$5,000

0

130,000

130,000

Total Appropriation**0****131,380****131,380****Greenbelt Improvements (GP1710)****Revenue:**

311-0000-368-1051

Series 2016 GO Pub Imp (Nov 4)

0

93,326

93,326

311-0000-368-2101

Premium on Bond Sale

0

7,736

7,736

Total Revenue**0****101,062****101,062****Appropriation:**

311-0000-601-4041

Bond Sale Expense

0

1,062

1,062

311-0000-601-9001

Land

0

85,000

85,000

311-0000-601-9003

Improvements

0

15,000

15,000

Total Appropriation

0	101,062	101,062
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Greenbelt East Ext. PH

1 (GP1529)

Revenue:

311-0000-364-2000	From Corporations	20,000	0	20,000
311-0000-368-1047	Series 2014A GO Bonds	10,000	0	10,000
311-0000-368-1051	Series 2015A (Oct) GO PI	167,360	0	167,360
311-0000-368-1054	Series 2016 GO Pub Imp (Nov 4)	0	172,654	172,654
311-0000-368-2101	Premium on Bond Sale	5,827	14,311	20,138
Total Revenue		203,187	186,965	390,152

Appropriation:

311-0000-601-2023	Arch/Eng/Landscaping	166,000	0	166,000
311-0000-601-4041	Bond Sale Expense	3,187	1,965	5,152
311-0000-601-9001	Land	34,000	0	34,000
311-0000-601-9003	Improvements	0	185,000	185,000
Total Appropriation		203,187	186,965	390,152

Lynn View Site Imp

(GP1714)

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	186,653	186,653
311-0000-368-2101	Premium on Bond Sale	0	15,471	15,471
Total Revenue		0	202,124	202,124

Appropriation:

311-0000-601-2022	Construction Contracts	0	180,000	180,000
311-0000-601-2023	Arch/Eng/Landscaping	0	20,000	20,000
311-0000-601-4041	Bond Sale Expense	0	2,124	2,124
Total Appropriation		0	202,124	202,124

General Park Imp.

(GP1713)

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	326,643	326,643
311-0000-368-2101	Premium on Bond Sale	0	27,074	27,074
Total Revenue		0	353,717	353,717

Appropriation:

311-0000-601-2022	Construction Contracts	0	100,000	100,000
311-0000-601-2023	Arch/Eng/Landscaping	0	21,000	21,000
311-0000-601-4041	Bond Sale Expense	0	3,717	3,717
311-0000-601-9003	Improvements	0	229,000	229,000
Total Appropriation		0	353,717	353,717

**Stone Dr. Sidewalk Ext
PH2 (GP1725)**

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	93,326	93,326
311-0000-368-2101	Premium on Bond Sale	0	7,736	7,736
Total Revenue		0	101,062	101,062

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	1,062	1,062
311-0000-601-9003	Improvements	0	100,000	100,000
Total Appropriation		0	101,062	101,062

Indian

Trail Dr. Ext (GP1615)

Revenue:

311-0000-368-1040	Series 2011 GO Pub Imp	253,635	0	253,635
311-0000-368-1046	Series 2013B GO Pub Imp	45,000	0	45,000
311-0000-368-1047	Series 2014A GO Pub Imp	7,741	0	7,741
311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	3,018,464	3,018,464
311-0000-368-2101	Premium on Bond Sale	0	250,188	250,188
311-0000-391-0100	From General Fund	90,845	0	90,845
Total Revenue		397,221	3,268,652	3,665,873

Appropriation:

311-0000-601-2023	Arch/Eng/Landscaping	397,221	0	397,221
311-0000-601-4041	Bond Sale Expense	0	34,346	34,346
311-0000-601-9001	Land	0	10,000	10,000
311-0000-601-9003	Improvements	0	3,224,306	3,224,306
Total Appropriation		397,221	3,268,652	3,665,873

Riverport RD

Stabilization (GP1723)

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	559,959	559,959
311-0000-368-2101	Premium on Bond Sale	0	46,413	46,413
Total Revenue		0	606,372	606,372

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	6,372	6,372
311-0000-601-9003	Improvements	0	600,000	600,000
Total Appropriation		0	606,372	606,372

**Park Maint. Equip
Replacement (GP1722)**

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	37,331	37,331
311-0000-368-2101	Premium on Bond Sale	0	3,094	3,094
Total Revenue		0	40,425	40,425

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	425	425
311-0000-601-9006	Purchases Over \$5,000	0	40,000	40,000
Total Appropriation		0	40,425	40,425

**Traffic Flashing Yellow
Upgrade PRG (GP1726)**

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	37,331	37,331
311-0000-368-2101	Premium on Bond Sale	0	3,094	3,094
Total Revenue		0	40,425	40,425

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	425	425
311-0000-601-9006	Purchases Over \$5,000	0	40,000	40,000
Total Appropriation		0	40,425	40,425

**Transit Center
(GP1718)**

Revenue:

311-0000-331-2000	Federal Revenue/UMTA Section 9	0	4,124,000	4,124,000
311-0000-332-9000	Dept. of Transportation	0	515,500	515,500
311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	351,188	351,188
311-0000-368-2101	Premium on Bond Sale	0	29,108	29,108
311-0000-391-0100	From General Fund	0	115,547	115,547
Total Revenue		0	5,135,343	5,135,343

Appropriation:

311-0000-601-2023	Arch/Eng/Landscaping	0	399,547	399,547
311-0000-601-4041	Bond Sale Expense	0	3,996	3,996
311-0000-601-9001	Land	0	1,016,500	1,016,500
311-0000-601-9003	Improvements	0	3,715,300	3,715,300
Total Appropriation		0	5,135,343	5,135,343

**Transit Center
(FTA 015)**

Revenue:

123-0000-331-2000	Federal Revenue/UMTA Section 9	4,124,000	(4,124,000)	0
123-0000-332-9000	Dept. of Transportation	515,500	(515,500)	0
123-0000-391-0100	From General Fund	115,547	(115,547)	0

Total Revenue**4,755,047 (4,755,047) 0****Appropriation:**

123-0000-602-2023	Arch/Eng/Landscaping	34,000	(34,000)	0
123-0000-602-9001	Land	481,500	(481,500)	0
123-5902-602-2023	Arch/Eng/Landscaping	365,547	(365,547)	0
123-5902-602-9001	Land	535,000	(535,000)	0
123-5902-602-9003	Improvements	3,339,000	(3,339,000)	0
Total Appropriation		4,755,047	(4,755,047)	0

Transit Garage**(GP1727)****Revenue:**

311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	247,315	247,315
311-0000-368-2101	Premium on Bond Sale	0	20,499	20,499
Total Revenue		0	267,814	267,814

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	2,814	2,814
311-0000-601-9003	Improvements	0	265,000	265,000
Total Appropriation		0	267,814	267,814

Rolling Hills Dr.**(GP1721)****Revenue:**

311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	97,993	97,993
311-0000-368-2101	Premium on Bond Sale	0	8,122	8,122
Total Revenue		0	106,115	106,115

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	1,115	1,115
311-0000-601-9003	Improvements	0	105,000	105,000
Total Appropriation		0	106,115	106,115

Centennial/Downtown**Parks (GP1627)****Revenue:**

311-0000-364-5621	East TN Foundation	520,000	0	520,000
311-0000-368-1047	Series 2014A GO Bonds	126,266	0	126,266
311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	326,643	326,643
311-0000-368-2101	Premium on Bond Sale	0	27,074	27,074
311-0000-391-0100	From General Fund	851,200	0	851,200
Total Revenue		1,497,466	353,717	1,851,183

Appropriation:

311-0000-601-2022	Construction Contracts	20,000	0	20,000
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311-0000-601-2023	Arch/Eng/Landscaping	49,688	0	49,688
311-0000-601-2095	Public Art Contracts	5,000	0	5,000
311-0000-601-4041	Bond Sale Expense	0	3,717	3,717
311-0000-601-9003	Improvements	1422,778	350,000	1,772,778
Total Appropriation		1,497,466	353,717	1,851,183

**Public Works
Equip.(GP1703)
Expanded Mowing**

Revenue:				
311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	0	158,655	158,655
311-0000-368-2101	Premium on Bond Sale	0	13,150	13,150
311-0000-391-0100	From General Fund	170,000	0	170,000
Total Revenue		170,000	171,805	341,805

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	1,805	1,805
311-0000-601-9006	Purchases Over \$5,000	170,000	170,000	340,000
Total Appropriation		170,000	171,805	341,805

**Ballroom/Meeting
Room (MV1600)**

Revenue:				
454-0000-391-4900	From Meadowview Conference CT	257,800	(257,800)	0
454-0000-391-0541	Series 2016 GO Pub Imp. (Nov 4)	0	3,500,000	3,500,000
Total Revenue		257,800	3,242,200	3,500,000

Appropriation:

454-0000-601-2023	Arch/Eng/Landscaping	90,000	0	90,000
454-0000-601-9003	Purchases Over \$5,000	167,800	3,242,200	3,410,000
Total Appropriation		257,800	3,242,200	3,500,000

Meadowview Fund:420

Revenue:				
420-0000-392-9918	Series 2016 GO Pub Imp. (Nov 4)	0	3,500,000	3,500,000
Total Revenue		0	3,500,000	3,500,000

Appropriation:

420-6999-698-7845	Series 2016 GO Pub Imp. (Nov 4)	0	3,500,000	3,500,000
Total Appropriation		0	3,500,000	3,500,000

Revenue:

420-0000-391-6900	Visitors Enhancement Fund	0	(90,000)	(90,000)
Total Revenue		0	(90,000)	(90,000)

Appropriation:

420-6996-696-7604	CIP Transf/Meadowview Proj Fund	167,800	(257,800)	(90,000)
420-5001-501-8039	Meadowview Conf. CTR	345,400	60,000	405,400
420-5010-501-4011	Bond Interest	467,200	107,800	575,000
Total Appropriation		980,400	(90,000)	890,400

Visitors Enhancement Fund:135

Appropriation:

135-4804-481-7026	To Meadowview Fund	0	(90,000)	(90,000)
135-4804-481-7036	To General Project Fund	0	90,000	90,000
Total Appropriation		0	0	0

Visitor Enhancement Improvement (GP1728)

Revenue:

311-0000-391-6900	From Visitors Enhancement Fund	0	90,000	90,000
Total Revenue		0	90,000	90,000

Appropriation:

311-0000-601-9003	Improvements	0	90,000	90,000
Total Appropriation		0	90,000	90,000

Master Plan Water Upgrades (WA1704)

Revenue:

451-0000-391-0541	Series 2016 GO Pub Imp. (Nov 4)	0	1,730,000	1,730,000
Total Revenue		0	1,730,000	1,730,000

Appropriation:

451-0000-605-2023	Arch/Eng/Landscaping	0	195,000	195,000
451-0000-605-9001	Land	0	20,000	20,000
451-0000-605-9003	Improvements	0	1,515,000	1,515,000
Total Appropriations		0	1,730,000	1,730,000

WTP SCADA Improvements (WA1700)

Revenue:

451-0000-391-0541	Series 2016 GO Pub Imp. (Nov 4)	0	1,200,000	1,200,000
451-0000-391-4500	From Water Fund	102,785	0	102,785
Total Revenue		102,785	1,200,000	1,302,785

Appropriation:

451-0000-605-2022	Construction Contracts	97,785	1,100,000	1,197,785
451-0000-605-2023	Arch/Eng/Landscaping	5,000	100,000	195,000
Total Appropriations		102,785	1,200,000	1,392,785

Tri-County Tank Replacement (WA1705)

Revenue:

451-0000-391-0541	Series 2016 GO Pub Imp. (Nov 4)	0	600,000	600,000
Total Revenue		0	600,000	600,000

Appropriation:

451-0000-605-2023	Arch/Eng/Landscaping	0	100,000	100,000
451-0000-605-9003	Improvements	0	500,000	500,000
Total Appropriations		0	600,000	600,000

Water Fund 411:

Revenue

411-0000-392-9918	Series 2016 GO Pub Imp. (Nov 4)	0	3,530,000	3,530,000
Total Revenue		0	3,530,000	3,530,000

Expenditure

411-6999-698-7845	Series 2016 GO Pub Imp. (Nov 4)	0	3,530,000	3,530,000
Total Expenditures		0	3,530,000	3,530,000

Sewer Proj Fund:452 Colonial Hgts Phase5 (SW1512)

Revenue:

452-0000-391-0541	Series 2016 GO Pub Imp. (Nov 4)	0	2,500,000	2,500,000
452-0000-391-4200	From Sewer Fund	300,000	0	300,000
Total Revenue		300,000	2,500,000	2,800,000

Appropriation:

452-0000-606-2023	Arch/Eng/Landscaping	200,000	300,000	850,000
452-0000-606-9001	Land	100,000	100,000	500,000
452-0000-606-9003	Improvements	0	2,100,000	2,100,000
Total Appropriation		300,000	2,500,000	3,450,000

WWTP Equalization Basin (SW1707)

Revenue:

452-0000-391-0541	Series 2016 GO Pub Imp. (Nov 4)	0	810,000	810,000
Total Revenue		0	810,000	810,000

Appropriation:				
452-0000-606-2023	Arch/Eng/Landscaping	0	310,000	310,000
452-0000-606-9003	Improvements	0	500,000	500,000
Total Appropriation		0	810,000	810,000

West KPT SLS
Replacement (SW1708)

Revenue:				
452-0000-391-0541	Series 2016 GO Pub Imp. (Nov 4)	0	4,140,000	4,140,000
Total Revenue		0	4,140,000	4,140,000

Appropriation:				
452-0000-606-2023	Arch/Eng/Landscaping	0	340,000	340,000
452-0000-606-9003	Improvements	0	3,800,000	3,800,000
Total Appropriation		0	4,140,000	4,140,000

Sewer Fund:412				
412-0000-392-9918	Series 2016 GO Pub Imp. (Nov 4)	0	4,900,000	4,900,000
Total Revenue		0	4,900,000	4,900,000

Expenditures				
412-6999-698-7845	Series 2016 GO Pub Imp. (Nov 4)	0	4,900,000	4,900,000
Total Expenditures		0	4,900,000	4,900,000

SECTION IV. 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: _____



AGENDA ACTION FORM

Award Contract and Budget Ordinance for Miscellaneous Annexation Utilities Improvements Project

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

Action Form No.: AF-307-2016
 Work Session: November 14, 2016
 First Reading: November 15, 2016

Final Adoption: December 6, 2016
 Staff Work By: O. Nickens/H. Clabaugh
 Presentation By: R. McReynolds

Recommendation:

Approve the Budget Ordinance and Resolution.

Executive Summary:

Bids were opened for the Miscellaneous Annexation Utilities Improvements project on November 9, 2016. This project consists of construction of approximately 1,000 LF sanitary sewer infrastructure, including manholes and laterals; and approximately 7,300 LF of waterlines, including appurtenances. The construction must be complete by February 22, 2017.

Funding has been identified and allocated to various projects in the Water and Sewer Funds. To more accurately track expenses for individual projects, new project accounts need to be opened for each specific project. This budget ordinance will reallocate funds to new projects (WA1706 and SW1709) in water and sewer.

City staff reviewed the bids and recommends awarding the contract to the apparent low bidder, Merkel Brothers Construction, as follows:

Base Bid	\$573,406.80
Engineering Fees 14%	88,570.00
Contingency 6%	<u>34,420.00</u>
Total Project Cost	\$696,396.80

Attachments:

1. Budget Ordinance
2. Contract Award Resolution
3. Bid Opening Minutes
4. Location Map
5. Bid Tabulation

Funding source appropriate and funds are available:  _____

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

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE WATER FUND, WATER AND SEWER PROJECT FUNDS BY TRANSFERRING FUNDS TO THE MISCELLANEOUS ANNEXATION UTILITIES IMPROVEMENTS 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 Water Fund budget and the Water Project Fund budget be amended by appropriating \$392,848 from the Water Fund balance to the Miscellaneous Annex Utility Improvements project (WA1706) and by transferring \$29,874 from the Colonial Heights System Upgrades project (WA1402) and by transferring \$49,440 from the Annexation Fire Hydrants project (WA1404) to the Miscellaneous Annexation Utility Improvements project (WA1706). The total amount transferred to WA1706 is \$472,162. Project WA1402 will be closed.

SECTION II. That the Sewer Project Fund budget be amended by transferring \$18,348 from the Miscellaneous Sewer Rehab project (SW1401), by transferring \$1,600 from the Cooks Valley Rd Phase 2 project (SW1500), by transferring \$29,677 from the Colonial Heights Phase 2 project (SW1501), by transferring \$35,801 from the Citywide Sewer Improvements project (SW1600) and by transferring \$138,939 from the Miscellaneous Sewer Line project (SW1701) to the Miscellaneous Annexation Utility Improvements project (SW1709). The total amount transferred to SW1709 is \$224,365. Projects SW1401, SW1500 and SW1600 will be closed.

Account Number/Description:

Fund 451 Water Fund

WA Maint. Facilities Imp (WA1402)

Revenues:

451-0000-391-0529 Series 2013B GO Pub Imp

Totals:

Expenditures:

451-0000-605-2023 Arch/Eng/Landscaping

451-0000-605-9003 Improvements

Totals:

Budget Incr/<Decr> New Budget

	\$	\$		\$
	238,500	(29,874)		208,626
	238,500	(29,874)		208,626

	29,600	(2,470)		27,130
	208,900	(27,404)		181,496
	238,500	(29,874)		208,626

Fund 451 Water Fund

Annexation Fire Hydrants (WA1404)

Revenues:

451-0000-391-0529 Series 2013B GO Pub Imp

451-0000-391-4500 From Water Fund

451-0000-391-4600 Reserve Outside City Imp

Totals:

Expenditures:

451-0000-605-2022 Construction Contracts

451-0000-605-2023 Arch/Eng/Landscaping

Totals:

	\$	\$		\$
	256,230	(49,440)		206,790
	87,612	0		87,612
	56,207	0		56,207
	400,049	(49,440)		350,609

	216,230	0		216,230
	183,819	(49,440)		134,379
	400,049	(49,440)		350,609

Fund 411 Water Fund

Revenues:

411-0000-392-0100 Fund Balance Appropriations

Totals:

	\$	\$		\$
	1,065,500	392,848		1,458,348
	1,065,500	392,848		1,458,348

Expenditures:

411-6996-696-7601 Water Project Fund	1,080,000	392,848	1,472,848
Totals:	1,080,000	392,848	1,472,848

Fund 451 Water Fund

Misc Annex Utility Imp. (WA1706)

Revenues:

451-0000-391-0529 Series 2013B GO Pub Imp	\$ 0	\$ 79,314	\$ 79,314
451-0000-391-4500 From Water Fund	0	392,848	392,848
Totals:	0	472,162	472,162

Expenditures:

451-0000-605-2023 Arch/Eng/Landscaping	0	60,100	60,100
451-0000-605-9003 Improvements	0	412,062	412,062
Totals:	0	472,162	472,162

Fund 452 Sewer Fund

Miscellaneous Sewer Rehab (SW1401)

Revenues:

452-0000-391-0529 Series 2013B GO Pub Imp	\$ 277,279	\$ 0	\$ 277,279
452-0000-391-0531 Series 2014 BO Bonds	600,000	0	600,000
452-0000-391-4200 From Sewer Fund	680,750	(18,348)	662,402
Totals:	1,558,029	(18,348)	1,539,681

Expenditures:

452-0000-606-2023 Arch/Eng/Landscaping	210,000	(19,658)	190,342
452-0000-606-9001 Land	60,000	(49,715)	10,285
452-0000-606-9003 Improvements	1,288,029	51,025	1,339,054
Totals:	1,558,029	(18,348)	1,539,681

Fund 452 Sewer Fund

Cooks Valley Rd Ph 2 (SW1500)

Revenues:

452-0000-391-4200 From Sewer Fund	\$ 3,800	\$ (1,600)	\$ 2,200
Totals:	3,800	(1,600)	2,200

Expenditures:

452-0000-606-2023 Arch/Eng/Landscaping	300	(175)	125
452-0000-606-9003 Improvements	3,500	(1,425)	2,075
Totals:	3,800	(1,600)	2,200

Fund 452 Sewer Fund

Colonial Hqts Ph 2 (SW1501)

Revenues:

452-0000-391-0529 Series 2013B GO Pub Imp	\$ 435,948	\$ 0	\$ 435,948
452-0000-391-0531 Series 2014 BO Bonds	2,850,000	0	2,850,000
452-0000-391-4200 From Sewer Fund	100,000	(29,677)	70,323
Totals:	3,385,948	(29,677)	3,356,271

Expenditures:

452-0000-606-2023 Arch/Eng/Landscaping	406,500	(15,317)	391,183
452-0000-606-9001 Land	199,500	(14,313)	185,187
452-0000-606-9003 Improvements	2,779,948	(47)	2,779,901
Totals:	3,385,948	(29,677)	3,356,271

Fund 452 Sewer Fund
Citywide Sewer Improvements (SW1600)

Revenues:	\$	\$	\$
452-0000-391-0529 Series 2013B GO Pub Imp	519,252	(35,801)	483,451
Totals:	519,252	(35,801)	483,451

Expenditures:			
452-0000-606-2023 Arch/Eng/Landscaping	66,100	(7,477)	58,623
452-0000-606-9003 Improvements	453,152	(28,324)	424,828
Totals:	519,252	(35,801)	483,451

Fund 452 Sewer Fund
Miscellaneous Sewer Line (SW1701)

Revenues:	\$	\$	\$
452-0000-391-4200 From Sewer Fund	300,000	(138,939)	161,061
Totals:	300,000	(138,939)	161,061

Expenditures:			
452-0000-606-2023 Arch/Eng/Landscaping	50,000	0	50,000
452-0000-606-9003 Improvements	250,000	(138,939)	111,061
Totals:	300,000	(138,939)	161,061

Fund 452 Sewer Fund
Miscellaneous Annex Utility Improvements (SW1709)

Revenues:	\$	\$	\$
452-0000-391-0529 Series 2013B GO Pub Imp	0	35,801	35,801
452-0000-391-4200 From Sewer Fund	0	188,564	188,564
Totals:	0	224,365	224,365

Expenditures:			
452-0000-606-2023 Arch/Eng/Landscaping	0	28,600	28,600
452-0000-606-9003 Improvements	0	195,765	195,765
Totals:	0	224,365	224,365

SECTION III. 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:

 ANGELA L. MARSHALL
 Deputy City Recorder

APPROVED AS TO FORM:

 J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR THE MISCELLANEOUS ANNEXATION UTILITIES IMPROVEMENT PROJECT TO MERKEL BROTHERS CONSTRUCTION AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, bids were opened November 9, 2016, for the Miscellaneous Annexation Utilities Improvements Project; and

WHEREAS, upon review of the bids, the board finds Merkel Brothers Construction is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into a contract for the construction of approximately 1,000 linear feet of sanitary sewer infrastructure, including manholes and laterals; and approximately 7,300 linear feet of waterlines, including appurtenances from Merkel Brothers Construction at an estimated construction cost of \$573,406.80; and

WHEREAS, funding will be available in WA1706 and SW1709 once the accompanying budget ordinance is approved.

Now therefore,

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

SECTION I. That the bid for the Miscellaneous Annexation Utilities Improvements Project, consisting of construction of approximately 1,000 linear feet of sanitary sewer infrastructure, including manholes and laterals; and approximately 7,300 linear feet of waterlines, including appurtenances at an estimated cost of \$573,406.80 is awarded to Merkel Brothers Construction, and the mayor is authorized to execute an agreement for same and all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

**MINUTES
BID OPENING
November 9, 2016
4:00 P.M.**

Present: Sandy Crawford, Procurement Manager; Brent Morelock, Assistant Procurement Manager; Hank Clabaugh, City Engineer; and Michael Thompson, Assistant Public Works Director

The Bid Opening was held in the Council Room, City Hall.

The Procurement Manager opened with the following bids:

MISCELLANEOUS ANNEXATION UTILITY IMPROVEMENTS		
Vendor:	Base Bid:	Comments:
Summers Taylor, Inc.	\$697,350.75	N/A
Thomas Construction	\$999,784.00	N/A
Vic Davis Construction	\$900,704.07	Whiteout Used
King General Contractors	\$756,533.00	N/A
Mike Smith Pump Service	\$602,946.00	N/A
Merkel Brothers Construction	\$573,406.80	N/A

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



**2016-C06
MISCELLANEOUS ANNEXATION
UTILITY IMPROVEMENTS
LOCATION MAP**

BID TABULATION FOR MISCELLANEOUS ANNEXATION UTILITY IMPROVEMENTS

ITEM NO.	QUAN	UNIT	DESCRIPTION	MERKEL BROS. CONST		MIKE SMITH PUMP SERVICE		SUMMERS-TAYLOR		KING GENERAL		VIC DAVIS CONSTRUCTION		THOMAS CONSTRUCTION	
				UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST
1	1	LS	MOBILIZATION	\$ 20,000.00	\$ 20,000.00	\$ 7,000.00	\$ 7,000.00	\$ 31,500.00	\$ 31,500.00	\$ 40,000.00	\$ 40,000.00	\$ 44,297.76	\$ 44,297.76	\$ 30,000.00	\$ 30,000.00
2	1	LS	CLEARING AND GRUBBING (SECTION 31 11 00)	\$ 5,000.00	\$ 5,000.00	\$ 1,000.00	\$ 1,000.00	\$ 15,000.00	\$ 15,000.00	\$ 7,500.00	\$ 7,500.00	\$ 10,000.00	\$ 10,000.00	\$ 80,000.00	\$ 80,000.00
3	1	LS	PROTECTION OF LIVING SHRUBS AND TREES (SECTION 31 11 00)	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 2,090.00	\$ 2,090.00	\$ 1,000.00	\$ 1,000.00	\$ 5,000.00	\$ 5,000.00	\$ 4,000.00	\$ 4,000.00
4	650	T	CRUSHED STONE FOR BACKFILL @ ROAD & DRIVEWAY CROSSINGS (SECTION 31 23 33)	\$ 22.00	\$ 18,700.00	\$ 22.00	\$ 18,700.00	\$ 31.00	\$ 28,350.00	\$ 25.00	\$ 21,250.00	\$ 21.16	\$ 17,985.00	\$ 35.00	\$ 29,750.00
5	570	CY	SOLID ROCK EXCAVATION IN TRENCH (SECTION 31 23 33) ALLOWANCE	\$ 35.00	\$ 19,950.00	\$ 35.00	\$ 19,950.00	\$ 35.00	\$ 19,950.00	\$ 35.00	\$ 19,950.00	\$ 35.00	\$ 19,950.00	\$ 35.00	\$ 19,950.00
6	20	LF	15" CMP STORM SEWER IF REQ'D (SECTION 33 40 00)	\$ 30.00	\$ 600.00	\$ 40.00	\$ 800.00	\$ 37.30	\$ 746.00	\$ 50.00	\$ 1,000.00	\$ 30.85	\$ 617.00	\$ 14.00	\$ 280.00
7	20	LF	15" RCP STORM SEWER IF REQ'D (SECTION 33 40 00)	\$ 35.00	\$ 700.00	\$ 45.00	\$ 900.00	\$ 38.70	\$ 774.00	\$ 100.00	\$ 2,000.00	\$ 37.22	\$ 744.40	\$ 20.00	\$ 400.00
8	10	LF	FENCE REPLACEMENT (MATCH EXIST) (IF NECESSARY)(SECTION 32 31 13)	\$ 20.00	\$ 200.00	\$ 50.00	\$ 500.00	\$ 21.20	\$ 212.00	\$ 100.00	\$ 1,000.00	\$ 20.00	\$ 200.00	\$ 50.00	\$ 500.00
9	1	LS	SEEDING WITH MULCH (SECTION 32 92 20)	\$ 15,000.00	\$ 15,000.00	\$ 1,000.00	\$ 1,000.00	\$ 10,000.00	\$ 10,000.00	\$ 3,500.00	\$ 3,500.00	\$ 11,858.90	\$ 11,858.90	\$ 3,000.00	\$ 3,000.00
10	25	GA	TACK COAT (SECTION 32 12 16)	\$ 3.00	\$ 75.00	\$ 3.00	\$ 75.00	\$ 3.15	\$ 78.75	\$ 5.00	\$ 125.00	\$ 5.00	\$ 125.00	\$ 5.00	\$ 125.00
11	80	T	ASPHALT BINDER 4" IN TRENCH (SECTION 32 12 16)	\$ 150.00	\$ 12,000.00	\$ 150.00	\$ 12,000.00	\$ 150.00	\$ 12,000.00	\$ 150.00	\$ 12,000.00	\$ 194.17	\$ 15,533.60	\$ 170.00	\$ 13,600.00
12	30	T	ASPHALT TOPPING 1-1/4" (SECTION 32 12 16)	\$ 150.00	\$ 4,500.00	\$ 175.00	\$ 5,250.00	\$ 180.00	\$ 5,400.00	\$ 185.00	\$ 5,550.00	\$ 308.25	\$ 9,187.50	\$ 180.00	\$ 5,400.00
13	1	LS	SOIL & EROSION CONTROL (SECTION 31 25 13)	\$ 5,000.00	\$ 5,000.00	\$ 1,000.00	\$ 1,000.00	\$ 5,000.00	\$ 5,000.00	\$ 2,500.00	\$ 2,500.00	\$ 6,022.50	\$ 6,022.50	\$ 1,000.00	\$ 1,000.00
14	870	LF	8" PVC GRAVITY SEWER PIPE (SECTION 33 30 00)	\$ 55.00	\$ 47,850.00	\$ 54.00	\$ 46,980.00	\$ 70.00	\$ 60,900.00	\$ 95.00	\$ 82,650.00	\$ 142.60	\$ 124,062.00	\$ 110.00	\$ 95,700.00
15	80	LF	8" JOINTLESS HDPE GRAVITY SEWER PIPE (SECTION 33 30 00)	\$ 60.00	\$ 4,800.00	\$ 80.00	\$ 6,400.00	\$ 115.00	\$ 9,200.00	\$ 125.00	\$ 10,000.00	\$ 108.14	\$ 8,651.20	\$ 245.00	\$ 19,600.00
16	160	LF	6" PVC SEWER (SECTION 33 30 00)	\$ 25.00	\$ 4,000.00	\$ 35.00	\$ 5,600.00	\$ 40.00	\$ 6,400.00	\$ 55.00	\$ 8,800.00	\$ 150.71	\$ 24,113.60	\$ 109.00	\$ 17,440.00
17	3	EA	SEWER LATERAL ASSEMBLIES (8x8x6 PVC TEES) (SECTION 33 30 00)	\$ 200.00	\$ 600.00	\$ 175.00	\$ 525.00	\$ 151.00	\$ 453.00	\$ 550.00	\$ 1,650.00	\$ 63.87	\$ 191.61	\$ 800.00	\$ 2,400.00
18	5	EA	CLEANOUT ASSEMBLIES @ LATERALS (SECTION 33 30 00)	\$ 500.00	\$ 2,500.00	\$ 400.00	\$ 2,000.00	\$ 263.00	\$ 1,315.00	\$ 350.00	\$ 1,750.00	\$ 293.86	\$ 1,469.30	\$ 900.00	\$ 4,500.00
19	6	EA	STANDARD SEWER MANHOLES (SECTION 33 30 00)	\$ 3,000.00	\$ 18,000.00	\$ 3,000.00	\$ 18,000.00	\$ 3,210.00	\$ 19,260.00	\$ 3,500.00	\$ 21,000.00	\$ 5,237.32	\$ 31,423.92	\$ 2,500.00	\$ 15,000.00
20	2	EA	CONNECT TO EXISTING MANHOLES (SECTION 33 30 00)	\$ 1,500.00	\$ 3,000.00	\$ 1,500.00	\$ 3,000.00	\$ 1,310.00	\$ 2,620.00	\$ 2,500.00	\$ 5,000.00	\$ 3,170.00	\$ 6,340.00	\$ 1,300.00	\$ 2,600.00
21	6	VF	EXTRA DEPTH MANHOLE (SECTION 33 30 00)	\$ 200.00	\$ 1,200.00	\$ 300.00	\$ 1,800.00	\$ 340.00	\$ 2,040.00	\$ 500.00	\$ 3,000.00	\$ 441.72	\$ 2,650.32	\$ 400.00	\$ 2,400.00
WATER LINE QUANTITIES															
22	100	CY	SOLID ROCK EXCAVATION IN TRENCH (SECTION 31 23 33) ALLOWANCE	\$ 35.00	\$ 3,500.00	\$ 35.00	\$ 3,500.00	\$ 35.00	\$ 3,500.00	\$ 35.00	\$ 3,500.00	\$ 35.00	\$ 3,500.00	\$ 35.00	\$ 3,500.00
23	410	T	CRUSHED STONE FOR BACKFILL @ ROAD & DRIVEWAY CROSSINGS (SECTION 31 23 33)	\$ 15.00	\$ 6,150.00	\$ 22.00	\$ 9,020.00	\$ 27.80	\$ 11,398.00	\$ 25.00	\$ 10,250.00	\$ 21.16	\$ 8,675.80	\$ 25.00	\$ 10,250.00

24	40	GA	TACK COAT (SECTION 32 12 16)	\$	3 00	\$	120.00	\$	3 00	\$	120.00	\$	3 00	\$	120.00	\$	5 00	\$	200.00	\$	5 00	\$	200.00	\$	5 00	\$	200.00
25	55	I	ASPHALT BINDER 4" IN TRENCH (SECTION 32 12 16)	\$	150 00	\$	8,260.00	\$	150 00	\$	8,260.00	\$	148 00	\$	8,140.00	\$	150 00	\$	8,250.00	\$	167 90	\$	9,234.60	\$	170 00	\$	9,350.00
26	22	I	ASPHALT TOPPING (SECTION 32 12 16)	\$	150 00	\$	3,300.00	\$	175 00	\$	3,850.00	\$	176 00	\$	3,872.00	\$	185 00	\$	4,070.00	\$	283 92	\$	6,246.24	\$	180 00	\$	3,960.00
27	40	SY	CONCRETE REPLACEMENT 6" (DRIVEWAYS) (SECTION 03 30 00)	\$	80 00	\$	3,200.00	\$	75 00	\$	3,000.00	\$	154 00	\$	6,160.00	\$	65 00	\$	2,600.00	\$	81 94	\$	3,277.60	\$	120 00	\$	4,800.00
28	3,240	LF	6" CEMENT LINED DUCTILE IRON WATER PIPE CLASS 350 (SECTION 33 11 00)	\$	35 70	\$	116,868.00	\$	43 00	\$	139,320.00	\$	44 50	\$	144,180.00	\$	52 00	\$	188,480.00	\$	85 00	\$	210,600.00	\$	84 00	\$	297,360.00
29	4,091	LF	6" CEMENT LINED DUCTILE IRON WATER PIPE CLASS 350 (SECTION 33 11 00)	\$	31 80	\$	130,092.80	\$	41 00	\$	167,731.00	\$	35 00	\$	143,185.00	\$	48 00	\$	198,368.00	\$	50 67	\$	208,109.17	\$	59 00	\$	241,368.00
30	23	EA	CONNECT TO EXISTING METERS 3/4" & 1" COPPER SERVICE - SHORT SERVICE WITH METER BOX AND SETTER (33 11 00)	\$	650 00	\$	14,860.00	\$	825 00	\$	18,975.00	\$	761 00	\$	17,603.00	\$	675 00	\$	15,525.00	\$	677 30	\$	15,677.80	\$	1,250 00	\$	28,760.00
31	21	EA	CONNECT TO EXISTING METERS 3/4" & 1" COPPER SERVICE - LONG SERVICE WITH METER BOX AND SETTER (33 11 00)	\$	1,000 00	\$	21,000.00	\$	1,200 00	\$	26,200.00	\$	1,400 00	\$	29,400.00	\$	1,250 00	\$	26,250.00	\$	965 28	\$	20,270.88	\$	2,500 00	\$	52,500.00
32	10	EA	FIRE HYDRANT ASSEMBLY ASSEMBLIES (SECTION 33 11 00)	\$	4,200 00	\$	42,000.00	\$	4,000 00	\$	40,000.00	\$	4,000 00	\$	40,000.00	\$	3,300 00	\$	33,000.00	\$	3,935 47	\$	39,364.70	\$	4,000 00	\$	40,000.00
33	1	EA	6" GATE VALVES & BOXES (SECTION 33 11 00)	\$	1,500 00	\$	1,500.00	\$	1,500 00	\$	1,500.00	\$	1,210 00	\$	1,210.00	\$	1,415 00	\$	1,416.00	\$	1,129 21	\$	1,129.21	\$	1,200 00	\$	1,200.00
34	3	EA	6" GATE VALVES & BOXES (SECTION 33 11 00)	\$	1,000 00	\$	3,000.00	\$	1,200 00	\$	3,600.00	\$	764 00	\$	2,292.00	\$	2,350 00	\$	7,050.00	\$	828 09	\$	2,484.27	\$	800 00	\$	2,400.00
35	3	EA	CONNECT TO EXISTING 2" PVC WATERLINE (SECTION 33 11 00)	\$	2,000 00	\$	6,000.00	\$	1,500 00	\$	4,600.00	\$	2,420 00	\$	7,260.00	\$	1,200 00	\$	3,600.00	\$	1,137 50	\$	3,412.50	\$	1,500 00	\$	4,600.00
36	1	EA	6" WET TAP TAPPING SLEEVE & VALVE (SECTION 33 11 00)	\$	3,500 00	\$	3,600.00	\$	3,500 00	\$	3,600.00	\$	6,490 00	\$	6,490.00	\$	5,500 00	\$	5,600.00	\$	2,144 74	\$	2,144.74	\$	10,000 00	\$	10,000.00
37	3	EA	6" WET TAP TAPPING SLEEVE & VALVE (SECTION 33 11 00)	\$	3,000 00	\$	9,000.00	\$	3,200 00	\$	9,600.00	\$	4,860 00	\$	14,670.00	\$	4,250 00	\$	12,750.00	\$	2,474 96	\$	7,424.88	\$	6,000 00	\$	18,000.00
38	1	EA	IN LINE BLOW-OFF (SECTION 33 11 00)	\$	2,500 00	\$	2,600.00	\$	1,800 00	\$	1,800.00	\$	1,850 00	\$	1,860.00	\$	1,500 00	\$	1,600.00	\$	1,875 45	\$	1,875.45	\$	1,000 00	\$	1,000.00
39	1	EA	CREEK CROSSING (SECTION 33 11 00)	\$	15,000 00	\$	15,000.00	\$	6,000 00	\$	6,000.00	\$	25,000 00	\$	25,000.00	\$	5,000 00	\$	5,000.00	\$	16,761 82	\$	16,761.82	\$	13,000 00	\$	13,000.00
PROJECT TOTAL:						\$	573,406.80	\$		\$	602,846.00	\$		\$	697,360.76	\$		\$	756,833.00	\$		\$	900,704.07	\$		\$	999,784.00



AGENDA ACTION FORM

Award Contract and Budget Ordinance to Appropriate Funds for the Centennial Park Project

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

Action Form No.: AF-284-2016
Work Session: October 31, 2016
First Reading: November 1, 2016

Final Adoption: **November 15, 2016**
Staff Work By: D. Mason
Presentation By: C. McCart

Recommendation:

Approve the Budget Ordinance and Resolution.

Executive Summary:

In 2014 a Centennial Committee was formed to craft a plan for Kingsport's centennial celebration. The Legacy Subcommittee was tasked with researching and developing a financially feasible and sustainable Centennial destination project. The legacy project will be a park located on Main Street at Cherokee Street.

Construction of Centennial Park is funded by private donations from the community supported by matching funds from the City of Kingsport. This budget ordinance appropriates \$520,000 in donations from the East Tennessee Foundation to be placed in project number GP1627 along with matching city funds.

Bids for construction of the park were opened on October 11, 2016. Staff recommends awarding the contract to the low bidder, Armstrong Construction. The construction cost is as follows:

Base Bid:	\$830,900.00
Alternate 1 – Water Feature:	\$392,800.00
Alternate 3 – Irrigation:	\$21,600.00
Contingency (6%):	<u>\$74,718.00</u>
Total:	\$1,320,018.00

Attachments:

1. Budget Ordinance
2. Contract Award Resolution
3. Bid Tabulation

Funding source appropriate and funds are available: 

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



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From: Jeff Fleming, City Manager *JA*

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Total:	\$1,320,018.00

Attachments:

1. Budget Ordinance
2. Contract Award Resolution
3. Bid Tabulation

Funding source appropriate and funds are available: *JA*

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

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 \$520,000 received from the East Tennessee Foundation to the Centennial Park/Downtown Parks project (GP1627).

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
<u>Fund 311: General Project Fund</u>			
<u>Centennial Park /Downtown Parks (GP1627)</u>			
<u>Revenues:</u>	\$	\$	\$
311-0000-364-5621 East Tenn. Foundation	0	520,000	520,000
311-0000-368-1047 Series 2014A GO Bonds	126,266	0	126,266
311-0000-391-0100 From General Fund	851,200	0	851,200
<i>Totals:</i>	977,466	520,000	1,497,466
<u>Expenditures:</u>			
311-0000-601-2022 Construction Contracts	20,000	0	20,000
311-0000-601-2023 Arch/Eng/ Landscaping	49,688	0	49,688
311-0000-601-2095 Public Art	0	5,000	5,000
311-0000-601-9003 Improvements	907,778	515,000	1,422,778
<i>Totals:</i>	977,466	520,000	1,497,466

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:

RESOLUTION NO. _____

A RESOLUTION AWARDING A CONTRACT FOR THE CONSTRUCTION OF CENTENNIAL PARK TO ARMSTRONG CONSTRUCTION AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT FOR SAME AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT.

WHEREAS, bids were opened on October 13, 2016 for the Centennial Park project; and

WHEREAS, upon review of the bids, the board finds Armstrong Construction is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into a contract for construction of Centennial Park; and

WHEREAS, the project will include the base bid, alternate 1 – water feature, and alternate 3 – irrigation system; and

WHEREAS, the total amount of the construction contract is \$1,245,300.00; and

WHEREAS, funding is identified in project number GP1627;

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN as follows:

SECTION I. That the bid for the construction of Centennial Park, including the base bid, alternate 1 and alternate 3, in the amount of \$1,245,300.00 is awarded to Armstrong Construction Company.

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 agreement for the construction of Centennial Park and all other documents necessary and proper to effectuate the purpose of the amendment.

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 1st day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES
BID OPENING
October 11, 2016
4:00 P.M.

Present: Sandy Crawford, Procurement Manager; Chris McCart, Assistant City Manager – Administration;
David Mason, Project Manager; and Jennifer Salyers, Barge, Waggoner, Sumner & Cannon

The Bid Opening was held in the Council Room, City Hall.

The Procurement Manager opened with the following bids:

CENTENNIAL PARK				
Vendor:	Base Bid:	Add Alt. #1 Water Feature	Add Alt. #2 Stage	Add Alt. #3 Irrigation
Armstrong Construction Co., Inc.	\$ 830,900.00	\$392,800.00	\$105,300.00	\$21,600.00
Goins Rash Cain, Inc.	\$ 915,000.00	\$377,000.00	\$158,000.00	\$28,000.00
King General Contractors, Inc.	\$1,115,358.14	\$410,000.00	\$216,425.00	\$23,250.00

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



AGENDA ACTION FORM

Agreement with Kingsport Economic Development Board for Economic Development in the Downtown Redevelopment District and Appropriate Funds

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

Action Form No.: AF-289-2016
Work Session: October 31, 2016
First Reading: November 1, 2016

Final Adoption: November 15, 2016
Staff Work By: Lynn Tully
Presentation By: Lynn Tully

Recommendation:

To approve the resolution authorizing administration of the Façade & Redevelopment Grant Program by the KEDB and approve the budget Ordinance to provide funding in the amount of \$60,000.

Executive Summary:

We have for several years authorized the KEDB to administer the Downtown Façade & Redevelopment grant program. As the funds have dwindled over time, this resolution provides for additional funds for the program in the amount of \$60,000. The program has become increasingly successful, providing over \$659,750 in grant funds since 2007 in 61 different projects. The typical project receives an average of \$10,282 each at a 50% match.

Attachments:

1. Resolution for KEDB Funds
2. Ordinance to Transfer Budget Monies
3. KEDB Agreement

Funding source appropriate and funds are available: 

	Y	N	O
Duncan	—	—	—
George	—	—	—
McIntire	—	—	—
Oiterman	—	—	—
Parham	—	—	—
Clark	—	—	—



AGENDA ACTION FORM

Agreement with Kingsport Economic Development Board for Economic Development in the Downtown Redevelopment District and Appropriate Funds

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

Action Form No.: AF-289-2016
Work Session: October 31, 2016
First Reading: N/A

Final Adoption: November 1, 2016
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Attachments:

1. Resolution for KEDB Funds
2. Ordinance to Transfer Budget Monies
3. KEDB Agreement

Funding source appropriate and funds are available:  _____

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH KINGSFORT ECONOMIC DEVELOPMENT BOARD FOR THE ECONOMIC DEVELOPMENT IN THE DOWNTOWN REDEVELOPMENT DISTRICT 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 Economic Development Board (KEDB) has a Downtown Facade & Redevelopment Grant program; and

WHEREAS, the city would like to make a contribution to KEDB for economic development, pursuant to T.C.A. § 6-54-118; and

WHEREAS, the city would like to enter into an agreement with KEDB for the contribution of the funds setting out certain terms for the contribution; and

WHEREAS, the agreement include the contribution of \$60,000.00 to KEDB for the administration of the Downtown Façade & Redevelopment Grant Program;

Now therefore,

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

SECTION I. That the board finds that slum and blight in the Downtown Redevelopment District inhibits economic development in the district.

SECTION II. That the funds contributed hereto to Kingsport Economic Development Board (KEDB) will assist in the economic development for the Downtown Redevelopment District.

SECTION III. That an agreement with Kingsport Economic Development Board (KEDB) for the Downtown Facade & Redevelopment Grant program, is approved.

SECTION IV. 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 contribution agreement with Kingsport Economic Development Board (KEDB) for Economic Development in the Downtown Redevelopment District including for the Downtown Facade & Redevelopment Grant program 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 V. 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 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 1st day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL FUND BUDGET BY TRANSFERRING FUNDS TO THE KINGSPORT ECONOMIC DEVELOPMENT BOARD FAÇADE PROGRAM FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Fund budget be amended by transferring funds in the amount of \$60,000 from the Downtown project (NC1606) to the Special Program Operating budget to fund the KEDB Façade program.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 110: General Fund			
Expenditures:			
110-1005-405-8078 KEDB Façade Program	0	60,000	60,000
110-4804-481-7035 General Projec-Special Revenue Fund	1,591,633	(60,000)	1,531,633
Totals:	1,591,633	0	1,591,633

Fund 111: General Project-Spec. Rev. Fund			
Downtown Project (NC1606)			
Revenues:			
111-0000-391-0100 From General Fund	\$ 203,108	\$ (60,000)	\$ 143,108
Totals:	203,108	(60,000)	143,108

Expenditures:			
111-0000-601-2022 Construction Contracts	\$ 203,108	\$ (60,000)	\$ 143,108
Totals:	203,108	(60,000)	143,108

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:

ANGELA L. MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

AGREEMENT

This Agreement, made and entered into this ___ day of _____, 2016, by and between the City of Kingsport, Tennessee, with principal offices at 225 West Center Street, Kingsport, Tennessee, hereinafter called "**CITY**", and the Industrial Development Board of the City of Kingsport, Tennessee, having its principal at 151 East Main Street, Kingsport, Tennessee, hereinafter called "**KEDB**".

WITNESSETH:

WHEREAS, **KEDB** has a Downtown Façade and Redevelopment Program; and

WHEREAS, **CITY**, pursuant to T.C.A. § 6-54-118, is authorized to make a contribution to **KEDB** for economic development; and

WHEREAS, **KEDB** will report all activities for the program to **CITY**;

NOW, THEREFORE, the parties of this Agreement, for the considerations set forth below, do here and now agree and bind themselves to the following terms and conditions:

SECTION I PROJECT DESCRIPTION/STATEMENT OF WORK

A. Purpose of Program

The Downtown Façade and Redevelopment Program is an effort to prevent and/or eliminate blighting effects in the downtown area of **CITY** by providing façade improvement grants to properties in the Downtown Redevelopment District, thereby enhancing economic development in the Downtown Redevelopment District.

B. Method of Operation

CITY will provide a contribution to **KEDB** in the amount of \$60,000, which may be used for the program, as set out in the Downtown Façade Grant program guidelines, a copy of which attached as Exhibit A.

SECTION II RECORDS AND REPORTS

A. With guidance from **CITY**, and in order to document the slum and blight benefit, **KEDB** will maintain records that document that the program prevents slum and blighting effects and provides for economic development to the Downtown Redevelopment District.

B. While **KEDB** has funds contributed herein, it will prepare and submit to **CITY** an annual report describing its progress in the program.

C. **KEDB** will maintain books, records and documents in accordance with accounting procedures and practices which sufficiently and properly reflect all expenditures of funds provided by **CITY** under this Agreement.

D. **KEDB** will make all records/reports readily available for inspection by **CITY**, or any of its duly

authorized representatives for the purpose of making audit, examination, excerpts and transcriptions.

**SECTION III
OTHER REQUIREMENTS**

A. **KEDB**, in compliance with Title VI of the Civil Rights Act of 1964 and of the Housing and Community Development Act of 1974, agrees that no person shall on the grounds of race, color, national origin, sex, or age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any activity funded in whole or in part these funds.

B. To the extent allowed by state law **KEDB** agrees that it will indemnify and hold **CITY** harmless from and against any and all claims, damages, liabilities and expenses, including attorney fees and court costs arising out of or in connection with this Agreement or due to the failure of **KEDB** to comply with any and all statutes and regulations applicable under this Agreement.

IN WITNESS WHEREOF, the parties have by their duly authorized representatives set out their signatures.

CITY OF KINGSPORT

JOHN CLARK, Mayor

Date

ATTEST:

APPROVED TO AS TO FORM:

JAMES H. DEMMING, City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

**INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF
KINGSPORT, TENNESSEE**

BILL DUDNEY, Chair

Date



AGENDA ACTION FORM

Enter into a Materials Agreement with Danny Karst Related to Edinburgh South Phase I Development and an Ordinance to Appropriate the Funds

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

Action Form No.: AF-293-2016
Work Session: October 31, 2016
First Reading: November 1, 2016

Final Adoption: November 15, 2016
Staff Work By: R. McReynolds
Presentation By: R. McReynolds

Recommendation:

Approve the ~~Resolution~~ and Ordinance.

Executive Summary:

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

Pursuant to the policy, Danny Karst has requested that his proposed development, Edinburgh South Phase I, be allowed to participate in the materials agreement program. The total amount of the agreement is proposed at \$36,694.42 for a new twenty three (23) lot development.

To date, including this development, the program has supported 835 new/proposed lots within the City of Kingsport. Of those lots, 392 Building Permits and 323 Certificates of Occupancy have been issued to date.

Attachments:

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

Funding source appropriate and funds are available: *JF*

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



AGENDA ACTION FORM

Enter into a Materials Agreement with Danny Karst Related to Edinburgh South Phase I Development and an Ordinance to Appropriate the Funds

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

Action Form No.: AF-293-2016
Work Session: October 31, 2016
First Reading: N/A

Final Adoption: November 1, 2016
Staff Work By: R. McReynolds
Presentation By: R. McReynolds

Recommendation:

Approve the Resolution and Ordinance.

Executive Summary:

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

Pursuant to the policy, Danny Karst has requested that his proposed development, Edinburgh South Phase I, be allowed to participate in the materials agreement program. The total amount of the agreement is proposed at \$36,694.42 for a new twenty three (23) lot development.

To date, including this development, the program has supported 835 new/proposed lots within the City of Kingsport. Of those lots, 392 Building Permits and 323 Certificates of Occupancy have been issued to date.

Attachments:

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

Funding source appropriate and funds are available: _____

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

RESOLUTION NO. _____

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

WHEREAS, pursuant to the Materials Agreement Policy as set forth in Resolution 2007-084, Danny Karst would like to enter into a Materials Agreement for the provision of certain water and sewer materials by the city for Edinburg South Phase I, a 23 lot development; and

WHEREAS, the total amount of the agreement as proposed is \$36,694.42;

Now, therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney, a Materials Agreement with Danny Karst to provide certain water and sewer materials by the city for Edinburg South Phase I, in the amount of \$36,694.42, and the mayor is further authorized and directed to execute all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 1st day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE WATER AND SEWER PROJECT FUNDS BY TRANSFERRING FUNDS TO THE EDINBURGH SOUTH PHASE 1 MATERIALS AGREEMENT PROJECTS (WA1785 AND SW1785); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the Water Fund project and the Sewer Fund project budgets be amended by decreasing the funds transferred from the Water Fund operating budget by \$17,653 and by decreasing the funds transferred from the Sewer Fund operating budget by \$15,858 to the Edinburgh South Phase 1 projects (WA1785 and SW1785) to fund the materials agreement.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
<u>Water Project Fund:451</u>			
<u>Edinburgh South Phase 1 (WA1785)</u>			
<u>Revenues</u>			
451-0000-391-4500 From the Water Fund	0	17,653	17,653
Totals:	0	17,653	17,653
<u>Expenditures:</u>			
451-0000-605-9003 Improvements	0	17,653	17,653
Totals:	0	17,653	17,653

<u>Account Number/Description:</u>			
<u>Sewer Project Fund:452</u>			
<u>Edinburgh South Phase1 (SW1785)</u>			
<u>Revenues</u>			
452-0000-391-4200 From the Sewer Fund	0	15,858	15,858
Totals:	0	15,858	15,858
<u>Expenditures:</u>			
452-0000-606-9003 Improvements	0	15,858	15,858
Totals:	0	15,858	15,858

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: _____

MATERIALS AGREEMENT

This AGREEMENT, made and entered into on this 1st day of November, 2016, by and between Danny Karst, hereinafter "Developer", and the City of Kingsport, Tennessee, a municipal corporation, hereinafter "City".

WITNESSETH:

1. The Developer has subdivided a tract of land known as Edinburgh South Phase I, and preliminary approval having been heretofore granted by the Planning Commission.
2. The plans for the proposed water and sewer line improvement of the subdivided property have been submitted to and approved by the City of Kingsport, City Engineer and will require 2,122 LF of sewerline and 735 LF of waterline to construct.
3. The estimated cost of the materials listed in paragraph 2 above is approximately \$36,694.42. The Developer will purchase this material from the City for use for construction pursuant to this contract only.
4. The Developer will install the lines according to City's specifications, and will pay all costs for installation of all mains, valves, hydrants and other appurtenances, and will furnish the City "as built" drawings showing the cost lists of all pipe fittings, as well as their exact location.
5. The Developer, upon completion of the work and acceptance by the City, will tender to the City an instrument conveying unencumbered ownership of the lines and easement over and under the land where said lines are laid. Once this conveyance has been made and all the permits needed have been issued, all the inspections completed and passed, and all the payments have been made to the City by the Developer, the City will cause the said line to be connected to the main distribution line of the City.
6. The Developer will reimburse the City for any materials or engineering work required not covered by this agreement.
7. Prior to any reimbursement by the City to the Developer, the Developer will cause the property to be completely annexed into the corporate limits of the City.
8. The Developer will save the City harmless from any and all responsibility for laying any lines, etc., on or across any private premises not dedicated to public use.
9. The Developer will pay the City for the materials listed above and supplied by the City, and upon completion of the laying of water and sewer lines according to specification of and the plans approved by the City, and upon the Developer fully performing all the requirements contained in this agreement the City will reimburse the Developer for the amount paid to the City for the pipe purchased and used in the subdivision, less state and local sales tax.
10. The purpose of this agreement is to reimburse the Developer for 100% of cost of the water and sewer material, less state and local sales tax, with said materials being purchased from the City, and reimbursement for the cost of the materials being made to the Developer subject to the satisfactory completion of all terms of this agreement including complete annexation of the property into the corporate limits of the City.
11. It is understood that the Developer will do any and all ditching, laying of the pipelines, and any and all other work that may be necessary to meet the specifications of the City.
12. Any unused materials acquired by the Developer from the City will be returned to the City and the costs of such material, if returned undamaged, will be credited to the Developer.

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

Developer

John Clark, Mayor

Attest:

Approved as to form:

James Demming, City Recorder

J. Michael Billingsley, City Attorney

Materials Agreement

Project: Edinburgh South
 Date: October 28, 2016
 Developer: _____

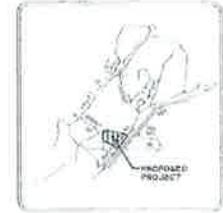
Water line		Anticipated		Estimated	
Item #	Item description	Units	U/M	Price	Total
41864	8" DI pipe	41.00	lts	\$277.56	\$11,379.96
42120	4' bury hydrant	1.00	ea	\$1,286.50	\$1,286.50
42325	6" gate valve	1.00	ea	\$423.30	\$423.30
41829	8" MJ DI acc. Kit	6.00	ea	\$14.28	\$85.68
43032	8x8x8 anchoring tee	1.00	ea	\$81.66	\$81.66
42335	8" MJ gate valve	1.00	ea	\$674.10	\$674.10
43031	8x8x6 anchor tee	1.00	ea	\$103.37	\$103.37
40835	8" joint restraint kit	6.00	ea	\$36.07	\$216.42
41871	8" romac alpha cap w/2" tap	2.00	ea	\$183.30	\$366.60
42732	Midstate meter box/lid	20.00	st	\$40.00	\$800.00
40401	straight linsetter	20.00	ea	\$111.77	\$2,235.40
Building code					
	Receipt To:				
Subtotal:	451-0000-208-1250				\$17,652.99
Sales Tax:	451-0000-207-0201			9.50%	\$1,677.03
Project #	WA1785			Water Total:	\$19,330.02
	Expense To:				
Water acct. #	451-0000-605-9003				



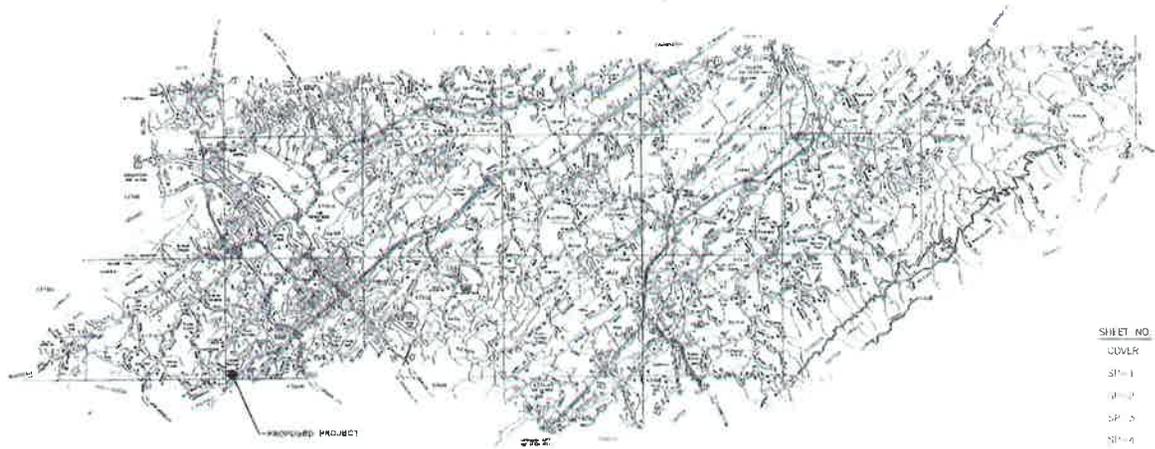
EDINBURGH SOUTH - PHASE 1

THE EDINBURGH GROUP, LLC.

KINGSPORT, SULLIVAN COUNTY, TENNESSEE



LOCATION MAP
N.T.S.



SULLIVAN COUNTY
TENNESSEE

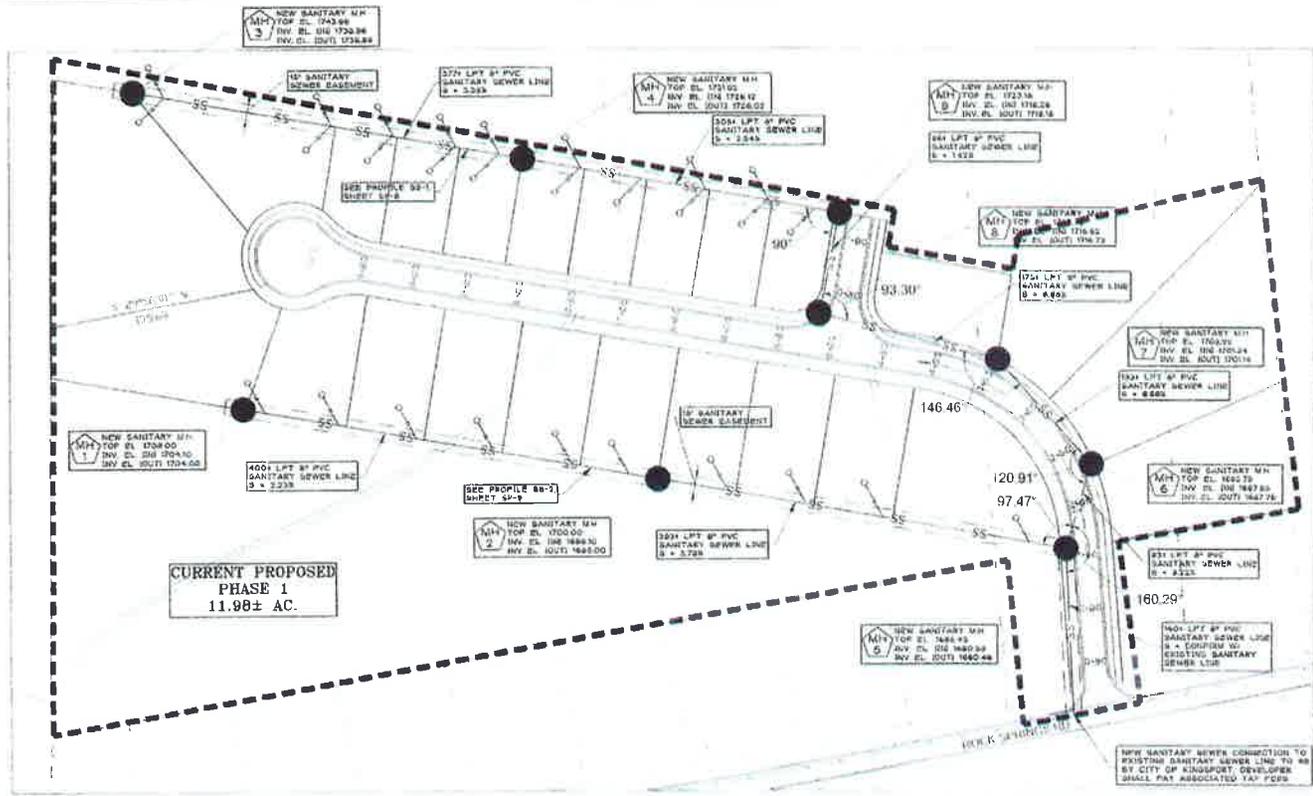
INDEX OF SHEETS

SHEET NO.	SHEET TITLE
COVER	COVER
SP-1	ROADWAY AND SIDEWALK DETAILS
SP-2	SITE ROADWAY LAYOUT AND STABILIZ. PLAN
SP-3	SITE GRADING AND STORM SEWER UTILITIES PLAN
SP-4	STREET PROFILES AND UTILITIES PROFILES - STORM SEWER
SP-5	SITE STORM DETAILS
SP-6	SANITARY SEWER UTILITIES PLAN
SP-7	STREET PROFILES AND UTILITIES PROFILES - SANITARY SEWER
SP-8	SITE UTILITIES PROFILES - SANITARY SEWER
SP-9	SITE UTILITIES PROFILES - SANITARY SEWER
SP-10	SITE UTILITIES DETAILS - SANITARY SEWER
SP-11	WATER UTILITIES PLAN
SP-12	SITE UTILITIES DETAILS - WATER
SP-13	EROSION CONTROL PLAN
SP-14	EROSION CONTROL DETAILS
SP-15	SWPPP NARRATIVE AND SEEDING SCHEDULES



**SPODEN & WILSON
CONSULTING ENGINEERS**
398 EAST CENTER STREET, SUITE 2
KINGSPORT, TENNESSEE 37880
Phone: (423) 245-1181 Fax: (423) 246-0652
email: sweng@spodenwilson.com

SET NO. _____
DATE: 08-16-2016
FILE NO.: 1809D



CURRENT PROPOSED
PHASE 1
11.98± AC.

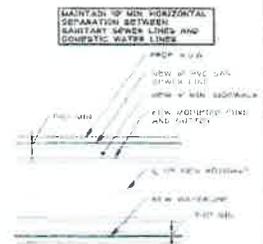
SANITARY SEWER UTILITIES PLAN
1" = 50'

- NOTES:**
1. SANITARY SEWER PIPING TO BE ASTM 2024 CLASS PVC III ACCORDANCE WITH THE CITY OF KINGSPORT, TENNESSEE STANDARDS.
 2. PROVIDE TWO-WAY SANITARY SEWER CONNECTIONS AT EDGE OF EACH BASEMENT LINE.
 3. ALL 8" SANITARY SEWER LATERALS TO BE 4" OF MIN. DEPTH AT PROPERTY LINE, TYP.
 4. TYPICAL PROFILES MUST BE SHOWN IN ACCORDANCE WITH CITY OF KINGSPORT SPECIFICATIONS FOR PRELIMINARY AND LARGER LINES TO 3" LINE BEFORE FINAL PLAN IS SUBMITTED FOR SANITARY SEWER, PLANNING CITY OF KINGSPORT SEWER DEPARTMENT TAB-SUB-TT BRANCHES OF ALL MANHOLE LOCATIONS AND LINE LOCATIONS AND MEASUREMENTS IN AUTOCAD FORMAT TO KARK / DIGITAL PUBLISH.

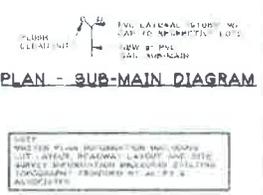
EDINBURGH SOUTH PHASE 1
SANITARY SEWER CHART

Manhole #	MH Type	MH Depth	Top Elev.	Invert In	Invert Out	Northing (N)	Easting (E)	MH Connection	Degree of Separation
MH 1	Manhole	4.00	1701.00	1701.00	1701.00	173448.12	201622.75	8" PVC	0
MH 2	Manhole	3.00	1700.00	1699.00	1699.00	173448.12	201622.75	8" PVC	0
MH 3	Manhole	4.00	1702.00	1702.00	1702.00	173448.12	201622.75	8" PVC	0
MH 4	Manhole	4.00	1702.00	1702.00	1702.00	173448.12	201622.75	8" PVC	0
MH 5	Manhole	4.00	1702.00	1702.00	1702.00	173448.12	201622.75	8" PVC	0
MH 6	Manhole	4.00	1702.00	1702.00	1702.00	173448.12	201622.75	8" PVC	0
MH 7	Manhole	4.00	1702.00	1702.00	1702.00	173448.12	201622.75	8" PVC	0
MH 8	Manhole	4.00	1702.00	1702.00	1702.00	173448.12	201622.75	8" PVC	0

TYP. SANITARY SEWER LINE AND WATERLINE LAYOUT



PLAN - SUB-MAIN DIAGRAM



- PROVIDE THE CHOICE OF 4\"/>

ALL SANITARY SEWER LINES THIS SHEET PHASE 1 ARE 8\"/>

NOTE: PROVIDE 1/4\"/>

ALL SANITARY SEWER PIPING MATERIALS, BEDDING AND APPURTENANCES SHALL BE STRICTLY IN CONFORMANCE WITH CITY OF KINGSPORT, TENNESSEE STANDARD PUBLIC WORKS SPECIFICATIONS.

FOR SANITARY SEWER LINES OF SLOPE GREATER THAN 1/4\"/>

SPODEN & WILSON
CONSULTING ENGINEERS
508 EAST CENTER STREET, SUITE 2
KINGSPORT, TENNESSEE 37629
Phone: (423) 544-1181 Fax: (423) 544-0882
www.spodenwilson.com email: sww@spodenwilson.com

EDINBURGH - SOUTH PHASE 1

PROJECT: **THE EDINBURGH GROUP, LLC**

DATE: 04/16/2024

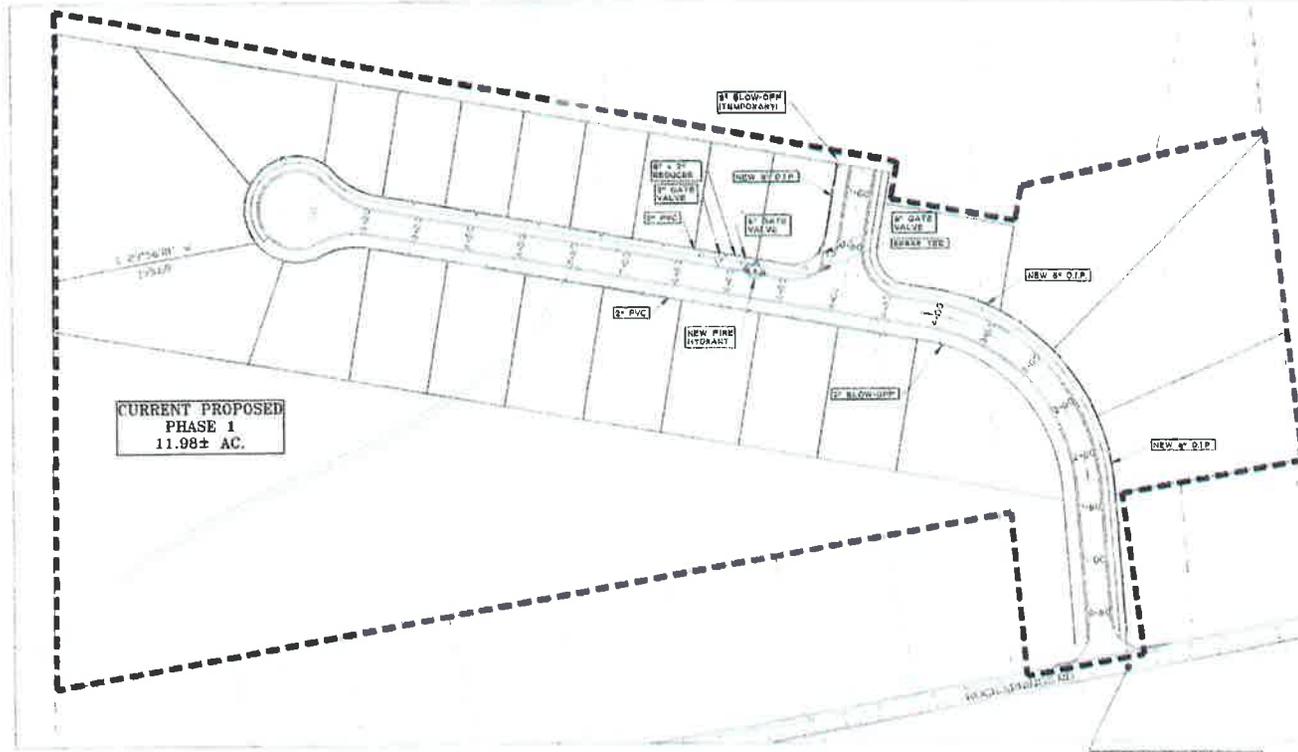
FILE NO: 2416

SHEET TITLE: **SANITARY SEWER UTILITIES PLAN AND WATER UTILITIES PLAN**

DATE: 04/16/2024

FILE NO: 2416

SP-6



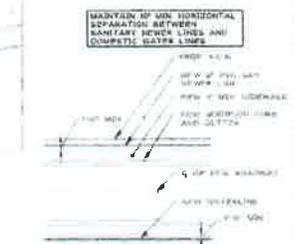
CURRENT PROPOSED
PHASE 1
11.98± AC.

WATER UTILITIES PLAN
1" = 50'

NOTES:

1. ALL WATERLINES TO BE 2" MIN BELOW FINISH GRADE. CONFIRM ELEVATIONS W/ OTHER UTILITIES. ALL WATERLINES 3" THRU 10" TO BE DUCTILE IRON PVC PIPE. 12" IS CLASS 200 PRESSURE RATED CONFORMING TO ASTM D2151. ALL PIPE MUST BEAR THE NATIONAL SANITATION FOUNDATION TESTING LABORATORY, INC. MARK OF APPROVAL FOR POTABLE WATER OR AN APPROVED EQUAL.
2. CITY OF KINGSBPORT WILL FURNISH WITH TWO WEEKS NOTICE ALL WATER SETTERS AND METER BOXES FOR WATER SERVICES. DEVELOPER IS REQUIRED TO INSTALL ALL SERVICES. ALL WATER SERVICES TO BE FIELD LOCATED. ALL TAPS ARE TO BE MADE UNDER DENSITY AREAS BUT UNDER APPROVAL OR CONSENT. ALL WATER SERVICES TO BE LOCATED SO THAT THEY WILL NOT BE LOCATED IN DRIVEWAYS AND METERS THAT NEED TO BE MOVED LATER MUST BE MOVED AT DEVELOPER'S COST.
3. CITY OF KINGSBPORT WATER SERVICES DIVISION WILL TAP EXISTING LINE, IF EXIST. DEVELOPER MUST reimburse THE CITY ALL ITEMS USED IN TAP WITHIN FOUR WEEKS OF MAKING THE TAP. TOOL STANDARDS FOR DISINFECTION OF NEWLY INSTALLED WATERLINES MUST BE FOLLOWED.
4. METALLIC JOINT RESTRAINTS SHALL BE USED AT ALL VALVES AND FITTINGS WITHOUT EXCEPTION AND SHALL BE INSTALLED AS SPECIFIED BY THE MANUFACTURER. THROAT BLOCKING SHALL BE USED IN CONNECTION WITH MEDICAL GAS WHERE APPROPRIATE. THROAT BLOCKING SHALL BE INSTALLED AS SHOWN AND SPECIFIED IN THE STANDARD DETAILS PROVIDED IN THE CONTRACT DRAWINGS.
5. ALL BLOW-UPS SHALL BE LOCATED IN 8" MIN. OR WITHIN DESIGNATED BASEMENT.
6. SERVICE FINAL PLAT TO BE SIGNED FOR WATER, FURNISH CITY OF KINGSBPORT WATER DEPARTMENT. AS-BUILT DRAWINGS OF ALL VALVES, HYDRANTS, BLOW-UPS, ETC. AND MEASUREMENTS IN AUTOCAD FORMAT IN DWG & DIGITAL FORMAT.

NOTE:
ALL PIPING CLEANOUTS IDENTIFIED IN PLAN ARE TO BE PLACED WITHIN OR ON THE PUBLIC ROW. ELEV. PLAN SHOW DETAIL FOR GRAPHICAL CLARITY ONLY.



TYP. SANITARY SEWER LINE AND WATERLINE LAYOUT



PLAN - SUB-MAIN DIAGRAM

NOTE:
NOTICE PLAN INFORMATION INCLUDING LOT LAYOUT, ROADWAY LAYOUT AND FILE SURVEY INFORMATION INCLUDING EXISTING TOPOGRAPHY PROVIDED BY ALL L.I.A. ASSOCIATES.



SPODEN & WILSON
CONSULTING ENGINEERS
308 EAST CENTER STREET, SUITE 2
KINGSBPORT, TENNESSEE 37840
Phone: (423) 245-1811 Fax: (423) 245-0852
email: enr@spodenwilson.com

EDINBURGH - SOUTH PHASE 1
KINGSBPORT
TENNESSEE
THE EDINBURGH GROUP, LLC
KINGSBPORT

WATER UTILITIES PLAN

DATE	FILE NO.
08-10-2018	18800
NO.	REVISION
	DATE

SP-11

City of Kingsport
MATERIALS AGREEMENT

Developer	Development	Proposed Lots/Development	Agreement Amt.	Date	Bldg. Permits	CO's	Status
Butch Rose	Hillcrest Heights	6	\$5,140.09	06/19/07	3	3	Closed
	Windridge Phase IV	40	\$92,202.29	04/15/08	12	7	Closed
Jeff McKee	Settler's Ridge Phase I	41	\$45,344.29	03/20/07	Total of 7	7	Closed
	Settler's Ridge Phase II	7	\$18,822.89	11/06/07			Closed
Edinburgh Group LLC	Edinburgh Phase I, Section 1	32	\$42,867.62	02/19/07	Total of 144	111	Closed
	Edinburgh Phase I, Section 2	15	\$25,205.92	04/17/07			Closed
	Edinburgh Phase 2, Section 1A	6	\$2,852.48	02/02/10			Open
	Edinburgh Phase 2, Section 2	6	\$11,976.02	11/16/10			Open
	Edinburgh Phase 2, Section 2B	11	\$9,472.85	10/18/11			Closed
	Edinburgh Phase 2, Section 2C	14	\$20,128.29	04/03/12			Closed
	Edinburgh Phase 2, Section 2E	8	\$25,177.34	10/02/12			Closed
	Edinburgh Phase 2, Section 2F	9	\$19,382.60	05/07/13			Closed
	Edinburgh Phase 4	17	\$65,033.97	07/24/13			Closed
	Edinburgh Phase V	12	\$51,965.42	10/7/2014			Closed
	Edinburgh Phase VII	20	\$27,552.51	6/2/2015			Closed
	Edinburgh South Phase I	23	\$36,694.42	11/1/2016			Open
Jerry Petzoldt	Old Island Phase II	59	\$118,027.86	05/06/08	26	24	Closed
Jim Nottingham	Riverwatch	29	\$47,605.13	04/15/08	3	3	Closed
Harold Stemp & Jack McMurray	Villas at Andover - Polo Fields	104	\$76,522.72	08/07/07	35	28	Closed
George Hunt	Hunts Crossing Phase II	22	\$18,375.20	04/15/08	5	5	Closed
Rob McLean	Anchor Point	80	\$72,552.51	07/15/08	32	23	Closed
	Anchor Point - Topsail Court	Included in Anchor Point	\$3,816.08	08/05/08		0	Closed
	Stapleton Dr Phase I	7	\$8,757.81	08/19/08	4	4	Closed
Ken Bates	Chase Meadows Phase I	15	\$39,418.91	07/15/08	Total of 34	33	Closed
	Chase Meadows Phase II	87	\$68,096.96	08/19/08			Closed
Terry Orth	Autumn Woods Phase I	19	\$30,628.25	10/07/08	19	19	Closed
	Autumn Woods Phase II	51	\$97,091.46	09/01/09	41	40	Closed
Gary Alexander	Riverbend Phase I	15	\$65,938.71	02/03/09	10	0	Closed
	Riverbend - Epcon Phase II	9	\$33,171.54	02/01/11			Closed
Leonard & Cynthia Gerber	St. Andrew's Garth Phase I	40	\$34,049.03	03/16/10	8	8	Closed
Jane Karst	Jane Karst Subdivision	4	\$4,100.78	09/20/11			Closed
M & M Builders	Brookton Park Subdivision	7	\$2,145.88	09/20/11	7	7	Closed
Vic Davis	The Summitt at Preston Park Ph. 3	20	\$79,327.82	12/03/13	2	1	Closed
	TOTAL	835	\$1,299,445.65		392	323	

Revised 10/28/16



AGENDA ACTION FORM

Award Contract for the Meadowview Conference Center Renovations Project

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

Action Form No.: AF-298-2016
Work Session: November 14, 2016
First Reading: N/A

Final Adoption: November 15, 2016
Staff Work By: D. Mason
Presentation By: C. McCart

Recommendation:

Approve the Resolution.

Executive Summary:

The city has recently completed the Executive Conference Center at the Meadowview Hotel and Convention Center, and Eastman has completed an expansion of the hotel facility and a renovation of the main lobby area. As a result, the interior finishes of the convention center and meeting room portion of the facility now need renovation to coordinate with the new finishes in the hotel and conference center facilities

The project consists of interior renovations, including new furnishings, to two ballrooms, four conference rooms, two meeting rooms, two boardrooms, an amphitheater, and associated galleries and pre-function spaces totaling approximately 43,000 square feet.

Bids for renovations were opened on November 3, 2016. Staff recommends awarding the contract to the low bidder, GRC Construction. The construction cost is as follows:

Base Bid:	\$1,972,000.00
Alternate 1 – Replace Air Walls:	\$331,000.00
Alternate 2 – Replace Door Hdwr:	\$130,000.00
Alternate 4 – Main Restrooms:	\$128,000.00
Alternate 5 – Mtg. Restrooms:	\$87,000.00
Alternate 6 – Entry Vestibule:	\$63,000.00
Contingency (6%):	<u>\$162,660.00</u>
Total:	\$2,873,660.00

Attachments:

- Contract Award Resolution
- Bid Tabulation

Funding source appropriate and funds are available: *js*

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

RESOLUTION NO. _____

A RESOLUTION AWARDING A CONTRACT FOR THE CONSTRUCTION OF MEADOWVIEW CONFERENCE CENTER RENOVATIONS TO GRC CONSTRUCTION AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT FOR SAME AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, bids were opened on November 3, 2016, for the Meadowview Conference Center Renovations project; and

WHEREAS, upon review of the bids, the board finds GRC Construction is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into a contract for renovations to the Meadowview Conference Center; and

WHEREAS, the project will include the base bid, alternate 1 – replace air walls, alternate 2 – replace door hardware, alternate 4 main restrooms, alternate 5 – meeting restrooms, and alternate 6 – entry vestibule; and

WHEREAS, the total amount of the construction contract is \$2,711,000.00; and

WHEREAS, funding is identified in project number MV1600.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN as follows:

SECTION I. That the bid for the construction of Meadowview Conference Center Renovations, including the base bid, alternate 1, alternate 2, alternate 4, alternate 5, and alternate 6, in the amount of \$2,711,000.00 is awarded to GRC Construction Company.

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 agreement for the construction of Meadowview Conference Center Renovations and all other documents necessary and proper to effectuate the purpose of the amendment.

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 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES
BID OPENING
November 3, 2016
4:00 P.M.

Present: Sandy Crawford, Procurement Manager; David Mason, Engineering; and Chris McCartt, Assistant City Manager, Administration

The Bid Opening was held in the Council Room, City Hall.

The Procurement Manager opened with the following bids:

MEADOWVIEW CONFERENCE CENTER RENOVATIONS							
Vendor:	Base Bid:	Alt. #1:	Alt. #2:	Alt. #3:	Alt. #4:	Alt. #5:	Alt. #6:
GoinsRashCain, Inc.	\$1,972,000.00	\$331,000.00	\$130,000.00	\$101,000.00	\$128,000.00	\$87,000.00	\$63,000.00

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



AGENDA ACTION FORM

Issue a Purchase Order to Walton Signage for Wayfinding Sign Program Upgrades

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

Action Form No.: AF-301-2016
Work Session: November 14, 2016
First Reading: NA

Final Adoption: November 15, 2016
Staff Work By: T. Elsea
Presentation By: R. McReynolds / C. McCart

Recommendation:
Approve the Resolution.

Executive Summary:

As part of the Visitor Enhancement Program (VEP), the City of Kingsport and Kingsport Convention & Visitors Bureau (KCVB) has implemented a comprehensive wayfinding sign program to improve a visitor's ability to navigate to tourist-oriented destinations and sports venues. VEP is funded by hotel-motel tax; so the wayfinding program is funded by those who benefit most, not by city property or sales tax payers. KCVB will provide ongoing administration for the program (deciding the eligibility for inclusion on future signs, replacement signs, etc.). This resolution is to continue moving forward with these efforts by issuing a purchase order to Walton Signage in the amount of \$59,780.00 to upgrade existing wayfinding signs. The existing wayfinding signs were purchased from Walton Signage, based on the bids received February 26, 2014. The bid documents included a provision for subsequent year pricing for a period of two years and three years, which Walton Signage bid the additional years with no price increase for any additional purchases in that time frame. Since there is no increase in the pricing offered in the bid of February 26, 2014 and for consistency purposes, it is recommended to purchase the replacement signs from Walton Signage. This upgrade includes sign face replacement due to destinations / attractions either added or moved, and the City will continue installing the signs.

Funding is available and identified in 135-1015-405-9003.

Attachments:

- 1. Resolution

Funding source appropriate and funds are available: 

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

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO
EXECUTE A PURCHASE ORDER FOR WAYFINDING SIGNS TO
WALTON SIGNAGE**

WHEREAS, the city, as part of the Visitor Enhancement Program (VEP), has implemented a wayfinding sign program to improve a visitor's ability to navigate to tourist-oriented destinations and sports venues; and

WHEREAS, the city would like to continue the program with the upgrade existing wayfinding signs; and

WHEREAS, the existing wayfinding signs were purchased from Walton Signage, based on the bids received February 26, 2014, which included a provision for subsequent year pricing for a period of two years and three years, which Walton Signage bid the additional years with no price increase for any additional purchases in that time frame; and

WHEREAS, the original wayfinding signs were purchased from Walton Signage, and for consistency purposes it is recommended to purchase the upgraded signs from them also; and

WHEREAS, in order to purchase the signs, a purchase order needs to be executed for Walton Signage in the amount of \$59,780.00, which includes sign face replacement due to destinations/attractions either added or moved, and the city will continue installing the signs; and

WHEREAS, funding is available and identified in 135-1015-405-9003.

Now therefore,

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

SECTION I. That the city manager is authorized to execute a purchase order to Walton Signage for the purchase of wayfinding signs in the amount of \$59,780.00.

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

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

ADOPTED this the 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Authorization to Purchase Phase II Furnishings for DB-Excel

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

Action Form No.: AF-303-2016
Work Session: November 14, 2016
First Reading: N/A

Final Adoption: November 15, 2016
Staff Work By: David Frye/ Shanna Hensley
Presentation By: David Frye/ Shanna Hensley

Recommendation:

Approve the Resolution.

Executive Summary:

In preparation for the opening of the new D-B Excel, KCS has been working with Workspace Interiors to purchase furnishings for this project. DB Excel Phase 2 furnishings will be purchased through a contract with the "National Joint Powers Alliance" (NJPA). The City of Kingsport is a member of this alliance, so bidding is not required. In addition to the National Joint Powers Alliance pricing, an additional discount has been offered to Kingsport City Schools for participating in an active learning pilot classroom program. The total amount of the Phase 2 purchase with NJPA pricing and pilot discount is \$74,663.80. The Board of Education approved the DB Excel Phase 2 furniture purchase on November 1, 2016, contingent upon BMA approval. The Board of Mayor and Aldermen is being asked to approve this purchase.

These funds were budgeted in the FY 2017 operating budget.

Attachments:

1. Resolution
2. Workspace Interiors Quote
3. Active Learning Pilot Classroom Agreement

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

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH STEELCASE, INC. AND WORKPLACE INTERIORS, INC.; AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTATE THE PURPOSE OF THE AGREEMENT; AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR FURNITURE FOR THE DB EXCEL PROGRAM TO WORKPLACE INTERIORS FOR THE KINGSPORT CITY SCHOOLS

WHEREAS, the Kingsport City Schools would like to purchase furnishings as attached "Workspace Interiors Quotation" for the staff and students at the DB Excel facility; and

WHEREAS, this is the second of two phases; and

WHEREAS, the total cost of the furnishings for Phase 2 is \$74,663.80; and

WHEREAS, the city is a member of National Joint Powers Alliance (NJPA), a cooperative purchasing group that allows the city to purchase goods and services directly from holders of contracts with the network without conducting the bidding process, as authorized by T.C.A. Section 12-3-1009; and

WHEREAS, the city also received an additional discount by participating in an active learning pilot classroom program; and

WHEREAS, the Active Learning Pilot Classroom Agreement set out herein below must be executed by the mayor; and

WHEREAS, in order to purchase the furnishings, a purchase order must to be executed to Workspace Interiors in the amount of \$74,663.80; and

WHEREAS, funding is available in account number 141-7650-871-0790.

Now therefore,

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

SECTION I. That an Active Learning Pilot Classroom Agreement with Steelcase, Inc. and Workspace Interiors, Inc. 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 Active Learning Pilot Classroom Agreement with Steelcase, Inc. and Workspace Interiors, Inc. and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution, said agreement being as follows:

ACTIVE LEARNING PILOT CLASSROOM AGREEMENT

City of Kingsport, for its Kingsport City Schools, Steelcase Inc. (Steelcase) and Workspace Interiors, Inc. establish the following terms and conditions to govern the development of an Active Learning Pilot Classroom.

In exchange for Steelcase and Workspace Interiors' commitment to provide to the Kingsport City Schools introductory pricing for Steelcase product for the active learning classroom, City of Kingsport, for its Kingsport City Schools agrees to the following:

- Kingsport City Schools to pilot an active learning classroom that supports 21st Century learning.
- Design review to be completed by the Steelcase Education design team prior to order entry.
- Kingsport City Schools to identify instructor or instructors who will be using the pilot classroom. These instructors will participate in an active learning orientation designed to ensure each instructor is fully prepared to utilize the new space. The orientation schedule is as follows :
 - o 60 minute webinar prior to installation
 - o Approximately 4 hours of planning on their own based on webinar
 - o Onsite follow up with a Steelcase Regional Education Leader, preferably during first week after installation to help troubleshoot and provide support
- Students and instructors are requested to participate in post-occupancy evaluation survey to provide benchmarks and feedback in user satisfaction and student engagement. Survey is to be administered 6-8 weeks after move in. If release forms are required for student participation in the survey, the school is requested to obtain permissions prior to receiving the survey.
- Allow Steelcase and Workspace Interiors, Inc. to visit the space during the pilot experience at mutually agreed upon dates and times.
- Product solution must include Node and/or Verb and may also include eno Flex, eno Click, eno Play, Cobi, Cachet, buoy, Campfire, and alight.

***Please reference the Workspace Interiors cover letter dated October 6, 2016, and the following exhibits for additional information.**

Exhibit A: Workspace Interiors, Inc. Quotation#26247 to Kingsport City Schools dated 10/4/2016

Exhibit B: Workspace Interiors, Inc. Quotation#2634 1to Kingsport City Schools dated 10/4/2016

Exhibit C: Draft Version of the evaluation survey

Exhibit D: Draft version of this agreement

Please acknowledge your acceptance of this Letter of Understanding by having an authorized representative of your school system sign in the space provided below. Offer expires after six (6) months from date of Steelcase signature below.

[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 city manager is authorized and directed to execute a purchase order to Workspace Interiors for Phase 2 of furnishings as set out in the attached "Workspace Interiors Quotation" (Exhibit 1) for the staff and students at the DB Excel facility for the Kingsport City School system.

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 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



TRI CITIES TN
 200 E main street | ste 400 | kingsport tn 37660
 Knoxville TN
 2520 middlebrook park | ste 104 | knoxville tn 37921
 00 Box 809 | kingsport tn 37662
 423.392.2600 | 423.392.2601 | www.workspaceinteriors.com

Quotation

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

QUOTE TO:

SHIP TO:

Kingsport City Schools
 Elaine Minton
 400 CLINCHFIELD ST # 200
 Suite 200
 Kingsport, TN 37660-3687

Kingsport City Schools
 Elaine Minton
 400 CLINCHFIELD ST # 200
 Suite 200
 Kingsport, TN 37660-3687

P: 1.423.378.2100

P: 1.423.378.2100

F: 1.423.378.2192

F: 1.423.378.2192

Terms: Net 30 Days

Sales Loc.: CORPORATE OFFICE

exhibit a

Pilot for DB Excel

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
Quote includes product and freight. Quote is priced using National Joint Power Alliance Contract number 031715-STI with an additional discounting applied for the one time Pilot. Quote shows list pricing and sell price				
1	2	490412P STEELCASE MOVE; CHAIR, PLASTIC SEAT / BACK, ARMS, GLIDES FRAME :4799 PLATINUM METALLIC SEAT :6009 ARCTIC WHITE SHELL :6009 ARCTIC WHITE OPTIONS * * OPTIONS * * GLIDES *OPT:GLIDES SOFT GLD SOFT GLIDES Tag For: ASSISTANT PRINCIPAL 3438	354.00 106.20 70.00%	708.00
2	1	M1140054 STEELCASE 110 SERIES; MARKERBOARD, ALUMINUM TRIM, 60W X 48H SURFACE :7655 E3 ENVIRONMENTAL CERAMICSTEEL Tag For: ASSISTANT PRINCIPAL 3438	421.00 168.40 60.00%	421.00
3	12	490710P STEELCASE	519.00	6,228.00

Accepted by _____ Title _____ Date _____

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
		MOVE; STOOL, PLASTIC SEAT / BACK, NO ARMS, GLIDES FRAME :4799 PLATINUM METALLIC SEAT :6335 WASABI SHELL :6009 ARCTIC WHITE OPTIONS * * OPTIONS * * GLIDES *OPT:GLIDES SOFT GLD SOFT GLIDES Tag For: CAFETERIA 3441	155.70 70.00%	
4	20	490410P STEELCASE	295.00	5,900.00
		MOVE; CHAIR, PLASTIC SEAT / BACK, NO ARMS, GLIDES FRAME :4799 PLATINUM METALLIC SEAT :6333 PICASSO SHELL :6337 ELEMENT OPTIONS * * OPTIONS * * GLIDES *OPT:GLIDES SOFT GLD SOFT GLIDES Tag For: CAFETERIA 3441	88.50 70.00%	
5	8	490410P STEELCASE	295.00	2,360.00
		MOVE; CHAIR, PLASTIC SEAT / BACK, NO ARMS, GLIDES FRAME :4799 PLATINUM METALLIC SEAT :6335 WASABI SHELL :6009 ARCTIC WHITE OPTIONS * * OPTIONS * * GLIDES *OPT:GLIDES SOFT GLD SOFT GLIDES	88.50 70.00%	
6	6	490710P STEELCASE	513.00	3,078.00
		MOVE; STOOL, PLASTIC SEAT / BACK, NO ARMS, GLIDES FRAME :4799 PLATINUM METALLIC SEAT :6334 FLASH SHELL :6009 ARCTIC WHITE OPTIONS * * OPTIONS * * GLIDES *OPT:GLIDES HARD GLD STD:HARD GLIDES Tag For: CLASSROOM 3417	153.90 70.00%	
7	1	M1140084 STEELCASE	618.00	618.00
		110 SERIES; MARKERBOARD, ALUMINUM TRIM, 96W X 48H SURFACE :7655 E3 ENVIRONMENTAL CERAMICSTEEL	247.20 60.00%	

Accepted by _____ Title _____ Date _____

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
8	1	Tag For: CLASSROOM 3417 MLLCF STEELCASE LOUNGE-LEFT CORNER, MULTIPLE UPHOLSTERY FRONT SEAT / BACK GLIDE :4799 PLATINUM METALLIC SEAT :5999 MISC FABRIC THE DESIGNTEX GROUP PURCHASER: VENDOR PATTERN: RISE -3809 COLOR: POOL -403 DIRECTION: VERTICAL UPHOLSTERY:5999 MISC FABRIC THE DESIGNTEX GROUP PURCHASER: VENDOR PATTERN: RISE -3809 COLOR: STEEL -803 DIRECTION: VERTICAL OPTIONS * * OPTIONS * * ADD ON *OPT:ADD ON OPTIONS LEDGE LOUNGE - LEDGE OPTION LAM BP LEDGE - WITH LAM BACK PANEL BASIC BASIC (PRIMARY FINISH) PGI-SMTH *BASIC:SMOOTH PAINT 4849 VAPOR BACKPANL BACK PANEL LAMINATE *BACKPANL:LAMINATE FINISHES 2730 ARCTIC WHITE EDGE EDGE PLASTIC *EDGE:PLASTIC 6009 ARCTIC WHITE Tag For: CLASSROOM 3417	5,887.00 2,060.45 65.00%	5,887.00
9	1	Tag For: CLASSROOM 3417 MLRCF STEELCASE LOUNGE-RIGHT CORNER, MULTIPLE UPHOLSTERY FRONT SEAT / BACK GLIDE :4799 PLATINUM METALLIC SEAT :5999 MISC FABRIC THE DESIGNTEX GROUP PURCHASER: VENDOR PATTERN: RISE -3809 COLOR: POOL -403 DIRECTION: VERTICAL	5,887.00 2,060.45 65.00%	5,887.00

Accepted by _____ Title _____ Date _____

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
		UPHLSTRY:5999 MISC FABRIC THE DESIGNTEX GROUP PURCHASER: VENDOR PATTERN: RISE -3809 COLOR: STEEL -803 DIRECTION: VERTICAL OPTIONS * * OPTIONS * * ADD ON *OPT:ADD ON OPTIONS LEDGE LOUNGE - LEDGE OPTION LAM BP LEDGE - WITH LAM BACK PANEL BASIC BASIC (PRIMARY FINISH) PG1-SMTH *BASIC:SMOOTH PAINT 4849 VAPOR BACKPANEL BACK PANEL LAMINATE *BACKPANEL:LAMINATE FINISHES 2730 ARCTIC WHITE EDGE EDGE PLASTIC *EDGE:PLASTIC 6009 ARCTIC WHITE Tag For: CLASSROOM 3417		
10	1	MLSTF STEELCASE LOUNGE-STRAIGHT, MULTIPLE UPHOLSTERY FRONT SEAT / BACK GLIDE :4799 PLATINUM METALLIC SEAT :5999 MISC FABRIC THE DESIGNTEX GROUP PURCHASER: VENDOR PATTERN: RISE -3809 COLOR: POOL -403 DIRECTION: VERTICAL UPHLSTRY:5999 MISC FABRIC THE DESIGNTEX GROUP PURCHASER: VENDOR PATTERN: RISE -3809 COLOR: STEEL -803 DIRECTION: VERTICAL OPTIONS * * OPTIONS * * ADD ON *OPT:ADD ON OPTIONS LEDGE LOUNGE - LEDGE OPTION LAM BP LEDGE - WITH LAM BACK PANEL BASIC BASIC (PRIMARY FINISH)	5,248.00 1,836.90 65.00%	5,248.00

Accepted by _____ Title _____ Date _____

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
		PGI-SMTH *BASIC:SMOOTH PAINT 4849 VAPOR BACKPANL BACK PANEL LAMINATE *BACKPANL:LAMINATE FINISHES 2730 ARCTIC WHITE EDGE EDGE PLASTIC *EDGE:PLASTIC 6009 ARCTIC WHITE Tag For: CLASSROOM 3417		
11	8	434711 STEELCASE COBI; STOOL, SWIVEL BASE, FIXED ARM BACK :5023 WASABI PLASTIC :6249 PLATINUM SOLID UPHLS TRY:5S23 WASABI OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS HARD CST STD:HARD CASTERS OPT ACC *OPT:OPTIONAL ACCESSORIES Tag For: CLASSROOM 3418	1,190.00 357.00 79.00%	9,520.00
12	1	M1140084 STEELCASE 110 SERIES; MARKERBOARD, ALUMINUM TRIM, 96W X 48H SURFACE :7655 E3 ENVIRONMENTAL CERAMICSTEEL Tag For: CLASSROOM 3419	618.00 247.20 60.00%	618.00
13	1	M1140084 STEELCASE 110 SERIES; MARKERBOARD, ALUMINUM TRIM, 96W X 48H SURFACE :7655 E3 ENVIRONMENTAL CERAMICSTEEL Tag For: CLASSROOM 3420	618.00 247.20 60.00%	618.00
14	4	490410P STEELCASE MOVE; CHAIR, PLASTIC SEAT / BACK, NO ARMS, GLIDES FRAME :4799 PLATINUM METALLIC SEAT :6334 FLASH SHELL :6009 ARCTIC WHITE OPTIONS * * OPTIONS * * GLIDES *OPT:GLIDES HARD GLD STD:HARD GLIDES Tag For: CLASSROOM 3420	289.00 86.70 70.00%	1,156.00

Accepted by _____ Title _____ Date _____

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
15	3	490410P STEELCASE MOVE; CHAIR, PLASTIC SEAT / BACK, NO ARMS, GLIDES FRAME :4799 PLATINUM METALLIC SEAT :6335 WASABI SHELL :6009 ARCTIC WHITE OPTIONS * * OPTIONS * * GLIDES *OPT:GLIDES SOFT GLD SOFT GLIDES Tag For: COUNSELOR 3422	295.00 88.50 70.00%	885.00
16	2	M1140084 STEELCASE 110 SERIES; MARKERBOARD, ALUMINUM TRIM, 96W X 48H SURFACE :7655 E3 ENVIRONMENTAL CERAMICSTEEL Tag For: INSTRUCTOR DESIGN LAB	618.00 247.20 60.00%	1,236.00
17	18	480220 STEELCASE NODE; CHAIR, MID BACK, TRIPOD BASE, PERSONAL WORKSURFACE BASE :6249 PLATINUM SOLID PAINT :4799 PLATINUM METALLIC SHELL :6333 PICASSO SURFACE :6249 PLATINUM SOLID OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTIONS HARD CST HARD CASTERS CUPHLDER *OPT:CUP HOLDER OPTION CUP HLDR CUP HOLDER TBLTSTND *OPT:TABLET STAND OPTION STAND TABLET STAND Tag For: MAIN LEARN AREA	781.00 234.30 70.00%	14,058.00
18	16	480220 STEELCASE NODE; CHAIR, MID BACK, TRIPOD BASE, PERSONAL WORKSURFACE BASE :6249 PLATINUM SOLID PAINT :4799 PLATINUM METALLIC SHELL :6335 WASABI SURFACE :6249 PLATINUM SOLID OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTIONS HARD CST HARD CASTERS CUPHLDER *OPT:CUP HOLDER OPTION CUP HLDR CUP HOLDER	781.00 234.30 70.00%	12,496.00

Accepted by _____ Title _____ Date _____

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
19	22	TBLTSTND *OPT:TABLET STAND OPTION STAND TABLET STAND Tag For: MAIN LEARN AREA 480220 STEELCASE NODE; CHAIR, MID BACK, TRIPOD BASE, PERSONAL WORKSURFACE BASE :6249 PLATINUM SOLID PAINT :4799 PLATINUM METALLIC SHELL :6334 FLASH SURFACE :6249 PLATINUM SOLID OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTIONS HARD CST HARD CASTERS CUPHLDER *OPT:CUP HOLDER OPTION CUP HLDR CUP HOLDER TBLTSTND *OPT:TABLET STAND OPTION STAND TABLET STAND	781.00 234.30 70.00%	17,182.00
20	6	480240 STEELCASE NODE; STOOL, MID BACK, 5 ARM BASE BASE :6249 PLATINUM SOLID SHELL :6333 PICASSO OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTION HARD CST HARD CASTERS SEAT HGT *OPT:SEAT HEIGHT OPTION 8" RANGE STD:8" PNEU SEAT HEIGHT RANGE Tag For: MAIN LEARN AREA	709.00 212.70 70.00%	4,254.00
21	8	480240 STEELCASE NODE; STOOL, MID BACK, 5 ARM BASE BASE :6249 PLATINUM SOLID SHELL :6335 WASABI OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTION HARD CST HARD CASTERS	709.00 212.70 70.00%	5,672.00
22	36	480230 STEELCASE NODE; CHAIR, MID BACK, 5 ARM BASE BASE :6249 PLATINUM SOLID SHELL :6333 PICASSO OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTION HARD CST HARD CASTERS Tag For: MAIN LEARN AREA	448.00 134.40 70.00%	16,128.00

Accepted by _____ Title _____ Date _____

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
23	24	480230 STEELCASE NODE; CHAIR, MID BACK, 5 ARM BASE BASE :6249 PLATINUM SOLID SHELL :6335 WASABI OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTION HARD CST HARD CASTERS Tag For: MAIN LEARN AREA	448.00 134.40 70.00%	10,752.00
24	4	480230 STEELCASE NODE; CHAIR, MID BACK, 5 ARM BASE BASE :6249 PLATINUM SOLID SHELL :6334 FLASH OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTION HARD CST HARD CASTERS Tag For: MAIN LEARN AREA	448.00 134.40 70.00%	1,792.00
25	2	VE36 STEELCASE EASEL, 36W BASIC :4799 PLATINUM METALLIC SHELF :7360 MERLE OPTIONS * * OPTIONS * * SHIP OPT *OPT:SHIPPING OPTIONS ASSEMBL STD:ASSEMBLED AND WRAPPED Tag For: MAIN LEARN AREA	1,515.00 454.50 70.00%	3,030.00
26	32	VTC1972 STEELCASE TABLE-CHEVRON, 19W X 72L EDGE :6707 ASH NOCE LEGS :4799 PLATINUM METALLIC TOP-SURF:2HAN ASH NOCE (HPL) OPTIONS * * OPTIONS * * LEG OPT *OPT:LEG OPTIONS NLCASTER STD:ACCESS LEG W/NO LK CASTERS DOCK OPT *OPT:DOCK STORAGE OPTIONS DOCKHOOK SIDE DOCK, HOOK AND CENTER STO PLASTIC PLASTIC PLASTIC *PLASTIC:PLASTIC 6249 PLATINUM SOLID MOD OPT *OPT:MODESTY PANEL OPTIONS NO MOD STD:NO MODESTY PANEL CHANOPTS *OPT:REINFORCING CHANNEL OPTIONS	995.00 295.50 70.00%	31,520.00

Accepted by _____ Title _____ Date _____



TRICITIES TN
 200 e main street | ste 300 | kingsport tn 37660
 KNOXVILLE TN
 2820 middlebrook pike | ste 104 | knoxville tn 37921
 PO BOX 309 | kingsport tn 37662
 423 392 2601 | f 423 392 2601 | www.workspaceinteriors.com

Quotation

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
27	4	CHANNEL REINFORCING CHANNEL Tag For: MAIN LEARN AREA VTSC3050L STEELCASE TEACHING STATION-PERSONAL CADDY, LEFT HAND, 30D X 50W BASIC :4799 PLATINUM METALLIC EDGE :6707 ASH NOCE LEGS :4799 PLATINUM METALLIC MOD PNL :4799 PLATINUM METALLIC SURFACE :6337 ELEMENT TOP-SURF:2HAN ASH NOCE (HPL) OPTIONS * * OPTIONS * * LEG OPT *OPT:LEG OPTIONS LKCASTER ACCESS LEG W/LOCKING CASTERS CUP OPT *OPT:CUPHOLDER OPTIONS CUPHOLD CUPHOLDER Tag For: MAIN LEARN AREA	2,092.00 627.60 70.00%	8,368.00
28	5	VWT6 STEELCASE WALLTRACK, 6L IN FT Tag For: MAIN LEARN AREA	253.00 75.90 70.00%	1,265.00
29	64	VWB2 STEELCASE WHITEBOARD, 2 SIDES Tag For: MAIN LEARN AREA	175.00 52.50 70.00%	11,200.00
30	8	490710P STEELCASE MOVE; STOOL, PLASTIC SEAT / BACK, NO ARMS, GLIDES FRAME :4799 PLATINUM METALLIC SEAT :6335 WASABI SHELL :6009 ARCTIC WHITE OPTIONS * * OPTIONS * * GLIDES *OPT:GLIDES HARD GLD STD:HARD GLIDES	513.00 153.90 70.00%	4,104.00
31	4	M1140084 STEELCASE 110 SERIES; MARKERBOARD, ALUMINUM TRIM, 96W X 48H SURFACE :7655 E3 ENVIRONMENTAL CERAMICSTEEL	618.00 247.20 60.00%	2,472.00

Accepted by _____ Title _____ Date _____

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
		Tag For: MAIN LEARN AREA		
32	7	TS4S4866 STEELCASE SCREEN, 48W X 66H FRAME :4799 PLATINUM METALLIC SURF-1 :7655 E3 ENVIRONMENTAL CERAMICSTEEL SURF-2 :7655 E3 ENVIRONMENTAL CERAMICSTEEL OPTIONS * * OPTIONS * * FAB DIR *OPT:FABRIC DIRECTION SURF-1 SURF-1 DIRECTION HORZ STD:HORIZONTAL APPLICATION SURF-2 SURF-2 DIRECTION HORZ STD:HORIZONTAL APPLICATION CAST OPT *OPT:LEVELERS OPTION CASTERS STD:CASTERS PEGS OPT *OPT:FLIP CHART PEGS OPTION TOPCAP STD:TOP CAP	962.00 288.60 70.00%	6,734.00
		Tag For: MAIN LEARN AREA		
33	8	480230 STEELCASE NODE; CHAIR, MID BACK, 5 ARM BASE BASE :6249 PLATINUM SOLID SHELL :6334 FLASH OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTION SFTRLCST SOFT ROLL CONTROL CASTERS	473.00 141.90 70.00%	3,784.00
		Tag For: MAKER SPACE		
34	4	480230 STEELCASE NODE; CHAIR, MID BACK, 5 ARM BASE BASE :6249 PLATINUM SOLID SHELL :6333 PICASSO OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTION SFTRLCST SOFT ROLL CONTROL CASTERS	473.00 141.00 70.19%	1,892.00
		Tag For: MAKER SPACE		
35	6	480240 STEELCASE NODE; STOOL, MID BACK, 5 ARM BASE BASE :6249 PLATINUM SOLID SHELL :6333 PICASSO OPTIONS * * OPTIONS * *	734.00 220.20 70.00%	4,404.00

Accepted by _____ Title _____ Date _____

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
36	8	CASTERS *OPT:CASTERS OPTION SFTRLCST SOFT ROLL CONTROL CASTERS SEAT HGT *OPT:SEAT HEIGHT OPTION 8" RANGE STD:8" PNEU SEAT HEIGHT RANGE Tag For: MAKER SPACE 480240 STEELCASE NODE: STOOL, MID BACK, 5 ARM BASE BASE :6249 PLATINUM SOLID SHELL :6335 WASABI OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTION SFTRLCST SOFT ROLL CONTROL CASTERS SEAT HGT *OPT:SEAT HEIGHT OPTION 8" RANGE STD:8" PNEU SEAT HEIGHT RANGE Tag For: MAKER SPACE	734.00 220.20 70.00%	5,872.00
37	4	VTR3048 STEELCASE TABLE-RECTANGLE, 30D X 48W EDGE :6707 ASH NOCE LEGS :4799 PLATINUM METALLIC TOP-SURF:2HAN ASH NOCE (HPL) OPTIONS * * OPTIONS * * LEG OPT *OPT:LEG OPTIONS NLCASTER STD:ACCESS LEG W/NO LK CASTERS DOCK OPT *OPT:DOCK STORAGE OPTIONS NO DOCK STD:NO DOCK MOD OPT *OPT:MODESTY PANEL OPTIONS NO MOD STD:NO MODESTY PANEL Tag For: MAKER SPACE	753.00 225.90 70.00%	3,012.00
38	1	490410P STEELCASE MOVE; CHAIR, PLASTIC SEAT / BACK, NO ARMS, GLIDES FRAME :4799 PLATINUM METALLIC SEAT :6009 ARCTIC WHITE SHELL :6333 PICASSO OPTIONS * * OPTIONS * * GLIDES *OPT:GLIDES SOFT GLD SOFT GLIDES Tag For: NURSE	295.00 88.50 70.00%	295.00
39	4	490712P STEELCASE	578.00	2,312.00

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26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
		MOVE; STOOL, PLASTIC SEAT / BACK, ARMS, GLIDES FRAME :4799 PLATINUM METALLIC SEAT :6333 PICASSO SHELL :6059 STERLING SOLID OPTIONS * * OPTIONS * * GLIDES *OPT:GLIDES SOFT GLD SOFT GLIDES Tag For: PRINCIPAL OFFICE/WAITING	173.40 70.00%	
40	6	PFLCNCTR STEELCASE CONNECTOR CONNECTOR COVER: 1 DOOR LOW PROFILE COVER FINISH: TEXTURED PAINT 7190 - PLATINUM SOLID TRIMRING FINISH: PLASTIC - PG1 6249 - PLATINUM SOLID	180.00 54.00 70.00%	1,080.00
41	9	PFLCNCTR STEELCASE CONNECTOR CONNECTOR COVER: 2 DOOR LOW PROFILE COVER FINISH: TEXTURED PAINT 7190 - PLATINUM SOLID TRIMRING FINISH: PLASTIC - PG1 6249 - PLATINUM SOLID	205.00 61.50 70.00%	1,845.00
42	3	PFLCNCTR STEELCASE CONNECTOR CONNECTOR COVER: NEMA MONUMENT COVER FINISH: PLASTIC - PG1 6249 - PLATINUM SOLID TRIMRING FINISH: PLASTIC - PG1 6249 - PLATINUM SOLID	231.00 69.30 70.00%	693.00
43	1	PFLTRK STEELCASE POWERTRACK LENGTH: 120.00000	435.00 130.50 70.00%	435.00
44	1	PFLTRK STEELCASE POWERTRACK LENGTH: 132.00000	463.00 138.90 70.00%	463.00
45	11	PFLTRK STEELCASE POWERTRACK LENGTH: 144.00000	492.00 147.60 70.00%	5,412.00
46	2	PFLTRK STEELCASE	349.00	698.00

Accepted by _____ Title _____ Date _____

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

Line	Quantity	Catalog Number / Description	Unit Price	Extended Amount
		POWERTRACK LENGTH: 84.00000	104.70 70.00%	
47	1	PFLTRKINF STEELCASE POWERTRACK INFEED LENGTH: 108.00000 TRIMRING FINISH: PLASTIC - PG1 6249 - PLATINUM SOLID	437.00 131.10 70.00%	437.00
48	2	PFLTRKINF STEELCASE POWERTRACK INFEED LENGTH: 144.00000 TRIMRING FINISH: PLASTIC - PG1 6249 - PLATINUM SOLID	523.00 156.90 70.00%	1,046.00
49	12	PFLHUB STEELCASE HUB HEIGHT: 37.12500 POWER PLUG TYPE: STANDARD NEMA 5-15 3-PRONG HUB FINISH: SMOOTH METALLIC 4799 - PLATINUM METALLIC COM Fabric	414.00 124.20 70.00%	4,968.00
50	4	480130 STEELCASE NODE; CHAIR, 5 ARM BASE BASE :6249 PLATINUM SOLID SHELL :6009 ARCTIC WHITE OPTIONS * * OPTIONS * * CASTERS *OPT:CASTERS OPTION HARD CST HARD CASTERS	448.00 134.40 70.00%	1,792.00
51	1	COM STEELCASE COM FABRIC	0.00 667.50 0.00%	0.00

QUOTATION TOTALS

Sub Total list 241,835.00
Less 69.13% -167,171.20
Grand Total sell 74,663.80

Images are provided as a preliminary color and type representation and should not be used for final color and product selection. Due to individual computer/monitor/printer settings: color, texture, pattern, size and feature rendering may vary from the actual sample. For accuracy, order and view an actual sample.

*****End of Quotation*****

Accepted by _____ Title _____ Date _____



TRI-CITIES TN
200 e main street | ste 3001 kingsport tn 37660
KNOXVILLE TN
2820 middlebrook pike | ste 104 | knoxville tn 37921
KNOXVILLE TN
po box 3001 kingsport tn 37662
423 392 3800 | f 423 392 2601 | www.workspaceinteriors.com

Quotation

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(cont'd)

Quote Number	Quote Date	Customer Order Number	Customer Number	Account Representative	Project ID
26247	10/4/2016		KIN005	REBECCA SHELTON	

50% deposit required at time of order

Please reference our Terms and Conditions of Sale located on our "customer center" page at www.workspaceinteriors.com.

Payment by credit or debit card will incur an additional surcharge equal to transaction discount fee. Discount fees vary by credit card payment network.

This quotation has been prepared for the internal use of the customer named and remains the exclusive property of WorkSpace Interiors. No part of this quotation may be reproduced and/or distributed without the express written consent of WorkSpace Interiors.

Thank you for choosing WorkSpace Interiors!

Accepted by _____ Title _____ Date _____

ACTIVE LEARNING PILOT CLASSROOM AGREEMENT

City of Kingsport, for its Kingsport City Schools, Steelcase Inc. (Steelcase) and Workspace Interiors, Inc. establish the following terms and conditions to govern the development of an Active Learning Pilot Classroom.

In exchange for Steelcase and Workspace Interiors' commitment to provide to the Kingsport City Schools introductory pricing for Steelcase product for the active learning classroom, City of Kingsport, for its Kingsport City Schools agrees to the following:

- Kingsport City Schools to pilot an active learning classroom that supports 21st Century learning.
- Design review to be completed by the Steelcase Education design team prior to order entry.
- Kingsport City Schools to identify instructor or instructors who will be using the pilot classroom. These instructors will participate in an active learning orientation designed to ensure each instructor is fully prepared to utilize the new space. The orientation schedule is as follows:
 - 60 minute webinar prior to installation
 - Approximately 4 hours of planning on their own based on webinar
 - Onsite follow up with a Steelcase Regional Education Leader, preferably during first week after installation to help troubleshoot and provide support
- Students and instructors are requested to participate in post-occupancy evaluation survey to provide benchmarks and feedback in user satisfaction and student engagement. Survey is to be administered 6-8 weeks after move in. If release forms are required for student participation in the survey, the school is requested to obtain permissions prior to receiving the survey.
- Allow Steelcase and Workspace Interiors, Inc. to visit the space during the pilot experience at mutually agreed upon dates and times.
- Product solution must include Node and/or Verb and may also include eno Flex, eno Click, eno Play, Cobi, Cachet, buoy, Campfire, and alight.

***Please reference the Workspace Interiors cover letter dated October 6, 2016 and the following exhibits for additional information.**

Exhibit A: Workspace Interiors, Inc. Quotation#26247 to Kingsport City Schools dated 10/4/2016

Exhibit B: Workspace Interiors, Inc. Quotation#26341 to Kingsport City Schools dated 10/4/2016

Exhibit C: Draft Version of the evaluation survey

Exhibit D: Draft version of this agreement

Please acknowledge your acceptance of this Letter of Understanding by having an authorized representative of your school system sign in the space provided below. Offer expires after six (6) months from date of Steelcase signature below.

**CITY OF KINGSPORT, for its
KINGSPORT CITY SCHOOLS**

By: _____

Printed: _____

Title: _____

Date: _____

STEELCASE INC.

By: _____

Printed: _____

Title: _____

Date: _____

WORKSPACE INTERIORS, INC.

By: _____

Printed: _____

Title: _____

Date: _____



AGENDA ACTION FORM

Approve Riverbend Park Redevelopment Agreement with KHRA for Development of Riverbend Park

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

Action Form No.: AF-297-2016
Work Session: November 14, 2016
First Reading: N/A
Final Adoption: November 15, 2016
Staff Work By: Lynn Tully, AICP
Presentation By: David Mason

Recommendation:
Approve the Redevelopment Agreement Resolution.

Executive Summary:
When the City approved the TIF agreement for the Riverbend Redevelopment District about this time last year it included a provision for monies to support improvement of the donated park property along the riverfront. Of the \$2 million TIF incentive, \$666,667 were set aside for future improvement of Riverbend Park. The agreement also required that a Redevelopment Agreement be entered into for those improvements between the City and KHRA by November 23, 2016.

Attached is the Redevelopment Agreement approved by the KHRA board on October 31, 2016. The agreement requires that the city complete construction of the Project in accordance with an approved Site Plan, no later than November 23, 2018.

To that end, Parks & Recreation and David Mason along with Development Services personnel have prepared and advertised for a qualified consultant to prepare a master plan for the 24 ac. park property. Those submittals have been received and were opened on November 4. A selection will be made from the 5 Vendors submitted and the final scope and costs will be negotiated from there. We anticipate selection to be complete by the end of the month.

- Attachments:**
- 1. Resolution to accept the Riverbend Park Redevelopment Agreement
 - 2. Riverbend Park Redevelopment Agreement
 - 3. KHRA minutes of approval
 - 4. Map of the park property

Funding source appropriate and funds are available: 

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

RESOLUTION NO. _____

A RESOLUTION APPROVING A REDEVELOPMENT AGREEMENT WITH THE KINGSPORT HOUSING AND REDEVELOPMENT AUTHORITY (KHRA); AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AS AGENCY HEAD, AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, at its October 31, 2016 board meeting, the Kingsport Housing and Redevelopment Authority approved a redevelopment agreement for Riverbend Park; and

WHEREAS, the development of the 24.1 acre park property is supported by the collection of TIF funds in the amount of \$666,667; and

WHEREAS, the park initial construction is to follow a site plan approved by the KHRA board; and

WHEREAS, the park planning and initial construction is to be completed by November 23, 2018.

Now therefore,

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

SECTION I. That the Redevelopment Agreement as generally set out below with the Kingsport Housing and Redevelopment Authority is approved and adopted.

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 Redevelopment Agreement with the Kingsport Housing and Redevelopment Authority 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 generally as follows:

**REDEVELOPMENT AGREEMENT
RIVERBEND REDEVELOPMENT DISTRICT
RIVERBEND PARK PROJECT**

This Redevelopment Agreement is effective this day of November, 2016, by and between **CITY OF KINGSPORT, TENNESSEE ("City")**; and the **KINGSPORT HOUSING & REDEVELOPMENT AUTHORITY ("KHRA")**.

WHEREAS, the City of Kingsport, Tennessee and Sullivan County, Tennessee, (the "County") have each adopted a redevelopment plan for the Riverbend Redevelopment District; and

WHEREAS, City has proposed a redevelopment project consisting of a public park located on an approximately 24.1 acres of land being Sullivan County Tax Map 077H, Group C, Parcel 002.50, which is more particularly described on Exhibit A attached hereto (the "Project"); and

WHEREAS, the City and County have authorized use of the tax increment revenue generated from the Project to pay debt incurred by KHRA for qualified redevelopment expenses; and

WHEREAS, KHRA as the redevelopment agent for the City and County has agreed to use tax increment financing to assist the City in the development of the Project; and

WHEREAS, the parties have agreed to enter into this Agreement to set forth each parties' respective rights and responsibilities for this Project and to provide for the proper and orderly development of the Project; and

WHEREAS, the Project is expected to improve a blighted area within the City and County. NOW, THEREFORE, in consideration of the foregoing, the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I

Definitions

"Agreement" shall mean this Redevelopment Agreement, as amended, supplemented or modified from time to time.

"Developer" shall mean **THE CITY OF KINGSPORT, TENNESSEE** and its assigns.

"Improvements" shall mean all buildings, roads, utilities, grading, structures, drainage, public areas, landscaping, and all other enhancements relating to the Project of any kind.

"Lender" shall mean Bank of Tennessee.

"Loan Agreement" shall mean the Loan Agreement dated November 23, 2015 between Lender and KHRA pursuant to which Lender will purchase KHRA's Tax Increment Revenue Note (River Bend Villa Apartment Project) in the principal amount of \$2,000,000.

"Person" shall mean an individual, a corporation, a limited liability company, a trust or any other entity or organization, including a governmental or political subdivision or an agency or instrumentality thereof.

"Project" shall mean a public park located on an approximately 24.1 acre site as described in paragraph 2.1 below and as shown on the Site Plan, including all Improvements and Property as defined herein.

"Property" shall mean an approximately 24.1 acre portion of the Riverbend Redevelopment District on which the Improvements shall be built and being more particularly described on Exhibit A.

"Site Plan" shall mean the drawings, plans, and documents showing the general layout and design of the Improvements and their location on the Property to be agreed upon at a later date by the City and KHRA.

ARTICLE II

The Project

2.1 The Project. The Project shall consist of the development on the Property of a public park in accordance with the Site Plan.

2.2 Construction Plans. Developer shall construct and maintain the entire Project in accordance with the Redevelopment Plan and Site Plan. Developer may make minor deviations from the Site Plan as may be necessary to help ensure an expeditious and efficient construction process. However, any deviations which reduce the cost of Project as shown by the approved Site Plan shall be approved by KHRA. If Developer submits a revision to KHRA for approval and no response has been received within ten (10) business days of submission, the revision shall be deemed approved. The parties agree to work cooperatively to resolve any disagreements regarding revisions to the Site Plan.

ARTICLE III

Conveyance of Property

3.1 Financial Assistance. In order to induce Developer to build the Redevelopment Project on the Redevelopment Parcel, KHRA has agreed to reimburse Developer for certain eligible TIF expenditures up to \$666,666.66 ("Available TIF Proceeds"). Developer agrees to provide KHRA with appropriate documentation of the above expenditures as may be reasonably requested by KHRA including, but not limited to, invoices, cancelled checks, project bids, and account statements. In the event Developer fails to provide the documentation to substantiate said expenses as determined in KHRA's reasonable discretion in at least an amount equal to the Available TIF Proceeds, Developer agrees to repay any difference between its documented expenses and the funds actually received by Developer pursuant to this Agreement within ten (10) days of receipt of written request from KHRA.

3.2 Completion of Project. Developer agrees to complete construction of the Project in accordance with the Site Plan, this Agreement, and all applicable laws, ordinances, and regulations no later than November 23, 2018 ("Completion Date"). If Developer fails to complete the Project by the Completion Date, the Developer shall be required to repay all financial assistance received pursuant to Section 3.1 above to KHRA within ten (10) days of receipt of written notice directing payment. KHRA agrees to apply any repayment received pursuant to this paragraph towards the principal of TIF Indebtedness. Completion shall be defined as Substantial Completion pursuant to AIA standards.

ARTICLE IV

Financing

4.1 Construction Financing. Developer shall be responsible for payment of all construction costs in order to construct and maintain the Project in accordance with the terms of this Agreement.

4.2 TIF Indebtedness. KHRA has issued bonds in the amount of \$2,000,000.00, ("TIF Indebtedness"). The proceeds of the TIF Indebtedness, after payment of the Lender's fees, attorney's fees for KHRA and Lender, recording fees and other closing costs shall be divided as follows: one-third (1/3) shall be used by KHRA to pay eligible redevelopment costs and expenses for development of a City owned park in the Redevelopment District pursuant to the terms and conditions of a Redevelopment Agreement between KHRA and the City of Kingsport. The remaining two-thirds shall be used to fund the Interest Reserve Account as required under the Loan Agreement with the remaining balance to be drawn as a line of credit based on percentage of substantial completion of the entire Project in accordance with AIA standards by KHRA and disbursed to the Developer for payment of the items described in Section 3.1. The TIF Indebtedness shall be secured by the tax increment generated by the Property. The TIF Indebtedness shall be nonrecourse against KHRA other than such tax increment funds received by KHRA (but excluding the Administrative Fee). KHRA agrees to maintain a segregated fund solely for the purpose of depositing and holding the tax increment revenue generated by this Project.

4.3 Title. Developer hereby warrants that it owns good and marketable fee simple title to the Property.

ARTICLE V

Conditions of Closing

5.1 Conditions of Disbursements. KHRA shall not be obligated to disburse the Available TIF Proceeds (or any portion thereof) unless Developer has satisfied each of the following conditions, or said condition is waived by KHRA in writing.

5.1.1 No Default. No Event of Default as defined in Paragraph 9.1 of this Agreement shall have occurred and be continuing. For purposes of this paragraph, any Event of Default shall be immediate and shall not be postponed by any notice provisions relating to defaults which are provided herein.

5.1.2 Warranties and Representations. All warranties and representations contained in this Agreement remain true and correct in all material respects as of the date of the proposed closing.

5.1.3 No Damage to Improvements. The Project has not been materially injured or damaged by fire or other casualty, or if so injured or damaged, Developer shall have received insurance proceeds sufficient, in the reasonable judgment of KHRA, to permit the satisfactory restoration of the Project.

5.1.4 No Liens. No tax liens (other than for taxes not yet due and payable), mechanics' or materialmen's lien claim has been filed or asserted against the Project or, if filed, has been bonded off or otherwise dismissed.

5.1.5 All Approvals. All licenses, permits, and approvals of governmental authorities required for the Project have been obtained, or will be obtained before commencement of construction, and there is no violation of any applicable laws, ordinances, rules or regulations.

5.1.6 No Actions. There are no actions, suits, or proceedings pending, or, to the Developer's knowledge, threatened against or affecting Developer or the Project, at law or in equity, or before any governmental agency, which, if adversely determined, would impair the ability of Developer to operate the Project in the normal course of business.

ARTICLE VI

Representations, Warranties and Miscellaneous Obligations of Developer

6.1 Representations and Warranties of Developer. Developer hereby warrants and represents to the KHRA while any TIF Indebtedness remains outstanding (and agrees to promptly advise the City, KHRA and the County in writing of any change) that

6.1.1 No Defaults. Developer is not in default under any note, evidence of indebtedness, lease, contract, license, undertaking, judgment or other agreement that would materially affect Developer's business.

6.1.2 No Existing Actions. There are no existing actions, suits or proceedings, involving any material amounts, pending, or to the best of the knowledge of Developer threatened, against Developer or relating to the business, properties, and assets of Developer, and no final judgment, order, or decree has been rendered against Developer that has not been fully satisfied or complied with.

6.1.3 Environmental. The Developer is not aware of any actual or potential Environmental Law violation relating to the Property or Improvements.

6.2. Insurance. Developer, at its expense, shall maintain, or cause to be maintained, with financially sound companies (a) insurance with respect to any completed Improvements against loss or damage by fire and casualty and against such other risks as are included in coverage of the type now known as extended coverage in an amount equal to the full replacement value thereof and (b)

comprehensive general public liability insurance against claims for personal injury, death or property damage, occurring on, in or about the Property or relating in any way to the Property.

6.3 Removal of Waste and Refuse. Developer shall keep the Property free from unreasonable accumulations of waste materials and refuse at all times, and upon completion of the Project shall cause to be removed all waste materials and refuse from the Property.

6.4 Care and Use of Premises. Developer shall maintain the Project and all Improvements of any kind now or hereafter erected on the Property or any part thereof in good condition and repair, and shall not commit or suffer any waste. Developer further agrees to use the Project and Property in accordance with the Riverbend Redevelopment Plan and this Agreement.

6.5 Tax Appraisal and TIF Revenue. Developer acknowledges that the determination of the property tax assessment for the Project and the tax increment revenue resulting therefrom is the sole responsibility of the Sullivan County Tax Assessor and KHRA makes no warranties or representations of any kind regarding the amount of the Project assessment or the amount of tax increment revenue to be generated by the Project. The Developer further acknowledges that the amount of the tax increment revenue could also be impacted by (1) changes in the applicable tax rates of the City or County (2) the amount of the debt service set aside as determined in the City and County's discretion or (3) other factors outside of the control of KHRA. As a result, Developer hereby releases KHRA from any and all liability in any way relating to the tax assessment for the Project or the amount of tax increment revenue which is actually generated by the Project.

ARTICLE VII

Default and Remedies and Other Termination Rights

7.1 Events of Default. An "Event of Default" shall occur if:

7.1.1 There shall have occurred a breach by Developer in any respect to the performance of any of its respective obligations under this Agreement;

7.1.2 An Act of Bankruptcy relating to Developer shall have occurred;

7.1.3 Any warranty or representation made by the Developer under this Agreement shall be untrue or incorrect in any material respect.

7.2. Remedies of KHRA.

7.2.1 Notice. If there is an Event of Default under Section 7.1 hereof, KHRA shall not exercise its remedies hereunder unless Developer has failed to cure the Event of Default after written notice provided by KHRA to Developer and the expiration of thirty (30) days after such notice.

7.2.2 Remedies. Upon the occurrence of an Event of Default by Developer, KHRA may pursue any combination of the following remedies:

- (a) This Agreement may be terminated by KHRA giving written notice to Developer;
- (b) KHRA may withhold all or any part of its payment of the Available TIF Proceeds or refuse to close the TIF Indebtedness;
- (c) If an Event of Default occurs after the disbursement of the Available TIF Proceeds, KHRA shall be entitled to payment from the Developer in an amount equal to the TIF funds disbursed to the Developer as of the date of the first written notice of the Event of Default to Developer;
- (d) KHRA may pursue any other legal or equitable remedy available to it, including proceedings to compel specific performance of the Developer's obligations under this Agreement.

7.2.3 No Waiver. The failure of KHRA to exercise any right or remedy available to KHRA pursuant to the terms of this Agreement or otherwise shall not be deemed to be a waiver of such right or remedy or of any of the terms and provisions of this Agreement. The rights and remedies of the parties to this Agreement shall be cumulative in nature and the exercise by either party of any one or more rights or remedies shall not preclude the exercise by it of any other remedies for the same default or breach. The remedies provided for herein shall not be construed as preventing KHRA from exercising any powers or rights it may have relating to the Property pursuant to Tenn. Code Ann. §§13-20-201 et seq., provided, however, that this sentence shall not be construed to prevent Developer from contesting the exercise of any such rights or the legality thereof.

7.2.4 No Discharge. The liability of Developer under this Agreement shall not be discharged or modified as a result of the bankruptcy of any contractors, subcontractors or suppliers engaged by Developer and in connection with the performance by Developer of its obligations under this Agreement.

7.3 KHRA Default. Subject to the terms and conditions of this Agreement, KHRA shall be in default hereunder if Developer has satisfied its obligations under this Agreement, and KHRA fails to reimburse Developer for its eligible expenditures as described in Paragraph 3.1 after receipt of a notice for payment from Developer and the expiration of thirty (30) days after receipt of said notice.

ARTICLE VIII

Miscellaneous Governmental Requirements

8.1. No Discrimination. Each party to this Agreement hereby agrees that it:

- (a) Will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, disability, familial status or national origin;
- (b) Will take affirmative action to use its best efforts to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, sex, age, disability or familial status or national origin;
- (c) Will in all solicitations or advertisements for employees placed by or on behalf of itself, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, disability, familial status or national origin;
- (d) Will use its best efforts to afford minority and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement (as used in this Agreement, the term "minority and women-owned business" means a business at least fifty-one percent (51%) owned and controlled by minority group members or women, and for the purpose of this definition, "minority" refers to persons who are African-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians);
- (e) In connection with the performance of this Agreement, will adhere to Section 504 of the Rehabilitation Act of 1973 which states that no otherwise qualified individual with disabilities will, solely by reason of his or her disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance; and
- (f) With respect to any facilities to be constructed as part of the Project, will have such facilities accessible to persons with disabilities to the extent required by law.

8.2 Compliance with Applicable Law.

(a) Each party hereto is responsible for full compliance with all applicable federal, state, and local laws, rules and regulations that relate to the performance of its obligations hereunder. In particular, each party agrees to comply, to the extent legally applicable to it, with the federal, state and city requirements including the Charter and Code Provisions of the City of Kingsport, Tennessee.

(b) In hiring any employees to fulfill the requirements of this Agreement, each party will comply, to the extent applicable to each party, with the requirements of the provisions of Contract Work Hours, the Safety Standards Act, the Copeland "Anti-Kickback" Act, and all other applicable federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. If such laws are applicable to any party, such party will maintain documentation that demonstrates compliance with the hour and wage requirements of this part; said documentation must be made available to the City for review upon request.'

8.3 Administrative Fee to KHRA. The KHRA will be paid an annual Administrative Fee equal to five percent (5%) of all tax increment revenue actually received by KHRA from the City and County for the Project.

ARTICLE IX

General Provisions

9.1 Integration. This Agreement constitutes the entire agreement and understanding of the parties with respect to the transactions contemplated hereby, and there are no terms, understandings, representations, or warranties, express or implied. No amendment, modification or termination of this Agreement shall be effective unless in writing and signed by the party intending to be bound thereby.

9.2 No Third Party Beneficiaries. The parties to this Agreement do not intend the benefit of this Agreement to inure to any third party. Notwithstanding anything contained in this Agreement, or any conduct or course of conduct by any of the parties hereto, either before or after signing this Agreement, this Agreement shall not be construed as creating any rights, claims or causes of action against KHRA, the City, or the County in favor of a general contractor or any other contractor, subcontractor, supplier of labor or materials for any of their respective creditors, or any other person or entity.

9.3 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

9.4 Time is of the Essence. The parties hereto agree that time is of the essence for the performance of all obligations hereunder.

9.5 Recording. No party hereto shall file or attempt to file this Agreement for record.

9.6 Successors and Assigns. This Agreement may not be assigned by any party hereto without the written consent of all of the other parties. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns. Any assignment or transfer of its interest in the Property by Developer shall not serve as a release of any of its respective obligations under this Agreement unless expressly consented to in writing by KHRA.

9.7 Headings. The section and article headings included in this Agreement are for convenience only and are not intended to and shall not be construed to limit, enlarge or affect the scope or intent of this Agreement nor the meaning of any provision hereof.

9.8 Notices. Any notice or demand required or permitted to be given by or to any of the parties hereto shall be in writing and shall be personally delivered, sent by nationally recognized overnight courier service or mailed by certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to KHRA: Kingsport Housing & Redevelopment Authority
906 E. Sevier Ave. Kingsport, TN 37662
Attention: Executive Director

If to Developer: City of Kingsport, Tennessee
1324 Midland Drive
Kingsport, TN. 376604
Attention: J. Michael Billingsley, City Attorney

or to such other addresses as the parties may from time to time designate in writing in the manner set forth above.

9.9 Governing Law. The law of the State of Tennessee shall govern this Agreement.

9.10 Severability. Invalidity or a holding of unenforceability of any provision of this Agreement shall not affect any other provisions hereof, which other provisions shall remain in full force and effect.

9.11 Venue. The Developer and KHRA agree that any legal action or proceeding arising out of this Agreement shall be brought in the Sullivan County Chancery or Circuit Courts and hereby irrevocably consents and submits to the jurisdiction of said courts.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

[Acknowledgements and Exhibits 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 VII. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

**REDEVELOPMENT AGREEMENT
RIVERBEND REDEVELOPMENT DISTRICT
RIVERBEND PARK PROJECT**

This Redevelopment Agreement is effective this day of November, 2016, by and between **CITY OF KINGSPORT, TENNESSEE** (“City”); and the **KINGSPORT HOUSING & REDEVELOPMENT AUTHORITY** (“KHRA”).

WHEREAS, the City of Kingsport, Tennessee and Sullivan County, Tennessee, (the “County”) have each adopted a redevelopment plan for the Riverbend Redevelopment District; and

WHEREAS, City has proposed a redevelopment project consisting of a public park located on an approximately 24.1 acres of land being Sullivan County Tax Map 077H, Group C, Parcel 002.50, which is more particularly described on Exhibit A attached hereto (the “Project”); and

WHEREAS, the City and County have authorized use of the tax increment revenue generated from the Project to pay debt incurred by KHRA for qualified redevelopment expenses; and

WHEREAS, KHRA as the redevelopment agent for the City and County has agreed to use tax increment financing to assist the City in the development of the Project; and

WHEREAS, the parties have agreed to enter into this Agreement to set forth each parties’ respective rights and responsibilities for this Project and to provide for the proper and orderly development of the Project; and

WHEREAS, the Project is expected to improve a blighted area within the City and County.

NOW, THEREFORE, in consideration of the foregoing, the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**ARTICLE I
Definitions**

“Agreement” shall mean this Redevelopment Agreement, as amended, supplemented or modified from time to time.

“Developer” shall mean **THE CITY OF KINGSPORT, TENNESSEE** and its assigns.

"Improvements" shall mean all buildings, roads, utilities, grading, structures, drainage, public areas, landscaping, and all other enhancements relating to the Project of any kind.

"Lender" shall mean Bank of Tennessee.

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"Project" shall mean a public park located on an approximately 24.1 acre site as described in paragraph 2.1 below and as shown on the Site Plan, including all Improvements and Property as defined herein.

"Property" shall mean an approximately 24.1 acre portion of the Riverbend Redevelopment District on which the Improvements shall be built and being more particularly described on Exhibit A.

"Site Plan" shall mean the drawings, plans, and documents showing the general layout and design of the Improvements and their location on the Property to be agreed upon at a later date by the City and KHRA.

ARTICLE II The Project

2.1 The Project. The Project shall consist of the development on the Property of a public park in accordance with the Site Plan.

2.2 Construction Plans. Developer shall construct and maintain the entire Project in accordance with the Redevelopment Plan and Site Plan. Developer may make minor deviations from the Site Plan as may be necessary to help ensure an expeditious and efficient construction process. However, any deviations which reduce the cost of Project as shown by the approved Site Plan shall be approved by KHRA. If Developer submits a revision to KHRA for approval and no response has been received within ten (10) business days of submission, the revision shall be deemed approved. The parties agree to work cooperatively to resolve any disagreements regarding revisions to the Site Plan.

ARTICLE III Conveyance of Property

3.1 Financial Assistance. In order to induce Developer to build the Redevelopment Project on the Redevelopment Parcel, KHRA has agreed to reimburse Developer for certain eligible TIF expenditures up to \$666,666.66 ("Available TIF Proceeds"). Developer agrees to provide KHRA with appropriate documentation of the above expenditures as may be reasonably requested by KHRA including, but not limited to, invoices, cancelled checks, project bids, and account statements. In the event Developer fails to provide the documentation to substantiate said expenses as determined in KHRA's reasonable discretion in at least an amount equal to the Available TIF Proceeds, Developer agrees to repay any difference between its documented expenses and the funds actually received by Developer pursuant to this Agreement within ten (10) days of receipt of written request from KHRA.

3.2 Completion of Project. Developer agrees to complete construction of the Project in accordance with the Site Plan, this Agreement, and all applicable laws, ordinances, and regulations no later than November 23, 2018 ("Completion Date"). If Developer fails to complete the Project by the Completion Date, the Developer shall be required to repay all financial assistance received pursuant to Section 3.1 above to KHRA within ten (10) days of receipt of written notice directing payment. KHRA agrees to apply any repayment received pursuant to this paragraph towards the principal of TIF Indebtedness. Completion shall be defined as Substantial Completion pursuant to AIA standards.

ARTICLE IV Financing

4.1 Construction Financing. Developer shall be responsible for payment of all construction costs in order to construct and maintain the Project in accordance with the terms of this Agreement.

4.2 TIF Indebtedness. KHRA has issued bonds in the amount of \$2,000,000.00, ("TIF Indebtedness"). The proceeds of the TIF Indebtedness, after payment of the Lender's fees, attorney's fees for KHRA and Lender, recording fees and other closing costs shall be divided as follows: one-third (1/3) shall be used by KHRA to pay eligible redevelopment costs and expenses for development of a City owned park in the Redevelopment District pursuant to the terms and conditions of a Redevelopment Agreement between KHRA and the City of Kingsport. The remaining two-thirds shall be used to fund the Interest Reserve Account as required under the Loan Agreement with the remaining balance to be drawn as a line of credit based on percentage of substantial completion of the entire Project in accordance with AIA standards by KHRA and disbursed to the Developer for payment of the items described in Section 3.1.

The TIF Indebtedness shall be secured by the tax increment generated by the Property. The TIF Indebtedness shall be nonrecourse against KHRA other than such tax increment funds received by KHRA (but excluding the Administrative Fee). KHRA agrees to maintain a segregated fund solely for the purpose of depositing and holding the tax increment revenue generated by this Project.

4.3 Title. Developer hereby warrants that it owns good and marketable fee simple title to the Property.

ARTICLE V Conditions of Closing

5.1 Conditions of Disbursements. KHRA shall not be obligated to disburse the Available TIF Proceeds (or any portion thereof) unless Developer has satisfied each of the following conditions, or said condition is waived by KHRA in writing.

5.1.1 No Default. No Event of Default as defined in Paragraph 9.1 of this Agreement shall have occurred and be continuing. For purposes of this paragraph, any Event of Default shall be immediate and shall not be postponed by any notice provisions relating to defaults which are provided herein.

5.1.2 Warranties and Representations. All warranties and representations contained in this Agreement remain true and correct in all material respects as of the date of the proposed closing.

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5.1.5 All Approvals. All licenses, permits, and approvals of governmental authorities required for the Project have been obtained, or will be obtained before commencement of construction, and there is no violation of any applicable laws, ordinances, rules or regulations.

5.1.6 No Actions. There are no actions, suits, or proceedings pending, or, to the Developer's knowledge, threatened against or affecting Developer or the Project, at law or in equity, or before any governmental agency, which, if adversely determined, would impair the ability of Developer to operate the Project in the normal course of business.

ARTICLE VI
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6.1 Representations and Warranties of Developer. Developer hereby warrants and represents to the KHRA while any TIF Indebtedness remains outstanding (and agrees to promptly advise the City, KHRA and the County in writing of any change) that

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6.1.2 No Existing Actions. There are no existing actions, suits or proceedings, involving any material amounts, pending, or to the best of the knowledge of Developer threatened, against Developer or relating to the business, properties, and assets of Developer, and no final judgment, order, or decree has been rendered against Developer that has not been fully satisfied or complied with.

6.1.3 Environmental. The Developer is not aware of any actual or potential Environmental Law violation relating to the Property or Improvements.

6.2. Insurance. Developer, at its expense, shall maintain, or cause to be maintained, with financially sound companies (a) insurance with respect to any completed Improvements against loss or damage by fire and casualty and against such other risks as are included in coverage of the type now known as extended coverage in an amount equal to the full replacement value thereof and (b) comprehensive general public liability insurance against claims for personal injury, death or property damage, occurring on, in or about the Property or relating in any way to the Property.

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ARTICLE VII
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7.1.2 An Act of Bankruptcy relating to Developer shall have occurred;

7.1.3 Any warranty or representation made by the Developer under this Agreement shall be untrue or incorrect in any material respect.

7.2. Remedies of KHRA.

7.2.1 Notice. If there is an Event of Default under Section 7.1 hereof, KHRA shall not exercise its remedies hereunder unless Developer has failed to cure the Event of Default after written notice provided by KHRA to Developer and the expiration of thirty (30) days after such notice.

7.2.2 Remedies. Upon the occurrence of an Event of Default by Developer, KHRA may pursue any combination of the following remedies:

(a) This Agreement may be terminated by KHRA giving written notice to Developer;

(b) KHRA may withhold all or any part of its payment of the Available TIF Proceeds or refuse to close the TIF Indebtedness;

(c) If an Event of Default occurs after the disbursement of the Available TIF Proceeds, KHRA shall be entitled to payment from the Developer in an amount equal to the TIF funds disbursed to the Developer as of the date of the first written notice of the Event of Default to Developer;

(d) KHRA may pursue any other legal or equitable remedy available to it, including proceedings to compel specific performance of the Developer's obligations under this Agreement.

7.2.3 No Waiver. The failure of KHRA to exercise any right or remedy available to KHRA pursuant to the terms of this Agreement or otherwise shall not be deemed to be a waiver of such right or remedy or of any of the terms and provisions of this Agreement. The rights and remedies of the parties to this Agreement shall be cumulative in nature and the exercise by either party of any one or more rights or remedies shall not preclude the exercise by it of any other remedies for the same default or breach. The remedies provided for herein shall not be construed as preventing KHRA from exercising any powers or rights it may have relating to the Property pursuant to Tenn. Code Ann. §§13-20-201 et seq., provided, however, that this sentence shall not be construed to prevent Developer from contesting the exercise of any such rights or the legality thereof.

7.2.4 No Discharge. The liability of Developer under this Agreement shall not be discharged or modified as a result of the bankruptcy of any contractors, subcontractors or suppliers engaged by Developer and in connection with the performance by Developer of its obligations under this Agreement.

7.3 KHRA Default. Subject to the terms and conditions of this Agreement, KHRA shall be in default hereunder if Developer has satisfied its obligations under this Agreement, and KHRA fails to reimburse Developer for its eligible expenditures as described in Paragraph 3.1 after receipt of a notice for payment from Developer and the expiration of thirty (30) days after receipt of said notice.

ARTICLE VIII Miscellaneous Governmental Requirements

8.1. No Discrimination. Each party to this Agreement hereby agrees that it:

(a) Will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, disability, familial status or national origin;

(b) Will take affirmative action to use its best efforts to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, sex, age, disability or familial status or national origin;

(c) Will in all solicitations or advertisements for employees placed by or on behalf of itself, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, disability, familial status or national origin;

(d) Will use its best efforts to afford minority and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement (as used in this Agreement, the term "minority and women-owned business" means a business at least fifty-one percent (51%) owned and controlled by minority group members or women, and for the purpose of this definition, "minority" refers to persons who

are African-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians);

(e) In connection with the performance of this Agreement, will adhere to Section 504 of the Rehabilitation Act of 1973 which states that no otherwise qualified individual with disabilities will, solely by reason of his or her disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance; and

(f) With respect to any facilities to be constructed as part of the Project, will have such facilities accessible to persons with disabilities to the extent required by law.

8.2 Compliance with Applicable Law.

(a) Each party hereto is responsible for full compliance with all applicable federal, state, and local laws, rules and regulations that relate to the performance of its obligations hereunder. In particular, each party agrees to comply, to the extent legally applicable to it, with the federal, state and city requirements including the Charter and Code Provisions of the City of Kingsport, Tennessee.

(b) In hiring any employees to fulfill the requirements of this Agreement, each party will comply, to the extent applicable to each party, with the requirements of the provisions of Contract Work Hours, the Safety Standards Act, the Copeland "Anti-Kickback" Act, and all other applicable federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. If such laws are applicable to any party, such party will maintain documentation that demonstrates compliance with the hour and wage requirements of this part; said documentation must be made available to the City for review upon request.

8.3 Administrative Fee to KHRA. The KHRA will be paid an annual Administrative Fee equal to five percent (5%) of all tax increment revenue actually received by KHRA from the City and County for the Project.

ARTICLE IX General Provisions

9.1 Integration. This Agreement constitutes the entire agreement and understanding of the parties with respect to the transactions contemplated hereby, and there are no terms, understandings, representations, or warranties, express or implied. No amendment, modification or termination of this Agreement shall be effective unless in writing and signed by the party intending to be bound thereby.

9.2 No Third Party Beneficiaries. The parties to this Agreement do not intend the benefit of this Agreement to inure to any third party. Notwithstanding anything contained in

this Agreement, or any conduct or course of conduct by any of the parties hereto, either before or after signing this Agreement, this Agreement shall not be construed as creating any rights, claims or causes of action against KHRA, the City, or the County in favor of a general contractor or any other contractor, subcontractor, supplier of labor or materials for any of their respective creditors, or any other person or entity.

9.3 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

9.4 Time is of the Essence. The parties hereto agree that time is of the essence for the performance of all obligations hereunder.

9.5 Recording. No party hereto shall file or attempt to file this Agreement for record.

9.6 Successors and Assigns. This Agreement may not be assigned by any party hereto without the written consent of all of the other parties. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns. Any assignment or transfer of its interest in the Property by Developer shall not serve as a release of any of its respective obligations under this Agreement unless expressly consented to in writing by KHRA.

9.7 Headings. The section and article headings included in this Agreement are for convenience only and are not intended to and shall not be construed to limit, enlarge or affect the scope or intent of this Agreement nor the meaning of any provision hereof.

9.8 Notices. Any notice or demand required or permitted to be given by or to any of the parties hereto shall be in writing and shall be personally delivered, sent by nationally recognized overnight courier service or mailed by certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to KHRA: Kingsport Housing & Redevelopment Authority
906 E. Sevier Ave.
Kingsport, TN 37662
Attention: Executive Director

If to Developer: City of Kingsport, Tennessee
1324 Midland Drive
Kingsport, TN. 376604
Attention: J. Michael Billingsley, City Attorney

or to such other addresses as the parties may from time to time designate in writing in the manner set forth above.

9.9 Governing Law. The law of the State of Tennessee shall govern this Agreement.

9.10 Severability. Invalidation or a holding of enforceability of any provision of this Agreement shall not affect any other provisions hereof, which other provisions shall remain in full force and effect.

9.11 Venue. The Developer and KHRA agree that any legal action or proceeding arising out of this Agreement shall be brought in the Sullivan County Chancery or Circuit Courts and hereby irrevocably consents and submits to the jurisdiction of said courts.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

CITY OF KINGSPORT, TENNESSEE

By: _____

Title: _____

KINGSPORT HOUSING & REDEVELOPMENT AUTHORITY

BY: _____

Title: _____

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, _____, a Notary Public for the state and county
aforementioned, personally appeared _____, with whom I am personally
acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath,
acknowledged himself to be _____ of **KINGSPORT HOUSING & REDEVELOPMENT
AUTHORITY** the within named bargainer, a corporation, and that he/she as such
_____ is authorized to execute this instrument on behalf of said
corporation, and that he/she executed the foregoing instrument for the purposes therein
contained, by signing the name of the corporation by himself/herself as
_____ of the corporation.

Witness my hand and seal, this ____ day of _____, 2016.

NOTARY PUBLIC

My Commission Expires: _____

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, _____, a Notary Public for the state and county
aforementioned, personally appeared _____, with whom I am
personally acquainted (or proved to me on the basis of satisfactory evidence), and who,
upon oath, acknowledged himself to be _____ of **CITY OF KINGSPORT,
TENNESSEE**, the within named bargainer, a limited liability company, and that he/she as
such _____ is authorized to execute this instrument on behalf of
said limited liability company, and that he/she executed the foregoing instrument for the
purposes therein contained, by signing the name of the limited liability company by
himself/herself as _____ of the limited liability company.

Witness my hand and seal, this ____ day of _____, 2016.

NOTARY PUBLIC

My Commission Expires: _____

SCHEDULE OF EXHIBITS TO

REDEVELOPMENT AGREEMENT – RIVERBEND PARK PROJECT

EXHIBIT	DESCRIPTION
A	Description of the Riverbend Redevelopment District

EXHIBIT A
LEGAL DESCRIPTION OF PROJECT PROPERTY

Located in the 11th Civil District of Sullivan County, Tennessee and being more particularly described as follows:

Beginning on an iron rod found in the northern right of way line of Wesley Road, being a corner to Lot 1, Block 2, West Holston Hills (Plat Book 4, Page 10); thence with the westerly terminus of Wesley Road two calls, (1) S 70°22'40" W 54.85' to an iron pipe found, (2) S 26°38'09" W 17.79' to an angle iron found, corner to Lot 1, Block 3 of said West Holston Hills; thence with the line of said Lot 1, Block 3, S 28°58'52" W, crossing an iron rod found at 59.25', a total distance of 65.25' to a calculated point on the east bank of South Holston River, thence with the east bank of South Holston River twenty one calls, (1) S 86°05'00" W 37.74' to a calculated point, (2) N 80°37'00" W 75.86' to a calculated point, (3) N 65°36'00" W 96.97' to a calculated point, (4) N 53°36'00" W 146.88' to a calculated point, ; (5) N 59°15'00" W 125.72' to a calculated point, (6) N 75°30'00" W 120.09' to a calculated point, (7) N 51°37'00" W 44.81' to a calculated point, (8) N 21°34'00" W 32.28' to a calculated point, (9) N 57°58'00" W 216.23' to a calculated point, (10) N 50°58'00" W 182.63' to a calculated point, (11) N 65°14'00" W 151.49' to a calculated point, (12) N 57°30'00" W 209.42' to a calculated point, (13) N 52°44'00" W 95.39' to a calculated point, (14) N 47°13'00" W 186.64' to a calculated point, (15) N 42°25'00" W 60.73' to a calculated point, (16) N 34°46'00" W 117.50' to a calculated point, (17) N 13°13'00" W 79.67' to a calculated point, (18) N 05°02'00" E 94.33' to a calculated point, (19) N 44°00'00" E 211.67' to a calculated point, (20) N 25°25'00" E 209.97' to a calculated point, (21) N 28°40'00" E 150.00' to a calculated point, ; thence with the line of Lot 23, Cliffside Development (Plat Book 1, Page 117 & Plat Book 4, Page 206) in part, N 86°58'49" E 380.17' to a calculated point; thence continuing with the line of said Lot 23, N 17°59'49" E 313.79' to a metal post found, corner to Louise Cowan Bridwell heirs (Book 30C, Page 882); thence with the line of said Bridwell heirs, N 79°12'28" E 152.31' to an 'X' mark made on boulder; thence with Cameron L. Cobb (Book 3017, Page 2268), N 70°51'07" E 154.12' to a 'A' diameter iron rod found with Matters & Craig identification cap in the line of Lot 21 said Cliffside Development; thence with the line of said Lot 21 in part and Lot 19 in part, N 30°25'53" W 330.35' to an iron rod found; thence continuing with said Lot 19, N 50°47'55" E 23.69' to a 1/2" diameter iron rod with T. Johnson identification cap set; thence nine calls through First Southeast Development LLC (Book 3080, Page 1853), (1) S 30°25'53" E 375.06' to a 'A' diameter iron rod with T. Johnson identification cap set, (2) S 43°40'06" W 493.54' to a VP diameter iron rod with T. Johnson identification cap set, (3) on an arc to the left, Delta 28°48'27", Radius 363.00', Length 182.51' and Chord S 29°15'53" W 180.59' to a 1/2" diameter iron rod with T. Johnson identification cap set, (4) on an arc to the right, Delta 40°16'09", Radius 64.00', Length 44.98' and Chord S 34°59'44" W 44.06' to a 'A' diameter iron rod with T. Johnson identification cap set, (5) on an arc to the left, Delta 99°09'03", Radius 75.50', Length 130.65' and Chord S 05°33'18" W 114.95' to a 'A' diameter iron rod with T. Johnson identification cap set, (6) S 60°08'41" W 83.66' to a 1/2" diameter iron rod with T. Johnson identification cap set, (7) S 28°59'38" W 521.05' to a 1/2" diameter iron rod with T. Johnson identification cap set, (8) S 58°05'20" E 1040.12' to a 'A' diameter iron rod with T. Johnson identification cap set, (9) N 28°48'51" E 733.19' to 'A' diameter iron rod with T. Johnson identification cap set in the line of Lot 2-R, Wal-Mart Real Estate Business Trust Lot - Fort Henry Drive Replat Lot 2, Bradley Farm Subdivision (Plat Book 52, Page 506); thence with the line of said Lot 2-R, S 35°16'30" E a distance of 298.47' to an iron rod found with Davies identification cap; thence through said First Southeast Development LLC, S 34°19'56" E 587.63' to an iron rod found, corner of Lot 2, Block 2 of said West Holston Hills; thence with the line of said West Holston Hills, S 70°22'40" W 445.57' to the point of Beginning, containing 24.100± acres.

GENERAL CERTIFICATE

I, Terry W. Cunningham DO HEREBY CERTIFY as follows:

1. I am the duly appointed, qualified, and acting Secretary of the Kingsport Housing & Redevelopment Authority (herein called the "Local Agency"). In such capacity, I am custodian of its records and am familiar with its organization, membership and activities.

2. The proper and correct corporate title of the Local Agency is the Kingsport Housing & Redevelopment Authority.

3. The Local Agency was duly created pursuant to the authority of the Constitution and statutes of the State of Tennessee, including, particularly, Sullivan County, and was duly organized on the 28th day of February, 1939; and since the date of its organization, the Local Agency has continued to exist without interruption in the performance of its public corporate purposes.

4. The names and dates of election or appointment, and the dates of the beginning and ending of terms of office, of the members of the governing body of the Local Agency and of its principal officers are as follows:

<u>Name and Officer(s)</u>	<u>Date of Election or Appointment</u>	<u>Date of Commencement of Term of Office</u>	<u>Date of Expiration of Term of Office</u>
David A Jennings Commissioner	08/02/05	08/02/05	03/01/18
Larry Estep Vice Chair	03/15/14	04/01/14	03/01/19
John L VandeVate Commissioner	08/17/90	08/17/90	03/01/17
Linda Calvert Chair	10/05/04	10/05/04	03/01/20
Esther Rodolphe Commissioner	02/25/16	04/01/16	03/31/21

5. Each of the above named officers required to do so has duly taken and filed his oath of office and each of them legally required to give bond or undertaking has filed such bond or undertaking in form and amount as required by law and has otherwise duly qualified to act in the official capacity above designated, and each is the acting officer holding the respective office or offices stated beside his name.

SECTION 2. **Regular Meeting.** The time of the regular meeting shall be set at the annual meeting unless changed by proper resolution. Monthly meetings shall be held without notice to the Commissioners at the Conference Room in the Administration Building, 906 East Sevier Avenue Kingsport, TN on the fourth Wednesday of each month; unless the same shall be a legal holiday in which event said meeting shall be rescheduled.

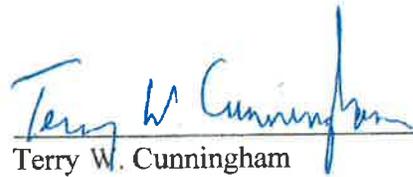
SECTION 6. **Manner of Voting.** The voting on all questions coming before the Board of the Authority that are not unanimous shall be by roll call, and the ayes and nays shall be entered upon the minutes of each meeting.

RESOLUTION 2015-31

SECTION 1. **Officers.** The officers of the Authority shall be a Chair, a Vice Chair, and a Secretary-Treasurer, and an Assistant Secretary-Treasurer.

9. The seal impressed below, opposite my signature, is the duly adopted, proper, and only official corporate seal of the Local Agency.

IN WITNESS WHEREOF, I have hereunto set my hand and the duly adopted official seal of the Local Agency this 8th day of November 2016.



Terry W. Cunningham

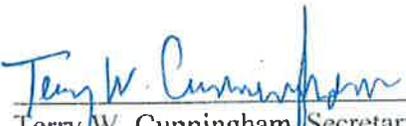
Secretary
(Title)

[SEAL]

CERTIFICATE OF RECORDING OFFICER

I, Terry W. Cunningham the duly appointed, qualified and acting Secretary of Kingsport Housing & Redevelopment Authority, do hereby certify that the attached extract from the minutes of the Annual meeting of the Board of Directors, held on October 26, 2016 is a true and correct copy of the original minutes of such meeting on file and of record insofar as they relate to the matters set forth in the attached extract, and I do further certify that each Resolution appearing in such extract is a true and correct copy of a Resolution adopted at such meeting and on file and of record.

IN TESTIMONY WHEREOF, I have hereunto set my hand and the seal of the Kingsport Housing & Redevelopment Authority this 8th day of November 2016.



Terry W. Cunningham, Secretary

(SEAL)

EXTRACT FROM MINUTES OF MEETING

Extract from the minutes of a regular meeting of the Board of Commissioners of the Kingsport Housing & Redevelopment Authority held on the 26th day of October 2016.

The Board of Commissioners of the Kingsport Housing & Redevelopment Authority met in the annual meeting at KHRA Administration Office Conference Room, 906 E. Sevier Avenue in the City of Kingsport, Tennessee at the place, hour and date duly established for the holding of such meeting.

The Chair called the meeting to order and on roll call the following answered present:

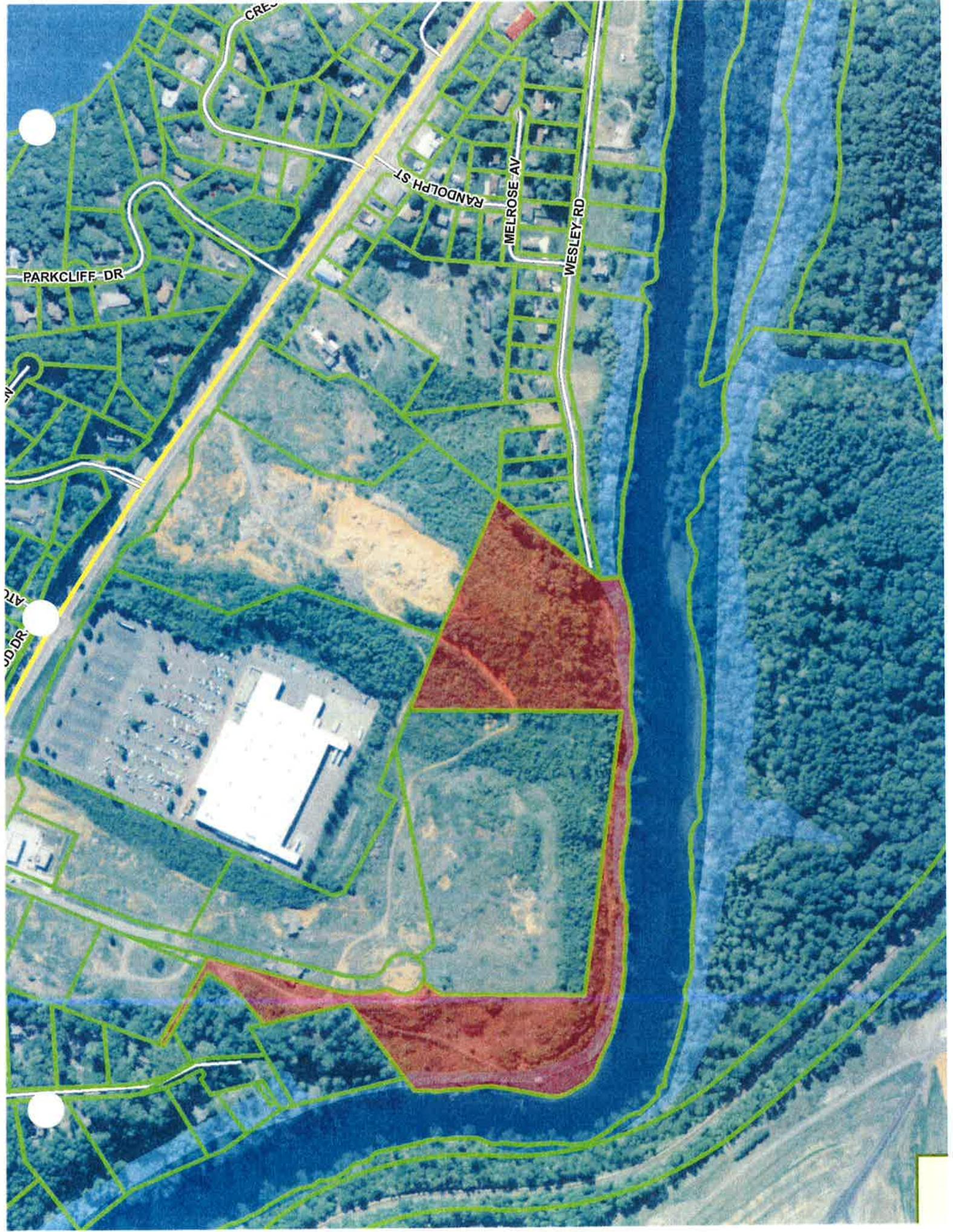
- Vice Chair, Larry Estep
- Commissioner, Jack Vandevate
- Commissioner, Esther Rodolphe
- Commissioner, Tony Jennings

Resolution 2016-67

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KINGSPORT HOUSING AND REDEVELOPMENT AUTHORITY approved the Riverbend Park Redevelopment Agreement with the City of Kingsport as drafted and presented.

Commissioner Vandevate moved with a second by Commissioner Rodolphe. *Unanimous: The motion carried.*

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CRE...

RANDOLPH ST

MELROSE AV

WESLEY RD

PARKCLIFF DR

ATC
DD DR



AGENDA ACTION FORM

Approve Receiving a Grant from the Kingsport Community Foundation Centennial Park Project Fund through the East Tennessee Foundation and Approving a Grant Award Letter with the East Tennessee Foundation for the Kingsport Centennial Park

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

Action Form No.: AF-292-2016
 Work Session: November 14, 2016
 First Reading: N/A

Final Adoption: November 15, 2016
 Staff Work By: Jeff Fleming
 Presentation By: Jeff Fleming

Recommendation:

Approve the Resolution.

Executive Summary:

The Kingsport Community Foundation Centennial Park Project Fund through the East Tennessee Foundation has awarded Grant No. 20160939 in the amount of \$520,000.00 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:

- Resolution

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

RESOLUTION NO. _____

A RESOLUTION ACCEPTING GRANT NO. 20160939 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. 20160939 in the amount of \$520,000.00 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. 20160939 from the Kingsport Community Foundation Centennial Park Project Fund through the East Tennessee Foundation in the amount of \$520,000.00 for the Kingsport Centennial Park and the letter of award is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a letter of award and all documents necessary and proper receive Grant No. 20160939 from the Kingsport Community Foundation Centennial Park Project Fund through the East Tennessee Foundation in the amount of \$520,000.00 for the Kingsport Centennial Park, said letter as set out below:

October 31, 2016
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 \$520,000 from the Kingsport Community Foundation Centennial Park Project Fund.

Please read your grant award letter carefully. If you have any questions about its terms or 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 20160939 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) on its website.
3. General Terms and Conditions: 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 staff or in 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 to ETF any unexpended funds 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 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Approving Four “Notice of Termination of Temporary Construction Easement” for Easements Acquired from the Industrial Development Board of the City of Kingsport (KEDB)

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

Action Form No.: AF-304-2016
 Work Session: November 14, 2016
 First Reading: N/A

Final Adoption: November 15, 2016
 Staff Work By: Mike Billingsley
 Presentation By: Mike Billingsley

Recommendation:

Approve the Resolution.

Executive Summary:

In 2012 and 2014 the city acquired four temporary construction easements from KEDB for the widening and renovation of West Sullivan Street. The property subject to the four temporary construction easements is located at the southern edge of the right-of-way of West Sullivan Street at the intersection with the eastern right-of-way of Clinchfield Street.

KEDB has requested that the city formally release the temporary construction easements in preparation for the conveyance of the property from KEDB to another party. The West Sullivan Street project is completed, and the city has no further use for the temporary construction easements and the notice provide notice that the easements are no longer in effect.

The four notices are contained in the resolution.

Attachments:

- Resolution

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

RESOLUTION NO. _____

A RESOLUTION APPROVING A NOTICE OF TERMINATION OF TEMPORARY CONSTRUCTION EASEMENT OF FOUR TEMPORARY CONSTRUCTION EASEMENTS FOR PROPERTY OWNED BY THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT (A/K/A KEDB) AND AUTHORIZING THE MAYOR TO EXECUTE THE NOTICES AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE NOTICES

WHEREAS, in 2012 and 2014 the city acquired four temporary construction easements from KEDB for the widening and renovation of West Sullivan Street; and

WHEREAS, KEDB has requested that the city formally release the temporary construction easements in preparation for the conveyance of the property from KEDB to another party; and

WHEREAS, the West Sullivan Street project is completed, and the city has no further use for the temporary construction easements.

Now therefore,

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

SECTION I. That the four "Notice of Termination of Temporary Construction Easement" documents for property owned by KEDB conveyed to the city for the West Sullivan Street projects 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 Notice of Termination of Temporary Construction Easement for the temporary construction 2016 easement recorded in Deed Book 3060, page 667 in the Register of Deed's Office for Sullivan County, at Blountville, Tennessee generally set out below:

This Instrument Prepared By: J. Michael Billingsley
City Attorney
1324 Midland Drive
Kingsport, Tennessee 37664

NOTICE OF TERMINATION OF TEMPORARY CONSTRUCTION EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that the hereinafter described Temporary Construction Easement granted to the City of Kingsport, Tennessee, a Tennessee municipal corporation, and recorded in Deed Book 3060, page 667 in the Office of the Register of Deeds for Sullivan County, Tennessee at Blountville, has terminated, and the real property affected by said Temporary Construction Easement is hereby released from the same. The Temporary Construction Easement, which is the subject of this Notice is described as follows:

Temporary Construction Easement

Beginning on the existing southerly Right-of-Way line of West Sullivan Street, located along said Right-of-Way N 40°58'31" W a distance of 208.33' from the northeasterly corner of Lots 1-10, Block 28, City of Kingsport; thence crossing said property N 87°01'37" W a distance of 52.68'; thence N 10°50'1" E a distance of 35.53'; thence N 49°01'29" E a distance of 10.00' back to the southerly

Right-of-Way line of West Sullivan Street; thence with the southerly existing right of way line of West Sullivan Street S 40°58'31" E a distance of 58.53' back to the point of beginning, and being a 10' wide temporary construction easement across Lots 1-10, Block 28, City of Kingsport, containing approximately 1,220 square feet, more or less.

All as shown on a sketch titled "RIGHT OF WAY ACQUISITION AND TEMPORARY CONSTRUCTION EASEMENT ACROSS LOTS 1-10, BLOCK 28, CITY OF KINGSPORT", OFFICE OF THE CITY ENGINEER, DATE: 7 MAY 2012, SCALE: 1"=50', and on file in the Office of the City Engineer, 1644 Fort Henry Drive, Kingsport, TN 37664.

And being a portion of the same property conveyed to the Industrial Development Board of the City of Kingsport, Tennessee, by deed of record in the Registers Office for Sullivan County at Blountville, Tennessee, in Deed Book 3052, at page 2016, to which reference is hereby made.

In Witness Whereof, this Notice has been executed this ___ day of November, 2016.
[Acknowledgements Deleted for Inclusion in this Resolution]

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, a Notice of Termination of Temporary Construction Easement for the temporary construction 2016 easement recorded in Deed Book 3134, page 694 in the Register of Deed's Office for Sullivan County, at Blountville, Tennessee generally set out below:

This Instrument Prepared By: J. Michael Billingsley
City Attorney
1324 Midland Drive
Kingsport, Tennessee 37664

NOTICE OF TERMINATION OF TEMPORARY CONSTRUCTION EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that the hereinafter described Temporary Construction Easement granted to the City of Kingsport, Tennessee, a Tennessee municipal corporation, and recorded in Deed Book 3134, page 694 in the Office of the Register of Deeds for Sullivan County, Tennessee at Blountville, has terminated, and the real property affected by said Temporary Construction Easement is hereby released from the same. The Temporary Construction Easement, which is the subject of this Notice is described as follows:

Temporary Construction Easement

Being a temporary construction easement, 10" in width, and retained for the duration of construction and lying on the Southwest side of and being adjacent and parallel to the ROW to be acquired from the tract herein described, Beginning on the easterly boundary of said tract and extending 409.06 feet to the northwest, containing 4,091 sq. ft.

All as shown on a sketch titled "RIGHT-OF-WAY ACQUISITION AND TEMPORARY CONSTRUCTION EASEMENT ACROSS LOTS 1 THRU 10 & PART OF LOT 11, BLOCK 28, CITY OF KINGSPORT", located in the 11th Civil District of Sullivan County, Tennessee, Lawrence H. Emmert, Registered Land Surveyor Tennessee No. 1475, OFFICE OF THE CITY ENGINEER, DATE: 9 June 2014, SCALE: 1"=30', and on file in the Office of the City Engineer, 1644 Fort Henry Drive, Kingsport, TN 37664.

And being a portion of the same property conveyed to the Industrial Development Board of the City of Kingsport, Tennessee, by deed of record in the Registers Office for Sullivan County at Blountville, Tennessee, in Deed Book 3052, at page 2016, to which reference is hereby made.

In Witness Whereof, this Notice has been executed this ___ day of November, 2016.
[Acknowledgements Deleted for Inclusion in this Resolution]

SECTION IV. 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 Notice of Termination of Temporary Construction Easement for the temporary construction 2016 easement recorded in Deed Book 3134, page 697 in the Register of Deed's Office for Sullivan County, at Blountville, Tennessee generally set out below:

This Instrument Prepared By: J. Michael Billingsley
City Attorney
1324 Midland Drive
Kingsport, Tennessee 37664697

NOTICE OF TERMINATION OF TEMPORARY CONSTRUCTION EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that the hereinafter described Temporary Construction Easement granted to the City of Kingsport, Tennessee, a Tennessee municipal corporation, and recorded in Deed Book 3134, page 697 in the Office of the Register of Deeds for Sullivan County, Tennessee at Blountville, has terminated, and the real property affected by said Temporary Construction Easement is hereby released from the same. The Temporary Construction Easement, which is the subject of this Notice is described as follows:

Temporary Construction Easement

Being a temporary construction easement, 10 feet in width and 125 feet in length, and retained for the duration of construction and lying on the Southwest side of and being adjacent and parallel to the ROW to acquire from the tract herein described containing 1250 sq. ft. more or less.

All as shown on a sketch titled "RIGHT OF WAY ACQUISITION AND TEMPORARY CONSTRUCTION EASEMENTS ACROSS THE LOT 11 & LOTS 12 & 13, BLOCK 28, CITY OF KINGSPORT and LOTS 14 & 15, AND PART OF LOT 16, BLOCK 28, CITY OF KINGSPORT", located in the 11th Civil District of Sullivan County, Tennessee, Lawrence H. Emmert, Registered Land Surveyor Tennessee No. 1475, OFFICE OF THE CITY ENGINEER, DATE: 9 June 2014, SCALE: 1"=30', and on file in the Office of the City Engineer, 1644 Fort Henry Drive, Kingsport, TN 37664.

And being a portion of the same property conveyed to the Industrial Development Board of the City of Kingsport, Tennessee, by deed of record in the Registers Office for Sullivan County at Blountville, Tennessee, in Deed Book 3052, at page 2016, to which reference is hereby made.

In Witness Whereof, this Notice has been executed this ___ day of November, 2016.
[Acknowledgements Deleted for Inclusion in this Resolution]

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, a Notice of Termination of Temporary Construction Easement for the temporary construction 2016 easement recorded in Deed Book 3134, page 700 in the Register of Deed's Office for Sullivan County, at Blountville, Tennessee generally set out below:

This Instrument Prepared By: J. Michael Billingsley
City Attorney
1324 Midland Drive
Kingsport, Tennessee 37664

NOTICE OF TERMINATION OF TEMPORARY CONSTRUCTION EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that the hereinafter described Temporary Construction Easement granted to the City of Kingsport, Tennessee, a Tennessee municipal corporation, and recorded in Deed Book 3134, page 700 in the Office of the Register of Deeds for

Sullivan County, Tennessee at Blountville, has terminated, and the real property affected by said Temporary Construction Easement is hereby released from the same. The Temporary Construction Easement, which is the subject of this Notice is described as follows:

Temporary Construction Easement

Being a temporary construction easement, 10 feet in width and 128 feet in length, and retained for the duration of construction and lying on the Southwest side of and being adjacent and parallel to the ROW to acquire from the tract herein described containing 1280 sq. ft. more or less.

All as shown on a sketch titled "RIGHT-OF-WAY ACQUISITION AND TEMPORARY CONSTRUCTION EASEMENTS ACROSS THE LOT 11 & LOTS & 12 & 13, BLOCK 28, CITY OF KINGSPORT and LOTS 14 & 15, AND PART OF LOT 16, BLOCK 28, CITY OF KINGSPORT", located in the 11th Civil District of Sullivan County, Tennessee, Lawrence H. Emmert, Registered Land Surveyor Tennessee No. 1475, OFFICE OF THE CITY ENGINEER, DATE: 9 June 2014, SCALE: 1"=30', and on file in the Office of the City Engineer, 1644 Fort Henry Drive, Kingsport, TN 37664.

And being a portion of the same property conveyed to the Industrial Development Board of the City of Kingsport, Tennessee, by deed of record in the Registers Office for Sullivan County at Blountville, Tennessee, in Deed Book 3052, at page 2016, to which reference is hereby made.

In Witness Whereof, this Notice has been executed this ___ day of November, 2016.
[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 agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

SECTION VII. That the mayor is authorized to execute any and all documents necessary and proper to effectuate the purpose of these notices or this resolution.

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

ADOPTED this the 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Approving a Subordination Agreement for the DB Excel Project and an Agreement Pertaining to the Same

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

Action Form No.: AF-305-2016
Work Session: November 14, 2016
First Reading: N/A

Final Adoption: November 15, 2016
Staff Work By: Mike Billingsley, Lyle Ailshie
Presentation By: Mike Billingsley

Recommendation:

Approve the Resolution.

Executive Summary:

You may recall that the city approved a lease with Cayenne Rental Properties, G.P. for a condominium in the building connected to the school administrative offices for the DB Excel project. Cayenne is in the process of completing the renovations to the condominium. Cayenne has a construction loan with First-Citizens Bank & Trust Company for the renovations. As all of the paperwork for the construction financing by Cayenne was not completed when the lease was executed, Cayenne and the bank have requested that the city execute a Subordination, Estoppel, Nondisturbance and Attornment Agreement so the Cayenne's financing can be completed. A copy of the agreement is included in the resolution. The agreement provides for the priorities between the parties pertaining to the property.

Additionally, the resolution includes an agreement with Cayenne that it will immediately notify the city of any default on the loan and will cooperate with the city in the exercise of the city's rights under the lease agreement and the right of first refusal and purchase option dated May 17, 2016, between Cayenne and the city. Cayenne also authorizes the city to pay its rental payment directly to the bank, when the bank requests that the rental payments be made directly to the bank.

The board of education will consider approval of the agreements at a special called meeting at 6:00 p.m. on November 15, 2016.

Attachments:

- 1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH FIRST-CITIZENS BANK & TRUST COMPANY AND AN AGREEMENT WITH CAYENNE RENTAL PROPERTIES, G.P. PERTAINING TO THE DB EXCEL PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENTS AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE LETTER

WHEREAS, Cayenne Rental Properties, G.P. is in the process of completing the renovations to a condominium in the building connected to the school administrative offices that is being leased by the city and will be used for the DB Excel project; and

WHEREAS, Cayenne Rental Properties, G.P. has a construction loan with First-Citizens Bank & Trust Company; and

WHEREAS, Cayenne Rental Properties, G.P. and the bank have requested that the city execute a Subordination, Estoppel, Nondisturbance and Attornment Agreement so the Cayenne's financing can be completed; and

WHEREAS, Cayenne Rental Properties, G.P. is offering an agreement with the city that it will immediately notify the city of any default on the loan and will cooperate with the city in the exercise of the city's rights under the lease agreement and the right of first refusal and purchase option dated May 17, 2016, and authorizing the city to pay its rental payment directly to the bank when the bank requests that the rental payments be made directly to the bank

Now therefore,

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

SECTION I. That the Subordination, Estoppel, Nondisturbance and Attornment Agreement with First-Citizens Bank & Trust Company is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a Subordination, Estoppel, Nondisturbance and Attornment Agreement with First-Citizens Bank & Trust Company as generally set out below:

SUBORDINATION, ESTOPPEL, NONDISTURBANCE
AND ATTORNMENT AGREEMENT

(TENNESSEE)

Prepared by: Diane Siedentopf

Return to: 1067 Hamilton Pl

Johnson City, TN 37604

This Subordination, Estoppel, Nondisturbance and Attornment Agreement (this "Agreement") is made and entered into as of the 20 day of May 2016, by and between the following parties:

"Tenant":

Address: The City of Kingsport

444 Clinchfield St., Ste. 304 Kingsport, TN 37660

"Landlord": Cayenne Rental Properties, GP

Address: 253 Main St.

Piney Flats, TN 37686

"Bank": First-Citizens Bank & Trust Company

Address: 1067 Hamilton Pl.

Johnson City, TN 37604

WHEREAS:

A. Tenant is the lessee under the terms of that lease dated May 17, 2016 (the "Lease") for the real property and improvements described therein (the "Premises"). (Check applicable box and fill in applicable spaces)

1-7 A copy of the Lease has been duly recorded in the Register's Office of _____ County, Tennessee in Book ___ at Page ___ or as Instrument No. _____

The Lease is evidenced by a Memorandum of Lease which has been duly recorded in the Register's Office of _____ County, Tennessee in Book ___ at Page ___ or as Instrument No. _____.

The Lease and the Premises are more fully identified and described on Exhibit A attached hereto and incorporated herein by reference.

The Lease and the Premises are more particularly identified and described as follows: Lease:

Premises:

For purposes of this Agreement, the "Lease" includes all amendments, modifications, substitutions, renewals, extensions and replacements of the Lease.

B. For purposes of this Agreement, the term "Borrower" refers to Cayenne Rental Properties, GP. The Bank has (i) acquired one or more existing loans and/or other financial accommodations made to the Borrower, and/or (ii) extended (and/or will extend) one or more loans and/or other financial accommodations to the Borrower. All of these loans and financial accommodations are collectively referred to in this Agreement as the "Loan." Repayment of the Loan is or will be secured by one or more deeds of trust for the benefit of Bank as beneficiary (collectively, the "Deed of Trust"). For purposes of this Agreement, the Deed of Trust includes all amendments, modifications, extensions and renewals thereof and all substitutions therefor. The property described in the Deed of Trust includes all or a portion of the Premises.

C. Bank has requested Tenant to subordinate the Lease to the Deed of Trust, all indebtedness secured by the Deed of Trust, and all other advances made pursuant thereto, whether made prior to or after the execution of the Lease.

D. Tenant is willing to subordinate the Lease, provided it obtains assurances from Bank that its possession of the Premises and its right to use such common areas as may be permitted under the terms of the Lease will not be disturbed by reason of or in the event of Landlord's default under the Deed of Trust. Bank is willing to give such assurance.

NOW, THEREFORE, for and in consideration of the mutual agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned parties do hereby mutually covenant and agree as follows:

1. Subordination. Tenant hereby subordinates all of Tenant's rights under the Lease (including without limitation, any and all options to purchase, rights of first negotiation) to the Deed of Trust and the lien thereof, all indebtedness secured by the Deed of Trust, and all advances made pursuant thereto, whether made prior to or after the signing of the Lease.

2. Nondisturbance. So long as no event of default under the Lease has occurred and continued for such period of time (after notice and opportunity to cure, if any, required by the Lease) as would entitle Landlord to terminate the Lease, the Lease shall not be terminated or modified in any respect whatsoever, and Tenant's right of possession to the Premises, its rights in and to any common areas, and its other rights arising out of the Lease will all be fully recognized and honored by Bank and shall not be disturbed, cancelled, terminated or otherwise adversely affected by reason of the Deed of Trust or any action or proceeding instituted by the Bank to foreclose the Deed of Trust, irrespective of whether Tenant shall have been joined in any such action or proceeding. Notwithstanding the foregoing, Tenant shall not be entitled to exercise any option, right of first refusal, or right of first negotiation which Tenant may have under the terms or the Lease to purchase the Premises upon any transfer or prospective transfer of all or any portion of the property described in the Deed of Trust (including without limitation, the Premises) by the trustee under the Deed of Trust or by Bank (if Bank at any time becomes the owner thereof) or which occurs because of Landlord's default under the Deed of Trust, whether as a result of foreclosure of the Deed of Trust, conveyance of the property by deed in lieu of foreclosure, or otherwise. Unless required by law, Tenant shall not be joined as a party in any foreclosure proceeding.

3. Attornment. If Bank or any other person or entity (the "New Owner") acquires ownership of Landlord's interest in the Premises as a result of Landlord's default under the Deed of Trust, whether as the result of foreclosure of the Deed of Trust, acceptance of a deed to the Premises in lieu of foreclosure, or otherwise, then: (a) Tenant shall attorn to the New Owner and recognize the New Owner as its landlord under the Lease; (b) the New Owner will recognize and accept Tenant as its

tenant under the Lease; (c) the Lease shall continue under the same terms, covenants and conditions in full force and effect as a direct lease between the New Owner and Tenant for the full remaining term thereof and any extension or renewals thereof which may be effected in accordance with any option in the Lease; and (d) the New Owner shall thereafter assume and perform all of Landlord's obligations as the landlord under the Lease with the same force and effect as if the New Owner were originally named therein as Landlord; provided, however, that the New Owner shall not be:

- (a) Liable for any act, omission or default of any prior landlord (including, without limitation, the then defaulting Landlord); or
- (b) Subject to any defenses, counterclaims, or offsets that Tenant may have against any prior landlord (including, without limitation, the then defaulting Landlord); or
- (c) Bound by any payment of rent or additional rent that Tenant might have paid for more than one month in advance of the due date under the Lease to any prior landlord (including, without limitation, the then defaulting Landlord); or
- (d) Accountable for any monies deposited with any prior landlord (including security deposits), except to the extent such monies are actually received by New Owner in segregated cash amounts identified to New Owner in writing as such at the time received; or
- (e) Bound by any obligation to make any payment to Tenant that was required to be made prior to the time New Owner succeeded to any prior landlord's interest; or
- (f) Bound by any termination, material amendment or material modification of the Lease made without the New Owner's consent; or
- (g) Obligated to complete any improvements or construction on the Premises or to pay or reimburse Tenant for any tenant improvement allowance or construction allowance; or
- (h) Responsible to provide any additional space at the Premises or elsewhere for which Tenant has any option or right under the Lease, or otherwise, unless New Owner at its option elects to provide the same, and Tenant hereby releases New Owner from any obligation to provide the same, and agrees that Tenant shall have no right to cancel the Lease and shall possess no right to any claim against New Owner as a result of the failure to provide any such additional space; or
- (i) Liable for or incur any obligation with respect to any representations or warranties of any nature set forth in the Lease or otherwise, including, but not limited to, representations or warranties relating to any latent or patent defects in construction with respect to the Premises, Landlord's title or compliance of the Premises with applicable environmental, building, zoning or other laws, including, but not limited to, the Americans with Disabilities Act and any regulations pursuant thereto;
- (j) Bound by any assignment of the Lease or any subletting of the Premises made without Bank's written consent.

Such attornment shall be effective and self-operative without the execution of any further instrument on the part of the parties hereto immediately upon the New Owner succeeding to the interest of Landlord in the Premises. Upon request, Tenant will execute a written attornment agreement in favor of the New Owner.

4. Leasehold Improvements and Personal Property.

- (a) Leasehold improvements made to the Premises by Tenant, including fixtures which are so related to the Premises that an interest in them arises under real estate law (collectively, the "Leasehold Improvements") shall be considered part of the Premises except to the extent expressly provided in the Lease. Tenant may not remove Leasehold Improvements from the Premises except to the extent specifically permitted under the Lease, and Tenant will be deemed to have abandoned or waived any claim to or ownership interest in Leasehold Improvements which Tenant is permitted by the Lease to remove if Tenant fails to remove them from the Premises in a timely manner in accordance with the terms of the Lease.
- (b) From time to time Tenant may place, install or erect furniture, business fixtures, equipment and/or other personal property (collectively, the "Personal Property") on the Premises. Any interest Bank has or may acquire pursuant to the Deed of Trust in Tenant's Personal Property shall be subordinate to the Tenant's rights in such Personal Property. However, Tenant will be deemed to have abandoned and waived any claim to or ownership interest in Tenant's Personal Property remaining on the Premises if Tenant fails to remove the Tenant's Personal Property from the Premises within 30 days following termination of the Lease.
- (c) Tenant shall repair, at Tenant's expense, all physical damage to the Premises caused by Tenant's removal of Leasehold Improvements and/or Tenant's Personal Property from the Premises. However, Tenant shall not be responsible for any reduction in the value of the Premises caused by the absence of the Leasehold Improvements or Personal Property removed or by any necessity of replacing them.

5. Casualty and Condemnation Proceeds. If the Premises sustains a casualty loss covered by insurance, or if the Premises or any part thereof is taken under the power of eminent domain, any

insurance proceeds payable by reason of the casualty loss and any award or damages (direct or consequential) payable by reason of the taking shall be disposed of as follows:

(a) If the Lease obligates Landlord to repair and restore the Premises, or such repairs and restoration are otherwise undertaken by agreement among the parties, then the insurance or condemnation proceeds shall be deposited in a special escrow account under Bank's exclusive control to be applied by Bank to the repair and restoration of the Premises in substantially the same manner construction loan proceeds are handled by Bank. Except to the extent otherwise provided in the Lease, Landlord shall be responsible for repair and restoration of the Premises. However, notwithstanding the foregoing, Bank may, at its option, apply all or any part of the insurance or condemnation proceeds to the satisfaction of the indebtedness secured by the Deed of Trust if:

(1) The Loan is in default;

(2) In the case of a casualty loss, Bank paid the insurance premium or advanced the insurance premium on behalf of Landlord or any other person or entity (regardless of whether the amount paid or advanced by Bank was added to the indebtedness secured by the Deed of Trust);

(3) The insurance or condemnation proceeds deposited to the escrow account are insufficient to pay the anticipated costs of repairing and restoring the Premises in full, and neither Landlord nor Tenant deposits such additional sums to the escrow account as may be reasonably required by Bank to pay the anticipated costs of the repair and restoration of the Premises in full;

(4) Neither Landlord nor Tenant provides at Bank's request evidence satisfactory to Bank that (i) repair and restoration of the Premises are economically feasible, (ii) Bank's security will not be significantly impaired by the repair and restoration of the Premises, (iii) Landlord has the ability and willingness to repay the Loan during the period of restoration and repair in accordance with the terms of the Loan documents, and (iv) the resulting value of the Premises after the completion of all repairs and restoration will be equal to or greater than the value of the Premises prior to the casualty loss or taking;

(5) Landlord and/or Tenant fail to obtain Bank's prior written approval (which will not be unreasonably withheld) of any plans and specifications, general contractor and contracts or agreements for the repair or restoration of the Premises;

(6) Repairs and restoration are not commenced, diligently pursued, and completed within a reasonable period of time; or

(7) The Lease is terminated as a result of the casualty loss or taking.

Bank will not be required to be a party to any contract or agreement for the repair or restoration of the Premises. Bank may disburse or release funds from the escrow account to or for the benefit of Landlord and shall not be responsible for the proper application or use of funds paid or released from the escrow account. Any funds remaining in the escrow account after the repair and restoration of the Premises may be applied by Bank towards satisfaction of the indebtedness secured by the Deed of Trust, regardless of whether the same is then payable. The application of insurance or condemnation proceeds in the manner described above or towards the satisfaction of the indebtedness secured by the Deed of Trust shall not extend or postpone the due date of payments due under the terms of any obligation secured by the Deed of Trust.

(b) If the Lease does not obligate Landlord to repair and restore the Premises or if such repairs and restoration are not undertaken by agreement among the parties, any insurance or condemnation proceeds shall be disposed of in accordance with the terms of the Deed of Trust.

(c) Notwithstanding anything in this section to the contrary, Tenant shall be entitled to any insurance or condemnation proceeds to the extent such proceeds are paid in compensation for damage to or the taking of Tenant's tangible personal property.

(d) In the event of a foreclosure of the Deed of Trust, a deed in lieu of foreclosure or any other transfer of title to the Premises in satisfaction of any indebtedness or obligation secured thereby, all right, title and interest of Landlord to (i) any insurance policies then in force, (ii) any insurance proceeds resulting from damage to the Premises which occurred prior to such foreclosure or transfer, and (iii) any condemnation proceeds payable by reason of any taking under the power of eminent domain which occurred prior to such foreclosure or transfer, shall pass to Bank or to its grantee or to the New Owner.

6. Bank's Opportunity to Cure. Tenant agrees (a) to give Bank prompt written notice of any default by Landlord under the Lease; (b) to certify to Bank from time to time as to whether the Lease is in effect and whether there are any defaults thereunder; (c) not to surrender, cancel or terminate the Lease without Bank's prior written consent except due to an uncured default by Landlord or as may be otherwise permitted by the Lease; and (d) that if Bank elects to perform Landlord's obligations under the Lease, the Lease shall not be terminated due to any defaults of Landlord which are not capable of being cured by Bank, such as, for example, the bankruptcy of Landlord. Bank shall have the right but shall have no obligation or duty to cure any default by Landlord under the terms of the Lease. Bank shall have a "reasonable time" within which to cure Landlord's default. For purposes of

this Agreement, a "reasonable time" shall be deemed to be 30 days from Bank's receipt of Tenant's notice of default, provided the default can reasonably be cured within that time. If the default cannot reasonably be cured within the 30 day period, the term "reasonable time" shall include such longer period as may be reasonably required to cure the default, so long as Bank is diligently pursuing such cure (including, but not limited to, commencement of foreclosure proceedings, if necessary, to effect such cure).

7. Assignment of Rents. As further security for the Loan, Landlord has or will assign to Bank all of Landlord's interest in leases, rents and profits arising from the Premises (the "Assignment"). The Assignment permits Bank to collect all rents and other monies due to Landlord under the Lease on the occurrence of certain events as set forth in the Assignment without taking possession of the Premises and without assuming Landlord's position or any of Landlord's obligations under the Lease. Tenant hereby agrees to pay all rents and other monies due and payable under the Lease directly to Bank or at Bank's direction immediately upon receipt of Bank's written notice or demand. By signing this Agreement, Landlord hereby (a) authorizes and directs Tenant to pay such rents and other monies to Bank or at Bank's direction, (b) releases Tenant from any liability (under the Lease or otherwise) for making any such payment to Bank or at Bank's direction, and (c) agrees to defend, indemnify, and hold Tenant harmless from and against any and all claims, demands, losses, or liabilities asserted by, through, or under Landlord for any and all payments so made. Tenant shall be authorized to rely on any such notice or demand from Bank without making any further inquiry of Bank or Landlord, and any such notice or demand to Tenant by Bank shall be binding upon Landlord. Without limiting the foregoing, it shall not constitute a default under the Lease for Tenant to comply with any such notice or demand from Bank. Tenant agrees that neither Bank's demanding or receiving any such payments, nor Bank's exercise of any other right, remedy or privilege, will operate to impose any liability upon Bank for performance of any obligation of Landlord under the Lease unless and until Bank elects otherwise in writing or acquires ownership of Landlord's interest in the Premises as a result of Landlord's default under the Deed of Trust, whether as a result of foreclosure of the Deed of Trust, acceptance of a deed to the Premises in Lieu of foreclosure, or otherwise. Payments to Bank or at Bank's or at Bank's direction shall continue until Bank directs Tenant otherwise in writing. Tenant agrees not to pay any rent under the Lease more than one month in advance without Bank's written consent. The provisions of this section will apply from time to time throughout the term of the Lease and any extension or renewal thereof.

8. Landlord's Warranties. Landlord further represents and warrants to the Bank that:

- (a) The Lease has been duly executed by Landlord, is in full force and effect, and is valid, binding and enforceable against the Landlord;
- (b) Landlord has not assigned, mortgaged or encumbered its interest in the Lease or any portion thereof to anyone other than Bank;
- (c) Landlord is not aware of any default by Tenant under the Lease or any event or situation which would, with the passage of time, constitute a default by Tenant under the Lease; and
- (d) A true and correct copy of the Lease, including all addenda, exhibits, supplements and amendments thereto, has been delivered to Bank. There are no other agreements or understandings between Landlord and Tenant relating to the Lease or the Premises.

9. Tenant's Warranties. Tenant further represents and warrants to Bank that:

- (a) The Lease has been duly executed by Tenant, is in full force and effect, and is valid, binding and enforceable against the Tenant;
- (b) Tenant has not assigned, mortgaged or encumbered its interest in the Lease or the Premises or any portion thereof;
- (c) Tenant currently has no defense or offset to payment of rent; and
- (d) Tenant is not aware of any default by Landlord under the Lease or any event or situation which would, with the passage of time, constitute a default by Landlord under the Lease.

Tenant agrees to provide Bank or Landlord upon request with an estoppel certificate as to the status of the Lease and the then current truth of any of the foregoing representations.

10. Notices. All notices, requests, demands and other communications required or permitted to be given may be given by any commercially reasonable method calculated to provide actual notice to the recipient and will be effective as of the date of actual receipt by the recipient.

11. Miscellaneous. "Bank" as used in this Agreement includes First-Citizens Bank & Trust Company and any of its nominees, successors, and assigns. All of the terms, covenants and conditions of this Agreement shall run with the land and shall be binding upon and inure to the benefit of the parties hereto and their respective successors in interest. This Agreement may not be modified orally, but only in writing signed by the party or parties to be charged therewith or its or their successor or successors in interest. This Agreement shall be governed by the laws of the State of Tennessee without regard to its conflict of laws principles. Nothing herein shall derogate from, in any way impair, or affect the lien, security interest or other provisions of the Mortgage or other Loan documents.

12. Other Provisions.

IN WITNESS WHEREOF, each of the undersigned has hereunto set his or her hand or caused this Agreement to be signed in its name by a person or persons duly authorized, all as of the date of this Agreement.

[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 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 agreement with Cayenne Rental Properties, G. P. is approved.

SECTION V. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an agreement with Cayenne Rental Properties, G. P. as generally set out as follows:

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT ("Agreement") is entered into as of November __, 2016, by and between **CAYENNE RENTAL PROPERTIES, GP** a Tennessee general partnership ("Lessor"), and **THE CITY OF KINGSPORT for the use and benefit of its Kingsport City Schools** ("Lessee") (collectively the "Parties").

RECITALS:

A. Lessor and Lessee have entered into a Lease Agreement dated May 17, 2016 (the "Lease Agreement") for Lessee's use and enjoyment of Condominium Suite No. 304 in The Press Building Condominium (herein the "Lease Premises").

B. In order to construct and finish the Lease Premises as required by Lessee, Lessor has obtained mortgage financing from First Citizens Bank (the "Lender") in the principal amount of \$1,800,000.

C. In connection with the mortgage financing, Lender requires that Lessee execute a Subordination and Non-Disturbance Agreement in favor of Lender.

D. Lessee is willing to execute such Subordination and Non-Disturbance Agreement in reliance upon certain commitments and assurances from Lessor as set forth hereinbelow, and Lessor desires to document and memorialize such commitments and assurances pursuant to this Supplemental Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, and in consideration of the covenants and undertakings set forth hereinbelow, Lessor and Lessee do hereby agree as follows:

1. Upon the occurrence of any default by Lessor in the performance of its mortgage obligations to First Citizens Bank, Lessor will immediately notify Lessee of such default and will cooperate with Lessee in the exercise of Lessee's rights under the Lease Agreement and the Right of First Refusal and Purchase Option Agreement dated May 17, 2016 between The Press Group, LLC and Lessee.

2. In recognition of Lessor's assignment of its rights under the Lease Agreement to Lender as collateral for the mortgage financing, Lessor hereby consents to Lessee's payment of rents due under the Lease Agreement directly to Lender at such time as Lender requests that such rent payments be made directly to Lender.

3. Lessor and Lessee intend that Lender shall be a third party beneficiary of this Supplemental Agreement.

4. This Agreement is made as Tennessee contract and shall be construed and applied according to the laws of the State of Tennessee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement, effective as of the day and year first above written.

[Acknowledgements Deleted for Inclusion in this Resolution]

SECTION VI. That the mayor is authorized to execute any and all documents necessary and proper to effectuate the purpose of these agreements or this resolution.

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 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Approving a Contribution, if Needed, to KEDB for Economic or Industrial Development and Authorizing One or More Agreements Pertaining to the Same

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

Action Form No.: AF-309-2016
Work Session: November 14, 2016
First Reading: N/A

Final Adoption: November 15, 2016
Staff Work By: Jeff Fleming
Presentation By: Jeff Fleming

Recommendation:

Approve the Resolution.

Executive Summary:

KEDB may have an opportunity to sell the improved property it owns located at 10388 Airport Parkway, Kingsport, Tennessee. KEDB acquired the property in 2011 for industrial or economic development from Magneti Marelli North America, Inc. The property includes a manufacturing facility and is currently vacant. KEDB would like to sell the property for 2.5 million dollars for industrial or manufacturing use. The property would then be conveyed back to KEDB and leased to an entity. This opportunity could create approximately 100 new jobs. KEDB would use the funds it receives for the purchase to pay down its indebtedness for the property.

As part of the lease KEDB would create a PILOT for seven years at the normal property tax rate. KEDB would retain 80% of the PILOT payment and use that payment to pay the remaining indebtedness on the property. The city and the county would each receive a portion of the remaining 20% of the PILOT payment.

The city and the county have a joint agreement with KEDB regarding the property. If the property is sold as set out above, then KEDB, the city and the county would amend the current agreement or create a new agreement to reflect a term of up to seven years with a maximum contribution for industrial or economic development to KEDB of up to \$350,000 by the city and \$350,000 by the county, if needed. Contribution should not be needed if the PILOT is paid for seven years.

Attachments:

- 1. Resolution
- 2. T.C.A. section 6-54-118

Funding source appropriate and funds are available: _____

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING A CONTRIBUTION TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT, TENNESSEE (KEDB) FOR ECONOMIC OR INDUSTRIAL DEVELOPMENT PURPOSES; AUTHORIZING SUCH AGREEMENTS AS MAY BE NEEDED TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; EXPRESSING THE INTENT OF THE BOARD TO ESTABLISH ONE OR MORE PROJECT ACCOUNTS IN AN ORDINANCE APPROPRIATING FUNDS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION, IF NEEDED; AND TO FIX THE EFFECTIVE DATE OF THIS RESOLUTION

WHEREAS, the board of mayor and aldermen ("board") has met pursuant to proper notice in a public meeting; and

WHEREAS, the board 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, Chapter 7, *Tennessee Code Annotated*; and

WHEREAS, KEDB, the city and the county have an agreement pertaining to the property located at 10388 Airport Parkway, Kingsport, Tennessee; and

WHEREAS, KEDB may be able to sell the property to an industrial or manufacturing concern that could create more than one hundred new jobs; and

WHEREAS, KEDB would create a payment in lieu of taxes (PILOT) agreement at the normal tax rate; and

WHEREAS, KEDB will retain eighty percent of the PILOT payment and use the proceeds to pay for the remaining balance on the property; and

WHEREAS, the remaining twenty percent of the PILOT payment will be made to the city and the county; and

WHEREAS, the proceeds of the sale and the payments for the PILOT retained by KEDB are sufficient to pay for the property; and

WHEREAS, KEDB, the city and the county would like to amend the agreement dated August 22, 2011 to provide for a contribution for economic or industrial development, if needed; and

WHEREAS, the property will be used for economic or industrial development purposes in Kingsport, Sullivan County, Tennessee, thereby providing jobs and furthering economic development; and

WHEREAS, the use of the property will provide the city with increased tax receipts and will enhance the public welfare, health and safety of its citizens; and

WHEREAS, the city is authorized by T.C.A. section 6-54-118 to make contributions to an eligible industrial development corporation for economic or industrial development; and

WHEREAS, KEDB is an eligible industrial development corporation; and

WHEREAS, KEDB has represented that it had the statutory authority to borrow funds to purchase the property; and

WHEREAS, certain agreements between the city and KEDB will be needed to effectuate the purpose of this resolution.

Now therefore,

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

SECTION I. That the board authorizes, if necessary, a contribution to the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) for economic development or industrial development of up to three hundred fifty thousand dollars (\$350,000,00) for up to seven (7) years, if needed, as a contribution for the purpose of economic development or industrial development purposes that KEDB could be used to pay part or all of the indebtedness incurred by KEDB for acquisition and preparation of the property located at 10388 Airport Parkway, Kingsport, Tennessee.

SECTION II. That an agreement with KEDB is approved to provide an annual contribution for such economic development or industrial development to KEDB up to three hundred fifty thousand dollars (\$350,000,00) for up to seven years less any amount collected by KEDB for payments made pursuant to a PILOT agreement for said property and the contribution can be used by KEDB to pay for the property, and if a principal balance remains on the loan at maturity (10 years from the date of the loan), and additionally, the agreement must provide that KEDB will use all payments pursuant to the PILOT it receives less the amount allocated to the city or the county to pay the indebtedness it has for the property.

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, a contribution agreement with KEDB and the county or an amendment to the agreement dated August 22, 2011.

SECTION IV. That the board recognizes that other agreements with KEDB may be needed to effectuate the purpose of this resolution and, accordingly, approves such agreements, as needed, to effectuate the purpose of this resolution, as determined by the mayor in consultation with the city attorney, and authorizes and directs the mayor to execute such agreements.

SECTION V. That the board finds that the expenditure of any funds pursuant to this resolution is for the purpose of economic development or industrial development, is for a public purpose, is in the public interest and will promote the health, safety and prosperity of the citizens of the city.

SECTION VI. That to carry out the intent of this resolution the board will establish by ordinance, as needed, one or more project accounts and to fund such project account(s) in the

upcoming budgets, and the city manager is directed to authorize and establish such project account(s), when and as needed.

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

ADOPTED this the ____ day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

T. C. A. § 6-54-118. Municipal relationships with industrial development corporations.

(a)(1) Notwithstanding any other provision of law to the contrary, a municipality may appropriate funds, which may be funds borrowed by the municipality under applicable law, for the purpose of making a loan, with reasonable interest assessed, or a contribution to an eligible industrial development corporation, as defined in subsection (c), for the purpose of economic development or industrial development, or both.

(2) Without limiting the provisions of subdivision (a)(1), a municipality may also agree, for the period of time that the municipality may determine pursuant to an interlocal agreement entered into under § 12-9-104, that relates to the joint development or operation of an industrial park or a business park, to contribute to any eligible industrial development corporation that is identified in the interlocal agreement as the entity responsible for the development or operation of the industrial park or business park an amount equal to the property taxes that the municipality receives with respect to the property, including personal property, located within the industrial park or business park.

(3) Any amounts contributed to an industrial development corporation pursuant to subdivision (a) (2) shall be deemed revenues of the industrial development corporation, which may be used for any lawful purpose of the industrial development corporation.

(4) Without limiting the provisions of subdivisions (a)(1)-(3), any industrial development corporation that is identified in an interlocal agreement as the entity responsible for the development or operation of an industrial park or business park shall be authorized to distribute to any municipality that is a party to the interlocal agreement any revenues received by the industrial development corporation with respect to the industrial park or business park that are in excess of the amounts that are needed to pay the expenses of developing and operating the industrial park or business park.

(b) Without limiting the authorization provided under any otherwise applicable law, on or before 11:59 p.m., January 1, 2012, a municipality located in a tier 3 enhancement county as defined in § 67-4-2109(a)(2) as of June 1, 2011, acting through the authorization of the board of public utilities or other board or supervisory body having responsibility for the electric department or gas department of the municipality, may loan funds from the electric department or gas department to an eligible industrial development corporation for the purpose of economic development or industrial development, or both; provided, that:

(1) Prior to making any loan pursuant to this subsection (b), the municipality shall submit the loan agreement to the comptroller of the treasury, or the comptroller's designee, for approval based upon a review of the financial condition of the electric or gas department, the department's available reserves, the collateral provided to the department, and the terms and conditions of the loan documents; and

(2) The principal amount of any loan made pursuant to this subsection (b) shall not exceed five hundred thousand dollars (\$500,000).

(c) For purposes of this section:

(1) "Eligible industrial development corporation" means:

(A) Any industrial development corporation incorporated in the county in which the municipality is located;

(B) Any industrial development corporation formed jointly by the municipality and other municipalities pursuant to § 7-53-104(b); and

(C) Any industrial development corporation that has been identified in an interlocal agreement to which a municipality is a party as the entity that will be responsible for the development or operation of an industrial park or business park; and

(2) "Municipality" shall have the same meaning as in § 7-53-101.



AGENDA ACTION FORM

Reappointments to the Historic Zoning Commission

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

Action Form No.: AF-308-2016
 Work Session: November 14, 2016
 First Reading: N/A

Final Adoption: November 15, 2016
 Staff Work By: Planning Dept.
 Presentation By: Mayor Clark

Recommendation:

Approve reappointments.

Executive Summary:

Planning staff has recommended that both Jim Henderson and Jewell McKinney be reappointed to the Historic Zoning Commission. If approved by the Board of Mayor and Aldermen, both will be reappointed to a five-year term effective immediately and set to expire June 30, 2021.

Attachments:

None

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



AGENDA ACTION FORM

Agreement First Amendment with Redflex Traffic Systems, Inc.

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

Action Form No.: AF-300-2016
Work Session: November 14, 2016
First Reading: N/A

Final Adoption: November 15, 2016
Staff Work By: D/C Phipps
Presentation By: Chief Quillin

Recommendation:
Approve the Resolution.

Executive Summary:

Redflex Traffic Systems, Inc. is an automated red light photo enforcement platform the police department has utilized since an Agreement was executed on December 27, 2006. Since that time, a second Agreement was executed on January 25, 2010. That particular Agreement was extended on January 22, 2013 with the expiration set for January 25, 2017. With the approval of this resolution, the terms of the First Amendment to the Agreement will be extended for four (4) additional years expiring on January 25, 2021. The police department utilizes the photo enforcement ability to enhance the overall safety of the motoring public. It is often difficult for officers to address traffic violations in certain intersections due to traffic volume and other variables. With this ability, the police department is able to address traffic violations in a more effective, efficient, and safe manner.

Attachments:

- 1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION AMENDING THE AGREEMENT WITH REDFLEX TRAFFIC SYSTEMS, INC. FOR TRAFFIC PHOTO ENFORCEMENT AND AUTHORIZING THE MAYOR TO EXECUTE ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the board approved an agreement with Redflex Traffic Systems, Inc. for traffic photo enforcement in January, 2010; and

WHEREAS, the City of Kingsport desires to extend the agreement with Redflex Traffic Systems, Inc. for traffic photo enforcement for an additional four (4) years; and

WHEREAS, funding for the project is not necessary as payment is based on a collection of certain revenue;

Now therefore,

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

SECTION I. That an amendment of the agreement with Redflex Traffic Systems, Inc. for traffic photo enforcement extending the term for an additional four (4) years is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, notice to Redflex Traffic Systems, Inc. of the city's intent to extend the term of the agreement and an amendment to the agreement with Redflex Traffic Systems, Inc. for traffic photo enforcement extending the agreement for an additional four (4) years and all other documents necessary and proper to effectuate the purpose of the agreement, said amendment being generally as follows:

FIRST AMENDMENT TO
AGREEMENT BETWEEN THE CITY OF KINGSPORT, TENNESSEE
AND REDFLEX TRAFFIC SYSTEMS, INC. DATED JANUARY 25, 2010

This First Amendment (the "First Amendment") to the Agreement between the City of Kingsport, Tennessee and Redflex Traffic Systems, Inc. dated January 25, 2010 is made by and between Redflex Traffic Systems, Inc. ("Redflex") and the City of Kingsport, Tennessee ("the City") (individually the "Party" and collectively referred to as the "Parties"). The Effective Date of this First Amendment is _____, 2016.

RECITALS

1. The Parties entered into an Agreement between the City of Kingsport, Tennessee and Redflex Traffic Systems, Inc. dated January 25, 2010 for an automated red light photo enforcement program (the "Agreement");
 2. The term of the Agreement expires on January 25, 2017; and
 3. The Parties desire to amend the Agreement to extend the term and to reflect changes and improvements to the program.
- The Parties agree as follows:

TERMS AND CONDITIONS

- A. **Term.** The term of the Agreement is extended for an additional four (4) years to commence on January 26, 2017 and expire on January 25, 2021 (the "New Term"). The City has the right to extend the term of the Agreement for up to two (2) additional consecutive and automatic three (3) year periods following the expiration of the New Term (each an "Extension Term" and collectively with the New Term and all prior terms, the "Term"). The Term will be automatically extended for each

Extension Term, unless either Party provides written notice of termination to the other not less than thirty (30) days prior to the last day of the New Term or the Extension Term, as the case may be.

B. **Pricing.** During the New Term, the City will continue to pay Redflex out of fines collected and received from existing Designated Intersection Approaches in accordance with the pricing chart set forth in Section 10 of the Agreement for years 4, 5, 6 & 7 of the Agreement. For the first 95 citations paid per approach per month, the City will pay Redflex \$25.00 per citation. For citation 96 and above paid per approach per month, the City will pay Redflex \$10.00 per citation. The remainder of Section 10 of the Agreement shall remain unchanged by this First Amendment, including without limitation the fee to be paid for each additional new approach.

C. **Upgrades.** After the Effective Date, Redflex shall, at its sole expense, make the following upgrades to the Redflex Photo Red Light System:

1. By August 1, 2017, Redflex will upgrade all existing Designated Intersection Approaches to high-definition video cameras with a resolution of 720P video with a 1280x720 resolution.

2. Within two (2) years of the Effective Date, Redflex will upgrade existing violation detection Equipment for all Designated Intersection Approaches from flush mount systems to mapping radar detection. The mapping radar detection system will be located on the signal mast arm to observe approaching vehicles.

3. Any Intersection Approaches added to the Photo Red Light Enforcement Program in the future by mutual agreement of the Parties shall be equipped with the Equipment set forth above.

D. **Additional Approaches and Equipment.** Section 4 of the Agreement is amended by deleting the following:

"This Agreement is for the implementation of up to 10 intersections. Some intersections are already operational and will continue to be operational. Identification of additional enforced intersections will be based on mutual agreement between Redflex and the City as warranted by community safety and traffic needs."

and adding the following:

"This Agreement is for the initial implementation of 12 Intersection Approaches and any additional Intersection Approaches as the City and Redflex may mutually agree upon in writing from time to time. Twelve (12) Intersection Approaches are already operational and will continue to be operational. Identification of additional Intersection Approaches will be based on mutual written agreement between Redflex and the City as warranted by community safety and traffic needs. The City will conduct a traffic engineering study of the area and intersections being considered in accordance with T.C.A. § 55-8-198(g). Redflex shall not conduct the traffic engineering study or participate in the selection of the traffic engineer to document the need for a traffic enforcement camera. The City has the option to add REDFLEXhalo®, REDFLEXspeed®, mobile speed, Automatic License Plate Reader, and handheld equipment to the Program as outlined in Exhibits F – J to the First Amendment."

The remainder of Section 4 of the Agreement shall remain unchanged by this First Amendment.

E. **Contract Documents.** Section 1 of the Agreement shall be amended by adding the following to the list of documents that comprise the contract:

(6) The First Amendment to the Agreement between the City of Kingsport, Tennessee and Redflex Traffic Systems, Inc. dated January 25, 2010, including any exhibits attached thereto

(7) Any other amendments to the Agreement, including any exhibits attached thereto

The remainder of Section 1 of the Agreement shall remain unchanged by this First Amendment.

F. **Definitions.** The following changes and clarifications shall be made to Section 2 of the Agreement:

1. The terms "Redflex Photo Red Light System" and "Photo Red Light Enforcement Program", and the capitalized words "Photo Red Light" and "Photo Red Light Enforcement" shall not refer only to the red light photo enforcement system or program that Redflex has installed, maintains, and operates on behalf of the City, but shall also refer to the standards, criteria, processes, back office processes, equipment, applications, software, hardware, servers, off-site backup systems, cameras, sensors, components, flashes, central processing units, signal controller interfaces and detectors, motor vehicles, and any other tangible and intangible property used in connection with any other equipment the City elects to add to the Program such as REDFLEXhalo®, REDFLEXspeed®, or any other equipment set forth in Exhibits F – J to the First Amendment. Any reference to "the Program" or to the "the System" in the Agreement, this First Amendment, or any subsequent amendment, shall be interchangeable and synonymous with the respective definitions of "Photo Red Light Enforcement Program" and "Redflex Photo Red Light System" as modified by this First Amendment.

2. The definition of the term "Designated Intersection Approaches" shall be amended in its entirety to read:

"Designated Intersection Approaches means the Intersection Approaches set forth in Exhibit E to the First Amendment, and such additional Intersection Approaches as the City and Redflex may mutually agree upon in writing from time to time."

3. The definition of the term "Violation" shall be amended in its entirety to read:
 "Violation means any traffic violation contrary to the terms of the Kingsport City Code or any other applicable rule, regulation or law of any Governmental Authority."

Notice. Section 32 of the Agreement is amended to change the notice address for Redflex to the following:

Redflex Traffic Systems, Inc.
 Attn: Legal Department
 5651 W. Talavi Blvd., Suite 200
 Glendale, AZ 85306
 Facsimile: (623) 207-2056
 Telephone: (623) 207-2000

G. **Compliance with Laws.** Nothing contained in this First Amendment shall be construed to require any act contrary to law, and whenever there is a conflict between any term, condition or provision of this First Amendment and any present or future statute, law, ordinance or regulation, the latter shall prevail, but in such event the term, condition or provision of this First Amendment affected shall be modified or limited only to the extent necessary to bring it within the requirement of the law, provided that such modification or limitation is consistent with the intent of the Parties as expressed in the Agreement and this First Amendment.

H. **Enforceability of Non-Amended Terms and Conditions.** Except as expressly amended in this First Amendment, the terms and conditions of the Agreement shall remain in full force and effect. To the extent that this First Amendment conflicts with the terms and conditions of the Agreement, this First Amendment shall control. Any capitalized terms not defined in this First Amendment shall have the meanings ascribed to them in the Agreement.

Approved as to form, content and legality:

[Acknowledgements Deleted for Inclusion in this Resolution]

EXHIBIT "E"

Designated Intersection Approaches

The Agreement is for the initial implementation of twelve (12) Intersection Approaches and any additional Intersection Approaches as the City and Redflex may mutually agree upon in writing from time to time. Identification of enforced Intersection Approaches will be based on mutual written agreement between Redflex and the City as warranted by community safety and traffic needs. The City will conduct a traffic engineering study of the area and intersections being considered in accordance with T.C.A. § 55-8-198(g). Redflex shall not conduct the traffic engineering study or participate in the selection of the traffic engineer to document the need for a traffic enforcement camera. The City and Redflex represent and warrant that they have complied and will comply with T.C.A. § 55-8-198(g).

As of the Effective Date of the First Amendment, the initial twelve (12) Designated Intersection Approaches are as follows:

Approach	Intersection	Direction	Enforcement Type
KIN-FHLE-01	Fort Henry Dr and Lebanon Rd/Colonial Heights Rd	NB	Red Light
KIN-FHMO-01	Fort Henry Dr at Moreland Dr	SB	Red Light
KIN-JDWI-01	S. John B Dennis Hwy and S. Wilcox Dr	WB	Red Light
KIN-LGCV-01	Lynn Garden Dr and Carters Valley Rd	NB	Red Light
KIN-STCL-01	W. Stone Dr and Clinchfield St	WB	Red Light
KIN-STEА-01	E. Stone Dr and N. Eastman Rd	WB	Red Light
KIN-STEА-02	E. Stone Dr and N. Eastman Rd	EB	Red Light
KIN-STNB-01	E. Stone Dr./New Beason Well Rd./Cleek Rd.	WB	Red Light
KIN-STNB-02	E. Stone Dr./New Beason Well Rd./Cleek Rd.	EB	Red Light
KIN-STNE-01	Netherland Inn Road and West Stone Drive	WB	Red Light
KIN-STUN-01	W. Stone Dr and Union St	EB	Red Light
KIN-STUV-01	University Boulevard and West Stone Drive	EB	Red Light

Exhibit "F"
REFLEX HALO

1. The City has the option of adding the Redflex HALO Intelligence Collision Preemption System ("HALO") to the Program, the System, and the Agreement.
2. HALO will be installed and operated at Designated Intersection Approaches which are determined by mutual written agreement between Redflex and the City, and added to Exhibit E.
3. HALO extends the all-red phase for cross-traffic when the system detects that a vehicle could run a red light; other drivers in cross-traffic lanes remain stopped at the intersection while the incident is captured on video camera.
4. The City agrees to pay Redflex a Fixed Monthly Fee or Per Paid Citation Fee in the following manner for each Designated Intersection Approach installed with HALO:
All other provisions of Section 10 of the Agreement shall apply to HALO.
5. Redflex shall provide, construct, install, operate, maintain and repair the necessary equipment for HALO in accordance with Sections 5 and 6, and any other relevant provision, of the Agreement.

EXHIBIT "G"
FIXED SPEED

1. The City has the option of adding fixed speed camera enforcement ("Fixed Speed") to the Program, the System, and the Agreement.
2. Fixed Speed will be installed and operated at Designated Intersection Approaches which are determined by mutual written agreement between Redflex and the City in accordance with T.C.A. §§ 55-8-198(g) and 55-8-198(l) as applicable, and added to Exhibit E.
3. The terms of this Exhibit "G" relating to the enforcement of speed traffic laws will not become effective until the City amends the City Code to allow for photo enforcement of speed traffic laws.
4. The City agrees to pay Redflex a Fixed Monthly Fee or Per Paid Citation Fee in the following manner for each Designated Intersection Approach installed with Fixed Speed:
All other provisions of Section 10 of the Agreement shall apply to Fixed Speed.
5. Redflex shall provide, construct, install, operate, maintain and repair the necessary equipment for Fixed Speed in accordance with Sections 5 and 6, and any other relevant provision, of the Agreement.
6. The following Definitions shall be added to the Agreement:
"Fixed Speed Violation" means any traffic violation as provided for in any applicable rule, regulation or law of any Governmental Authority, including but not limited to operating a motor vehicle at a speed in excess of the posted limit, and operating a motor vehicle without displaying a valid license plate or registration.
"Fixed Speed Violation Criteria" means the standards and criteria by which Potential Violations will be evaluated by Authorized Officers of the City, which standards and criteria shall include, but are not limited to, operating a vehicle at a speed exceeding the speed limit, all of which shall be in compliance with all applicable laws, rules and regulations of Governmental Authorities. Should physical criteria change which requires additional modification to the Program or its detection equipment, any costs incurred in connection with such modifications shall be the responsibility of the City.
7. All provisions in the Agreement regarding Violations and Violation criteria shall also apply to Fixed Speed Violations and Fixed Speed Violation Criteria, including without limitation Violation Processing outlined in Section 9 of the Agreement.

EXHIBIT "H"
MOBILE SPEED

1. The City has the option of adding mobile speed camera enforcement ("Mobile Speed") to the Program, the System, and the Agreement.
2. Mobile Speed will be installed and operated in vehicles ("Mobile Vans") at designated locations ("Designated Mobile Approaches") which are determined by mutual written agreement between Redflex and the City in accordance with T.C.A. §§ 55-8-198(g) and 55-8-198(l) as applicable, and added to Exhibit E.
3. The following Definitions shall be added to the Agreement:
"Mobile Speed Violation" means any traffic violation as provided for in any applicable rule, regulation or law of any Governmental Authority, including but not limited to operating a motor vehicle at a speed in excess of the posted limit, and operating a motor vehicle without displaying a valid license plate or registration.
"Mobile Speed Violation Criteria" means the standards and criteria by which Potential Violations will be evaluated by Authorized Officers of the City, which standards and criteria shall include, but are not limited to, operating a vehicle at a speed exceeding the speed limit, all of which shall be in compliance with all applicable laws, rules and regulations of Governmental Authorities. Should physical criteria change which requires additional modification to the Program or its detection equipment, any costs incurred in connection with such modifications shall be the responsibility of the City.

4. The terms of this Exhibit "H" relating to the enforcement of speed traffic laws will not become effective until the City amends the City Code to allow for photo enforcement of speed traffic laws.

5. The City agrees to pay Redflex a Fixed Monthly Fee or Per Paid Citation Fee in the following manner for each Mobile Van installed with Mobile Speed:

All other provisions of Section 10 of the Agreement shall apply to Mobile Speed, including the following provisions.

5.1. If a Mobile Van is deactivated, temporarily or otherwise, at the Customer's request due to roadway construction for more than fourteen (14) days, then the Parties shall extend the Term of the Agreement for a period of time no less than the deactivation period, or, if the Parties have a Fixed Monthly Fee, have the Fixed Monthly Fee continue regardless of the deactivation.

5.2. The provision of all necessary communication, broadband and telephone services to the Mobile Vans at the Designated Mobile Approaches will be the sole responsibility of Redflex.

6. All provisions in the Agreement regarding Violations and Violation criteria shall also apply to Mobile Speed Violations and Mobile Speed Violation Criteria, including Violation Processing outlined in Section 9 of the Agreement.

7. In addition to any applicable or relevant provisions in Sections 5 and 6 of the Agreement, Redflex shall provide, construct, install, operate, maintain and repair the necessary equipment for Mobile Speed in accordance with the following:

7.1. Timeframe for Installation: Redflex will have each Mobile Van installed and activated in phases in accordance with an implementation plan to be mutually agreed to by Redflex and the City. Redflex will use reasonable commercial efforts to install and activate the Mobile Vans within sixty (60) days subsequent to formal project kick-off and receipt of the required customer approved Program business rules. The Customer agrees that the estimated timeframe for installation and activation are subject to conditions beyond the control of Redflex and are not guaranteed. In order to provide the Customer with timely completion of the Program, Redflex requires that the Customer assist with obtaining timely approval of any permit requests.

7.1.1. **REDFLEX OBLIGATIONS.** Redflex shall do or cause to be done each of the following (in each case, unless otherwise stated below, at Redflex's sole expense):

7.1.1.1. Appoint a Redflex Project Manager and a project implementation team consisting of between one (1) and four (4) people to assist the Redflex Project Manager;

7.1.1.2. Seek approval from the relevant Governmental Authorities having authority or jurisdiction over the Designated Mobile Approaches (collectively, the "Approvals"), which will include compliance with City permit applications;

7.1.1.3. Finalize the acquisition of the Approvals;

7.1.1.4. Apply for and pay any required business tax and registration tax for any required business license, in accordance with the City Code;

7.1.1.5. Assist the City in developing a public awareness strategy (the "Awareness Strategy"), which may include media and educational materials;

7.1.1.6. Develop Violation criteria in consultation with the City;

7.1.1.7. Develop the Enforcement Documentation for approval by the City, which approval shall not be unreasonably withheld;

7.1.1.8. Complete the installation and testing of all necessary Equipment, including hardware and software, in the Mobile Vans;

7.1.1.9. Install and test the functionality of the Mobile Vans with the System and establish fully operational Violation processing capability with the System;

7.1.1.10. Implement the use of the System in each Mobile Van at each of the Designated Mobile Approaches;

7.1.1.11. Deliver the Materials as defined below to the City;

7.1.1.12. Issue Citation notices for Authorized Violations;

7.1.1.13. Interact with court and judicial personnel to address issues regarding the implementation of the System, the development of a subpoena processing timeline that will permit the offering of Violations Data in court and judicial proceedings, and coordination between Redflex, the City, and City Court personnel;

7.1.1.14. The Redflex Project Manager (or a reasonable alternate) shall be available to the Authorized Officers each day, on a reasonable best efforts basis;

7.1.1.15. Supply a fully equipped vehicle to be used as a Mobile Van; and

7.1.1.16. Maintain insurance on the Mobile Vans.

7.1.2. **CUSTOMER OBLIGATIONS.** The City shall do or cause to be done each of the following (in each case, unless otherwise stated below, at City's sole expense):

7.1.2.1. Appoint a Police Project Manager.

7.1.2.2. Provide ongoing assistance to Redflex in obtaining access to the records data of the Department of Motor Vehicles in Redflex's capacity as an independent contractor to the City;

- 7.1.2.3. Assist Redflex in seeking the Approvals;
 - 7.1.2.4. Provide reasonable access to the City's properties and facilities in order to permit Redflex to install and test the functionality of the Mobile Vans and the Program;
 - 7.1.2.5. Provide reasonable access to the personnel of the City and reasonable information about the specific operational requirements of such personnel for the purposes of performing training;
 - 7.1.2.6. Seek approval or amendment of the Awareness Strategy and provide written notice to Redflex with respect to the quantity of media and Program materials (the "Materials") that the City will require in order to implement the Awareness Strategy during the period commencing on the date on which Redflex begins the installation of any of the Mobile Vans and ending one (1) month after the Installation Date;
 - 7.1.2.7. Assist Redflex in developing the Mobile Speed Violation Criteria;
 - 7.1.2.8. Seek approval of the Enforcement Documentation;
 - 7.1.2.9. The City shall provide on an agreed upon frequency (which agreement shall be in writing), without cost to Redflex, reports regarding the prosecution of Citations, the collection of fines, fees and other monies and available collision data, in such format and for such periods as Redflex may reasonably request;
 - 7.1.2.10. The City is responsible for all computer hardware, web browsers and high speed Internet access necessary to operate the systems;
 - 7.1.2.11. The City shall provide and apply all City markings to the Mobile Vans. At the end of the Term, the City will be responsible for removing all markings before returning the Mobile Vans to Redflex.
 - 7.1.2.12. The City accepts responsibility for costs associated with excessive wear and tear;
 - 7.1.2.13. The City shall provide an "agent" to operate and staff the Mobile Vans, the System and the Equipment. Said "agent" shall be a police officer selected by the Chief of Police;
 - 7.1.2.14. The City will be responsible for damages to the vehicle due to the negligence of the City's operator; and
 - 7.1.2.15. Deploy each Mobile Van for at least 20 hours per week at Designated Mobile Approaches.
- 7.2. All repair and maintenance of the Program and related equipment will be the sole responsibility of Redflex, including but not limited to maintaining the cameras.
- 7.2.1. The City is responsible for Mobile Van unit maintenance limited to oil changes every three (3) months or 3,000 miles, whichever comes first; gasoline; tires and regular cleanings to both the interior and exterior of the vehicle.
- 7.2.2. In the event that images of a quality suitable for the Authorized Officer to identify Violations cannot be reasonably obtained without the use of flash units, Redflex shall provide and install such flash units.
- 7.2.3. Redflex may assign specific personnel to provide follow up assistance to the City in the form of the HELPDESK, a designated Customer Service Representative and a Director of Accounts. The Redflex Project Manager (or a reasonable alternate) will be available to the Police Project Manager each day.
- 7.2.4. Redflex will make commercially reasonable efforts to promote the City's successful utilization of the System, including but not limited to providing City with user guides, online help, online training and presentations (as available). Redflex will respond to helpdesk requests for support within 8 hours of the request except where circumstances beyond its control preclude a response within that time. Redflex will use commercially-reasonable efforts to respond to all other support requests within 24 hours for requests received during the period of 8 am to 5 pm Central Standard Time, Monday through Friday. The e-mail support specialist shall be responsible for receiving City reports of errors in the System, and, to the extent practicable over email or telephone, making commercially-reasonable efforts to assist the City in resolving the City's reported problems. If the problem cannot be resolved telephonically, Redflex will use commercially-reasonable efforts to restore functionality in accordance with System specifications within 72 hours of Redflex's receipt of the reported problem, except that Redflex will repair or replace any damaged or defective camera or other Equipment within forty-eight (48) hours.
- 7.2.5. Redflex must promptly make available to the City any and all upgrades and technology modifications, including but not limited to software, hardware, camera systems, violation detection systems upon the products general availability (GA release readiness and not in alpha, beta and testing phases) as Redflex and the City mutually agree in writing. The upgrades and enhancements must be provided to the City at no cost within thirty (30) days of City's acceptance of the upgrade or enhancement.
- 7.2.6. In the event a camera system is damaged or suffers vandalism rendering the approach inoperative, the City will secure the camera system by removing the system from the scene and storing it in a secure location. Redflex must pay the City for the cost of a City maintenance team to secure their camera system when an after-hours callout is required. Redflex is not required to

reimburse the City when a City maintenance team secures a camera system during regular business hours.

7.2.7. The City shall notify Redflex as soon as possible if any camera system is damaged or subject to vandalism.

7.2.8. Redflex shall provide any major vehicle maintenance required on the Mobile Vans not caused by excessive wear and tear or negligence of the City or its agents.

8. PERMITTED MOBILE SPEED VEHICLE ACTIVITIES. In connection with mobile speed enforcement products and services provided by Redflex in accordance with the terms and conditions stated in this Agreement, the City agrees as follows: (1) the City shall use, deploy and operate Mobile Vans only and solely for speed limit traffic enforcement purposes as expressly approved and authorized in writing herein by both Redflex and the City; and (2) the City shall not use, deploy and/or operate the Mobile Vans for any purpose unrelated to speed limit traffic photo enforcement including, but not limited to, pursuit, apprehension, capture, detention, emergency or disaster response or relief, surveillance, observation, security, arrest, custody, search and/or seizure, carrier, passenger transportation or chauffeur, delivery service, service of process, and other civil and/or criminal law enforcement and/or investigation.

EXHIBIT "I"

AUTOMATED LICENSE PLATE READER

1. The City has the option of adding Automated License Plate Reader to the Program, the System, and the Agreement.

2. The following Definitions shall be added to the Agreement:

"Automated License Plate Reader" or "ALPR" means an all-in-one device that captures license plate images and processes the images to extract the license plate number. The software enables the ALPR Device to read license plates from all fifty states. The ALPR Device can be configured to compare license plate numbers with those on a "hot list" (Amber alerts, local vehicles of interest, NCIC list, etc.) and trigger an alarm if a match is detected.

"Equipped Motor Vehicles" means motor vehicles and/or trailers that have been obtained by Redflex, or, as the case may be, by the City, from a manufacturer and which are modified and equipped by Redflex to be part of the ALPR Program.

3. ALPR will be installed and operated on Equipped Motor Vehicles and at Designated Intersection Approaches which are determined by mutual written agreement between Redflex and the City, and added to Exhibit E.

4. The City agrees to pay Redflex a Fixed Monthly Fee in the following manner for each Designated Intersection Approach and Equipped Motor Vehicle installed with ALPR:

All other provisions of Section 10 of the Agreement shall apply to ALPR.

5. Redflex shall provide, construct, install, operate, maintain and repair the necessary equipment for ALPR at Designated Intersection Approaches in accordance with Sections 5 and 6, and any other relevant provision, of the Agreement.

6. In connection with the ALPR on Equipped Motor Vehicles, Redflex and the City shall have the following installation and maintenance obligations as set forth below.

6.1. Redflex Obligations. Redflex shall:

6.1.1. Complete the installation and testing of all necessary Equipment for ALPR;

6.1.2. Install and test the functionality of the Equipped Motor Vehicle(s) with the System; and

6.1.3. Implement the use of the System in each Equipped Motor Vehicle.

6.2. City Obligations. The City shall:

6.2.1. Coordinate a vehicle deployment strategy to maximize education and awareness.

6.2.2. Assist in scheduling the deployment and relocation of the Equipped Motor Vehicle(s) and/or trailer(s).

6.2.3. Coordinate with Redflex in the deployment of each Equipped Motor Vehicle(s) and/or trailer(s). The City is responsible for all computer hardware, web browsers and high speed Internet access necessary to operate the systems (no special equipment necessary other than a PC with internet access).

6.2.4. Provide reasonable access to the City's properties and facilities in order to permit Redflex to install and test the functionality of the Equipped Motor Vehicles and the Program;

6.2.5. The City shall require any and all employees who may operate or occupy the Equipped Motor Vehicles to complete a mandatory training program to insure that (i) the Equipped Motor Vehicles are operated in a safe manner and (ii) all warnings and instructions that accompany the Equipped Motor Vehicles are understood and heeded;

6.2.6. City will be responsible for damages to the ALPR system due to the negligence of the City's operator.

EXHIBIT "J"

Handheld Devices

1. The City has the option of adding Handheld Devices to the Program, the System, and the Agreement.

2. The following Definitions shall be added to the Agreement:

"Handheld Device" means a Laser Technology, Inc. TruCAM speed detection video camera that utilizes non-automated, Lidar technology to detect the presence of a motor vehicles and generate recorded images of potential violations of T.C.A. §§ 55-8-109 – 55-8-110, 55-8-152 – 55-8-156, 55-8-198; City Code §§ 98-120 – 98-123, 98-470, 98-500; or any other applicable traffic law.

"Handheld Notice" means a notice of a Handheld Violation issued in accordance with Tennessee State Law and the City Code.

"Handheld Violation" means a violation of T.C.A. §§ 55-8-109 – 55-8-110, 55-8-152 – 55-8-156, 55-8-198; City Code §§ 98-120 – 98-123, 98-470, 98-500; or any other applicable traffic law.

3. The terms of this Exhibit "J" relating to the enforcement of speed traffic laws will not become effective until the City amends the City Code to allow for photo enforcement of speed traffic laws.

4. During the Term of the Agreement, Redflex shall provide a certain number of Handheld Devices as the City and Redflex may mutually agree upon in writing from time to time as warranted by community safety and traffic needs and in accordance with T.C.A. § 55-8-198(g) if applicable.

5. The City will provide law enforcement officers to operate the Handheld Devices.

6. The law enforcement officers will manually activate the Handheld Devices to record and capture violations of T.C.A. §§ 55-8-152 – 55-8-156, 55-8-198(l), City Code §§ 98-120 – 98-123, 98-470, or any other applicable speed traffic law, as they happen by pressing a button on the Handheld Devices.

7. The law enforcement officers shall transfer the data and recorded images captured by the Handheld Devices to the System by connecting a secure digital card to a computer with access to the System.

8. Handheld Notices and Handheld Violations shall be issued and processed in the same manner as other violations under this Agreement, and in accordance with Tennessee State Law and the City Code.

9. Redflex shall be responsible for the regular repair and maintenance of the Handheld Devices.

10. The City agrees to pay Redflex a Fixed Monthly Fee or Per Paid Citation Fee in the following manner for each paid Handheld Violation captured by a Handheld Device:

SECTION III. 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 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 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Amend the Agreement with Prairie Farms Dairy to Renew for an Additional Year

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

Action Form No.: AF-302-2016
Work Session: November 14, 2016
First Reading: N/A

Final Adoption: November 15, 2016
Staff Work By: Committee
Presentation By: Jennifer Walker

Recommendation:

Approve the Resolution.

Executive Summary:

On November 5, 2013 the Board of Mayor and Aldermen passed a resolution to execute an agreement with Prairie Farms Dairy. This agreement was to establish a continuous supply of dairy items for use by the City of Kingsport School Nutrition Services. The agreement 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 quality of service is satisfactory and prices are in line with market value when compared to the Consumer Price Index for All Urban Consumers, U.S. Food and Beverages. It is now recommended to amend this agreement for an additional year and extend it for the January 7, 2017 – January 6, 2018 for \$250,000.00

Funding will be provided from Kingsport City School Nutrition budget.

Attachments:

- 1. Resolution
- 2. Letter of Intent to Renew
- 3. Proposed Addendum

Funding source appropriate and funds are available:

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN ADDENDUM TO THE AGREEMENT WITH PRAIRIE FARMS DAIRY FOR DAIRY ITEMS FOR THE KINGSPORT CITY SCHOOL NUTRITION SERVICES; AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE THE ADDENDUM; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE ADDENDUM

WHEREAS, on November 5, 2013, the board approved an agreement with Prairie Farms Dairy to provide dairy products to the Kingsport City School Nutrition Services for the period of January 7, 2014, to January 6, 2015, with the option to renew the agreement for an additional three years, in one year increments; and

WHEREAS, the Kingsport City School Nutrition Services would like to renew the agreement for the term of January 7, 2017, to January 6, 2018, for \$250,000.00.

Now therefore,

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

SECTION I. That an addendum to the agreement with Prairie Farms Dairy for dairy products for the Kingsport City School Nutrition Services for the period of January 7, 2017, to January 6, 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 addendum to the agreement with Prairie Farms Dairy for dairy products for the Kingsport City School Nutrition Services for the period of January 7, 2017, to January 6, 2018, and all other documents necessary and proper to effectuate the purpose of the amendment or this resolution, said amendment being generally as follows:

**ADDENDUM TO AGREEMENT
BETWEEN PRAIRIE FARMS DAIRY
AND CITY OF KINGSPORT, TENNESSEE FOR ITS KINGSPORT CITY SCHOOLS
MADE AND ENTERED INTO ON THE 7TH DAY OF JANUARY 2017**

SECTION 2. CONTRACT TERM. The work to be performed under this Contract shall be from JANUARY 7, 2017 to JANUARY 6, 2018. 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 FIFTY THOUSAND DOLLARS AND NO CENTS (\$250,000.00) 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 FIFTY THOUSAND DOLLARS AND NO CENTS (\$250,000.00) 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, January 6, 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 II. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the amendment/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 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 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



October 24, 2016

Michelle Ramey
Procurement
Kingsport City Schools
225 W Center Street
Kingsport TN 37660

Dear Ms. Ramey,

Prairie Farms Dairy - Somerset Division agrees to renew the current bid with Kingsport City Schools for the contract period of January 7, 2017 through January 6, 2018. Pricing be adjusted each month based on the raw milk announcement.

Thank you for allowing Prairie Farms Dairy - Somerset Division the opportunity to serve you. If you need anything else, please let us know.

Sincerely,

Mike Chandler
General Manager

MC/cpd

ADDENDUM TO AGREEMENT

BETWEEN PRAIRIE FARMS DAIRY

AND CITY OF KINGSPORT, TENNESSEE FOR ITS KINGSPORT CITY SCHOOLS

MADE AND ENTERED INTO ON THE 7TH DAY OF JANUARY 2017

SECTION 2. CONTRACT TERM. The work to be performed under this Contract shall be from JANUARY 7, 2017 to JANUARY 6, 2018. The Contract will be awarded for a period of one (1) year with a renewal option for one (1) additional 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 FIFTY THOUSAND DOLLARS AND NO CENTS (\$250,000.00) 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 FIFTY THOUSAND DOLLARS AND NO CENTS (\$250,000.00) 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, January 6, 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.

PRAIRIE FARMS DAIRY

CITY OF KINGSPORT, TENNESSEE

BY: _____

BY: _____
Mayor

ATTEST:

Recorder

APPROVED AS TO FORM:

City Attorney



AGENDA ACTION FORM

Approving an Agreement Renewing Property Insurance for City Owned Buildings

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

Action Form No.: AF-296-2016
Work Session: November 14, 2016
First Reading: N/A

Final Adoption: November 15, 2016
Staff Work By: Katrina Hanog
Presentation By: Terri Evans

Recommendation:
Approve for Resolution.

Executive Summary:
The city's property insurance coverage is provided through Travelers and covers all buildings owned by the City of Kingsport and Kingsport City Schools. Travelers has agreed to renew the insurance at the same rate as last year - \$.0316 per \$100.00 of covered value. Quotes on similar coverage limits were received by our local insurance company, BB&T-KDC, from several other carriers, and none were lower than the rate by Travelers for equal coverage. The 2017 premium will be \$168,731. The increase in premium is due to increased properties and values.

Attachments:
1. Resolution

Funding source appropriate and funds are available: *JF*

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE RENEWAL OF THE AGREEMENT WITH TRAVELERS INSURANCE FOR CITY OF KINGSPORT PROPERTY INSURANCE AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the city would like to renew the agreement with Travelers Insurance to provide specific insurance coverage for the city's property effective January 1, 2017, through December 31, 2017; and

WHEREAS, there is no increase in the rate for the premium, which is \$.0316 per \$100.00 of covered value.

Now therefore,

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

SECTION I. That the renewal of the agreement with Travelers Insurance to provide specific insurance coverage for the city's property insurance, effective January 1, 2017, through December 31, 2017, at the rate of \$.0316 per \$100.00 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, an agreement with Travelers Insurance to provide property insurance coverage for the city's property effective January 1, 2017, through December 31, 2017, and all other documents necessary and proper to effectuate the purpose of the agreement.

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 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Renew the Workers Compensation Excess Insurance Coverage through Safety National Insurance Company

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

Action Form No.: AF-295-2016
Work Session: November 14, 2016
First Reading: N/A

Final Adoption: November 15, 2016
Staff Work By: Terri Evans
Presentation By: Terri Evans

Recommendation:

Approve the Resolution.

Executive Summary:

The Excess Risk Workers Compensation insurance coverage for the city has been provided by Safety National Insurance Company for several years. Safety National has agreed to renew the insurance at the current statutory limits with a \$500,000 self-insured retention at a lower rate than last year - \$.1835 per \$100 of covered payroll for 2017 (\$.1867 in 2016).

Quotes on equal coverage limits were received by the city's local third party administrator, Tri-State Claims Service, from several other carriers. The quote from Safety National was the lowest quote for the same level of coverage.

It is the recommendation to approve the renewal of the Excess Worker's Compensation Insurance with Safety National Insurance Company at a total premium of \$146,695.00.

Attachments:

- 1. Resolution
- 2. Summary of quotes received

Funding source appropriate and funds are available: 

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

RESOLUTION NO. _____

A RESOLUTION APPROVING THE RENEWAL OF THE AGREEMENT WITH SAFETY NATIONAL INSURANCE CORPORATION FOR WORKERS' COMPENSATION REINSURANCE AND AUTHORIZING THE MAYOR TO EXECUTE THE RENEWAL OF THE POLICY AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE RENEWAL

WHEREAS, Safety National Insurance Corporation provides workers' compensation reinsurance for the city's self-insured worker's compensation program; and

WHEREAS, the agreement with Safety National Insurance Corporation provides for renewal; and

WHEREAS, upon review of the quotes, the board finds it is in the best interest and advantage to the city to renew the agreement with Safety National Insurance Corporation; and

WHEREAS, the city wants to renew the agreement with Safety National Insurance Corporation to provide workers' compensation reinsurance coverage for the city's self-funded workers' compensation insurance plan effective January 1, 2017, through December 31, 2017;

Now therefore,

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

SECTION I. That the renewal of the agreement with Safety National Insurance Corporation to provide workers' compensation reinsurance for the city's self-insured workers' compensation program effective January 1, 2017, through December 31, 2017, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney, an agreement with Safety National Insurance Corporation to provide worker's compensation reinsurance for the city's self-insured worker's compensation program effective January 1, 2017, through December 31, 2017, and all other documents necessary and proper to effectuate the purpose of the agreement.

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 15th day of November, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

City of Kingsport
Excess Workers' Compensation Insurance
Renewal 01/01/2017

<p>Current Policy 16/17 Safety National Workers' Compensation – Statutory Employers Liability \$1,000,000 Per Occurrence Self Insured Retention \$500,000 Rate: .1867 per \$100 of Payroll Payroll: \$75,852,536 Premium: \$141,617</p>	<p>Renewal Option #1 17/18 Safety National Workers' Compensation – Statutory Employers Liability \$1,000,000 Per Occurrence Self Insured Retention \$500,000 Rate .1835 per \$100 of Payroll Payroll: \$79,942,783 Premium: \$146,695</p>	<p>Renewal Option #2 17/18 Safety National Workers' Compensation – Statutory Employers Liability \$1,000,000 Per Occurrence Self Insurance Retention \$550,000 Rate: .1775 per \$100 of Payroll Payroll: \$79,942-783 Premium: \$141,898</p>	<p>Renewal Option #3 17/18 Arch Insurance Group Workers' Compensation – Statutory Employers Liability \$1,000,000 Per Occurrence Self Insured Retention \$500,000 Rate: .1848 per \$100 of Payroll Payroll: \$79,942,783 Premium: \$147,402</p>
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MEMORANDUM

TO: Jeff Fleming, City Manager
Board of Mayor and Aldermen

FROM: James H. Demming, City Recorder/CFO 

DATE: November 9, 2016

SUBJECT: Presentation of Submission to the State of Tennessee the Report on Debt Obligation (State Form CT-0253) - \$21,335,000 General Obligation Public Improvement Bonds – Series 2016

At the September 6, 2016 regular meeting, the BMA authorized the issuance of up to \$23,225,000 in bonds to provide funding for approximately \$22,856,300 in capital improvements included in the City's FY2017 Capital Improvement Plan.

The City conducted a competitive sale for the issuance on October 24, 2016 and completed the closing on November 4, 2016. The City received electronic bids from 11 firms, with the winning public bid for the 20 year, fixed rate bonds submitted by Bank of America Merrill Lynch with a true interest cost (TIC) of 2.5234%.

As part of this debt issuance process, the City received ratings on the City's bonds from Moody's Investors Service and Standard and Poor's Rating Services of Aa2 and AA, respectively.

As a follow-up to the bond closing, the City is required, prior to filing with the State of Tennessee, to complete and present to the BMA at a public meeting the attached "Report on Debt Obligation" (State Form No. CT-0253).

In an addition a link to the Final Financing Report for the sale of the bonds is provided for your information. This report was prepared by the City Financial Advisor – Raymond James & Associates, Inc., and includes more detailed information about this bond issue.

If additional information is needed, please advise.

Attachments:
State Report on Debt Obligation – CT-0253

<C:\Users\ferguson\Documents\BONDS\2016 September 6, 2016 Bond\Final Financing Report 2016 11042016.pdf>



FINAL FINANCING REPORT

**\$21,335,000 GENERAL OBLIGATION
PUBLIC IMPROVMENT BONDS, SERIES 2016**

November 4, 2016

RAYMOND JAMES®
Financial Advisor
One Burton Hills Blvd. – Suite 225
Nashville, Tennessee 37215
800-764-1002

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EXECUTIVE SUMMARY

Background: The City of Kingsport, Tennessee (the “City”) issued its \$21,335,000 General Obligation Public Improvement Bonds, Series 2016 (the “Bonds”) on November 4, 2016. The objectives of the transaction are to take advantage of low interest rates and finance the City’s adopted FY 2016 – 2017 Capital Improvement Program.

For this transaction, Raymond James & Associates, Inc., Nashville, Tennessee (“Raymond James”) and Adams and Reese LLP, Nashville, Tennessee (“Adams and Reese”) served the City as financial advisor and bond counsel, respectively.

Transaction Preparation: As required, the City and Raymond James entered into a Municipal Advisor Agreement (the “Agreement”) relating to the sale and issuance of the Bonds. The Agreement was dated August 30, 2016. With the assistance of Raymond James, Adams and Reese developed the required Initial and Detailed Resolutions relating to the Bonds which favorably were considered by the Board of Mayor and Aldermen of the City on September 13 and September 20, 2016, respectively. As required by Tennessee law, the City published the Initial Resolution locally to initiate the 20 day legal protest period.

For economies of scale, better execution and lower yields, the Bonds were structured as a composite issue. The Initial and Detailed Resolutions were structured so that the entire composite issue was secured by the City’s general obligation pledge even though various components of the transaction are payable from dedicated revenue streams, including but not limited to water, sewer and local option sales tax receipts.

Pursuant to the Agreement, Raymond James facilitated the development of the *Official Notice of Sale and the Preliminary Official Statement* based on input from the City and Adams and Reese. Following numerous revisions and comments, the City authorized Raymond James to use the *Preliminary Official Statement* and *Official Notice of Sale* to initiate the marketing process for the Bonds.

Concurrent with the development of various marketing materials, numerous documents, including, but not limited to, a draft version of the *Preliminary Official Statement*, the Resolutions and other data were provided to Moody’s Investors Service, Inc., a division of Moody’s Corporation (“Moody’s”) and Standard & Poor’s Ratings Services – Standard & Poor’s Financial Services LLC, a part of McGraw Hill Financial (“S&P”) seeking credit ratings for the Bonds. As is usual and customary, “due diligence” questionnaires were provided by Moody’s and S&P and conference calls arranged by Raymond James were conducted among City officials, analysts for Moody’s, S&P and Raymond James representatives in order to provide additional information and respond to questions regarding the City’s transaction, its financial situation and operations, future capital plans and its current economic circumstances. Following their standard analytical processes, Moody’s and S&P’s credit committees reviewed the materials and the recommendations of their analysts assigned to the engagement. In accordance with their published methodologies, Moody’s and S&P affirmed the City’s outstanding credit ratings for all rated debt and assigned the Bonds their ratings of “Aa2” and “AA”, respectively.

At the request of the City, Raymond James also solicited proposals from various commercial banks to serve as registration and paying agent for the Bonds. Three proposals were received and

following consultation with the City, the decision was made to designate U.S. Bank National Association as registration agent for the Bonds.

Bond Sale: As required by Tennessee law, the Bonds were advertised for competitive public sale through a formal process published not less than 5 days prior to the targeted date of sale. Details concerning the public sale and Bonds were provided to potential bidders and others in the *Official Notice of Sale* and the *Preliminary Official Statement*, both of which were dated as of October 14, 2016. Following the normal process for the City, the web-based facilities of I-deal prospectus were used for this task and formal bidding will be conducted through IPREO's BiDCOMP®/Parity® system (the "System"). Through the System, 11 of the original 12 firms which indicated an interest in bidding for the Bonds submitted proposals ranging from the best bid of 2.523410% on a true interest cost basis ("TIC") to 2.733096%.

The successful bidder for the Bonds was an account led by Bank of America Merrill Lynch, New York, New York (the "Underwriter") who contracted with the Municipality, subject to the conditions set forth in the *Official Notice of Sale* (including permitted adjustments) to purchase the Bonds at a price of \$22,973,755.97 (consisting of the par amount of the Bonds of \$21,335,000.00, plus a net premium of \$1,768,370.70, less an underwriter's discount of \$129,614.73) or a bid price of 107.681% of par.

Following official bidding, resizing and other permitted adjustments which will be performed by Raymond James, the normal process associated with closing on November 4, 2016 occurred including, but not limited to, review and comments on all documents. Both Adams and Reese and Raymond James representatives traveled to the City for the pre-closing which was held on November 2, 2016. Following confirmation of closing, Raymond James disbursed funds to cover all documented costs of issuance associated with the transaction.

RAYMOND JAMES®

CLOSING MEMORANDUM

To: Bank of America Merrill Lynch

From: Financial Advisor
Rick Dulaney
Elizabeth Zuelke

Date: October 31, 2016

Via Email

Re: Re: Closing Wiring Instructions - \$21,335,000 General Obligation Public Improvement Bonds, Series (the "Bonds") of the City of Kingsport, Tennessee (the "City"), dated November 4, 2016.

cc: James Demming, Lisa Winkle, Cheryl Toney, Cindy Barnett, Esq., Jacqueline McNeil, Joni Southwell and Tracy Johnson

The following information provides an itemization of the wiring instructions relating to the Bonds which will close on Friday, November, 2016 at 8:00 a.m., CT or as soon as possible thereafter.

Previously, Bank of America Merrill Lynch wired a good faith deposit totaling \$426,700.00 to Raymond James to be held on behalf of the City and applied to the purchase price of the Bonds at closing. In order to provide for the remaining balance due, please wire \$22,547,055.97 to the City which together with the good faith deposit will total the purchase price of \$22,973,755.97.

First Tennessee Bank, Memphis
ABA No: 084000026
For Further Credit to: City of Kingsport, TN
Account No: 100041379
Account Name: City of Kingsport Deposits Clearing
Attention: Cheryl Toney (423-229-9405)

After completing the wire transfer, please e-mail (richard.dulaney@raymondjames.com) or call 800.764.1002 with the Fed Reference number and time. If you have any questions regarding these instructions, please contact us.

Attachment

\$21,335,000

City of Kingsport, Tennessee
General Obligation Public Improvement Bonds, Series 2016

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
03/01/2018	Serial Coupon	4.000%	0.800%	795,000.00	104.208%	-	-	-	828,453.60
03/01/2019	Serial Coupon	4.000%	0.910%	830,000.00	107.091%	-	-	-	888,855.30
03/01/2020	Serial Coupon	4.000%	1.000%	865,000.00	109.785%	-	-	-	949,640.25
03/01/2021	Serial Coupon	4.000%	1.070%	895,000.00	112.350%	-	-	-	1,005,532.50
03/01/2022	Serial Coupon	4.000%	1.200%	935,000.00	114.400%	-	-	-	1,069,640.00
03/01/2023	Serial Coupon	4.000%	1.300%	970,000.00	116.341%	-	-	-	1,128,507.70
03/01/2024	Serial Coupon	4.000%	1.450%	1,015,000.00	117.658%	-	-	-	1,194,228.70
03/01/2025	Serial Coupon	4.000%	1.550%	1,055,000.00	119.064%	-	-	-	1,256,125.20
03/01/2026	Serial Coupon	4.000%	1.750%	1,095,000.00	119.279%	-	-	-	1,306,105.05
03/01/2027	Serial Coupon	4.000%	1.930%	1,095,000.00	117.585%	c	03/01/2026	100.000%	1,287,555.75
03/01/2028	Serial Coupon	4.000%	2.100%	1,140,000.00	116.012%	c	03/01/2026	100.000%	1,322,536.80
03/01/2029	Serial Coupon	4.000%	2.270%	1,185,000.00	114.463%	c	03/01/2026	100.000%	1,356,386.55
03/01/2030	Serial Coupon	3.000%	2.730%	1,235,000.00	102.207%	c	03/01/2026	100.000%	1,262,256.45
03/01/2031	Serial Coupon	3.000%	2.800%	1,275,000.00	101.629%	c	03/01/2026	100.000%	1,295,769.75
03/01/2032	Serial Coupon	3.000%	2.860%	1,315,000.00	101.136%	c	03/01/2026	100.000%	1,329,938.40
03/01/2033	Serial Coupon	3.000%	2.920%	1,345,000.00	100.646%	c	03/01/2026	100.000%	1,353,688.70
03/01/2034	Serial Coupon	3.000%	3.000%	1,390,000.00	100.000%	-	-	-	1,390,000.00
03/01/2035	Serial Coupon	3.000%	3.036%	1,430,000.00	99.500%	-	-	-	1,422,850.00
03/01/2036	Serial Coupon	3.000%	3.069%	1,470,000.00	99.000%	-	-	-	1,455,300.00
Total	-	-	-	\$21,335,000.00	-	-	-	-	\$23,103,370.70

Bid Information

Par Amount of Bonds	\$21,335,000.00
Reoffering Premium or (Discount)	1,768,370.70
Gross Production	\$23,103,370.70
Total Underwriter's Discount (0.608%)	\$(129,614.73)
Bid (107.681%)	22,973,755.97
Total Purchase Price	\$22,973,755.97
Bond Year Dollars	\$241,618.88
Average Life	11.325 Years
Average Coupon	3.3563231%
Net Interest Cost (NIC)	2.6780830%
True Interest Cost (TIC)	2.5694034%
Series 201610.20.16 s1zin Issue Summary 10/24/2016 11:28 AM	

RAYMOND JAMES

RAYMOND JAMES®

MEMORANDUM

To: Joni Southwell

From: Rick Dulaney
Elizabeth Zuelke

Date: October 31, 2016

Via Email

Re: Re: Closing Wiring Instructions - \$21,335,000 General Obligation Public Improvement Bonds, Series (the "Bonds") of the City of Kingsport, Tennessee (the "City"), dated November 4, 2016

cc: James Demming, Lisa Winkle, Cheryl Toney, Cindy Barnett, Esq., Jacqueline McNeil, Joni Southwell and Tracy Johnson

The following information provides an itemization of the wire instructions relating to the Bonds which will close on November 4, 2016 at 8:00 a.m. (CT) or as soon as possible thereafter.

Previously, Bank of America Merrill Lynch wired a good faith deposit totaling \$426,700.00 to Raymond James to be held on behalf of the City (TN1118) and applied to the purchase price of the Bonds at closing.

As soon as possible on or before November 4, 2016 from the foregoing proceeds, please wire \$313,550.00 which represents the balance of the good faith deposit as follows:

First Tennessee Bank, Memphis
ABA No: 084000026
For Further Credit to: City of Kingsport, TN
Account No: 100041379
Account Name: City of Kingsport Deposits Clearing
Attention: Cheryl Toney (423-229-9405)

Following confirmation of the actual closing, please execute the following closing transactions based on the attached invoices, where applicable:

1. Please wire \$35,000.00 to Adams and Reece LLP for services rendered as bond counsel:

Regions Bank
New Orleans, LA
ABA No. 062005690
Further credit to Regions Bank - New Orleans, La. Main Office
Account: Adams and Reese LLP General Account
Account Number: 41-0516-3927
File Number. 613386 - 000011
Cindy Barnett, Billing Attorney

2. Please wire \$15,750.00 to Standard & Poors representing the rating fee for the Bonds as follows:

Bank of America
San Francisco, CA
ABA No. 0260-0959-3
Credit: Standard and Poor's
Account No. 12334-02500
Re: Invoice No.: 11317736
Customer Number: 1000100075

3. Please wire Moody's Investor's Service, Inc. \$18,000.00 representing the rating fee for the Bonds as follows:

SunTrust Bank
ABA Number: 061000104
ACH Number: 061000104
Moody's Account Number: 8801939847
Invoice: PO221789
Customer Number: 300102909

4. Please wire the sum of \$1,500.00 representing the fee for the electronic distribution and posting of the POS and Official Notice of Sale which is due and payable to I-deal LLC as follows:

JP MorganChase
New York, New York
Ipreo LLC
ABA Number 021000021
Account Number: 066603161
Re: Invoice Number: 10030737
Customer Number: TNKINGSP

5. Please transfer interally the sum of \$42,500.00 representing the Financial Advisory fee for Raymond James; and
6. Please hold in suspense \$400.00 relating to the fees of the registration and paying agent, US. Bank National Association.

After completing the wire transfers, please please e-mail (richard.dulaney@raymondjames.com) or call 800-764-1002 with the Fed Reference numbers and times. If you have any questions regarding these instructions, please contact us.

Attachments



November 4, 2016

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

Attorneys at Law
Alabama
Florida
Louisiana
Mississippi
South Carolina
Tennessee
Texas
Washington, DC

Office: 615-259-1450
Fax: 615-259-1470

STATEMENT

613386-000011

FOR PROFESSIONAL SERVICES:

Legal services as bond counsel to the City of Kingsport, Tennessee in connection with the issuance of those certain \$21,335,000 General Obligation Public Improvement Bonds, Series 2016, including out-of-pocket expenses.

\$35,000.00

Wire Instructions:
Regions Bank
301 St. Charles Avenue
New Orleans, LA 70130
ABA # 062005690
Further credit to Regions Bank - New Orleans, La. Main Office
Account: Adams and Reese LLP General Account
Account # 41-0516-3927

[Please include the following information to aid in identification:

File number 613386-000011
Cindy Barnett, Billing Attorney]

THANK YOU

0201

JAMES DEMMING
CITY OF KINGSPORT
225 WEST CENTER STREET
KINGSPORT TN 37660-4285

Description of Services	Amount
101011 ANALYTICAL SERVICES RENDERED IN CONNECTION WITH: US\$23,225,000 Kingsport, Tennessee, General Obligation Public Improvement Bonds, Series 2016, dated: Date of Delivery, due: March 1, 2036 [Fee Discounted For Frequent Issuance]	\$15,750.00

FOR INQUIRIES PLEASE CONTACT: KIRAN CHAVALI
COLLECTIONSUSRATINGS@SPGLOBAL.COM
PHONE: 1-800-767-1896 EXT #6
FAX: 1-212-438-5178

For inquiries contact the client services representative listed on this invoice. Do not return it or direct any inquiries about the invoice to credit ratings analysts. S&P Global Ratings maintains a separation of commercial and analytical activities. Please note that our credit ratings analysts are not permitted to communicate, negotiate, arrange or collect credit rating fees.

Please reference invoice or statement number on all checks and wire transfers

This Invoice Due and Payable As Of: 10/20/16

INVOICE TOTAL \$15,750.00 USD

Make Checks Payable To:

S&P Global
Ratings

Standard & Poor's Financial Services, LLC
Federal I.D.: 26- 3740348

Invoice No.: 11317736
Customer No.: 1000100075
Invoice Date: 10/20/16

0201

Billed To:
JAMES DEMMING
CITY OF KINGSPORT
225 WEST CENTER STREET
KINGSPORT TN 37660-4285

Wire Transfer To:
Please include invoice #
Bank of America
S&P Global Ratings
Account # 12334-02500
ABA # 0260-0959-3
Or E-mail: cashapps@spglobal.com

Remit To:
S&P GLOBAL RATINGS
2542 COLLECTION CENTER DRIVE
CHICAGO, IL 60693

10001000758 11317736 01575000 1 700 10 07 1016 9

TOTAL AMOUNT DUE:
\$15,750.00 USD
AMOUNT ENCLOSED:

MR. JAMES H. DEMMING
FINANCE DIRECTOR
KINGSPORT (CITY OF) TN
225 WEST CENTER STREET
KINGSPORT, TN 37660

Invoice

Recipient	Invoice No.:	P0221789
KINGSPORT (CITY OF) TN 225 WEST CENTER STREET KINGSPORT, TN 37660	Customer No.:	300102909
	Invoice Date:	October 28, 2016

For Professional Services:		
Total Net Value:	USD	18,000.00
Sales Taxes:	USD	0.00
Invoice Amount:	USD	18,000.00

Inquiries Contact

Jude Piezema
Phone: 212-553-2853 Fax:
Email: jude.piezema@moodys.com

Moody's Investors Service, Inc. Taxpayer ID#: 13-1959883

Please do not contact your Analytic Team regarding this or any other fee-related matter.

Return This Portion With Your Payment

Invoice No.: P0221789
Moodys Ref No.: P0221789
Customer No.: 300102909
Invoice Date: October 28, 2016

Invoice Amount: USD 18,000.00
Invoice Payable in USD

Wire Payment with Invoice Number to

SunTrust Bank
Transit Routing # 061000104
ACH # 061000104
Moody's Account # 8801939847
For Customers wiring outside the U.S.: Swift Code: SNTRUS3A

Mail Payment with Invoice Stub To

Moody's Investors Service, Inc.
P.O. BOX 102597
ATLANTA, GEORGIA 30368-0597
USA

PAYMENT DUE UPON RECEIPT

Moody's Investors Service, Inc.
7WTC AT 250 GREENWICH STREET
NEW YORK, NY 10007
USA

Invoice No.: P0221789
Invoice Date: October 28, 2016

Invoice Supporting Detail

For Professional Services:

Local Governments, Initial Fee: **USD 18,000**

USD 21,335,000 KINGSPORT (CITY OF) TN-City of Kingsport, TN, KINGSPORT (CITY OF) TN-City of Kingsport, TN, General Obligation Public Improvement Bonds, Series 2016 **USD 18,000**

903643323

Sales Tax **USD 0**

Total: USD 18,000

Invoice Number	10030737
Date	10/14/2016
Payment Terms	Due Upon Receipt
Customer No.	TNKINGSP



Ipreo LLC
Ipreo Data Inc.
Marketpipe
CapitalBridge

Bill To:

City of Kingsport, TN
James H. Demming
225 West Center Street
Suite 200
Kingsport, TN 37660-4285

Federal Tax ID # 47-1492236

\$20,315,000.00
City of Kingsport, Tennessee
GO Public Improvement Bonds
Series 2016

Service(s) Rendered	Description	Amount
ELECTRONIC DISTR. OF POS/OS		\$1,500.00

Please send remittance to:
Ipreo LLC
P.O. Box 26886
New York, NY 10087-6886
or Via Wire Transfer to:
JPMorganChase, New York, NY
ABA # 021000021
Acct # 066603161
SWIFT CODE: CHASUS33

Subtotal	\$1,500.00
Sales Tax	\$0.00
Total Due	\$1,500.00

Questions? Email Acctsrec@ipreo.com

RAYMOND JAMES®

November 4, 2016

City of Kingsport, Tennessee
Attn: James H. Demming, CPA
Chief Financial Officer
City Hall
225 West Center Street
Kingsport, Tennessee 37660

For services rendered in accordance with the executed Financial Advisory Agreement between the City of Kingsport, Tennessee (the “City”) and Raymond James & Associates relating to the authorization, sale and issuance of its \$21,335,000 General Obligation Public Improvement Bonds, Series 2016 dated November 4, 2016, the amount..... \$42,500.00

CITY OF KINGSPORT, TENNESSEE



FINAL SCHEDULES **GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2016**

November 4, 2016

RAYMOND JAMES®
Financial Advisor
800-764-1002

\$21,335,000

City of Kingsport, Tennessee
General Obligation Public Improvement Bonds, Series 2016

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Series 201610.20.16 sizin | Issue Summary | 10/24/2016 | 11:28 AM

RAYMOND JAMES

\$21,335,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Sources & Uses

Dated 11/04/2016 | Delivered 11/04/2016

Sources Of Funds

Par Amount of Bonds	\$21,335,000.00
Reoffering Premium	1,768,370.70

Total Sources **\$23,103,370.70**

Uses Of Funds

Deposit to Project Construction Fund	22,860,605.97
Total Underwriter's Discount (0.608%)	129,614.73
Costs of Issuance	113,150.00

Total Uses **\$23,103,370.70**

\$21,335,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Detail Costs Of Issuance

Dated 11/04/2016 | Delivered 11/04/2016

COSTS OF ISSUANCE DETAIL

Financial Advisor	\$42,500.00
Bond Counsel	\$35,000.00
Rating Agency Fee (Moody's)	\$18,000.00
Rating Agency Fee (S&P)	\$15,750.00
POS/Official Statement	\$1,500.00
Registrar	\$400.00
TOTAL	\$113,150.00

\$21,335,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
03/01/2017	-	-	246,610.00	246,610.00
03/01/2018	795,000.00	4.000%	758,800.00	1,553,800.00
03/01/2019	830,000.00	4.000%	727,000.00	1,557,000.00
03/01/2020	865,000.00	4.000%	693,800.00	1,558,800.00
03/01/2021	895,000.00	4.000%	659,200.00	1,554,200.00
03/01/2022	935,000.00	4.000%	623,400.00	1,558,400.00
03/01/2023	970,000.00	4.000%	586,000.00	1,556,000.00
03/01/2024	1,015,000.00	4.000%	547,200.00	1,562,200.00
03/01/2025	1,055,000.00	4.000%	506,600.00	1,561,600.00
03/01/2026	1,095,000.00	4.000%	464,400.00	1,559,400.00
03/01/2027	1,095,000.00	4.000%	420,600.00	1,515,600.00
03/01/2028	1,140,000.00	4.000%	376,800.00	1,516,800.00
03/01/2029	1,185,000.00	4.000%	331,200.00	1,516,200.00
03/01/2030	1,235,000.00	3.000%	283,800.00	1,518,800.00
03/01/2031	1,275,000.00	3.000%	246,750.00	1,521,750.00
03/01/2032	1,315,000.00	3.000%	208,500.00	1,523,500.00
03/01/2033	1,345,000.00	3.000%	169,050.00	1,514,050.00
03/01/2034	1,390,000.00	3.000%	128,700.00	1,518,700.00
03/01/2035	1,430,000.00	3.000%	87,000.00	1,517,000.00
03/01/2036	1,470,000.00	3.000%	44,100.00	1,514,100.00
Total	\$21,335,000.00	-	\$8,109,510.00	\$29,444,510.00

Yield Statistics

Bond Year Dollars	\$241,618.88
Average Life	11.325 Years
Average Coupon	3.3563231%
Net Interest Cost (NIC)	2.6780830%
True Interest Cost (TIC)	2.5694034%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	2.6230701%

IRS Form 8038

Net Interest Cost	2.4768246%
Weighted Average Maturity	11.081 Years

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\$21,335,000

City of Kingsport, Tennessee
General Obligation Public Improvement Bonds, Series 2016

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/04/2016	-	-	-	-	-
03/01/2017	-	-	246,610.00	246,610.00	-
06/30/2017	-	-	-	-	246,610.00
09/01/2017	-	-	379,400.00	379,400.00	-
03/01/2018	795,000.00	4.000%	379,400.00	1,174,400.00	-
06/30/2018	-	-	-	-	1,553,800.00
09/01/2018	-	-	363,500.00	363,500.00	-
03/01/2019	830,000.00	4.000%	363,500.00	1,193,500.00	-
06/30/2019	-	-	-	-	1,557,000.00
09/01/2019	-	-	346,900.00	346,900.00	-
03/01/2020	865,000.00	4.000%	346,900.00	1,211,900.00	-
06/30/2020	-	-	-	-	1,558,800.00
09/01/2020	-	-	329,600.00	329,600.00	-
03/01/2021	895,000.00	4.000%	329,600.00	1,224,600.00	-
06/30/2021	-	-	-	-	1,554,200.00
09/01/2021	-	-	311,700.00	311,700.00	-
03/01/2022	935,000.00	4.000%	311,700.00	1,246,700.00	-
06/30/2022	-	-	-	-	1,558,400.00
09/01/2022	-	-	293,000.00	293,000.00	-
03/01/2023	970,000.00	4.000%	293,000.00	1,263,000.00	-
06/30/2023	-	-	-	-	1,556,000.00
09/01/2023	-	-	273,600.00	273,600.00	-
03/01/2024	1,015,000.00	4.000%	273,600.00	1,288,600.00	-
06/30/2024	-	-	-	-	1,562,200.00
09/01/2024	-	-	253,300.00	253,300.00	-
03/01/2025	1,055,000.00	4.000%	253,300.00	1,308,300.00	-
06/30/2025	-	-	-	-	1,561,600.00
09/01/2025	-	-	232,200.00	232,200.00	-
03/01/2026	1,095,000.00	4.000%	232,200.00	1,327,200.00	-
06/30/2026	-	-	-	-	1,559,400.00
09/01/2026	-	-	210,300.00	210,300.00	-
03/01/2027	1,095,000.00	4.000%	210,300.00	1,305,300.00	-
06/30/2027	-	-	-	-	1,515,600.00
09/01/2027	-	-	188,400.00	188,400.00	-
03/01/2028	1,140,000.00	4.000%	188,400.00	1,328,400.00	-
06/30/2028	-	-	-	-	1,516,800.00
09/01/2028	-	-	165,600.00	165,600.00	-
03/01/2029	1,185,000.00	4.000%	165,600.00	1,350,600.00	-
06/30/2029	-	-	-	-	1,516,200.00
09/01/2029	-	-	141,900.00	141,900.00	-
03/01/2030	1,235,000.00	3.000%	141,900.00	1,376,900.00	-
06/30/2030	-	-	-	-	1,518,800.00
09/01/2030	-	-	123,375.00	123,375.00	-
03/01/2031	1,275,000.00	3.000%	123,375.00	1,398,375.00	-
06/30/2031	-	-	-	-	1,521,750.00
09/01/2031	-	-	104,250.00	104,250.00	-
03/01/2032	1,315,000.00	3.000%	104,250.00	1,419,250.00	-
06/30/2032	-	-	-	-	1,523,500.00
09/01/2032	-	-	84,525.00	84,525.00	-
03/01/2033	1,345,000.00	3.000%	84,525.00	1,429,525.00	-
06/30/2033	-	-	-	-	1,514,050.00
09/01/2033	-	-	64,350.00	64,350.00	-
03/01/2034	1,390,000.00	3.000%	64,350.00	1,454,350.00	-
06/30/2034	-	-	-	-	1,518,700.00
09/01/2034	-	-	43,500.00	43,500.00	-
03/01/2035	1,430,000.00	3.000%	43,500.00	1,473,500.00	-
06/30/2035	-	-	-	-	1,517,000.00
09/01/2035	-	-	22,050.00	22,050.00	-
03/01/2036	1,470,000.00	3.000%	22,050.00	1,492,050.00	-
06/30/2036	-	-	-	-	1,514,100.00
Total	\$21,335,000.00	-	\$8,109,510.00	\$29,444,510.00	-

Yield Statistics

Bond Year Dollars	\$241,618.88
Average Life	11.325 Years
Average Coupon	3.3563231%
Net Interest Cost (NIC)	2.6780830%
True Interest Cost (TIC)	2.5694034%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	2.6230701%

IRS Form 8038

Net Interest Cost	2.4768246%
Weighted Average Maturity	11.081 Years

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RAYMOND JAMES

\$21,335,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price	
03/01/2018	Serial Coupon	4.000%	0.800%	795,000.00	104.208%	-	-	-	828,453.60	
03/01/2019	Serial Coupon	4.000%	0.910%	830,000.00	107.091%	-	-	-	888,855.30	
03/01/2020	Serial Coupon	4.000%	1.000%	865,000.00	109.785%	-	-	-	949,640.25	
03/01/2021	Serial Coupon	4.000%	1.070%	895,000.00	112.350%	-	-	-	1,005,532.50	
03/01/2022	Serial Coupon	4.000%	1.200%	935,000.00	114.400%	-	-	-	1,069,640.00	
03/01/2023	Serial Coupon	4.000%	1.300%	970,000.00	116.341%	-	-	-	1,128,507.70	
03/01/2024	Serial Coupon	4.000%	1.450%	1,015,000.00	117.658%	-	-	-	1,194,228.70	
03/01/2025	Serial Coupon	4.000%	1.550%	1,055,000.00	119.064%	-	-	-	1,256,125.20	
03/01/2026	Serial Coupon	4.000%	1.750%	1,095,000.00	119.279%	-	-	-	1,306,105.05	
03/01/2027	Serial Coupon	4.000%	1.930%	1,095,000.00	117.585%	c	2.097%	03/01/2026	100.000%	1,287,555.75
03/01/2028	Serial Coupon	4.000%	2.100%	1,140,000.00	116.012%	c	2.379%	03/01/2026	100.000%	1,322,536.80
03/01/2029	Serial Coupon	4.000%	2.270%	1,185,000.00	114.463%	c	2.619%	03/01/2026	100.000%	1,356,386.55
03/01/2030	Serial Coupon	3.000%	2.730%	1,235,000.00	102.207%	c	2.800%	03/01/2026	100.000%	1,262,256.45
03/01/2031	Serial Coupon	3.000%	2.800%	1,275,000.00	101.629%	c	2.860%	03/01/2026	100.000%	1,295,769.75
03/01/2032	Serial Coupon	3.000%	2.860%	1,315,000.00	101.136%	c	2.907%	03/01/2026	100.000%	1,329,938.40
03/01/2033	Serial Coupon	3.000%	2.920%	1,345,000.00	100.646%	c	2.950%	03/01/2026	100.000%	1,353,688.70
03/01/2034	Serial Coupon	3.000%	3.000%	1,390,000.00	100.000%	-	-	-	1,390,000.00	
03/01/2035	Serial Coupon	3.000%	3.036%	1,430,000.00	99.500%	-	-	-	1,422,850.00	
03/01/2036	Serial Coupon	3.000%	3.069%	1,470,000.00	99.000%	-	-	-	1,455,300.00	
Total	-	-	-	\$21,335,000.00	-	-	-	-	\$23,103,370.70	

Bid Information

Par Amount of Bonds	\$21,335,000.00
Reoffering Premium or (Discount)	1,768,370.70
Gross Production	\$23,103,370.70
Total Underwriter's Discount (0.608%)	\$(129,614.73)
Bid (107.681%)	22,973,755.97
Total Purchase Price	\$22,973,755.97
Bond Year Dollars	\$241,618.88
Average Life	11.325 Years
Average Coupon	3.3563231%
Net Interest Cost (NIC)	2.6780830%
True Interest Cost (TIC)	2.5694034%

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\$290,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

General Obligation 10-Year Projects

Sources & Uses

Dated 11/04/2016 | Delivered 11/04/2016

Sources Of Funds

Par Amount of Bonds	\$290,000.00
Reoffering Premium	40,423.45

Total Sources

\$330,423.45

Uses Of Funds

Deposit to Project Construction Fund	327,123.64
Total Underwriter's Discount (0.608%)	1,761.81
Costs of Issuance	1,538.00

Total Uses

\$330,423.45

\$290,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

General Obligation 10-Year Projects

Detail Costs Of Issuance

Dated 11/04/2016 | Delivered 11/04/2016

COSTS OF ISSUANCE DETAIL

Financial Advisor	\$577.69
Bond Counsel	\$475.74
Rating Agency Fee (Moody's)	\$244.67
Rating Agency Fee (S&P)	\$214.08
POS/Official Statement	\$20.39
Registrar	\$5.43
TOTAL	\$1,538.00

\$290,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

General Obligation 10-Year Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
03/01/2017	-	-	3,770.00	3,770.00
03/01/2018	25,000.00	4.000%	11,600.00	36,600.00
03/01/2019	30,000.00	4.000%	10,600.00	40,600.00
03/01/2020	30,000.00	4.000%	9,400.00	39,400.00
03/01/2021	30,000.00	4.000%	8,200.00	38,200.00
03/01/2022	30,000.00	4.000%	7,000.00	37,000.00
03/01/2023	35,000.00	4.000%	5,800.00	40,800.00
03/01/2024	35,000.00	4.000%	4,400.00	39,400.00
03/01/2025	35,000.00	4.000%	3,000.00	38,000.00
03/01/2026	40,000.00	4.000%	1,600.00	41,600.00
Total	\$290,000.00	-	\$65,370.00	\$355,370.00

Yield Statistics

Bond Year Dollars	\$1,634.25
Average Life	5.635 Years
Average Coupon	4.0000000%
Net Interest Cost (NIC)	1.6342885%
True Interest Cost (TIC)	1.5030151%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	1.5945843%

IRS Form 8038

Net Interest Cost	1.3141642%
Weighted Average Maturity	5.745 Years

\$290,000

City of Kingsport, Tennessee
General Obligation Public Improvement Bonds, Series 2016
General Obligation 10-Year Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/04/2016	-	-	-	-	-
03/01/2017	-	-	3,770.00	3,770.00	-
06/30/2017	-	-	-	-	3,770.00
09/01/2017	-	-	5,800.00	5,800.00	-
03/01/2018	25,000.00	4.000%	5,800.00	30,800.00	-
06/30/2018	-	-	-	-	36,600.00
09/01/2018	-	-	5,300.00	5,300.00	-
03/01/2019	30,000.00	4.000%	5,300.00	35,300.00	-
06/30/2019	-	-	-	-	40,600.00
09/01/2019	-	-	4,700.00	4,700.00	-
03/01/2020	30,000.00	4.000%	4,700.00	34,700.00	-
06/30/2020	-	-	-	-	39,400.00
09/01/2020	-	-	4,100.00	4,100.00	-
03/01/2021	30,000.00	4.000%	4,100.00	34,100.00	-
06/30/2021	-	-	-	-	38,200.00
09/01/2021	-	-	3,500.00	3,500.00	-
03/01/2022	30,000.00	4.000%	3,500.00	33,500.00	-
06/30/2022	-	-	-	-	37,000.00
09/01/2022	-	-	2,900.00	2,900.00	-
03/01/2023	35,000.00	4.000%	2,900.00	37,900.00	-
06/30/2023	-	-	-	-	40,800.00
09/01/2023	-	-	2,200.00	2,200.00	-
03/01/2024	35,000.00	4.000%	2,200.00	37,200.00	-
06/30/2024	-	-	-	-	39,400.00
09/01/2024	-	-	1,500.00	1,500.00	-
03/01/2025	35,000.00	4.000%	1,500.00	36,500.00	-
06/30/2025	-	-	-	-	38,000.00
09/01/2025	-	-	800.00	800.00	-
03/01/2026	40,000.00	4.000%	800.00	40,800.00	-
06/30/2026	-	-	-	-	41,600.00
Total	\$290,000.00	-	\$65,370.00	\$355,370.00	-

Yield Statistics

Bond Year Dollars	\$1,634.25
Average Life	5.635 Years
Average Coupon	4.000000%
Net Interest Cost (NIC)	1.6342885%
True Interest Cost (TIC)	1.5030151%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	1.5945843%

IRS Form 8038

Net Interest Cost	1.3141642%
Weighted Average Maturity	5.745 Years

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RAYMOND JAMES

\$290,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

General Obligation 10-Year Projects

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
03/01/2018	Serial Coupon	4.000%	0.800%	25,000.00	104.208%	26,052.00
03/01/2019	Serial Coupon	4.000%	0.910%	30,000.00	107.091%	32,127.30
03/01/2020	Serial Coupon	4.000%	1.000%	30,000.00	109.785%	32,935.50
03/01/2021	Serial Coupon	4.000%	1.070%	30,000.00	112.350%	33,705.00
03/01/2022	Serial Coupon	4.000%	1.200%	30,000.00	114.400%	34,320.00
03/01/2023	Serial Coupon	4.000%	1.300%	35,000.00	116.341%	40,719.35
03/01/2024	Serial Coupon	4.000%	1.450%	35,000.00	117.658%	41,180.30
03/01/2025	Serial Coupon	4.000%	1.550%	35,000.00	119.064%	41,672.40
03/01/2026	Serial Coupon	4.000%	1.750%	40,000.00	119.279%	47,711.60
Total	-	-	-	\$290,000.00	-	\$330,423.45

Bid Information

Par Amount of Bonds	\$290,000.00
Reoffering Premium or (Discount)	40,423.45
Gross Production	\$330,423.45
Total Underwriter's Discount (0.608%)	\$(1,761.81)
Bid (113.332%)	328,661.64
Total Purchase Price	\$328,661.64
Bond Year Dollars	\$1,634.25
Average Life	5.635 Years
Average Coupon	4.0000000%
Net Interest Cost (NIC)	1.6342885%
True Interest Cost (TIC)	1.5030151%

\$7,520,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

General Obligation 20-Year Projects

Sources & Uses

Dated 11/04/2016 | Delivered 11/04/2016

Sources Of Funds

Par Amount of Bonds	\$7,520,000.00
Reoffering Premium	618,107.75

Total Sources

\$8,138,107.75

Uses Of Funds

Deposit to Project Construction Fund	8,052,539.87
Total Underwriter's Discount (0.608%)	45,685.62
Costs of Issuance	39,882.26

Total Uses

\$8,138,107.75

\$7,520,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

General Obligation 20-Year Projects

Detail Costs Of Issuance

Dated 11/04/2016 | Delivered 11/04/2016

COSTS OF ISSUANCE DETAIL

Financial Advisor	\$14,980.08
Bond Counsel	\$12,336.54
Rating Agency Fee (Moody's)	\$6,344.50
Rating Agency Fee (S&P)	\$5,551.44
POS/Official Statement	\$528.71
Registrar	\$140.99
TOTAL	\$39,882.26

\$7,520,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

General Obligation 20-Year Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
03/01/2017	-	-	86,791.25	86,791.25
03/01/2018	275,000.00	4.000%	267,050.00	542,050.00
03/01/2019	285,000.00	4.000%	256,050.00	541,050.00
03/01/2020	300,000.00	4.000%	244,650.00	544,650.00
03/01/2021	310,000.00	4.000%	232,650.00	542,650.00
03/01/2022	325,000.00	4.000%	220,250.00	545,250.00
03/01/2023	335,000.00	4.000%	207,250.00	542,250.00
03/01/2024	350,000.00	4.000%	193,850.00	543,850.00
03/01/2025	365,000.00	4.000%	179,850.00	544,850.00
03/01/2026	375,000.00	4.000%	165,250.00	540,250.00
03/01/2027	390,000.00	4.000%	150,250.00	540,250.00
03/01/2028	410,000.00	4.000%	134,650.00	544,650.00
03/01/2029	425,000.00	4.000%	118,250.00	543,250.00
03/01/2030	440,000.00	3.000%	101,250.00	541,250.00
03/01/2031	455,000.00	3.000%	88,050.00	543,050.00
03/01/2032	470,000.00	3.000%	74,400.00	544,400.00
03/01/2033	480,000.00	3.000%	60,300.00	540,300.00
03/01/2034	495,000.00	3.000%	45,900.00	540,900.00
03/01/2035	510,000.00	3.000%	31,050.00	541,050.00
03/01/2036	525,000.00	3.000%	15,750.00	540,750.00
Total	\$7,520,000.00	-	\$2,873,491.25	\$10,393,491.25

Yield Statistics

Bond Year Dollars	\$85,709.00
Average Life	11.397 Years
Average Coupon	3.3526132%
Net Interest Cost (NIC)	2.6847462%
True Interest Cost (TIC)	2.5770800%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	2.6304880%

IRS Form 8038

Net Interest Cost	2.4848571%
Weighted Average Maturity	11.153 Years

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\$7,520,000

City of Kingsport, Tennessee
General Obligation Public Improvement Bonds, Series 2016
General Obligation 20-Year Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/04/2016	-	-	-	-	-
03/01/2017	-	-	86,791.25	86,791.25	-
06/30/2017	-	-	-	-	86,791.25
09/01/2017	-	-	133,525.00	133,525.00	-
03/01/2018	275,000.00	4.000%	133,525.00	408,525.00	-
06/30/2018	-	-	-	-	542,050.00
09/01/2018	-	-	128,025.00	128,025.00	-
03/01/2019	285,000.00	4.000%	128,025.00	413,025.00	-
06/30/2019	-	-	-	-	541,050.00
09/01/2019	-	-	122,325.00	122,325.00	-
03/01/2020	300,000.00	4.000%	122,325.00	422,325.00	-
06/30/2020	-	-	-	-	544,650.00
09/01/2020	-	-	116,325.00	116,325.00	-
03/01/2021	310,000.00	4.000%	116,325.00	426,325.00	-
06/30/2021	-	-	-	-	542,650.00
09/01/2021	-	-	110,125.00	110,125.00	-
03/01/2022	325,000.00	4.000%	110,125.00	435,125.00	-
06/30/2022	-	-	-	-	545,250.00
09/01/2022	-	-	103,625.00	103,625.00	-
03/01/2023	335,000.00	4.000%	103,625.00	438,625.00	-
06/30/2023	-	-	-	-	542,250.00
09/01/2023	-	-	96,925.00	96,925.00	-
03/01/2024	350,000.00	4.000%	96,925.00	446,925.00	-
06/30/2024	-	-	-	-	543,850.00
09/01/2024	-	-	89,925.00	89,925.00	-
03/01/2025	365,000.00	4.000%	89,925.00	454,925.00	-
06/30/2025	-	-	-	-	544,850.00
09/01/2025	-	-	82,625.00	82,625.00	-
03/01/2026	375,000.00	4.000%	82,625.00	457,625.00	-
06/30/2026	-	-	-	-	540,250.00
09/01/2026	-	-	75,125.00	75,125.00	-
03/01/2027	390,000.00	4.000%	75,125.00	465,125.00	-
06/30/2027	-	-	-	-	540,250.00
09/01/2027	-	-	67,325.00	67,325.00	-
03/01/2028	410,000.00	4.000%	67,325.00	477,325.00	-
06/30/2028	-	-	-	-	544,650.00
09/01/2028	-	-	59,125.00	59,125.00	-
03/01/2029	425,000.00	4.000%	59,125.00	484,125.00	-
06/30/2029	-	-	-	-	543,250.00
09/01/2029	-	-	50,625.00	50,625.00	-
03/01/2030	440,000.00	3.000%	50,625.00	490,625.00	-
06/30/2030	-	-	-	-	541,250.00
09/01/2030	-	-	44,025.00	44,025.00	-
03/01/2031	455,000.00	3.000%	44,025.00	499,025.00	-
06/30/2031	-	-	-	-	543,050.00
09/01/2031	-	-	37,200.00	37,200.00	-
03/01/2032	470,000.00	3.000%	37,200.00	507,200.00	-
06/30/2032	-	-	-	-	544,400.00
09/01/2032	-	-	30,150.00	30,150.00	-
03/01/2033	480,000.00	3.000%	30,150.00	510,150.00	-
06/30/2033	-	-	-	-	540,300.00
09/01/2033	-	-	22,950.00	22,950.00	-
03/01/2034	495,000.00	3.000%	22,950.00	517,950.00	-
06/30/2034	-	-	-	-	540,900.00
09/01/2034	-	-	15,525.00	15,525.00	-
03/01/2035	510,000.00	3.000%	15,525.00	525,525.00	-
06/30/2035	-	-	-	-	541,050.00
09/01/2035	-	-	7,875.00	7,875.00	-
03/01/2036	525,000.00	3.000%	7,875.00	532,875.00	-
06/30/2036	-	-	-	-	540,750.00
Total	\$7,520,000.00	-	\$2,873,491.25	\$10,393,491.25	-

Yield Statistics

Bond Year Dollars	\$85,709.00
Average Life	11.397 Years
Average Coupon	3.3526132%
Net Interest Cost (NIC)	2.6847462%
True Interest Cost (TIC)	2.5770800%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	2.6304880%

IRS Form 8038

Net Interest Cost	2.4848571%
Weighted Average Maturity	11.153 Years

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\$7,520,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

General Obligation 20-Year Projects

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
03/01/2018	Serial Coupon	4.000%	0.800%	275,000.00	104.208%	-	-	-	286,572.00
03/01/2019	Serial Coupon	4.000%	0.910%	285,000.00	107.091%	-	-	-	305,209.35
03/01/2020	Serial Coupon	4.000%	1.000%	300,000.00	109.785%	-	-	-	329,355.00
03/01/2021	Serial Coupon	4.000%	1.070%	310,000.00	112.350%	-	-	-	348,285.00
03/01/2022	Serial Coupon	4.000%	1.200%	325,000.00	114.400%	-	-	-	371,800.00
03/01/2023	Serial Coupon	4.000%	1.300%	335,000.00	116.341%	-	-	-	389,742.35
03/01/2024	Serial Coupon	4.000%	1.450%	350,000.00	117.658%	-	-	-	411,803.00
03/01/2025	Serial Coupon	4.000%	1.550%	365,000.00	119.064%	-	-	-	434,583.60
03/01/2026	Serial Coupon	4.000%	1.750%	375,000.00	119.279%	-	-	-	447,296.25
03/01/2027	Serial Coupon	4.000%	1.930%	390,000.00	117.585%	c 2.097%	03/01/2026	100.000%	458,581.50
03/01/2028	Serial Coupon	4.000%	2.100%	410,000.00	116.012%	c 2.379%	03/01/2026	100.000%	475,649.20
03/01/2029	Serial Coupon	4.000%	2.270%	425,000.00	114.463%	c 2.619%	03/01/2026	100.000%	486,467.75
03/01/2030	Serial Coupon	3.000%	2.730%	440,000.00	102.207%	c 2.800%	03/01/2026	100.000%	449,710.80
03/01/2031	Serial Coupon	3.000%	2.800%	455,000.00	101.629%	c 2.860%	03/01/2026	100.000%	462,411.95
03/01/2032	Serial Coupon	3.000%	2.860%	470,000.00	101.136%	c 2.907%	03/01/2026	100.000%	475,339.20
03/01/2033	Serial Coupon	3.000%	2.920%	480,000.00	100.646%	c 2.950%	03/01/2026	100.000%	483,100.80
03/01/2034	Serial Coupon	3.000%	3.000%	495,000.00	100.000%	-	-	-	495,000.00
03/01/2035	Serial Coupon	3.000%	3.036%	510,000.00	99.500%	-	-	-	507,450.00
03/01/2036	Serial Coupon	3.000%	3.069%	525,000.00	99.000%	-	-	-	519,750.00
Total	-	-	-	\$7,520,000.00	-	-	-	-	\$8,138,107.75

Bid Information

Par Amount of Bonds	\$7,520,000.00
Reoffering Premium or (Discount)	618,107.75
Gross Production	\$8,138,107.75
Total Underwriter's Discount (0.608%)	\$(45,685.62)
Bid (107.612%)	8,092,422.13
Total Purchase Price	\$8,092,422.13
Bond Year Dollars	\$85,709.00
Average Life	11.397 Years
Average Coupon	3.3526132%
Net Interest Cost (NIC)	2.6847462%
True Interest Cost (TIC)	2.5770800%

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\$3,295,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Water Fund Projects

Sources & Uses

Dated 11/04/2016 | Delivered 11/04/2016

Sources Of Funds

Par Amount of Bonds	\$3,295,000.00
Reoffering Premium	270,138.15

Total Sources **\$3,565,138.15**

Uses Of Funds

Deposit to Project Construction Fund	3,530,020.40
Total Underwriter's Discount (0.608%)	20,017.84
Costs of Issuance	15,099.91

Total Uses **\$3,565,138.15**

\$3,295,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Water Fund Projects

Detail Costs Of Issuance

Dated 11/04/2016 | Delivered 11/04/2016

COSTS OF ISSUANCE DETAIL

Financial Advisor	\$4,188.64
Bond Counsel	\$5,405.44
Rating Agency Fee (Moody's)	\$2,779.94
Rating Agency Fee (S&P)	\$2,432.45
POS/Official Statement	\$231.66
Registrar	\$61.78
TOTAL	\$15,099.91

\$3,295,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Water Fund Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
03/01/2017	-	-	38,008.75	38,008.75
03/01/2018	120,000.00	4.000%	116,950.00	236,950.00
03/01/2019	125,000.00	4.000%	112,150.00	237,150.00
03/01/2020	130,000.00	4.000%	107,150.00	237,150.00
03/01/2021	135,000.00	4.000%	101,950.00	236,950.00
03/01/2022	140,000.00	4.000%	96,550.00	236,550.00
03/01/2023	145,000.00	4.000%	90,950.00	235,950.00
03/01/2024	155,000.00	4.000%	85,150.00	240,150.00
03/01/2025	160,000.00	4.000%	78,950.00	238,950.00
03/01/2026	165,000.00	4.000%	72,550.00	237,550.00
03/01/2027	170,000.00	4.000%	65,950.00	235,950.00
03/01/2028	180,000.00	4.000%	59,150.00	239,150.00
03/01/2029	185,000.00	4.000%	51,950.00	236,950.00
03/01/2030	195,000.00	3.000%	44,550.00	239,550.00
03/01/2031	200,000.00	3.000%	38,700.00	238,700.00
03/01/2032	205,000.00	3.000%	32,700.00	237,700.00
03/01/2033	210,000.00	3.000%	26,550.00	236,550.00
03/01/2034	220,000.00	3.000%	20,250.00	240,250.00
03/01/2035	225,000.00	3.000%	13,650.00	238,650.00
03/01/2036	230,000.00	3.000%	6,900.00	236,900.00
Total	\$3,295,000.00	-	\$1,260,708.75	\$4,555,708.75

Yield Statistics

Bond Year Dollars	\$37,620.88
Average Life	11.418 Years
Average Coupon	3.3510883%
Net Interest Cost (NIC)	2.6862438%
True Interest Cost (TIC)	2.5789044%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	2.6249704%

IRS Form 8038

Net Interest Cost	2.4868417%
Weighted Average Maturity	11.173 Years

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\$3,295,000

City of Kingsport, Tennessee
General Obligation Public Improvement Bonds, Series 2016
Water Fund Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/04/2016	-	-	-	-	-
03/01/2017	-	-	38,008.75	38,008.75	-
06/30/2017	-	-	-	-	38,008.75
09/01/2017	-	-	58,475.00	58,475.00	-
03/01/2018	120,000.00	4.000%	58,475.00	178,475.00	-
06/30/2018	-	-	-	-	236,950.00
09/01/2018	-	-	56,075.00	56,075.00	-
03/01/2019	125,000.00	4.000%	56,075.00	181,075.00	-
06/30/2019	-	-	-	-	237,150.00
09/01/2019	-	-	53,575.00	53,575.00	-
03/01/2020	130,000.00	4.000%	53,575.00	183,575.00	-
06/30/2020	-	-	-	-	237,150.00
09/01/2020	-	-	50,975.00	50,975.00	-
03/01/2021	135,000.00	4.000%	50,975.00	185,975.00	-
06/30/2021	-	-	-	-	236,950.00
09/01/2021	-	-	48,275.00	48,275.00	-
03/01/2022	140,000.00	4.000%	48,275.00	188,275.00	-
06/30/2022	-	-	-	-	236,550.00
09/01/2022	-	-	45,475.00	45,475.00	-
03/01/2023	145,000.00	4.000%	45,475.00	190,475.00	-
06/30/2023	-	-	-	-	235,950.00
09/01/2023	-	-	42,575.00	42,575.00	-
03/01/2024	155,000.00	4.000%	42,575.00	197,575.00	-
06/30/2024	-	-	-	-	240,150.00
09/01/2024	-	-	39,475.00	39,475.00	-
03/01/2025	160,000.00	4.000%	39,475.00	199,475.00	-
06/30/2025	-	-	-	-	238,950.00
09/01/2025	-	-	36,275.00	36,275.00	-
03/01/2026	165,000.00	4.000%	36,275.00	201,275.00	-
06/30/2026	-	-	-	-	237,550.00
09/01/2026	-	-	32,975.00	32,975.00	-
03/01/2027	170,000.00	4.000%	32,975.00	202,975.00	-
06/30/2027	-	-	-	-	235,950.00
09/01/2027	-	-	29,575.00	29,575.00	-
03/01/2028	180,000.00	4.000%	29,575.00	209,575.00	-
06/30/2028	-	-	-	-	239,150.00
09/01/2028	-	-	25,975.00	25,975.00	-
03/01/2029	185,000.00	4.000%	25,975.00	210,975.00	-
06/30/2029	-	-	-	-	236,950.00
09/01/2029	-	-	22,275.00	22,275.00	-
03/01/2030	195,000.00	3.000%	22,275.00	217,275.00	-
06/30/2030	-	-	-	-	239,550.00
09/01/2030	-	-	19,350.00	19,350.00	-
03/01/2031	200,000.00	3.000%	19,350.00	219,350.00	-
06/30/2031	-	-	-	-	238,700.00
09/01/2031	-	-	16,350.00	16,350.00	-
03/01/2032	205,000.00	3.000%	16,350.00	221,350.00	-
06/30/2032	-	-	-	-	237,700.00
09/01/2032	-	-	13,275.00	13,275.00	-
03/01/2033	210,000.00	3.000%	13,275.00	223,275.00	-
06/30/2033	-	-	-	-	236,550.00
09/01/2033	-	-	10,125.00	10,125.00	-
03/01/2034	220,000.00	3.000%	10,125.00	230,125.00	-
06/30/2034	-	-	-	-	240,250.00
09/01/2034	-	-	6,825.00	6,825.00	-
03/01/2035	225,000.00	3.000%	6,825.00	231,825.00	-
06/30/2035	-	-	-	-	238,650.00
09/01/2035	-	-	3,450.00	3,450.00	-
03/01/2036	230,000.00	3.000%	3,450.00	233,450.00	-
06/30/2036	-	-	-	-	236,900.00
Total	\$3,295,000.00	-	\$1,260,708.75	\$4,555,708.75	-

Yield Statistics

Bond Year Dollars	\$37,620.88
Average Life	11.418 Years
Average Coupon	3.3510883%
Net Interest Cost (NIC)	2.6862438%
True Interest Cost (TIC)	2.5789044%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	2.6249704%

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Net Interest Cost	2.4868417%
Weighted Average Maturity	11.173 Years

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\$3,295,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Water Fund Projects

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
03/01/2018	Serial Coupon	4.000%	0.800%	120,000.00	104.208%	-	-	-	125,049.60
03/01/2019	Serial Coupon	4.000%	0.910%	125,000.00	107.091%	-	-	-	133,863.75
03/01/2020	Serial Coupon	4.000%	1.000%	130,000.00	109.785%	-	-	-	142,720.50
03/01/2021	Serial Coupon	4.000%	1.070%	135,000.00	112.350%	-	-	-	151,672.50
03/01/2022	Serial Coupon	4.000%	1.200%	140,000.00	114.400%	-	-	-	160,160.00
03/01/2023	Serial Coupon	4.000%	1.300%	145,000.00	116.341%	-	-	-	168,694.45
03/01/2024	Serial Coupon	4.000%	1.450%	155,000.00	117.658%	-	-	-	182,369.90
03/01/2025	Serial Coupon	4.000%	1.550%	160,000.00	119.064%	-	-	-	190,502.40
03/01/2026	Serial Coupon	4.000%	1.750%	165,000.00	119.279%	-	-	-	196,810.35
03/01/2027	Serial Coupon	4.000%	1.930%	170,000.00	117.585%	c 2.097%	03/01/2026	100.000%	199,894.50
03/01/2028	Serial Coupon	4.000%	2.100%	180,000.00	116.012%	c 2.379%	03/01/2026	100.000%	208,821.60
03/01/2029	Serial Coupon	4.000%	2.270%	185,000.00	114.463%	c 2.619%	03/01/2026	100.000%	211,756.55
03/01/2030	Serial Coupon	3.000%	2.730%	195,000.00	102.207%	c 2.800%	03/01/2026	100.000%	199,303.65
03/01/2031	Serial Coupon	3.000%	2.800%	200,000.00	101.629%	c 2.860%	03/01/2026	100.000%	203,258.00
03/01/2032	Serial Coupon	3.000%	2.860%	205,000.00	101.136%	c 2.907%	03/01/2026	100.000%	207,328.80
03/01/2033	Serial Coupon	3.000%	2.920%	210,000.00	100.646%	c 2.950%	03/01/2026	100.000%	211,356.60
03/01/2034	Serial Coupon	3.000%	3.000%	220,000.00	100.000%	-	-	-	220,000.00
03/01/2035	Serial Coupon	3.000%	3.036%	225,000.00	99.500%	-	-	-	223,875.00
03/01/2036	Serial Coupon	3.000%	3.069%	230,000.00	99.000%	-	-	-	227,700.00
Total	-	-	-	\$3,295,000.00	-	-	-	-	\$3,565,138.15

Bid Information

Par Amount of Bonds	\$3,295,000.00
Reoffering Premium or (Discount)	270,138.15
Gross Production	\$3,565,138.15
Total Underwriter's Discount (0.608%)	\$(20,017.84)
Bid (107.591%)	3,545,120.31
Total Purchase Price	\$3,545,120.31
Bond Year Dollars	\$37,620.88
Average Life	11.418 Years
Average Coupon	3.3510883%
Net Interest Cost (NIC)	2.6862438%
True Interest Cost (TIC)	2.5789044%

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\$6,960,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Sewer Projects

Sources & Uses

Dated 11/04/2016 | Delivered 11/04/2016

Sources Of Funds

Par Amount of Bonds	\$6,960,000.00
Reoffering Premium	571,332.05

Total Sources **\$7,531,332.05**

Uses Of Funds

Deposit to Project Construction Fund	7,450,043.05
Total Underwriter's Discount (0.608%)	42,283.50
Costs of Issuance	39,005.50

Total Uses **\$7,531,332.05**

\$6,960,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Sewer Projects

Detail Costs Of Issuance

Dated 11/04/2016 | Delivered 11/04/2016

COSTS OF ISSUANCE DETAIL

Financial Advisor	\$15,957.73
Bond Counsel	\$11,417.86
Rating Agency Fee (Moody's)	\$5,872.04
Rating Agency Fee (S&P)	\$5,138.04
POS/Official Statement	\$489.34
Registrar	\$130.49
TOTAL	\$39,005.50

\$6,960,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Sewer Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
03/01/2017	-	-	80,307.50	80,307.50
03/01/2018	255,000.00	4.000%	247,100.00	502,100.00
03/01/2019	265,000.00	4.000%	236,900.00	501,900.00
03/01/2020	275,000.00	4.000%	226,300.00	501,300.00
03/01/2021	285,000.00	4.000%	215,300.00	500,300.00
03/01/2022	300,000.00	4.000%	203,900.00	503,900.00
03/01/2023	310,000.00	4.000%	191,900.00	501,900.00
03/01/2024	325,000.00	4.000%	179,500.00	504,500.00
03/01/2025	335,000.00	4.000%	166,500.00	501,500.00
03/01/2026	350,000.00	4.000%	153,100.00	503,100.00
03/01/2027	365,000.00	4.000%	139,100.00	504,100.00
03/01/2028	375,000.00	4.000%	124,500.00	499,500.00
03/01/2029	390,000.00	4.000%	109,500.00	499,500.00
03/01/2030	410,000.00	3.000%	93,900.00	503,900.00
03/01/2031	420,000.00	3.000%	81,600.00	501,600.00
03/01/2032	435,000.00	3.000%	69,000.00	504,000.00
03/01/2033	445,000.00	3.000%	55,950.00	500,950.00
03/01/2034	460,000.00	3.000%	42,600.00	502,600.00
03/01/2035	475,000.00	3.000%	28,800.00	503,800.00
03/01/2036	485,000.00	3.000%	14,550.00	499,550.00
Total	\$6,960,000.00	-	\$2,660,307.50	\$9,620,307.50

Yield Statistics

Bond Year Dollars	\$79,372.00
Average Life	11.404 Years
Average Coupon	3.3516952%
Net Interest Cost (NIC)	2.6851521%
True Interest Cost (TIC)	2.5776504%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	2.6340757%

IRS Form 8038

Net Interest Cost	2.4855372%
Weighted Average Maturity	11.159 Years

Series 201610.20.16 sizin | Sewer Fund Projects | 10/24/2016 | 11:28 AM

RAYMOND JAMES

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\$6,960,000

City of Kingsport, Tennessee
General Obligation Public Improvement Bonds, Series 2016
Sewer Projects

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/04/2016	-	-	-	-	-
03/01/2017	-	-	80,307.50	80,307.50	-
06/30/2017	-	-	-	-	80,307.50
09/01/2017	-	-	123,550.00	123,550.00	-
03/01/2018	255,000.00	4.000%	123,550.00	378,550.00	-
06/30/2018	-	-	-	-	502,100.00
09/01/2018	-	-	118,450.00	118,450.00	-
03/01/2019	265,000.00	4.000%	118,450.00	383,450.00	-
06/30/2019	-	-	-	-	501,900.00
09/01/2019	-	-	113,150.00	113,150.00	-
03/01/2020	275,000.00	4.000%	113,150.00	388,150.00	-
06/30/2020	-	-	-	-	501,300.00
09/01/2020	-	-	107,650.00	107,650.00	-
03/01/2021	285,000.00	4.000%	107,650.00	392,650.00	-
06/30/2021	-	-	-	-	500,300.00
09/01/2021	-	-	101,950.00	101,950.00	-
03/01/2022	300,000.00	4.000%	101,950.00	401,950.00	-
06/30/2022	-	-	-	-	503,900.00
09/01/2022	-	-	95,950.00	95,950.00	-
03/01/2023	310,000.00	4.000%	95,950.00	405,950.00	-
06/30/2023	-	-	-	-	501,900.00
09/01/2023	-	-	89,750.00	89,750.00	-
03/01/2024	325,000.00	4.000%	89,750.00	414,750.00	-
06/30/2024	-	-	-	-	504,500.00
09/01/2024	-	-	83,250.00	83,250.00	-
03/01/2025	335,000.00	4.000%	83,250.00	418,250.00	-
06/30/2025	-	-	-	-	501,500.00
09/01/2025	-	-	76,550.00	76,550.00	-
03/01/2026	350,000.00	4.000%	76,550.00	426,550.00	-
06/30/2026	-	-	-	-	503,100.00
09/01/2026	-	-	69,550.00	69,550.00	-
03/01/2027	365,000.00	4.000%	69,550.00	434,550.00	-
06/30/2027	-	-	-	-	504,100.00
09/01/2027	-	-	62,250.00	62,250.00	-
03/01/2028	375,000.00	4.000%	62,250.00	437,250.00	-
06/30/2028	-	-	-	-	499,500.00
09/01/2028	-	-	54,750.00	54,750.00	-
03/01/2029	390,000.00	4.000%	54,750.00	444,750.00	-
06/30/2029	-	-	-	-	499,500.00
09/01/2029	-	-	46,950.00	46,950.00	-
03/01/2030	410,000.00	3.000%	46,950.00	456,950.00	-
06/30/2030	-	-	-	-	503,900.00
09/01/2030	-	-	40,800.00	40,800.00	-
03/01/2031	420,000.00	3.000%	40,800.00	460,800.00	-
06/30/2031	-	-	-	-	501,600.00
09/01/2031	-	-	34,500.00	34,500.00	-
03/01/2032	435,000.00	3.000%	34,500.00	469,500.00	-
06/30/2032	-	-	-	-	504,000.00
09/01/2032	-	-	27,975.00	27,975.00	-
03/01/2033	445,000.00	3.000%	27,975.00	472,975.00	-
06/30/2033	-	-	-	-	500,950.00
09/01/2033	-	-	21,300.00	21,300.00	-
03/01/2034	460,000.00	3.000%	21,300.00	481,300.00	-
06/30/2034	-	-	-	-	502,600.00
09/01/2034	-	-	14,400.00	14,400.00	-
03/01/2035	475,000.00	3.000%	14,400.00	489,400.00	-
06/30/2035	-	-	-	-	503,800.00
09/01/2035	-	-	7,275.00	7,275.00	-
03/01/2036	485,000.00	3.000%	7,275.00	492,275.00	-
06/30/2036	-	-	-	-	499,550.00
Total	\$6,960,000.00	-	\$2,660,307.50	\$9,620,307.50	-

Yield Statistics

Bond Year Dollars	\$79,372.00
Average Life	11.404 Years
Average Coupon	3.3516952%
Net Interest Cost (NIC)	2.6851521%
True Interest Cost (TIC)	2.5776504%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	2.6340757%

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Net Interest Cost	2.4855372%
Weighted Average Maturity	11.159 Years

Series 201610.20.16 azain | Sewer Fund Projects | 10/24/2016 | 11:28 AM

\$6,960,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

Sewer Projects

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
03/01/2018	Serial Coupon	4.000%	0.800%	255,000.00	104.208%	-	-	-	265,730.40
03/01/2019	Serial Coupon	4.000%	0.910%	265,000.00	107.091%	-	-	-	283,791.15
03/01/2020	Serial Coupon	4.000%	1.000%	275,000.00	109.785%	-	-	-	301,908.75
03/01/2021	Serial Coupon	4.000%	1.070%	285,000.00	112.350%	-	-	-	320,197.50
03/01/2022	Serial Coupon	4.000%	1.200%	300,000.00	114.400%	-	-	-	343,200.00
03/01/2023	Serial Coupon	4.000%	1.300%	310,000.00	116.341%	-	-	-	360,657.10
03/01/2024	Serial Coupon	4.000%	1.450%	325,000.00	117.658%	-	-	-	382,388.50
03/01/2025	Serial Coupon	4.000%	1.550%	335,000.00	119.064%	-	-	-	398,864.40
03/01/2026	Serial Coupon	4.000%	1.750%	350,000.00	119.279%	-	-	-	417,476.50
03/01/2027	Serial Coupon	4.000%	1.930%	365,000.00	117.585%	c 2.097%	03/01/2026	100.000%	429,185.25
03/01/2028	Serial Coupon	4.000%	2.100%	375,000.00	116.012%	c 2.379%	03/01/2026	100.000%	435,045.00
03/01/2029	Serial Coupon	4.000%	2.270%	390,000.00	114.463%	c 2.619%	03/01/2026	100.000%	446,405.70
03/01/2030	Serial Coupon	3.000%	2.730%	410,000.00	102.207%	c 2.800%	03/01/2026	100.000%	419,048.70
03/01/2031	Serial Coupon	3.000%	2.800%	420,000.00	101.629%	c 2.860%	03/01/2026	100.000%	426,841.80
03/01/2032	Serial Coupon	3.000%	2.860%	435,000.00	101.136%	c 2.907%	03/01/2026	100.000%	439,941.60
03/01/2033	Serial Coupon	3.000%	2.920%	445,000.00	100.646%	c 2.950%	03/01/2026	100.000%	447,874.70
03/01/2034	Serial Coupon	3.000%	3.000%	460,000.00	100.000%	-	-	-	460,000.00
03/01/2035	Serial Coupon	3.000%	3.036%	475,000.00	99.500%	-	-	-	472,625.00
03/01/2036	Serial Coupon	3.000%	3.069%	485,000.00	99.000%	-	-	-	480,150.00
Total	-	-	-	\$6,960,000.00	-	-	-	-	\$7,531,332.05

Bid Information

Par Amount of Bonds	\$6,960,000.00
Reoffering Premium or (Discount)	571,332.05
Gross Production	\$7,531,332.05
Total Underwriter's Discount (0.608%)	\$(42,283.50)
Bid (107.601%)	7,489,048.55
Total Purchase Price	\$7,489,048.55
Bond Year Dollars	\$79,372.00
Average Life	11.404 Years
Average Coupon	3.3516952%
Net Interest Cost (NIC)	2.6851521%
True Interest Cost (TIC)	2.5776504%

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\$3,270,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

MeadowView Ball Room Project

Sources & Uses

Dated 11/04/2016 | Delivered 11/04/2016

Sources Of Funds

Par Amount of Bonds	\$3,270,000.00
Reoffering Premium	268,369.30

Total Sources **\$3,538,369.30**

Uses Of Funds

Deposit to Project Construction Fund	3,500,879.01
Total Underwriter's Discount (0.608%)	19,865.96
Costs of Issuance	17,624.33

Total Uses **\$3,538,369.30**

\$3,270,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

MeadowView Ball Room Project

Detail Costs Of Issuance

Dated 11/04/2016 | Delivered 11/04/2016

COSTS OF ISSUANCE DETAIL

Financial Advisor	\$6,795.86
Bond Counsel	\$5,364.42
Rating Agency Fee (Moody's)	\$2,758.85
Rating Agency Fee (S&P)	\$2,413.99
POS/Official Statement	\$229.90
Registrar	\$61.31
TOTAL	\$17,624.33

\$3,270,000

City of Kingsport, Tennessee

General Obligation Public Improvement Bonds, Series 2016

MeadowView Ball Room Project

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
03/01/2017	-	-	37,732.50	37,732.50
03/01/2018	120,000.00	4.000%	116,100.00	236,100.00
03/01/2019	125,000.00	4.000%	111,300.00	236,300.00
03/01/2020	130,000.00	4.000%	106,300.00	236,300.00
03/01/2021	135,000.00	4.000%	101,100.00	236,100.00
03/01/2022	140,000.00	4.000%	95,700.00	235,700.00
03/01/2023	145,000.00	4.000%	90,100.00	235,100.00
03/01/2024	150,000.00	4.000%	84,300.00	234,300.00
03/01/2025	160,000.00	4.000%	78,300.00	238,300.00
03/01/2026	165,000.00	4.000%	71,900.00	236,900.00
03/01/2027	170,000.00	4.000%	65,300.00	235,300.00
03/01/2028	175,000.00	4.000%	58,500.00	233,500.00
03/01/2029	185,000.00	4.000%	51,500.00	236,500.00
03/01/2030	190,000.00	3.000%	44,100.00	234,100.00
03/01/2031	200,000.00	3.000%	38,400.00	238,400.00
03/01/2032	205,000.00	3.000%	32,400.00	237,400.00
03/01/2033	210,000.00	3.000%	26,250.00	236,250.00
03/01/2034	215,000.00	3.000%	19,950.00	234,950.00
03/01/2035	220,000.00	3.000%	13,500.00	233,500.00
03/01/2036	230,000.00	3.000%	6,900.00	236,900.00
Total	\$3,270,000.00	-	\$1,249,632.50	\$4,519,632.50

Yield Statistics

Bond Year Dollars	\$37,282.75
Average Life	11.401 Years
Average Coupon	3.3517713%
Net Interest Cost (NIC)	2.6852342%
True Interest Cost (TIC)	2.5777262%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	2.6319966%

IRS Form 8038

Net Interest Cost	2.4856074%
Weighted Average Maturity	11.157 Years

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\$3,270,000

City of Kingsport, Tennessee
General Obligation Public Improvement Bonds, Series 2016
MeadowView Ball Room Project

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/04/2016	-	-	-	-	-
03/01/2017	-	-	37,732.50	37,732.50	-
06/30/2017	-	-	-	-	37,732.50
09/01/2017	-	-	58,050.00	58,050.00	-
03/01/2018	120,000.00	4.000%	58,050.00	178,050.00	-
06/30/2018	-	-	-	-	236,100.00
09/01/2018	-	-	55,650.00	55,650.00	-
03/01/2019	125,000.00	4.000%	55,650.00	180,650.00	-
06/30/2019	-	-	-	-	236,300.00
09/01/2019	-	-	53,150.00	53,150.00	-
03/01/2020	130,000.00	4.000%	53,150.00	183,150.00	-
06/30/2020	-	-	-	-	236,300.00
09/01/2020	-	-	50,550.00	50,550.00	-
03/01/2021	135,000.00	4.000%	50,550.00	185,550.00	-
06/30/2021	-	-	-	-	236,100.00
09/01/2021	-	-	47,850.00	47,850.00	-
03/01/2022	140,000.00	4.000%	47,850.00	187,850.00	-
06/30/2022	-	-	-	-	235,700.00
09/01/2022	-	-	45,050.00	45,050.00	-
03/01/2023	145,000.00	4.000%	45,050.00	190,050.00	-
06/30/2023	-	-	-	-	235,100.00
09/01/2023	-	-	42,150.00	42,150.00	-
03/01/2024	150,000.00	4.000%	42,150.00	192,150.00	-
06/30/2024	-	-	-	-	234,300.00
09/01/2024	-	-	39,150.00	39,150.00	-
03/01/2025	160,000.00	4.000%	39,150.00	199,150.00	-
06/30/2025	-	-	-	-	238,300.00
09/01/2025	-	-	35,950.00	35,950.00	-
03/01/2026	165,000.00	4.000%	35,950.00	200,950.00	-
06/30/2026	-	-	-	-	236,900.00
09/01/2026	-	-	32,650.00	32,650.00	-
03/01/2027	170,000.00	4.000%	32,650.00	202,650.00	-
06/30/2027	-	-	-	-	235,300.00
09/01/2027	-	-	29,250.00	29,250.00	-
03/01/2028	175,000.00	4.000%	29,250.00	204,250.00	-
06/30/2028	-	-	-	-	233,500.00
09/01/2028	-	-	25,750.00	25,750.00	-
03/01/2029	185,000.00	4.000%	25,750.00	210,750.00	-
06/30/2029	-	-	-	-	236,500.00
09/01/2029	-	-	22,050.00	22,050.00	-
03/01/2030	190,000.00	3.000%	22,050.00	212,050.00	-
06/30/2030	-	-	-	-	234,100.00
09/01/2030	-	-	19,200.00	19,200.00	-
03/01/2031	200,000.00	3.000%	19,200.00	219,200.00	-
06/30/2031	-	-	-	-	238,400.00
09/01/2031	-	-	16,200.00	16,200.00	-
03/01/2032	205,000.00	3.000%	16,200.00	221,200.00	-
06/30/2032	-	-	-	-	237,400.00
09/01/2032	-	-	13,125.00	13,125.00	-
03/01/2033	210,000.00	3.000%	13,125.00	223,125.00	-
06/30/2033	-	-	-	-	236,250.00
09/01/2033	-	-	9,975.00	9,975.00	-
03/01/2034	215,000.00	3.000%	9,975.00	224,975.00	-
06/30/2034	-	-	-	-	234,950.00
09/01/2034	-	-	6,750.00	6,750.00	-
03/01/2035	220,000.00	3.000%	6,750.00	226,750.00	-
06/30/2035	-	-	-	-	233,500.00
09/01/2035	-	-	3,450.00	3,450.00	-
03/01/2036	230,000.00	3.000%	3,450.00	233,450.00	-
06/30/2036	-	-	-	-	236,900.00
Total	\$3,270,000.00	-	\$1,249,632.50	\$4,519,632.50	-

Yield Statistics

Bond Year Dollars	\$37,282.75
Average Life	11.401 Years
Average Coupon	3.3517713%
Net Interest Cost (NIC)	2.6852342%
True Interest Cost (TIC)	2.5777262%
Bond Yield for Arbitrage Purposes	2.4702916%
All Inclusive Cost (AIC)	2.6319966%

IRS Form 8038

Net Interest Cost	2.4856074%
Weighted Average Maturity	11.157 Years

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\$3,270,000

City of Kingsport, Tennessee
General Obligation Public Improvement Bonds, Series 2016
MeadowView Ball Room Project

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
03/01/2018	Serial Coupon	4.000%	0.800%	120,000.00	104.208%	-	-	-	125,049.60
03/01/2019	Serial Coupon	4.000%	0.910%	125,000.00	107.091%	-	-	-	133,863.75
03/01/2020	Serial Coupon	4.000%	1.000%	130,000.00	109.785%	-	-	-	142,720.50
03/01/2021	Serial Coupon	4.000%	1.070%	135,000.00	112.350%	-	-	-	151,672.50
03/01/2022	Serial Coupon	4.000%	1.200%	140,000.00	114.400%	-	-	-	160,160.00
03/01/2023	Serial Coupon	4.000%	1.300%	145,000.00	116.341%	-	-	-	168,694.45
03/01/2024	Serial Coupon	4.000%	1.450%	150,000.00	117.658%	-	-	-	176,487.00
03/01/2025	Serial Coupon	4.000%	1.550%	160,000.00	119.064%	-	-	-	190,502.40
03/01/2026	Serial Coupon	4.000%	1.750%	165,000.00	119.279%	-	-	-	196,810.35
03/01/2027	Serial Coupon	4.000%	1.930%	170,000.00	117.585%	c 2.097%	03/01/2026	100.000%	199,894.50
03/01/2028	Serial Coupon	4.000%	2.100%	175,000.00	116.012%	c 2.379%	03/01/2026	100.000%	203,021.00
03/01/2029	Serial Coupon	4.000%	2.270%	185,000.00	114.463%	c 2.619%	03/01/2026	100.000%	211,756.55
03/01/2030	Serial Coupon	3.000%	2.730%	190,000.00	102.207%	c 2.800%	03/01/2026	100.000%	194,193.30
03/01/2031	Serial Coupon	3.000%	2.800%	200,000.00	101.629%	c 2.860%	03/01/2026	100.000%	203,258.00
03/01/2032	Serial Coupon	3.000%	2.860%	205,000.00	101.136%	c 2.907%	03/01/2026	100.000%	207,328.80
03/01/2033	Serial Coupon	3.000%	2.920%	210,000.00	100.646%	c 2.950%	03/01/2026	100.000%	211,356.60
03/01/2034	Serial Coupon	3.000%	3.000%	215,000.00	100.000%	-	-	-	215,000.00
03/01/2035	Serial Coupon	3.000%	3.036%	220,000.00	99.500%	-	-	-	218,900.00
03/01/2036	Serial Coupon	3.000%	3.069%	230,000.00	99.000%	-	-	-	227,700.00
Total	-	-	-	\$3,270,000.00	-	-	-	-	\$3,538,369.30

Bid Information

Par Amount of Bonds	\$3,270,000.00
Reoffering Premium or (Discount)	268,369.30
Gross Production	\$3,538,369.30
Total Underwriter's Discount (0.608%)	\$(19,865.96)
Bid (107.599%)	3,518,503.34
Total Purchase Price	\$3,518,503.34
Bond Year Dollars	\$37,282.75
Average Life	11.401 Years
Average Coupon	3.3517713%
Net Interest Cost (NIC)	2.6852342%
True Interest Cost (TIC)	2.5777262%

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Wire Inbox

Parity Calendar

Deal List

Upcoming Calendar

Future Submit Screen

**Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

The following bidders intend to submit bids on this issue:

Bidder	Contact	Telephone
Fifth Third Securities, Inc.	Geoff Kobayashi	513-534-5535
FTN Financial Capital Markets	Vincent Pietanza	212-418-5005
Hutchinson, Shockey, Erley & Co.	Jim VanMetre	312-443-1555
J.P. Morgan Securities LLC	Jaclyn Mischler	212-834-7155
Janney Montgomery Scott LLC	Matthew Davis	215-665-6521
Bank of America Merrill Lynch	Matthew Hage	212-449-5081
Mesirow Financial, Inc.	Stephen Murphy	212-530-7661
Morgan Stanley & Co, LLC	Daniel Kelly	212-761-1541
Robert W. Baird & Co., Inc.	charles massaro	732-576-4410
Robert W. Baird & Co., Inc.	Peter Anderson	414-765-7331
Citigroup Global Markets Inc.	Mark Pryce	214-720-5075
SunTrust Robinson Humphrey	Jon Autrey	901-842-3768
UBS Financial Services Inc.	Jerry Orellana	212-373-6466
Piper Jaffray	Darci Doneff	612-303-2116

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09:45:21 a.m. CDST Deal Sale Time: 10:45AM EDST Countdown Clock: 00:00:00

Upcoming Calendar Overview Result Refresh

Incoming Bid Screen

Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016

Bidder	Time Submitted (EDST)
Citigroup Global Markets Inc.	10:44:57AM
Mesirow Financial, Inc.	10:44:57AM
FTN Financial Capital Markets	10:44:51AM
SunTrust Robinson Humphrey	10:44:44AM
J.P. Morgan Securities LLC	10:44:20AM
Piper Jaffray	10:44:20AM
Fifth Third Securities, Inc.	10:44:05AM
Robert W. Baird & Co., Inc.	10:41:46AM
UBS Financial Services Inc.	10:41:16AM
Bank of America Merrill Lynch	10:40:46AM
Janney Montgomery Scott LLC	10:40:09AM

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Wire Inbox

Parity Calendar

Deal List

09:45:55 a.m. CDST | [Upcoming Calendar](#) | [Overview](#) | [Compare](#) | [Summary](#)

Bid Results

**Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

The following bids were submitted using **PARITY**[®] and displayed ranked by lowest TIC.
Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input type="checkbox"/>	Bank of America Merrill Lynch	2.523410
<input type="checkbox"/>	Piper Jaffray	2.547869
<input type="checkbox"/>	Janney Montgomery Scott LLC	2.548917
<input type="checkbox"/>	Robert W. Baird & Co., Inc.	2.556063
<input type="checkbox"/>	Citigroup Global Markets Inc.	2.569031
<input type="checkbox"/>	Mesirow Financial, Inc.	2.588128
<input type="checkbox"/>	SunTrust Robinson Humphrey	2.596869
<input type="checkbox"/>	FTN Financial Capital Markets	2.638973
<input type="checkbox"/>	UBS Financial Services Inc.	2.664888
<input type="checkbox"/>	J.P. Morgan Securities LLC	2.697181
<input type="checkbox"/>	Fifth Third Securities, Inc.	2.733096

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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Upcoming Calendar | Overview | Result | Excel

Bank of America Merrill Lynch - New York , NY's Bid



Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016

For the aggregate principal amount of \$23,150,000.00, we will pay you \$25,008,877.55, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	4.0000	0.8000	104.208
03/01/2019	1,100M	4.0000	0.9100	107.091
03/01/2020	1,110M	4.0000	1.0000	109.785
03/01/2021	1,120M	4.0000	1.0700	112.350
03/01/2022	1,125M	4.0000	1.2000	114.400
03/01/2023	1,140M	4.0000	1.3000	116.341
03/01/2024	1,160M	4.0000	1.4500	117.658
03/01/2025	1,170M	4.0000	1.5500	119.064
03/01/2026	1,190M	4.0000	1.7500	119.279
03/01/2027	1,170M	4.0000	1.9300	117.585
03/01/2028	1,190M	4.0000	2.1000	116.012
03/01/2029	1,220M	4.0000	2.2700	114.463
03/01/2030	1,245M	3.0000	2.7300	102.207
03/01/2031	1,275M	3.0000	2.8000	101.629
03/01/2032	1,300M	3.0000	2.8600	101.136
03/01/2033	1,330M	3.0000	2.9200	100.646
03/01/2034	1,365M	3.0000	3.0000	100.000
03/01/2035	1,405M	3.0000	3.0360	99.500
03/01/2036	1,440M	3.0000	3.0690	99.000

Total Interest Cost: \$8,438,230.00
 Premium: \$1,858,877.55
 Net Interest Cost: \$6,579,352.45
 TIC: 2.523410
 Time Last Bid Received On: 10/24/2016 10:40:46 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Bank of America Merrill Lynch, New York , NY
 Contact: Matthew Hage
 Title: Vice President
 Telephone: 212-449-5081
 Fax: 212-449-3733

Issuer Name: City of Kingsport

Company Name: _____

Result

Bank of America Merrill Lynch's Reoffering Scale



Kingsport

**\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	Call Date
03/01/2018	1,095M	4.0000	0.8000	104.208	
03/01/2019	1,100M	4.0000	0.9100	107.091	
03/01/2020	1,110M	4.0000	1.0000	109.785	
03/01/2021	1,120M	4.0000	1.0700	112.350	
03/01/2022	1,125M	4.0000	1.2000	114.400	
03/01/2023	1,140M	4.0000	1.3000	116.341	
03/01/2024	1,160M	4.0000	1.4500	117.658	
03/01/2025	1,170M	4.0000	1.5500	119.064	
03/01/2026	1,190M	4.0000	1.7500	119.279	
03/01/2027	1,170M	4.0000	1.9300	117.585	03/01/2026
03/01/2028	1,190M	4.0000	2.1000	116.012	03/01/2026
03/01/2029	1,220M	4.0000	2.2700	114.463	03/01/2026
03/01/2030	1,245M	3.0000	2.7300	102.207	03/01/2026
03/01/2031	1,275M	3.0000	2.8000	101.629	03/01/2026
03/01/2032	1,300M	3.0000	2.8600	101.136	03/01/2026
03/01/2033	1,330M	3.0000	2.9200	100.646	03/01/2026
03/01/2034	1,365M	3.0000	3.0000	100.000	
03/01/2035	1,405M	3.0000	3.0360	99.500	
03/01/2036	1,440M	3.0000	3.0690	99.000	

Accrued Interest: \$0.00

Gross Production: \$25,149,518.80

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Upcoming Calendar | Overview | Result | Excel

Piper Jaffray - Minneapolis , MN's Bid



**Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

For the aggregate principal amount of \$23,150,000.00, we will pay you \$24,545,374.45, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	2.0000	0.9300	101.405
03/01/2019	1,100M	4.0000	1.0500	106.757
03/01/2020	1,110M	3.0000	1.1400	106.050
03/01/2021	1,120M	3.0000	1.2300	107.431
03/01/2022	1,125M	3.0000	1.3600	108.395
03/01/2023	1,140M	4.0000	1.4600	115.291
03/01/2024	1,160M	4.0000	1.5800	116.675
03/01/2025	1,170M	4.0000	1.7100	117.697
03/01/2026	1,190M	4.0000	1.8400	118.429
03/01/2027	1,170M	4.0000	2.0800	116.196
03/01/2028	1,190M	3.0000	2.2700	106.102
03/01/2029	1,220M	3.0000	2.4700	104.388
03/01/2030	1,245M	3.0000	2.6300	103.039
03/01/2031	1,275M	3.0000	2.7500	102.041
03/01/2032	1,300M	3.0000	2.8600	101.136
03/01/2033	1,330M	3.0000	2.9200	100.646
03/01/2034	1,365M	3.0000	2.9700	100.240
03/01/2035	1,405M	3.0000	3.0000	100.000
03/01/2036	1,440M	3.0000	3.0300	99.561

Total Interest Cost: \$7,978,826.25
 Premium: \$1,395,374.45
 Net Interest Cost: \$6,583,451.80
 TIC: 2.547869
 Time Last Bid Received On:10/24/2016 10:44:20 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Piper Jaffray, Minneapolis , MN
 Contact: Darci Doneff
 Title: Managing Director
 Telephone:612-303-2116
 Fax: 312-303-1326

Issuer Name: City of Kingsport

Company Name: _____

Upcoming Calendar	Overview	Result	Excel
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Janney Montgomery Scott LLC - Philadelphia , PA's Bid



**Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

For the aggregate principal amount of \$23,150,000.00, we will pay you \$24,880,141.49, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	3.0000	0.8500	102.826
03/01/2019	1,100M	4.0000	0.9800	106.924
03/01/2020	1,110M	4.0000	1.0700	109.544
03/01/2021	1,120M	4.0000	1.1700	111.899
03/01/2022	1,125M	4.0000	1.2800	113.956
03/01/2023	1,140M	4.0000	1.3800	115.815
03/01/2024	1,160M	4.0000	1.5200	117.128
03/01/2025	1,170M	4.0000	1.6500	118.207
03/01/2026	1,190M	4.0000	1.7800	118.995
03/01/2027	1,170M	4.0000	1.9300	117.585
03/01/2028	1,190M	4.0000	2.0200	116.749
03/01/2029	1,220M	3.0000	2.4000	104.984
03/01/2030	1,245M	3.5000	2.6000	107.407
03/01/2031	1,275M	3.0000	2.7500	102.041
03/01/2032				
03/01/2033	2,630M	3.0000	3.0000	100.000
03/01/2034	1,365M	3.0000	3.0200	99.729
03/01/2035	1,405M	3.0000	3.0500	99.299
03/01/2036	1,440M	3.0000	3.0700	98.982

Total Interest Cost: \$8,356,304.38
 Premium: \$1,730,141.49
 Net Interest Cost: \$6,626,162.89
 TIC: 2.548917
 Time Last Bid Received On: 10/24/2016 10:40:09 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Janney Montgomery Scott LLC, Philadelphia , PA
 Contact: Matthew Davis
 Title:
 Telephone: 215-665-6521
 Fax: 215-557-8648

Issuer Name: City of Kingsport

Company Name: _____

Upcoming Calendar	Overview	Result	Excel
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Robert W. Baird & Co., Inc. - Red Bank , NJ's Bid



**Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

For the aggregate principal amount of \$23,150,000.00, we will pay you \$24,145,118.41, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	4.0000	0.8500	104.140
03/01/2019	1,100M	4.0000	0.9600	106.972
03/01/2020	1,110M	2.0000	1.0500	103.095
03/01/2021	1,120M	2.0000	1.1500	103.575
03/01/2022	1,125M	4.0000	1.2500	114.122
03/01/2023	1,140M	4.0000	1.3500	116.012
03/01/2024	1,160M	4.0000	1.4800	117.430
03/01/2025	1,170M	2.0000	1.6200	102.947
03/01/2026	1,190M	4.0000	1.7500	119.279
03/01/2027	1,170M	2.0000	2.0500	99.535
03/01/2028	1,190M	3.0000	2.2000	106.709
03/01/2029	1,220M	3.0000	2.4000	104.984
03/01/2030	1,245M	3.0000	2.6000	103.291
03/01/2031	1,275M	3.0000	2.7000	102.456
03/01/2032	1,300M	3.0000	2.8000	101.629
03/01/2033				
03/01/2034				
03/01/2035				
03/01/2036	5,540M	3.0000	3.0000	100.000

Total Interest Cost: \$7,545,992.50
 Premium: \$995,118.41
 Net Interest Cost: \$6,550,874.09
 TIC: 2.556063
 Time Last Bid Received On: 10/24/2016 10:41:46 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Robert W. Baird & Co., Inc., Red Bank , NJ
 Contact: charles massaro
 Title: director
 Telephone: 732-576-4410
 Fax: 732-576-4420

Issuer Name: City of Kingsport

Company Name: _____

Upcoming Calendar	Overview	Result	Excel
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Citigroup Global Markets Inc. - Dallas , TX's Bid



**Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

For the aggregate principal amount of \$23,150,000.00, we will pay you \$24,406,230.55, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	2.0000	0.8700	101.484
03/01/2019	1,100M	3.0000	1.0000	104.584
03/01/2020	1,110M	4.0000	1.1000	109.441
03/01/2021	1,120M	4.0000	1.2000	111.765
03/01/2022	1,125M	4.0000	1.3300	113.680
03/01/2023	1,140M	4.0000	1.4600	115.291
03/01/2024	1,160M	3.0000	1.6000	109.639
03/01/2025	1,170M	2.0000	1.7500	101.927
03/01/2026	1,190M	4.0000	1.9000	117.866
03/01/2027	1,170M	2.0000	2.1350	98.750
03/01/2028	1,190M	2.1250	2.2800	98.459
03/01/2029	1,220M	2.2500	2.4870	97.500
03/01/2030	1,245M	4.0000	2.3000	114.192
03/01/2031	1,275M	4.0000	2.3700	113.562
03/01/2032	1,300M	4.0000	2.4300	113.026
03/01/2033	1,330M	3.0000	3.0200	99.741
03/01/2034	1,365M	3.0000	3.0750	99.000
03/01/2035	1,405M	3.0000	3.0900	98.750
03/01/2036	1,440M	3.0000	3.1210	98.250

Total Interest Cost: \$7,894,194.69
 Premium: \$1,256,230.55
 Net Interest Cost: \$6,637,964.14
 TIC: 2.569031
 Time Last Bid Received On: 10/24/2016 10:44:57 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Citigroup Global Markets Inc., Dallas , TX
 Contact: Mark Pryce
 Title: Director
 Telephone: 214-720-5075
 Fax: 214-871-5310

Issuer Name: City of Kingsport

Company Name: _____

Upcoming Calendar | Overview | Result | Excel

Mesirow Financial, Inc. - Chicago , IL's Bid



Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016

For the aggregate principal amount of \$23,150,000.00, we will pay you \$24,866,737.65, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	4.0000	0.9000	104.072
03/01/2019	1,100M	4.0000	1.0100	106.852
03/01/2020	1,110M	4.0000	1.0900	109.475
03/01/2021	1,120M	4.0000	1.1700	111.899
03/01/2022	1,125M	4.0000	1.2900	113.901
03/01/2023	1,140M	4.0000	1.4000	115.683
03/01/2024	1,160M	4.0000	1.5300	117.052
03/01/2025	1,170M	4.0000	1.6700	118.037
03/01/2026	1,190M	4.0000	1.8100	118.711
03/01/2027	1,170M	4.0000	2.0000	116.934
03/01/2028	1,190M	4.0000	2.1200	115.828
03/01/2029	1,220M	4.0000	2.2200	114.916
03/01/2030	1,245M	3.0000	2.7800	101.793
03/01/2031	1,275M	3.0000	2.8500	101.218
03/01/2032	1,300M	3.0000	2.9100	100.727
03/01/2033	1,330M	3.0000	2.9700	100.240
03/01/2034	1,365M	3.0000	3.0200	99.729
03/01/2035	1,405M	3.0000	3.0600	99.160
03/01/2036	1,440M	3.0000	3.0900	98.695

Total Interest Cost: \$8,438,230.00
 Premium: \$1,716,737.65
 Net Interest Cost: \$6,721,492.35
 TIC: 2.588128
 Time Last Bid Received On:10/24/2016 10:44:57 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Mesirow Financial, Inc., Chicago , IL
 Contact: Stephen Murphy
 Title:
 Telephone:212-530-7661
 Fax:

Issuer Name: City of Kingsport

Company Name: _____

Upcoming Calendar	Overview	Result	Excel
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SunTrust Robinson Humphrey - Nashville , TN's Bid



Kingsport

**\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

For the aggregate principal amount of \$23,150,000.00, we will pay you \$24,719,646.90, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	4.0000	0.8700	104.113
03/01/2019	1,100M	4.0000	1.0000	106.876
03/01/2020	1,110M	4.0000	1.0900	109.475
03/01/2021	1,120M	4.0000	1.1800	111.855
03/01/2022	1,125M	4.0000	1.3000	113.846
03/01/2023	1,140M	4.0000	1.4200	115.552
03/01/2024	1,160M	4.0000	1.5500	116.901
03/01/2025	1,170M	4.0000	1.6900	117.867
03/01/2026	1,190M	4.0000	1.8500	118.335
03/01/2027	1,170M	4.0000	2.0700	116.288
03/01/2028	1,190M	4.0000	2.2500	114.644
03/01/2029	1,220M	3.0000	2.6500	102.872
03/01/2030	1,245M	3.0000	2.7800	101.793
03/01/2031	1,275M	3.0000	2.8800	100.972
03/01/2032	1,300M	3.0000	2.9500	100.402
03/01/2033	1,330M	3.0000	3.0200	99.741
03/01/2034	1,365M	3.0000	3.0500	99.328
03/01/2035	1,405M	3.0000	3.0800	98.883
03/01/2036	1,440M	3.0000	3.1000	98.551

Total Interest Cost: \$8,287,865.00
 Premium: \$1,569,646.90
 Net Interest Cost: \$6,718,218.10
 TIC: 2.596869
 Time Last Bid Received On: 10/24/2016 10:44:44 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: SunTrust Robinson Humphrey, Nashville , TN
 Contact: Jon Autrey
 Title: VP
 Telephone: 901-842-3768
 Fax: 901-842-4093

Issuer Name: City of Kingsport

Company Name: _____

Upcoming Calendar | Overview | Result | Excel

FTN Financial Capital Markets - New York , NY's Bid



**Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

For the aggregate principal amount of \$23,150,000.00, we will pay you \$24,894,992.70, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	4.0000	0.9300	104.032
03/01/2019	1,100M	4.0000	1.0500	106.757
03/01/2020	1,110M	4.0000	1.1500	109.269
03/01/2021	1,120M	4.0000	1.2300	111.630
03/01/2022	1,125M	4.0000	1.3600	113.515
03/01/2023	1,140M	4.0000	1.4600	115.291
03/01/2024	1,160M	4.0000	1.5900	116.600
03/01/2025	1,170M	4.0000	1.7300	117.527
03/01/2026	1,190M	4.0000	1.8600	118.241
03/01/2027	1,170M	4.0000	2.1000	116.012
03/01/2028	1,190M	4.0000	2.3000	114.192
03/01/2029	1,220M	4.0000	2.4000	113.294
03/01/2030	1,245M	4.0000	2.5500	111.963
03/01/2031	1,275M	3.0000	2.8000	101.629
03/01/2032				
03/01/2033				
03/01/2034	3,995M	3.0000	3.0000	100.000
03/01/2035	1,405M	3.0000	3.0500	99.299
03/01/2036	1,440M	3.0000	3.1000	98.551

Total Interest Cost: \$8,604,126.25
 Premium: \$1,744,992.70
 Net Interest Cost: \$6,859,133.55
 TIC: 2.638973
 Time Last Bid Received On: 10/24/2016 10:44:51 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: FTN Financial Capital Markets, New York , NY
 Contact: Vincent Pietanza
 Title: Senior Vice Presiden
 Telephone: 212-418-5005
 Fax: 212-418-7999

Issuer Name: City of Kingsport

Company Name: _____

Upcoming Calendar | Overview | Result | Excel

UBS Financial Services Inc. - New York , NY's Bid



Kingsport

**\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

For the aggregate principal amount of \$23,150,000.00, we will pay you \$25,138,064.10, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	3.0000	0.9300	102.718
03/01/2019	1,100M	4.0000	1.0300	106.804
03/01/2020	1,110M	4.0000	1.1200	109.372
03/01/2021	1,120M	4.0000	1.2300	111.630
03/01/2022	1,125M	4.0000	1.3400	113.625
03/01/2023	1,140M	4.0000	1.4700	115.225
03/01/2024	1,160M	4.0000	1.6500	116.149
03/01/2025	1,170M	4.0000	1.8000	116.936
03/01/2026	1,190M	4.0000	1.9500	117.399
03/01/2027	1,170M	4.0000	2.0800	116.196
03/01/2028	1,190M	4.0000	2.2500	114.644
03/01/2029	1,220M	4.0000	2.3500	113.742
03/01/2030	1,245M	4.0000	2.4300	113.026
03/01/2031	1,275M	4.0000	2.5000	112.405
03/01/2032	1,300M	4.0000	2.5600	111.875
03/01/2033	1,330M	3.0000	3.0000	100.000
03/01/2034	1,365M	3.0000	3.0500	99.328
03/01/2035	1,405M	3.0000	3.0720	99.000
03/01/2036	1,440M	3.0000	3.1040	98.500

Total Interest Cost: \$8,971,486.25
 Premium: \$1,988,064.10
 Net Interest Cost: \$6,983,422.15
 TIC: 2.664888
 Time Last Bid Received On:10/24/2016 10:41:16 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: UBS Financial Services Inc., New York , NY
 Contact: Jerry Orellana
 Title: Director
 Telephone:212-373-6466
 Fax:

Issuer Name: City of Kingsport

Company Name: _____

Upcoming Calendar	Overview	Result	Excel
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J.P. Morgan Securities LLC - New York , NY's Bid



**Kingsport
\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

For the aggregate principal amount of \$23,150,000.00, we will pay you \$25,081,419.05, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	4.0000	0.8800	104.100
03/01/2019	1,100M	4.0000	1.0000	106.876
03/01/2020	1,110M	4.0000	1.0900	109.475
03/01/2021	1,120M	4.0000	1.1700	111.899
03/01/2022	1,125M	4.0000	1.3000	113.846
03/01/2023	1,140M	4.0000	1.4300	115.487
03/01/2024	1,160M	4.0000	1.5700	116.750
03/01/2025	1,170M	4.0000	1.7100	117.697
03/01/2026	1,190M	4.0000	1.8600	118.241
03/01/2027	1,170M	4.0000	2.0300	116.657
03/01/2028	1,190M	4.0000	2.2200	114.916
03/01/2029	1,220M	4.0000	2.3700	113.562
03/01/2030	1,245M	4.0000	2.5300	112.139
03/01/2031	1,275M	4.0000	2.6500	111.086
03/01/2032	1,300M	4.0000	2.7100	110.563
03/01/2033	1,330M	3.0000	3.0700	99.103
03/01/2034	1,365M	3.0000	3.1200	98.400
03/01/2035	1,405M	3.0000	3.1600	97.784
03/01/2036	1,440M	3.0000	3.1900	97.272

Total Interest Cost: \$8,985,995.00
 Premium: \$1,931,419.05
 Net Interest Cost: \$7,054,575.95
 TIC: 2.697181
 Time Last Bid Received On: 10/24/2016 10:44:20 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: J.P. Morgan Securities LLC, New York , NY
 Contact: Jaclyn Mischler
 Title: Vice President
 Telephone: 212-834-7155
 Fax: 917-464-9300

Issuer Name: City of Kingsport

Company Name: _____

Upcoming Calendar | Overview | Result | Excel

Fifth Third Securities, Inc. - Cincinnati , OH's Bid



Kingsport

**\$23,150,000 General Obligation Public Improvement Bonds,
Series 2016**

For the aggregate principal amount of \$23,150,000.00, we will pay you \$23,476,044.16, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
03/01/2018	1,095M	4.0000	0.9300	104.032
03/01/2019	1,100M	4.0000	1.0500	106.757
03/01/2020	1,110M	2.0000	1.1400	102.797
03/01/2021	1,120M	2.0000	1.2300	103.232
03/01/2022	1,125M	2.0000	1.3500	103.328
03/01/2023	1,140M	2.0000	1.4600	103.250
03/01/2024	1,160M	2.0000	1.5900	102.823
03/01/2025	1,170M	2.0000	1.7300	102.084
03/01/2026	1,190M	4.0000	1.8700	118.147
03/01/2027	1,170M	3.0000	2.1000	107.584
03/01/2028	1,190M	3.0000	2.3000	105.842
03/01/2029	1,220M	3.0000	2.5500	103.711
03/01/2030	1,245M	3.0000	2.7000	102.456
03/01/2031	1,275M	3.0000	2.8000	101.629
03/01/2032	1,300M	3.0000	2.9000	100.809
03/01/2033	1,330M	3.0000	2.9500	100.402
03/01/2034	1,365M	3.0000	3.0000	100.000
03/01/2035				
03/01/2036	2,845M	3.0000	3.0700	98.982

Total Interest Cost: \$7,232,832.50
 Premium: \$326,044.16
 Net Interest Cost: \$6,906,788.34
 TIC: 2.733096
 Time Last Bid Received On: 10/24/2016 10:44:05 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Fifth Third Securities, Inc., Cincinnati , OH
 Contact: Geoff Kobayashi
 Title:
 Telephone: 513-534-5535
 Fax:

Issuer Name: City of Kingsport

Company Name: _____

CREDIT OPINION

17 October 2016

New Issue

Rate this Research >>

Contacts

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Robert Weber 212-553-7280
VP-Senior Analyst
robert.weber@moodys.com

City of Kingsport, TN

New Issue - Moody's Assigns Aa2 to Kingsport, TN's \$23.2M GO Bonds, Series 2016

Summary Rating Rationale

Moody's Investors Service has assigned a Aa2 rating to Kingsport, TN's \$23.2 million General Obligation Public Improvement Bonds, Series 2016. Moody's maintains the Aa2 rating on the city's outstanding parity debt.

The Aa2 rating reflects the city's satisfactory General Fund financial position which is further strengthened by available reserves in the Fleet Maintenance Fund. The rating also incorporates the city's stable economy with high taxpayer concentration and above average, but manageable debt burden.

Credit Strengths

- » Sizeable tax base with continued growth expected in the near-term
- » Adoption of recent tax rate increases to help support return to structural balance

Credit Challenges

- » Significant taxpayer concentration
- » Above average debt burden

Rating Outlook

Outlooks are usually not assigned to local government credits with this amount of debt outstanding.

Factors that Could Lead to an Upgrade

- » Continued tax base growth
- » Increase in reserves to levels consistent with higher rating category
- » Diversification of top taxpayers (decreased concentration in [Eastman Chemical Company](#) (Baa2 stable))
- » Decline in debt burden

Factors that Could Lead to a Downgrade

- » Any additional declines in available reserves
- » Sizable reduction in tax base

- » Reduced operations or financial distress of the city's largest taxpayer, Eastman Chemical Company
- » Significant growth in debt burden

Key Indicators

Exhibit 1

Kingsport (City of) TN	2011	2012	2013	2014	2015
Economy/Tax Base					
Total Full Value (\$000)	\$ 5,258,154	\$ 5,604,513	\$ 5,763,618	\$ 5,784,232	\$ 5,816,219
Full Value Per Capita	\$ 108,642	\$ 111,797	\$ 111,104	\$ 109,477	\$ 109,682
Median Family Income (% of US Median)	81.4%	85.7%	82.0%	82.9%	82.9%
Finances					
Operating Revenue (\$000)	\$ 109,040	\$ 112,971	\$ 114,002	\$ 120,254	\$ 125,277
Fund Balance as a % of Revenues	16.3%	14.5%	13.1%	14.1%	15.2%
Cash Balance as a % of Revenues	15.9%	14.0%	12.8%	11.7%	12.1%
Debt/Pensions					
Net Direct Debt (\$000)	\$ 132,283	\$ 151,702	\$ 170,354	\$ 173,353	\$ 183,589
Net Direct Debt / Operating Revenues (x)	1.2x	1.3x	1.5x	1.4x	1.5x
Net Direct Debt / Full Value (%)	2.5%	2.7%	3.0%	3.0%	3.2%
Moody's - adjusted Net Pension Liability (3-yr average) to Revenues (x)	N/A	0.8x	0.9x	1.2x	1.4x
Moody's - adjusted Net Pension Liability (3-yr average) to Full Value (%)	N/A	1.7%	1.8%	2.5%	3.0%

Source: Moody's Investors Service

Recent Developments

Recent developments are incorporated in the Detailed Rating Consideration.

Detailed Rating Considerations

Economy and Tax Base: Regionally Important Economic Base with Local Economy Dominated by Eastman Chemical Company

Kingsport's sizable \$5.8 billion tax base with continue to benefit from its significant commercial and industrial employment base. The tax base is dominated by Eastman Chemical Company which represents approximately 23.0% of total taxable value. The current headquarters facility consists of more than 500 buildings on approximately 6,000 acres of land. Over the last five years, Eastman has spent an estimated \$1.3 billion to expand production capacity, and has announced another \$1.6 billion expansion that will go through 2020. The new expansion is expected to generate 300 direct jobs and 1,000 contractor and construction jobs. In addition, Leclerc Foods completed a \$15.7 million expansion that created 30 new jobs, while Portola Packaging finished a \$12 million expansion that generated 40 new jobs.

Commercial and retail sectors continue to be strong, with high occupancy rates as well as the addition of a new Wal-Mart Stores, Inc. (Aa2 stable) market, several new restaurants and a new theater complex. Another positive for the retail sector is the passing of the Border Region Retail Tourism legislation by the Tennessee General Assembly. The legislation would allow the city to recapture approximately 59% of all state sales taxes within a specific 590 acre special district designed to incent and attract large regional retailers to the Kingsport market. While the majority of the site still remains a green field, grading has been completed on 150 acres that will be ready for future retail and big box building pads. Once the site is fully developed, management believes it will result in additional sales tax revenues.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

The city has experienced assessed value growth averaging 2.3% over the past five years, driven by a combination of annexation and commercial and residential development. Full value has grown at a slightly higher rate of 2.6% over the same five year period. Unemployment within the city was 5.4% as of July 2016, above the state (4.9%) and national (5.1%) rates. Wealth levels remain in line with Tennessee averages with per capita income of 103.5% of the state and median family income of 97.9% of the state. Full value per capita is also strong at \$109,682.

Financial Operations and Reserves: General Fund Reserves Rebound in Fiscal 2014 and 2015: Additional Flexibility in Fleet Maintenance Fund

Despite recent declines in reserves due to internally financed capital projects and underperformance of economically sensitive revenues, the city's financial position will remain satisfactory in the near term as reserve rebound in fiscal 2014 and 2015 and are expected to increase again in 2016 due to management's renewed focus rebuilding reserves.

Fiscal 2015 General Fund operations produced an operating surplus of \$1.1 million, increasing available fund balance to \$12.9 million or 17.2% of General Fund revenue which is still well below the Aa2 national median of 30.4% of General Fund revenues. The operating surplus was driven by positive performance of income, property, and sales taxes, as well as continued conservative budgeting of expenditures. On an Operating Fund basis (General Fund, Debt Service Fund, and General Purpose School Fund), the city finished the year with \$19.04 million or 15.2% of annual operating revenues. In addition, the city has \$2.95 million unrestricted in the Fleet Maintenance Fund, adding further flexibility if needed. The Fleet Maintenance Fund can be designated for any purpose at the discretion of the Board of Mayor and Alderman, including General Fund operating expenses on a short-term basis. Available fund balance is \$14.5 million, or 20.7% of General Fund revenues. The city's largest revenue source, property taxes (51.5% of annual General Fund revenues) continues to remain strong and with continued development is expected to increase of the near-term.

Preliminary fiscal 2016 results indicate an ending total General Fund balance of \$13.2 million which is \$300,000 greater than expected. The positive operations were mainly driven by total revenues generating a \$286,000 positive variance and expenditures remaining on track to budget. The fiscal 2017 budget will experience a 7.5% increase from the fiscal 2016 budget. Fiscal 2017 revenues will benefit from the implementation of a new franchise fee on the local power company is estimated to generate \$3 million which will be used to fund paving and maintaining the city's roads. Additionally, the city implemented a new sanitation fee estimated to generate \$2.4 million for the Solid Waste Fund which will reduce General Fund transfer by approximately 45.3%. The city's ability to maintain structural balance and continue to increase available reserves will be a major credit factor going forward.

LIQUIDITY

While General Fund net cash declined from 2010 through 2014 it rebounded in fiscal 2015 to a more moderate \$7.5 million (10.1% of revenues). Net cash on an operating fund basis ended fiscal 2015 at \$15.2 million or 12.1% of operating fund revenues.

Debt and Pensions: Debt Burden is Above-Average but Manageable Due to Self-Supporting Nature of Water and Sewer Utilities

Kingsport's debt position will remain manageable in the near-term given the self-supporting nature of the city's water and sewer system and average retirement of principal. Kingsport's direct debt burden is high but manageable at 2.2% of full value and increases to a higher 3.1% when taking into account the debt of overlapping localities. This debt burden is net of \$120.5 million of outstanding debt that is self-supporting by water and sewer system revenues. The city has a policy to amortize non-school and non-self-supporting debt over 15 years, with the exception of moneys issued for buildings, which is amortized over 20 years. This has led to an average repayment of debt - approximately 64.6% of principal is repaid within ten years.

The city currently maintains a \$167.0 million five-year (2017-2021) Capital Improvement Plan, including \$114.7 million in additional bonds. While more than half of the new money debt will be for water and sewer purposes (\$60.3 million), the city typically secures the debt with a secondary General Obligation Unlimited Tax pledge. Taking into consideration the new money debt, the city's debt burden is expected to increase beyond the already above-average levels. Moody's will monitor the city's debt burden over the upcoming years with the expectation that levels will still remain affordable, however if debt levels rise significantly, negative rating pressure could result.

DEBT STRUCTURE

The city's variable rate debt exposure is minimal, representing 3.0% of total debt and consists of two loans from the Tennessee Municipal Bond Fund (TMBF).

DEBT-RELATED DERIVATIVES

The city is not party to any derivatives products.

PENSIONS AND OPEB

The city currently participates in the Political Subdivision Pension Plan (PSPP) and the State Employees, Teachers, and Higher Education Employees' Pension Plan (SETHEPP), both of which are multi-employer defined benefit plans administered by the Tennessee Consolidated Retirement System. The city consistently contributes 100% of the annual pension cost for both plans. The city's adjusted pension liability, under Moody's methodology for adjusting reported pension data, is \$196 million or a slightly above-average 1.57 times of operating revenues. Moody's uses the adjusted net pension liability to improve comparability of reported pension liabilities. The adjustments are not intended to replace the city's reported liability information, but to improve comparability with other rated entities. In addition, the city voted to adopt a defined contribution plan for all new employees, which is expected to save the city on retirement costs going forward.

Management and Governance

The city has a formal fund balance policy to maintain unassigned General Fund balance at a minimum of 15% of the subsequent year's budgeted expenditures. The city's fiscal 2015 unassigned General Fund balance was \$12.7 million or approximately 17.1% of annual revenues and is expected to remain above this threshold going forward.

Tennessee cities have an institutional framework score of "Aaa," or very strong. City revenues are primarily from property taxes and local option sales taxes, which are moderately predictable and stable. Cities have high revenue-raising flexibility as property taxes are not subject to any statutory limits. Expenditures primarily consist of personnel costs, which are highly predictable. Cities have a high ability to reduce their major expenditures if necessary. Total fixed costs, which include pension liabilities, are typically manageable and usually comprise a small percentage of total expenditures.

Legal Security

The bonds are a direct general obligation of the city, for which the full faith and credit have been irrevocably pledged.

Use of Proceeds

The proceeds from the General Obligation Public Improvement Bonds, Series 2016 are going to fund numerous capital improvement projects including local road improvements, school building maintenance, and water and sewer improvements.

Obligor Profile

The city of Kingsport has a population of 53,028 and is located in the northeast portion of Tennessee (Aaa stable) approximately 25 miles northwest of Johnson City (Aa2) and 23 miles from Bristol, TN (Aa2) and Bristol, VA (Baa2 negative).

Methodology

The principal methodology used in this rating was US Local Government General Obligation Debt published in January 2014. Please see the Rating Methodologies page on www.moody.com for a copy of this methodology.

Ratings

Exhibit 2

Kingsport (City of) TN

Issue	Rating
General Obligation Public Improvement Bonds, Series 2016	Aa2
Rating Type	Underlying LT
Sale Amount	\$23,150,000
Expected Sale Date	10/24/2016

Rating Description
Source: Moody's Investors Service

General Obligation

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REPORT NUMBER

1045114

S&P Global Ratings

500 North Akard Street
Lincoln Plaza, Suite 3200
Dallas, TX 75201
tel (214) 871-1400
reference no.: 1458506

October 19, 2016

City of Kingsport
225 West Center Street
Kingsport, TN 37660--4285
Attention: Mr. James H. Demming, Jr., Finance Director

Re: *US\$23,225,000 Kingsport, Tennessee, General Obligation Public Improvement Bonds,
Series 2016, dated: Date of delivery, due: March 1, 2036*

Dear Mr. Demming:

Pursuant to your request for an S&P Global Ratings rating on the above-referenced obligations, S&P Global Ratings has assigned a rating of "AA". S&P Global Ratings views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

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S&P Global Ratings
Public Finance Department
55 Water Street

New York, NY 10041-0003

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cc: Mr. Richard T. Dulaney, Managing Director
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RatingsDirect®

Summary:

Kingsport, Tennessee; General Obligation; School State Program

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Summary:

Kingsport, Tennessee; General Obligation; School State Program

Credit Profile

US\$23.225 mil GO pub imp bnds ser 2016 due 03/01/2036

Long Term Rating

AA/Stable

New

Rationale

S&P Global Ratings assigned its 'AA' long-term rating to Kingsport, Tenn.'s series 2016 general obligation (GO) public improvement bonds. At the same time, S&P Global Ratings affirmed its 'AA' long-term and underlying rating (SPUR) on the city's existing GO debt. The outlook is stable.

The bonds are secured by the city's full faith and credit pledge, payable from the levy of an unlimited ad valorem tax on all taxable property within the corporate limits of the city.

The city's series 2009 qualified school construction bonds are secured by an agreement between the Tennessee State School Bond Authority (TSSBA) and the city. According to the agreement, if a borrower will be unable to make its loan payment on time and in full, that borrower's unobligated state shared-tax revenues will be intercepted in an amount necessary to meet its TSSBA obligations before an actual default occurs. In accordance with our criteria, when different obligors pledge multiple revenue streams on this basis and each revenue stream will be necessary to pay debt service or each revenue stream pays only a portion of debt service, the rating reflects our assessment of the credit quality of the pledged revenue stream with the weakest credit quality, assuming it is necessary for debt service payment. Therefore, we view the city's unlimited-tax GO pledge as the weaker of the two securities for the series 2009 qualified school construction bonds.

In addition, the city's 2012A and 2013A GO bonds are further secured by 0.25% local option sales tax. The series 2014B bonds are further secured by revenues from the city's water and sewer system. In accordance with our criteria, when an obligor pledges multiple revenue streams where each is assumed capable of covering debt service, the rating reflects our assessment of the pledged revenue stream with the higher credit quality if we believe that the additional revenue stream can be accessed in a timely manner. We view the city's unlimited-tax GO pledge as the stronger security for the series 2012A, 2013A, and 2014B bonds.

We understand officials intend to use the series 2016 bonds to finance a portion of the costs of certain public works projects, consisting of: acquisition of public art; the acquisition, construction, improvement, and renovation of public school, parks and recreation, and other municipal facilities; construction, improvement, and expansion of roads, streets, parking, and sidewalks; acquisition of public works equipment; construction, expansion, and improvement of the municipal sewer system; and renovation and improvement of the Meadowview Conference Center ballroom.

The rating reflects our assessment of the following factors of the city:

- Strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Very strong management, with strong financial policies and practices under our Financial Management Assessment methodology;
- Adequate budgetary performance, with an operating surplus in the general fund but an operating deficit at the total governmental fund level in fiscal 2015;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2015 of 22% of operating expenditures;
- Very strong liquidity, with total government available cash at 25.7% of total governmental fund expenditures and 3.2x governmental debt service, and access to external liquidity that we consider exceptional, but an exposure to a non-remote contingent liability risk;
- Very weak debt and contingent liability position, with debt service carrying charges at 8% of expenditures and net direct debt that is 115.1% of total governmental fund revenue; and
- Very strong institutional framework score.

Strong economy

We consider Kingsport's economy strong. The city, with an estimated population of 53,028, encompasses approximately 53-square-miles in northeastern Tennessee. It is in Hawkins and Sullivan counties in the Kingsport-Bristol-Bristol MSA, which we consider to be broad and diverse. The city has a projected per capita effective buying income of 93% of the national level and per capita market value of \$108,138. Overall, the city's market value fell by 1.4% over the past year to \$5.7 billion in 2016. The weight-averaged unemployment rate of the counties was 5.9% in 2015, which was above the state's 5.7% and the nation's 5.3% average unemployment rates.

Kingsport, which has historically had a strong manufacturing and industrial presence, is the largest city within the MSA. Industrial and commercial property constitutes approximately 38.2% of total assessed value (AV), followed by residential property, which accounts for 37.6% of AV. Eastman Chemical Co., a Fortune 500 company with approximately 6,848 employees and about 3,000 contractors in Kingsport, is the largest regional employer and largest taxpayer in the MSA, and the second-largest private employer in Tennessee. In 2014, Eastman Chemical acquired Taminco Corp., a global specialty chemical company. The total value of the transaction was \$2.8 billion. The acquisition of Taminco strengthens Eastman's presence in markets such as food, feed, and agriculture, and has added roughly 3,400 jobs to the area. Two decades ago, Eastman comprised 40% of the city's tax base, but due to local efforts to diversify the tax base, Eastman currently comprises about 23%. Altogether, the city's 10 leading taxpayers constitute 33% of the tax base, which we consider moderately concentrated.

Although the city continues to have a strong and stable manufacturing and industrial presence, it has diversified into education, retail, and tourism. The city is also the regional hub for various private health care and medical services providers, anchored by Welmont Health Systems, the city's second leading employer (approximately 3,000 employees), Holston Medical Group (718 employees), and Mountain States Health. In 2016, Pure Foods, a snack food company headquartered in Vancouver, Canada, opened an 83,000 square-foot building for its North American headquarters. When fully operational, the company is expected to employ 273 people.

Furthermore, the Kingsport Economic Development Board commissioned a market analysis for market rate multifamily housing, which concluded that the city could sustain an additional 800 units of housing. According to city officials, 774 market rate multifamily units with an estimated market value of \$72.2 million, have undergone building

plan reviews and are currently under construction. Although the city is experiencing an uptick in new residential and commercial development, in fiscals 2017 and 2018, officials conservatively estimate that taxable values will increase by 2% and 6%, respectively. The city also reports Sullivan County will be conducting a property reappraisal in fiscal 2018.

Very strong management

We view the city's management as very strong, with strong financial policies and practices under our Financial Management Assessment methodology, indicating financial practices are strong, well embedded, and likely sustainable. We revised the city's FMA to strong from good due to our understanding of its consistent review, implementation, and adherence to its policies.

Key budgeting practices include management's use of five years of historical data to create its revenue and expenditure assumptions. In formulating its annual budget, management reviews state publications, evaluates state and national economic conditions, and consults the counties' property assessor to build its revenue projections. In addition, the city performs a pay study to compare salary and benefit affordability and competitiveness projections with other municipalities throughout the region and state. During each fiscal year, management conducts regular monitoring of budget-to-actual performance, reporting results to the city board of mayor and alderman (BMA) monthly. On an as-needed basis, management recommends amendments to address expenditure reclassifications and supplemental appropriations in the operating budget, which the BMA must approve. The district also adopted a formal investment policy that follows state guidelines. Management presents comprehensive quarterly investment reports with holdings and performance updates to the BMA.

The city conducts comprehensive long-term planning for both capital and financial needs, both of which go out five years, and are updated annually. The capital improvement plan (CIP) categorizes projects by departments and funds, projects costs, and evaluates debt and non-debt funding sources. In addition, Kingsport maintains a formal debt policy. The city also maintains a reserve policy which establishes a minimum general fund unassigned fund balance between 15% and 20% of the following year's budgeted expenditures. The fund balance policy is reviewed and adopted annually to determine sufficient cover for unexpected cash flow issue. Should the fund balance fall below the 15% minimum, the city manager is required to prepare a plan to replenish the fund balance to the minimum level.

Adequate budgetary performance

Kingsport's budgetary performance is adequate in our opinion. The city had surplus operating results in the general fund of 1.9% of expenditures, but a deficit result across all governmental funds of negative 3% in fiscal 2015. For analytical consistency, fiscal 2015 operating results were adjusted for net recurring transfers to the general purpose school fund, debt service fund, and other governmental funds from the general fund.

For fiscal 2015, the city realized a nearly \$1.13 million general fund surplus, or 1.9% of general fund expenditures. Management attributes positive operating result to the favorable revenue collections from local property tax and gross receipts, charges for services, and an increase in county and state revenue, which were \$673,333 better than budget. In addition to net transfers out of the general fund, which were \$193,593 under budget, the city reported lower-than-budgeted expenditures from unexpended departmental appropriations and management instituting additional expenditure controls, leading to a positive variance of \$323,915. Due to positive revenue and expenditure

variances at year-end, the city used some of its excess funds to fund several small capital projects and transferred \$356,000 into the self-insured employees' health insurance fund, which had more claims than expected.

The fiscal 2016 budget is balanced and management has no plans to draw down reserves or increase its property tax rate. According to officials, the city budgeted to appropriate \$50,000 to increase general fund reserves. Based on unaudited year-end results, the city expects favorable revenue collections due to an increase in state and local sales tax receipts and gross tax receipts. In lieu of state legislation that reduces and eventually eliminates the Hall income tax--a law that levies a 6% tax on personal income from all taxable interest and investment dividend income exceeding \$1,250 per person--the city conservatively budgeted for a \$1.068 million reduction in revenue in fiscal 2016. However, Kingsport expects better-than-budgeted results from this revenue source at year-end. Based on its conservative year-end estimates, management expects an approximately \$352,000 general fund surplus.

Furthermore, Kingsport approved a fiscal 2017 general fund budget of approximately \$78.66 million, or a 7.5% annual expenditure increase. The budget does not include an increase to the tax rate, but the city appropriated \$50,000 to increase general fund reserves. According to management, the city's local option sales tax revenue is trending 2.5% below budget estimates, but its state sales tax revenue collections are higher than budget. In addition, the city's expenditures remain on-target with the budget. In our opinion, given the city's demonstrated capacity to realize operating surpluses, we expect its general fund operations will remain positive in subsequent years. Similarly, we expect its total governmental funds results to be near-break even or positive.

In addition, the city adopted a new franchise agreement with Kingsport Power Co., which includes a provision to establish a franchise fee, effective for fiscal 2017. The fee received final approval from the Tennessee Regulatory Authority, and the city indicated that the new franchise will generate \$3 million in new general fund revenue annually. In addition, the city implemented a new sanitation fee, beginning in fiscal 2017, for household refuse collections. Although the fee will be accounted for in the city's solid waste enterprise fund, the estimated \$2.4 million collected from this fee is expected to partially offset subsidies provided by the general fund to the solid waste fund and provide the city additional general fund flexibility.

In fiscal 2015, general property tax and gross receipts constituted nearly 62% of Kingsport's general fund revenue, followed by intergovernmental revenue (32.8%), and charges for services (3%). Property tax collections have remained healthy, with collections totaling more than 97% each year. Based on better-than-budgeted annual revenue and strong tax collections, coupled with management's historically conservative annual budgeting of operating expenditures, we do not expect Kingsport's budgetary performance to deteriorate within the next two fiscal years.

Very strong budgetary flexibility

Kingsport's budgetary flexibility is very strong, in our view, with an available fund balance in fiscal 2015 of 22% of operating expenditures, or \$12.9 million.

Kingsport has met and sustained reserves in accordance with its fund balance policy, which sets a minimum unassigned fund balance at 15% of the following year's operating budget. According to its policy, Kingsport maintains reserves to provide financial stability in the event it realizes significant one-time expenditures and mandatory expenses resulting from significant economic downturn or emergencies, coupled with it addressing unforeseen revenue fluctuations or cash flow liquidity needs. Following positive operating results in fiscal 2015, available reserves were

\$12.9 million.

At the same time, the city historically demonstrated conservative expenditure and revenue forecasts that contribute to better-than-expected budgetary performance. The city-wide sales tax revenue increased steadily during the past two years, by about 3.1% in fiscal 2014, 5.8% in fiscal 2015, and is expected to increase by 3.7% in fiscal 2016. We anticipate that sales taxes will remain at least leveled, if not continue to increase; if property tax revenue remain stable, the city will be in a good position to maintain at least adequate performance. Furthermore, Kingsport expects a general fund operating surplus in fiscal 2016, coupled with an approved balanced budget in fiscal 2017. Therefore, we believe Kingsport will likely maintain very strong reserves over the next two fiscal years.

Very strong liquidity

In our opinion, Kingsport's liquidity is very strong, with total government available cash at 25.7% of total governmental fund expenditures and 3.2x governmental debt service in 2015. In our view, the city has strong access to external liquidity if necessary. However, weakening Kingsport's liquidity position, in our assessment, is the city's exposure to a non-remote contingent liability that could come due within 12 months.

We believe Kingsport maintains strong access to external liquidity if necessary, demonstrated by its regular market participation and issuance of GO debt over the past several years.

Currently, Kingsport has entered into two direct-purchase agreements with a combined total principal amount of about \$6.63 million outstanding. These agreements allow for acceleration payable in less than 180 days, and we do not consider the termination events consistent with our published criteria for standby bond purchase agreement termination events. Debt is transferrable to another party, but there is no most-favored-nation clause. We understand the city has no other obligations outstanding with acceleration provisions that, if triggered, could lead to acceleration under the agreements. At the same time, the coming year's cost is less than 8.6% of general fund revenues, and with liquidity remaining very strong, coverage would exceed 3.2x governmental debt service.

Furthermore, while Kingsport is currently a defendant in two lawsuits, we do not expect these cases to deteriorate the city's liquidity because the Tennessee Governmental Tort Liability Act would limit damages to a maximum of \$700,000 per case, depending on the occurrence. The city also participates in the TML Risk Management Pool (TML Pool) and carries an annual \$450,000 self-insured retention policy through the TML Pool. Kingsport reviews its legal claims annually as part of its risk management activities. Periodically, actuarial studies are performed to determine the appropriate estimated reserve requirement levels for the fund.

Although the state allows for what we view as somewhat permissive investments, we do not consider the city's investments to be aggressive. Kingsport's formal investment policy allows it to invest idle operating funds in low-risk, highly liquid assets in order to maintain cash flow liquidity for immediate operations, including U.S. treasury securities, collateralized money market accounts, certificates of deposit, and the Tennessee Local Government Investment Pool. Currently, the city invests the majority of its cash in the local government investment pool, which is required to maintain a 90-day or less weighted-average maturity. For these reasons, the city's available cash position remains strong and stable, and we do not expect cash levels to decline significantly during the next two years.

Very weak debt and contingent liability profile

In our view, Kingsport's debt and contingent liability profile is very weak. Total governmental fund debt service is 8% of total governmental fund expenditures, and net direct debt is 115.1% of total governmental fund revenue. In our view, Kingsport's total debt is moderate at 3.4% of market value. At the same time, the city's amortization schedule reflects it retiring 64.8% of principal within the next 10 years, which, in our opinion, is average.

Following the current bond issue, Kingsport will have approximately \$242.9 million of total direct debt outstanding, of which \$213.6 million is secured by the city's GO pledge, \$29.2 million secured by a pledge of the city's 0.25% local option sales tax. At the same time, we have adjusted out roughly \$78.7 million of enterprise-related GO debt from our net direct debt calculations. GO- and enterprise-related debt centers on three years of evidence that user charges have provided, at least, partial coverage to support obligations outstanding. The city has entered into two direct-purchase agreements with a total principal amount of about \$6.63 million remaining. Furthermore, the city's proportionate share of overlapping GO debt incurred by Hawkins and Sullivan County is approximately \$28.61 million.

Over the next two to three years, we understand Kingsport is likely to issue additional debt for projects recognized in its adopted CIP. The city identified potential additional debt issues of approximately \$35 million in fiscal 2018, \$18 million in fiscal 2019, and \$13.6 million in fiscal 2020. According to officials, the city will evaluate conditions and costs associated with each of projects and may adjust plans for future improvements. Given its plans to amortize approximately 65% of its debt over the next 10 years, we do not expect the city's debt and contingent liability profile to deteriorate within the next two years.

Kingsport's combined required pension and actual other postemployment benefits (OPEB) contributions totaled 4.3% of total governmental fund expenditures in 2015.

The city participates in the state-administered Tennessee Consolidated Retirement System (TCRS) defined benefit plan to provide pension benefits for eligible retirees. Kingsport's required pension contribution is statutorily determined. The city reports that it closed participation in the TCRS to new employees, effective July 1, 2013, and created a defined contribution plan, which includes a mandatory employee contribution equal to 5% of compensation and a 5% matching employer contribution. In fiscal 2015, the city's total contribution to the plan was \$296,623. In our view, this should mitigate significant increases in future liabilities.

According to Governmental Accounting Standards Board Statement No. 68 standards, which the city implemented for financial statements ended June 30, 2015, employers with benefits administered through a multiemployer plan are to identify their net pension asset or liability for the recognition of pension-related activity incurred prior to July 1, 2014. The city's net pension liability was approximately \$22.54 million as of June 30, 2014, the most recent actuarial valuation. The TCRS' total pension liability was approximately \$191.47 million. The plan fiduciary net position as a percent of the total pension liability for the TCRS was approximately 88.2%. The city contributed approximately \$5.68 million, or 100% of its ADC, in fiscal 2015.

The city provides other postemployment health insurance and life insurance benefits on a pay-as-you-go for certain eligible retired employees under a single-employer defined benefit plan. The city's annual required contribution in fiscal 2015 was \$719,240, or 39% of its annual OPEB cost. At fiscal year ended June 30, 2015, the city's net OPEB obligation was about \$13.5 million. The city does not anticipate that these costs associated with its pension and OPEB

will increase substantially in the near term.

At this time, Kingsport City Schools participates in a legally separate cost-sharing, multiemployer, defined-benefit plan administered by TCRS; the plan was closed to new membership on June 30, 2014. The school system also participates in a legally separate, self-insured, post-employment health insurance and life insurance plan that is funded on a pay-as-you-go basis.

Very strong institutional framework

The institutional framework score for Tennessee municipalities is very strong.

Outlook

The stable outlook reflects our opinion that Kingsport's strong core economic structure, which is also supported by its access to the broad and diverse Kingsport-Bristol-Bristol MSA, will continue to provide stability for the city over next two years. It also reflects our view of the city's ability to maintain an overall strong financial position, evidenced by its very strong budgetary flexibility and liquidity, and the city's expectation to sustain at least balanced budgetary performance in fiscals 2016 and 2017. Furthermore, we also expect the city to maintain its strong financial management policies and practices, which will likely ensure overall rating stability. For these reasons, we do not expect to change the rating within the next two years.

Upside scenario

All else being equal, we could raise the rating if the city were to demonstrate a significant moderation of its elevated debt and contingent liability profile, coupled with a substantial improvement of economic indicators to levels considered commensurate with higher rated peers.

Downside scenario

We could lower the rating if the city's budgetary performance or its debt profile were to significantly deteriorate, resulting in a weakening of its reserves or liquidity.

Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Incorporating GASB 67 And 68: Evaluating Pension/OPEB Obligations Under Standard & Poor's U.S. Local Government GO Criteria, Sept. 2, 2015

Ratings Detail (As Of October 19, 2016)

Kingsport go bnds ser 2013A due 03/01/2034		
<i>Long Term Rating</i>	AA/Stable	Affirmed
Kingsport GO		
<i>Long Term Rating</i>	AA/Stable	Affirmed
Kingsport GO pub imp bnds ser 2014B due 09/01/2034		
<i>Long Term Rating</i>	AA/Stable	Affirmed

Kingsport GO

Summary: Kingsport, Tennessee; General Obligation; School State Program

Ratings Detail (As Of October 19, 2016) (cont.)

<i>Unenhanced Rating</i>	AA(SPUR)/Stable	Affirmed
<i>Long Term Rating</i>	AA/Stable	Affirmed
Tennessee St Sch Bnd Auth, Tennessee		
Tennessee		
Tennessee St Sch Bnd Auth, Tennessee		
Tennessee St Sch Bnd Auth (Tennessee) State Enhancement Prog		
<i>Long Term Rating</i>	AA+/Stable	Affirmed

Many issues are enhanced by bond insurance.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on the S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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REPORT ON DEBT OBLIGATION
(Pursuant to Tennessee Code Annotated Section 9-21-151)

1. Public Entity:
 Name: City of Kingsport, Tennessee
 Address: 225 West Center Street
Kingsport, Tennessee
 Debt Issue Name: General Obligation Public Improvement Bonds, Series 2016
 If disclosing initially for a program, attach the form specified for updates, indicating the frequency required.

2. Face Amount: \$ 21,335,000.00
 Premium/Discount: \$ 129,614.73

3. Interest Cost: 2.5694 % Tax-exempt Taxable
 TIC NIC
 Variable: Index _____ plus _____ basis points; or
 Variable: Remarketing Agent _____
 Other: _____

4. Debt Obligation:
 TRAN RAN CON
 BAN CRAN GAN
 Bond Loan Agreement Capital Lease
 If any of the notes listed above are issued pursuant to Title 9, Chapter 21, enclose a copy of the executed note with the filing with the Office of State and Local Finance ("OSLF").

5. Ratings:
 Unrated
 Moody's Aa2 Standard & Poor's AA Fitch _____

6. Purpose:

		BRIEF DESCRIPTION
<input checked="" type="checkbox"/> General Government	<u>52.00</u> %	<u>various public works projects</u>
<input type="checkbox"/> Education	_____ %	_____
<input checked="" type="checkbox"/> Utilities	<u>48.00</u> %	<u>water and sewer projects</u>
<input type="checkbox"/> Other	_____ %	_____
<input type="checkbox"/> Refunding/Renewal	_____ %	_____

7. Security:
 General Obligation General Obligation + Revenue/Tax
 Revenue Tax Increment Financing (TIF)
 Annual Appropriation (Capital Lease Only) Other (Describe): _____

8. Type of Sale:
 Competitive Public Sale Interfund Loan _____
 Negotiated Sale Loan Program _____
 Informal Bid

9. Date:
 Dated Date: 11/04/2016 Issue/Closing Date: 11/04/2016

REPORT ON DEBT OBLIGATION

(Pursuant to Tennessee Code Annotated Section 9-21-151)

10. Maturity Dates, Amounts and Interest Rates *:

Year	Amount	Interest Rate	Year	Amount	Interest Rate
2018	\$ 795,000.00	4.0000 %	2029	\$ 1,185,000.00	4.0000 %
2019	\$ 830,000.00	4.0000 %	2030	\$ 1,235,000.00	3.0000 %
2020	\$ 865,000.00	4.0000 %	2031	\$ 1,275,000.00	3.0000 %
2021	\$ 895,000.00	4.0000 %	2032	\$ 1,315,000.00	3.0000 %
2022	\$ 935,000.00	4.0000 %	2033	\$ 1,345,000.00	3.0000 %
2023	\$ 970,000.00	4.0000 %	2034	\$ 1,390,000.00	3.0000 %
2024	\$ 1,015,000.00	4.0000 %	2035	\$ 1,430,000.00	3.0000 %
2025	\$ 1,055,000.00	4.0000 %	2036	\$ 1,470,000.00	3.0000 %
2026	\$ 1,095,000.00	4.0000 %		\$	%
2027	\$ 1,095,000.00	4.0000 %		\$	%
2028	\$ 1,140,000.00	4.0000 %		\$	%

If more space is needed, attach an additional sheet.

If (1) the debt has a final maturity of 31 or more years from the date of issuance, (2) principal repayment is delayed for two or more years, or (3) debt service payments are not level throughout the retirement period, then a cumulative repayment schedule (grouped in 5 year increments out to 30 years) including this and all other entity debt secured by the same source **MUST BE PREPARED AND ATTACHED**. For purposes of this form, debt secured by an ad valorem tax pledge and debt secured by a dual ad valorem tax and revenue pledge are secured by the same source. Also, debt secured by the same revenue stream, no matter what lien level, is considered secured by the same source.

* This section is not applicable to the Initial Report for a Borrowing Program.

11. Cost of Issuance and Professionals:

No costs or professionals

	AMOUNT (Round to nearest \$)	FIRM NAME
Financial Advisor Fees	\$ 42,500	Raymond James & Associates, Inc.
Legal Fees	\$ 0	
Bond Counsel	\$ 35,000	Adams and Reese LLP
Issuer's Counsel	\$ 0	
Trustee's Counsel	\$ 0	
Bank Counsel	\$ 0	
Disclosure Counsel	\$ 0	
Paying Agent Fees	\$	
Registrar Fees	\$ 0	
Trustee Fees	\$ 0	
Remarketing Agent Fees	\$ 0	
Liquidity Fees	\$ 0	
Rating Agency Fees	\$ 33,750	Moody's and Standard & Poors
Credit Enhancement Fees	\$ 0	
Bank Closing Costs	\$ 0	
Underwriter's Discount <u>0.61</u> %		
Take Down	\$ 129,615	Bank of America Merrill Lynch
Management Fee	\$ 0	
Risk Premium	\$ 0	
Underwriter's Counsel	\$ 0	
Other expenses	\$ 0	
Printing and Advertising Fees	\$ 1,500	I-Deal Prospectus
Issuer/Administrator Program Fees	\$	
Real Estate Fees	\$ 0	
Sponsorship/Referral Fee	\$ 0	
Other Costs	\$	
TOTAL COSTS	\$ 242,365	

REPORT ON DEBT OBLIGATION

(Pursuant to Tennessee Code Annotated Section 9-21-151)

12. Recurring Costs:

No Recurring Costs

	AMOUNT (Basis points/\$)	FIRM NAME (If different from #11)
Remarketing Agent		
Paying Agent / Registrar	\$400.00	U.S. Bank National Association
Trustee		
Liquidity / Credit Enhancement		
Escrow Agent		
Sponsorship / Program / Admin		
Other _____		

13. Disclosure Document / Official Statement:

None Prepared

EMMA link http://emma.msrb.org/ER991380-ER775981-ER1177265.pdf or

Copy attached

14. Continuing Disclosure Obligations:

Is there an existing continuing disclosure obligation related to the security for this debt? Yes No

Is there a continuing disclosure obligation agreement related to this debt? Yes No

If yes to either question, date that disclosure is due June 30

Name and title of person responsible for compliance James H. Demming, City Recorder/CFO

15. Written Debt Management Policy:

Governing Body's approval date of the current version of the written debt management policy 11/15/2011

Is the debt obligation in compliance with and clearly authorized under the policy? Yes No

16. Written Derivative Management Policy:

No derivative

Governing Body's approval date of the current version of the written derivative management policy _____

Date of Letter of Compliance for derivative _____

Is the derivative in compliance with and clearly authorized under the policy? Yes No

17. Submission of Report:

To the Governing Body: on 11/04/2016 and presented at public meeting held on 11/15/2016

Copy to Director to OSLF: on 11/16/2016 either by:

Mail to: _____ OR Email to: StateAndLocalFinance.PublicDebtForm@cot.tn.gov

505 Deaderick Street, Suite 1600
James K. Polk State Office Building
Nashville, TN 37243-1402

18. Signatures:

	AUTHORIZED REPRESENTATIVE	PREPARER
Name	<u>John Clark</u>	<u>Cynthia M. Barnett, Esq.</u>
Title	<u>Mayor</u>	<u>Bond Counsel</u>
Firm	<u>City of Kingsport, Tennessee</u>	<u>Adams and Reese LLP</u>
Email	<u>JohnClark@kingsporttn.gov</u>	<u>cindy.barnett@arlaw.com</u>
Date	<u>11/04/2016</u>	<u>11/04/2016</u>