

Healthy Kingsport Photo Opp. at the beginning of the work session.



AGENDA

BOARD OF MAYOR AND ALDERMEN WORK SESSION

**Monday, October 2, 2017, 4:30 p.m.
City Hall, 225 W. Center St., Council Room, 2nd Floor**

Board of Mayor and Aldermen

Mayor John Clark
Vice Mayor Mike McIntire, Presiding
Alderman Jennifer Adler
Alderman Joe Begley

Alderman Betsy Cooper
Alderman Colette George
Alderman Tommy Olterman

Leadership Team

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

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

1. Call to Order
2. Roll Call
3. Healthy Kingsport – Kandy Childress
4. Fire Dept. Capital Facilities Update FY18 – Scott Boyd
5. Greenbelt Wayfinding Project – Kitty Frazier
6. Review of Items on October 3, 2017 Business Meeting Agenda
7. Adjourn

Next Work Session, Oct. 16: School Facilities Update and Regions Bank/Courtrooms-Facilities

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.

City of Kingsport

Project Status in Pictures



1 Humanae Project

Join us for the mural installation of this global project on October 5 at 4:30pm at The State Theater.

2 KATS Groundbreaking

Join us for the New KATS transit center groundbreaking on October 3 at 11:30am.

3 #ArtsMeansBusiness

Join us for a reception at City Hall to celebrate the economic impact of the arts in Kingsport on Oct 3 at 5:30pm.

4 Borden Park Ribbon Cutting

Join us for a ribbon cutting at Borden Park celebrating phase 1 of completed park improvements.

5 New Healthy Kingsport Signs

New signs have been posted around City Hall asking citizens to refrain from smoking or using e-cigs around the building.

Status Updates on Active Projects sorted by Cost

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$7,500,000.00	Ryan McReynolds	Thompson, Michael	SR 347 (Rock Springs Road) [State & MTPO funded]	No City Funds	12/31/2020	TDOT plans to have a Preliminary ROW plans for review Fall 2017.
\$6,719,995.10	Chad Austin	Chad Austin	Reedy Creek Sewer Trunk Line	SW1706	3/21/2018	Contractor working on 12" sewer relocation behind Action Athletics.
\$6,600,000.00	Niki Ensor	Niki Ensor	Water & Wastewater Facilities SCADA/Telemetry Project	WA1700/ SW1700/ SW1603	4/1/2019	Design underway
\$4,300,000.00	Chad Austin	Hank Clabaugh	Border Regions Utility Upgrades		2/17/2020	Design to begin January 2018
\$4,186,000.00	Chris McCartt	Mason, David	New KATS Transit Center	GP1718	11/15/2018	Groundbreaking scheduled for 10/3 @ 11:30. Utility coordination, submittals and permitting underway.
\$3,750,000.00	Niki Ensor	Niki Ensor	Chemical Feed Design	WA1403	4/1/2019	Design underway
\$3,740,000.00	Niki Ensor	Niki Ensor	West Kingsport Forcemain and Pump Station Improvements	SW1708	6/1/2018	Working with H&S to get clarification on easement description and pipe coating.
\$3,300,000.00	Michael Thompson	Thompson, Michael	Indian Trail Drive Extension	GP1615	12/31/2017	Final bridge design underway. Utility coordination and ROW exhibit development continue.
\$2,291,714.00	Chad Austin	Mike Hickman	Colonial Heights Ph V Sewer & Water	SW1512/ WA1404	11/15/2017	Contractor working in Chesterfield area.
\$1,926,364.00	Chad Austin	Mike Hickman	Colonial Heights Ph IV Sewer & Water	SW1511	10/28/2017	Sanitary Sewer is available to each property. Crews working on cleanup, paving and seeding.
\$1,700,000.00	Michael Thompson	Thompson, Michael	Main Street Rebuild [City & MTPO Funded]	GP1516	4/1/2021	Public Hearing held 8/21/17. Additional stakeholder meetings continue.
\$1,688,507.50	Chad Austin	Pamela Gilmer	Pendragon Sidewalk & Water Improvement	WA1803	9/18/2018	Construction underway.
\$1,500,000.00	Rob Cole	Harris, David	Bays Mountain Dam Rehabilitation	GP1707	12/31/2017	Drawings anticipated mid-August for review and submission to TDEC 9/1/17.
\$1,250,000.00	Niki Ensor	Niki Ensor	Pipe Gallery Improvements	WA1505	3/31/2018	Finalizing plans.
\$977,566.00	Ronnie Hammonds	Clabaugh, Hank	Wilcox Sidewalk Phase 5 [State & MTPO funded]	MPO15D	11/17/2017	Concrete sidewalk work is underway.
\$961,140.00	Michael Thompson	Thompson, Michael	Stone Drive - Phase 2 (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to Lynn Garden Drive [95% State Funded 5% City]		8/31/2020	Contract documents underway for consultant contract for survey and design.
\$940,000.00	Kitty Frazier	Clabaugh, Hank	Kingsport Greenbelt - Eastern Extension - Phase 1 [Fed. Grant & City funded]	GP1529	12/31/2017	ROW acquisition is ongoing, issues with partial release of liens from lenders has slowed closing on several parcels.

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$831,797.00	Niki Ensor	Hank Clabaugh	Colonial Heights SLS	SW1511	10/31/2017	The collection infrastructure (wet well, manholes, piping, etc.) is complete at both sites. Electrical, concrete, and paving work remains.
\$697,475.00	Michael Thompson	Thompson, Michael	Stone Drive - Phase 1 (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to American Way [95% State Funded 5% City]	TBD	12/8/2018	Plans and Design Certification have been submitted to TDOT for review.
\$638,357.70		Clabaugh, Hank	2017 Contracted Paving - Colonial Heights Area		12/1/2017	The Notice to Proceed Date is October 2nd. Contractual completion date is December 1st.
\$600,000.00	Kitty Frazier	Mason, David	Riverbend Park	GP1512	1/31/2018	Site surveying is complete. Preparing preliminary master plan.
\$415,000.00	Chad Austin	Chris Alley	SR 93- Fall Branch section (TDOT)		12/31/2020	Project moved to 2019; "B Date" package due 9/26/2018; TDOT Letting Date: December 2018
\$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	Request for TDOT concurrence submitted 9/5/2017.
\$352,000.00	Chad Austin	Chris Alley	SR 93- Horse Creek/Derby Drive Section (TDOT)		12/31/2021	Project moved to 2020; "B Date" package due 9/25/2019; TDOT Letting Date: December 2019
\$350,000.00	Kitty Frazier	Clabaugh, Hank	Buffalo Grasslands Boardwalk/Greenbelt Connector		12/31/2017	Preconstruction Conference will be held on October 4th.
\$245,100.00	Rob Cole	Austin, Chad	Bays Mountain - Pavillion at Lily Pad Cove	GP1707	11/2/2017	Posts have been set and framing for deck is underway.
\$221,800.00	Tim Elsea	Elsea, Tim	Lynn Garden Signal System [MTPO & City funded]	MPO15C	1/31/2018	Working thru comments from TDOT for approval of bid documents and plans.
\$218,713.00	Chad Austin	Spud Myrick	Hunt Rd waterline extension	WA1805	12/31/2017	Plans sent to TDEC for review. 9/27/17.
\$179,260.00	Tim Elsea	Elsea, Tim	Sullivan Street & Clay Street Signal	GP1740	11/10/2017	Owner supplied pole delivery has been delayed. Anticipated delivery is 10/16. Stansell estimates 3 weeks of work once poles are delivered.
\$172,500.00	Lynn Tully	Mason, David	Church Circle Improvements	GP1224	11/17/2017	CMU walls completed 9/26, starting brick and cast stone.
\$138,500.00	Kitty Frazier	Clabaugh, Hank	Reedy Creek Terrace Bridge	ST1503	1/23/2018	Construction is underway. The footer/foundation for the southside abutment has been completed.
\$50,000.00		David Edwards	Main St. & Sullivan St. System Upgrades			Coordination underway with KATS site contractor
		Steve Robbins	Bloomington Culvert Replacement			Design underway by engineering (Dave Harris)
	Chad Austin	Pamela Gilmer	Meade Tractor Sanitary Sewer Extension		1/31/2018	Awaiting TDEC approval and acquiring easement.
	Chris McCartt	Clabaugh, Hank	Carousel Park		6/4/2018	TDEC has issued clearance for the site being used as a playground. RFQ's will be received on September 26th.

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5:30 p.m. Engage Kingsport Reception in the Lobby – Program to begin at 6:00 p.m.



AGENDA

BOARD OF MAYOR AND ALDERMEN

BUSINESS MEETING

**Tuesday, October 3, 2017, 7:00 p.m.
City Hall, 225 W. Center St., Courtroom, 2nd Floor**

Board of Mayor and Aldermen

Mayor John Clark
Vice Mayor Mike McIntire, Presiding
Alderman Jennifer Adler
Alderman Joe Begley

Alderman Betsy Cooper
Alderman Colette George
Alderman Tommy Olterman

City Administration

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

I. CALL TO ORDER

II.A. PLEDGE OF ALLEGIANCE TO THE FLAG

II.B. INVOCATION – Pastor Sam Ward, Mountain View United Methodist Church

III. ROLL CALL

IV.A. RECOGNITIONS & PRESENTATIONS

1. Dobyns Family (Vice Mayor McIntire)
2. AEP5 – Anne Pope
3. Engage Kingsport – Bonnie Macdonald

IV.B. APPOINTMENTS

1. Amendment to the Kingsport Public Library Commission Members' Term of Office and Appointment (AF: 245-2017)
 - Amendment to Terms
 - Appointment

V. APPROVAL OF MINUTES

1. Work Session – September 18, 2017
2. Business Meeting – September 19, 2017

VI. COMMUNITY INTEREST ITEMS

A. PUBLIC HEARINGS

None

COMMENT

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

B. BUSINESS MATTERS REQUIRING FIRST READING

1. Appropriating Funds to MPO15A; Award Contract to Summers-Taylor, Inc. for Signalization at the Intersection of SR-126 (Memorial Blvd) at Island Road (AF: 256-2017) (Ryan McReynolds)
 - Resolution
 - Ordinance – First Reading
2. Amend the FY 2018 General Project Fund Budget (AF: 254-2017) (David Frye)
 - Ordinance – First Reading

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Enter into Interlocal Agreement and Budget Ordinance for Hunt Rd Waterline Extension (AF: 242-2017) (Ryan McReynolds)
 - Ordinance – **Second Reading and Final Adoption**
2. Ordinance to Condemn for the Eastern Greenbelt Extension (AF: 252-2017) (Mike Billingsley)
 - Ordinance – **Second Reading and Final Adoption**
3. Amend the General Project Fund Budget by Appropriating General Obligation Public Improvement Bond Series 2017 (AF: 249-2017) (Jeff Fleming)
 - Ordinance – **Second Reading and Final Adoption**

D. OTHER BUSINESS

1. Approving an Intergovernmental Financing Agreement and a Guaranty Agreement for the Aerospace Park Project (AF: 236-2017) (Jeff Fleming)
 - Resolution

2. Authorizing the Mayor to Sign a Waiver with Adams and Reese LLP for Representation of Regions Bank (AF: 251-2017) (Mike Billingsley)
 - Resolution
3. Accept Donation of Landscaping and Materials from Boehm Landscape, Inc. (AF: 253-2017) (Chris McCartt)
 - Resolution
4. Amend the Professional Services Agreement with Barge, Waggoner, Sumner & Cannon, Inc. (BWSC) for Meadowview Roadway Design (AF: 255-2017) (Ryan McReynolds)
 - Resolution
5. Enter into a Professional Service Agreement with CDM Smith for Design of Wastewater Treatment Plant Electrical Improvements (AF: 258-2017) (Ryan McReynolds)
 - Resolution
6. Authorizing the Mayor to Execute All Documents Necessary and Proper with the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) for a Contribution for Economic Development (AF: 257-2017) (Chris McCartt)
 - Resolution

VII. CONSENT AGENDA

None

VIII. COMMUNICATIONS

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

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

IX. ADJOURN



AGENDA ACTION FORM

Amendment to the Kingsport Public Library Commission Members' Term of Office and Appointment

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

Action Form No.: AF-245-2017
Work Session: October 2, 2017
First Reading: N/A

Final Adoption: October 3, 2017
Staff Work By: Commission
Presentation By: Mayor Clark

Recommendation:

Approve amendment to terms and appointment.

Executive Summary:

To comply with library board terms as specified in the Public Library Laws of Tennessee 2017 (Tennessee Code Annotated – Chapter 3, 10-3-103) amendments to terms are needed for the following commissioners.

Commissioner	Term Expiration	Term Expiration Amendment
Margaret Counts	June 30, 2020	June 30, 2018
Sandra Brown	June 30, 2020	June 30, 2019

Also, it is recommended by the Kingsport Public Library Commission that Alderman Betsy Cooper be appointed to fulfill the unexpired term of Keith Hickey. If approved by the Board of Mayor and Aldermen, this appointment will be effective immediately and will expire May 31, 2018.

Attachments:

1. Bio

	Y	N	O
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—

Betsy Cooper

Betsy Cooper is on the Kingsport Board of Mayor and Aldermen and is a native Kingsportian. She is a product of the Kingsport City Schools and a graduate of Doby's Bennett High School. She continued her education at the University of Tennessee and East Tennessee State University earning a Bachelor of Science Degree in Elementary Education, a Bachelor of Science Degree in Early Childhood Education and a Master's Degree as a Reading Specialist K-9.

Betsy is married to Fred Cooper, also a native of Kingsport and a longtime local businessman who founded Kingsport Book, Inc. after a long career with Kingsport Press.

Betsy and Fred have two daughters, Annie Andrews and Abbie Kilgore. Annie and her husband, Ben, own and operate the Club Car Dealership in Hilton Head, South Carolina. Betsy's daughter, Abbie, is a Science teacher at John Sevier Middle School. Abbie is married to Clayton Kilgore, a pharmacist and the owner of Grey Pharmacy. Betsy is also the grandmother of two-year old Cooper Jane Andrews.

Betsy served the city of Kingsport as a teacher for 31 years. After retirement, she became active in various areas of community service. She was elected and served on the Kingsport Board of Education. She was a Court Appointed Special Advocate for children (CASA) for Sullivan County and continues to be involved in local mission work at First Broad Street United Methodist Church, the church that she has been a member of her entire life. Betsy has worked at East Tennessee State University as an Adjunct Professor Supervising Residency I and Residency II student teachers in seven local school systems.

Betsy is currently the Director of First Broad Street UMC Child Care Center. In this role, she is responsible for the supervision of 20 staff people, the safety and well-being of 80 children, compliance of all state and federal regulations, as well as the budget and all associated financials. During her two-year tenure, enrollment has increased over 30%, the center has attained a 3-star rating from the Tennessee Department of Human Services (highest rating awarded) and a 30% to 35% improvement has been realized in all financial measurements. This has been accomplished through hard work, passion, attention to details, and being fiscally responsible.

Betsy's diverse background has prepared her well for her current challenge. She is a tireless worker who cares deeply for our city and its citizens. She is proud of Kingsport and excited about its future. She understands the importance of attracting and supporting new and existing businesses, not only on the retail and service side, but manufacturing and technology businesses as well.

Betsy understands the importance of cooperation, communication, and open honest conversation between city government and Kingsport citizens. She understands the need for fiscal responsibility and accountability and wants nothing but the best for Kingsport.

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, September 18, 2017, 4:30 PM
Council Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor John Clark

Vice-Mayor Mike McIntire

Alderman Jennifer Adler

Alderman Joe Begley

Alderman Betsy Cooper

Alderman Colette George

Alderman Tommy Olterman

(left at 4:35 p.m.)

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.

Assistant City Manager for Operations Ryan McReynolds gave a brief update on the bond issue designated for consolidating city services to the Regions Bank building. He stated there would be a rationale presented to the board in two meetings.

3. **AEROSPACE PARK UPDATE.** Mr. Patrick Wilson gave a presentation on this item, noting a prospective 2,000 jobs in four years. There was some discussion as he answered questions from the board. City Manager Fleming pointed out Sullivan County would be meeting on this issue on September 20 and the other entities would follow suit in October.

4. **HOLSTON BUSINESS DEVELOPMENT CENTER.** Mr. Keith Nakoff presented this item, stating they currently have eighteen tenants and highlighting present and future initiatives. Mr. John Campbell provided further details and answered questions.

5. **CODE ENFORCEMENT UPDATE.** Development Services Director Lynn Tully gave a update on the progress this department has been making, stating their purpose is to gain voluntary compliance and protect the health, safety and welfare of the community. She provided statistical data, noting only 55 out the 755 complaints received were cited into court. City Attorney Billingsley provided details on citizens who are judgement proof as well as the proposed Land Bank Authority. There was considerable discussion on this item.

6. **WELLNESS CLINIC AND SAFETY.** City Manager Fleming gave details on this item, noting no lost time injuries and the clinic is operating at 88.8% capacity.

7. **REVIEW OF AGENDA ITEMS ON THE SEPTEMBER 19, 2017 REGULAR BUSINESS MEETING AGENDA.** City Manager Fleming stated all of the agenda items had been covered in one on one meetings and unless there was something specific that needed to be addressed the board could move on for the sake of time.

Minutes of the Regular Work Session of the Board of Mayor and Aldermen of Kingsport, Tennessee, Monday, September 18, 2017

Alderman Adler asked about scheduling the next meeting to discuss ONEKingsport initiatives. Alderman George requested staff gather numbers regarding costs and timetables for better decision making options. After some discussion the board decided to look at meeting in two months and possibly taking two meetings to allow for discussion and decision making.

8. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Clark adjourned the meeting at 7:10 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, September 19, 2017, 7:00 PM
Large Court Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor John Clark, Presiding

Vice Mayor Mike McIntire

Alderman Jennifer Adler

Alderman Joe Begley

Alderman Betsy Cooper

Alderman Colette George

Alderman Tommy Olterman

City Administration

Jeff Fleming, City Manager

J. Michael Billingsley, City Attorney

James Demming, City Recorder/Chief Financial Officer

I. **CALL TO ORDER:** 7:00 p.m., by Mayor John Clark.

II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Josephine Morrison.

II.B. **INVOCATION:** Pastor Richard Dice, Christ Church.

III. **ROLL CALL:** By City Recorder Demming. All Present.

IV.A. **RECOGNITIONS AND PRESENTATIONS.**

1. Josephine Morrison, Mayor for the Day (Mayor Clark).
2. Keep Kingsport Beautiful Beautification Awards.
3. First Christian Church - 100 Years.

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

1. **Appointment of City of Kingsport Municipal Judge** (AF: 227-2017).

Motion/Second: McIntire/Olterman, to approve:

APPOINTMENT OF MR. S. CURTIS ROSE TO SERVE AS **KINGSPORT MUNICIPAL JUDGE** EFFECTIVE SEPTEMBER 20, 2017 AND EXPIRING ON DECEMBER 31, 2017. THIS POSITION IS VACANT DUE TO THE RESIGNATION OF JUDGE WILLIAM K. ROGERS.

Passed: All present voting “aye.”

V. **APPROVAL OF MINUTES.**

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

- A. September 5, 2017 Regular Work Session
- B. September 5, 2017 Regular Business Meeting

Approved: All present voting “aye.”

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, September 19, 2017**

VI. COMMUNITY INTEREST ITEMS.

A. PUBLIC HEARINGS. None.

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. Budget Ordinance for Hunt Road Waterline Extension (AF: 242-2017) (Ryan McReynolds).

Motion/Second: George/Cooper, to pass:

AN ORDINANCE TO AMEND THE WATER PROJECT FUND BUDGET BY ESTABLISHING A PROJECT FOR THE HUNT ROAD WATERLINE EXTENSION FOR THE YEAR ENDING JUNE 30, 2018; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Motion/Second: George/Adler, to pass:

Resolution No. 2018-045, A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT WITH WASHINGTON COUNTY FOR THE HUNT ROAD WATERLINE EXTENSION 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. Ordinance to Condemn for the Eastern Greenbelt Extension (AF: 252-2017) (Mike Billingsley).

Motion/Second: McIntire/George, to pass:

AN ORDINANCE TO AUTHORIZE AND DIRECT THE CITY ATTORNEY TO INITIATE CONDEMNATION PROCEEDINGS TO ACQUIRE PROPERTY, REAL OR PERSONAL, OR ANY EASEMENT, INTEREST, ESTATE OR USE THEREIN, FROM AFFECTED PROPERTY OWNERS ALONG THE ROUTE OF A CERTAIN PUBLIC WORKS PROJECT; TO FIX THE PROCEDURE FOR DIRECTING THE INITIATION OF SUCH LITIGATION; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

3. ~~Transferring Ownership of Real Property at 101 Lee Street to the Eastern Eight Community Development Corporation~~ (AF: 247-2017) ~~(Lynn Tully).~~

This agenda item was withdrawn on 9/18/17.

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, September 19, 2017**

4. Amend the General Project Fund Budget by Appropriating General Obligation Public Improvement Bond Series 2017 (AF: 249-2017) (Jeff Fleming). Alderman Olterman requested staff to be more aggressive in trying to generate income from the city's surplus properties.

Motion/Second: McIntire/Adler, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND, THE WATER AND SEWER FUND PROJECT BUDGETS BY APPROPRIATING GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND, SERIES 2017; FOR THE FISCAL YEAR ENDING JUNE 30, 2018; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.

1. Budget Adjustment Ordinance for FY18 (AF: 235-2017) (Jeff Fleming). Alderman Begley expressed concern at how quickly money was moved from Petworks to Bays Mountain, noting they may still need funding at some point. Alderman George stated these improvements have been planned for years but keep getting delayed at the expense of other projects.

Motion/Second: McIntire/George, to pass:

ORDINANCE NO. 6694, AN ORDINANCE TO AMEND VARIOUS PROJECTS FOR THE YEAR ENDING JUNE 30, 2018; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Clark, Adler, Begley, Cooper, George, McIntire and Olterman voting "aye."

D. OTHER BUSINESS.

1. Agreement with Frontier Health for Counseling Services for Kingsport City Schools (AF: 240-2017) (David Frye).

Motion/Second: George/Olterman, to pass:

Resolution No. 2018-036, A RESOLUTION APPROVING AN AGREEMENT WITH FRONTIER HEALTH FOR COUNSELING SERVICES FOR KINGSFORT CITY SCHOOLS 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. Reject Sealed Bid for the Dobyns-Bennett Track Upgrades Project (AF: 241-2017) (David Frye). Alderman Olterman commented on the need to also improve the football and baseball fields in the near future for the safety of the players.

Motion/Second: Cooper/Adler, to pass:

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
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Resolution No. 2018-037, A RESOLUTION REJECTING ALL BIDS RELATED TO THE DOBYNS-BENNETT TRACK UPGRADES PROJECT

Passed: All present voting “aye.”

3. Acquisition of Property for Parker Lane Sanitary Sewer Lift Station Replacement (AF: 239-2017) (Ryan McReynolds).

Motion/Second: Adler/McIntire, to pass:

Resolution No. 2018-038, A RESOLUTION APPROVING AN OFFER FOR THE PURCHASE OF REAL PROPERTY FOR A SANITARY SEWER LIFT STATION; 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.”

4. Bid Award for Purchase of Two (2) Automated Garbage/Refuse Trucks (AF: 248-2017) (Ryan McReynolds, Steve Hightower).

Motion/Second: McIntire/George, to pass:

Resolution No. 2018-039, A RESOLUTION AWARDING THE BID FOR THE PURCHASE OF TWO AUTOMATED GARBAGE/REFUSE TRUCKS TO EMPIRE FORD, INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

Passed: All present voting “aye.”

5. Reject Bid for Fleet Maintenance Department Inground Vehicle Lifts (AF: 244-2017) (Ryan McReynolds).

Motion/Second: McIntire/Cooper, to pass:

Resolution No. 2018-040, A RESOLUTION REJECTING ALL BIDS RELATED TO THE FLEET MAINTENANCE INGROUND VEHICLE LIFTS

Passed: All present voting “aye.”

6. Approve a Lease Agreement with Robert Brents (AF: 250-2017) (Lynn Tully).

Motion/Second: George/Adler, to pass:

Resolution No. 2018-041, A RESOLUTION APPROVING A LEASE AGREEMENT WITH ROBERT BRENTS; 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.”

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7. Application for TDOT “Transportation Alternative” Funds for Further Development of the Kingsport Greenbelt (AF: 243-2017) (Kitty Frazier, Michael Thompson).

Motion/Second: McIntire/Begley, to pass:

Resolution No. 2018-042, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR TRANSPORTATION ALTERNATIVE GRANT FUNDS FROM THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR GREENBELT DEVELOPMENT

Passed: All present voting “aye.”

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

Motion/Second: McIntire/Adler, to adopt:

1. Execute an Annual Renewal of Public Library Maintenance of Effort Agreement with the Tennessee State Library and Archives for Services via the Holston River Regional Library (AF: 230-2017) (Helen Whittaker).

Pass:

Resolution No. 2018-043, 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.”

2. Consider the Proposed Stormwater Annual Compliance Report (AF: 238-2017) (Ryan McReynolds).

Pass:

Resolution No. 2018-044, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A STORMWATER ANNUAL COMPLIANCE REPORT AS REQUIRED BY THE TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Passed: All present voting “aye.”

3. Approval of Easement and Right-of-Way (AF: 246-2017) (Ryan McReynolds).

Approve:

EASEMENT AND RIGHT-OF-WAY

Passed: All present voting “aye.”

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, September 19, 2017**

VIII. COMMUNICATIONS.

- A. CITY MANAGER.** Mr. Fleming stated the Tri-Cities Legislative meeting will be held in Nashville this year. He also stated Sullivan County will be voting on the Aerospace Park project tomorrow, noting they need to take action first. Johnson City, Kingsport, Bristol, and Washington County will vote throughout the month of October. He commented on the IDEAcademy held at Eastman last week, commending Marketing and Public Relations Director Heather Cook for being one of the ten regional speakers. Mr. Fleming also recognized Assistant City Manager for Administration Chris McCartt for serving on the host committee for the International City Manager's Association that will be held in Nashville in 2019.
- B. MAYOR AND BOARD MEMBERS.** Alderman Olterman commented on Aerospace Park, stating it was the greatest opportunity for economic development this region has had for a true industrial park and he was glad to be a part of it. Alderman George agreed with his statements, stating she was also glad for the items that were passed and the bond money that was received. Alderman Adler stated there was survey out on social media for citizens to enter their information to create a database for folks to volunteer to potentially serve on various committees in the city. She stated next Wednesday at 7:00 pm at Dobyns Bennett there will be a community panel and education event on substance abuse held and everyone is encouraged to attend. Alderman Cooper commented on an editorial in the paper about Jennifer Egan who goes out every morning to collect trash, suggesting the board recognize her efforts. She also stated this is Dobyns Bennett homecoming week, pointing out there will be over 500 students participating in the festivities and 200-300 more who will be in attendance. Vice-Mayor McIntire thanked Eastman and ETSU for putting on the IDEAcademy, noting it was an outstanding program and strongly recommended everyone attend next year if possible. Mayor of the Day Jospehine Morrison expressed appreciation to the BMA for their time and effort they put into their leadership of Kingsport. Mayor Clark stated it has been great having Ms. Morrison with the Board tonight, noting she is a true inspiration. He commented on the merger of the two health systems, stating it is moving forward with the hopes of improving care for all citizens in the area.
- C. VISITORS.** None.
- D. Report on Debt Obligations, Series 2017A and 2017B.** City Recorder Jim Demming pointed out these reports are required to be presented to the board whenever debt is sold before they can be filed with the State.

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
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IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Clark adjourned the meeting at 8:09 p.m.

ANGELA MARSHALL
Deputy City Recorder

JOHN CLARK
Mayor



AGENDA ACTION FORM

Appropriating Funds to MPO15A; Award Contract to Summers-Taylor, Inc. for Signalization at the Intersection of SR-126 (Memorial Blvd) at Island Road

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

Action Form No.: AF-256-2017
 Work Session: October 2, 2017
 First Reading: N/A

Final Adoption: October 3, 2017
 Staff Work By: Michael Thompson
 Presentation By: Ryan McReynolds

Recommendation:

Approve the Budget Ordinance and Resolution.

Executive Summary:

In October 2014 we entered into an Agreement with TDOT (AF-254-2014) for signalization at the intersection of SR-126 (Memorial Blvd.) and Island Road. This project includes installation of a new 4-way traffic signal and associated equipment plus improvements to lane configuration to include eastbound and westbound left turn lanes for safety improvements at this location.

Bids for this project were opened on August 15, 2017. Summers-Taylor, Inc. submitted the only bid in the amount of \$619,720.46. This project will be funded 80% through KMTPO STP funding source (Federal funds); and the State (TDOT) will fund the 20% match since this project is on a State Route.

Therefore we request a budget ordinance appropriating funds to MPO15A in the amount of 416,000.00, and award the contract to Summers-Taylor, Inc. in the amount of \$619,720.46.

Base Bid	\$619,720.46
Contingency (6%)	<u>37,183.23</u>
Total Amount	\$656,903.69

TDOT Agreement Number: 140163; Project Identification Number: 121031.00; Federal Project Number: STP-M-126(20); State Project Number: 82LPLM-F3-058.

Attachments:

1. Budget Ordinance
2. Resolution
3. Bid Minutes

Funding source appropriate and funds are available: *js*

	Y	N	O
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Oltman	—	—	—
Clark	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE MPO FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FOR SIGNALIZATION AT THE INTERSECTION OF SR-126; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the MPO Fund budget be amended by appropriating grant funds in the amount of \$416,000 to the Signal at SR126/ Island Rd. Project (MPO15A). The Tennessee Department of Transportation will fund 20% and 80% will be through KMTPO STP.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 122: MPO Fund			
<u>Signal at SR126/Island Rd (MPO15A)</u>			
<u>Revenues:</u>	\$	\$	\$
122-0000-337-5210 FHWA/TN FHWA 80%	288,000	332,800	620,800
122-0000-332-9000 State Revenue Dept. of Transportation	72,000	83,200	155,200
<i>Totals:</i>	360,000	416,000	776,000
<u>Expenditures:</u>			
122-0000-609-2023 Arch/Eng/Landscaping	30,000	0	30,000
122-0000-609-9003 Improvements	330,000	416,000	746,000
<i>Totals:</i>	360,000	416,000	776,000

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

JOHN CLARK, Mayor

ATTEST:

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 SIGNALIZATION AT THE INTERSECTION OF SR-126 (MEMORIAL BOULEVARD) AT ISLAND ROAD TO SUMMERS-TAYLOR, INC. 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 on August 15, 2017, for the signalization at the intersection of SR-126 (Memorial Blvd.) and Island Road; and

WHEREAS, upon review of the bids, the board finds that Summers-Taylor, Inc. 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 improvements, including installation of a new four-way traffic signal and associated equipment, plus improvements to lane configuration to include eastbound and westbound left turn lanes for safety improvements from Summers-Taylor, Inc. at an estimated construction cost of \$619,720.00; and

WHEREAS, this project will be funded 80% through KMTPO STP funding source (federal funds); and the state (TDOT) will fund the 20% match since this project is on a State Route.

Now therefore,

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

SECTION I. That the bid for the signalization at the intersection of SR-126 (Memorial Blvd.) and Island Road, consisting of installation of a new four-way traffic signal and associated equipment, plus improvements to lane configuration to include eastbound and westbound left turn lanes for safety improvements at an estimated cost of \$619,720.00 is awarded to Summers-Taylor, Inc., 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 3rd day of October, 2017.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

City of Kingsport
S.R. 126 (Memorial Blvd.) Intersection at Island Road
TDOT PIN 121031.00

BID TABULATION
Bids Opened: August 15, 2017 at 4:00 pm

** Apparent Low Bidder	TOTAL BID PRICE
** Summers-Taylor, Inc.	\$ 619,720.46

I certify that this tabulation is a correct and true representation of the bids received at the above date and time.





Jason Carder, P.E.
8/16/2017



AGENDA ACTION FORM

Amend the FY 2018 General Project Fund Budget

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

Action Form No.: AF-254-2017
 Work Session: October 2, 2017
 First Reading: October 3, 2017

Final Adoption: October 17, 2017
 Staff Work By: David Frye
 Presentation By: David Frye

Recommendation:

Approve the Ordinance.

Executive Summary:

The Board of Education approved fiscal year 2018 budget amendment number one at their meeting on October 3, 2017. This amendment transfers funds in the Future School Capital Projects project to the Dobyys-Bennett Regional Science and Technology Building project. Since the bids have been received, a bid evaluation committee has identified \$1,309,646 in reductions that don't affect the overall scope of the project. With these reductions, the total project costs are now estimated to be \$23,173,108. The current appropriation for this project is \$22,000,000, so an additional \$1,175,000 will be needed to fund the complete project costs. There is currently \$2,181,286 set aside for Future School Capital Projects. It is recommended that \$1,175,000 of these funds be transferred to the Science and Technology Center project to establish total project funding in the amount of \$23,175,000.

Attachments:

1. Ordinance
2. BOE Budget Amendment Number One -- FY 2018

Funding source appropriate and funds are available: *js*

	<u>Y</u>	<u>N</u>	<u>O</u>
Alder	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL PROJECTS
FUND BUDGETS FOR THE FISCAL YEAR ENDING JUNE 30,
2018; AND TO FIX THE EFFECTIVE DATE OF THIS
ORDINANCE

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

SECTION I. That the General Project Fund Budget be amended by decreasing the estimated revenue for the Future School Capital Projects project (GP1737) – Sullivan County School Bonds by \$1,175,000 and by decreasing the appropriation for Improvements by \$1,175,000; by increasing the estimated revenue for the Dobyns-Bennett Regional Science and Technology Center (GP1620) by \$1,175,000 and by increasing appropriation for Construction Contracts by \$2,102,000; by increasing the appropriation for Architectural Services by \$195,000 and by decreasing the appropriation for Equipment by \$1,122,000.

Fund 311: General Project Fund
Future School Capital Projects (GP1737)

<u>Revenues:</u>		\$	\$	\$
311-0000-391-2150	Sullivan County Bond Funds	2,181,286	(1,175,000)	1,006,286
Total:		2,181,286	(1,175,000)	1,006,286

<u>Expenditures:</u>				
311-0000-601-9003	Improvements	2,181,286	(1,175,000)	1,006,286
Total:		2,181,286	(1,175,000)	1,006,286

DB Science and Technology Center (GP1620)

<u>Revenues:</u>		\$	\$	\$
311-0000-391-2150	Sullivan County Bond Funds	21,700,000	1,175,000	22,875,000
Total:		21,700,000	1,175,000	22,875,000

<u>Expenditures:</u>				
311-0000-601-2022	Construction Contracts	18,900,000	2,102,000	21,002,000
311-0000-601-2023	Arch/Eng/Landscaping Serv	1,200,000	195,000	1,395,000
311-0000-601-9004	Equipment	1,900,000	(1,122,000)	778,000
Total:		22,000,000	1,175,000	23,175,000

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

JOHN CLARK, Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

October 3, 2017

**KINGSPORT CITY SCHOOLS
FISCAL YEAR 2017-2018
BUDGET AMENDMENT NUMBER ONE**

GENERAL PROJECT FUND

DOBYNS-BENNETT SCIENCE AND TECHNOLOGY CENTER

Bids were received for the new addition on August 10, 2017. The low bid, including the 3 alternates was \$22,122,000. When the low bid is added to all of the other project cost, the total project costs comes to \$24,639,912. The original estimate for the total project costs was \$22,000,000. The architects have been working with the low bidder to identify savings that will not impact the scope of the project. After working with the low bidder, the architects have recommended \$1,450,367 in savings. When the bid evaluation committee reviewed these items, the final amount of reductions accepted is \$1,309,646. This reduces the construction contract amount \$22,122,000 to \$19,812,354. The total project costs will be reduced from \$24,640,136 to \$23,173,108.

Kingsport City Schools share of the Sullivan County bond issue was \$45,281,286. These funds were appropriated as follows:

Payment for Sullivan North High School	\$20,000,000
D-B Science and Technology Center	22,000,000
Sullivan North Renovations	1,100,000
Future School Capital Projects	2,181,286

In order to fund the Science and Technology Center, it will be required to increase the appropriation for that project by \$1,175,000. At this time these funds will need to come from the account for Future School Capital Projects.

It is recommended that the Board of Education approve a motion to transfer \$1,175,000 from the account for Future School Capital Projects to the accounts for the D-B Science and Technology Center. The total funding for the Science and Technology Center will be \$23,175,000 and \$1,006,286 for the Future School Capital Projects.



AGENDA ACTION FORM

Enter into Interlocal Agreement and Budget Ordinance for Hunt Rd Waterline Extension

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

Action Form No.: AF-242-2017
 Work Session: September 18, 2017
 First Reading: September 19, 2017

Final Adoption: **October 3, 2017**
 Staff Work By: Chad Austin
 Presentation By: Ryan McReynolds

Recommendation:

Approve Interlocal Agreement and Budget Ordinance.

Executive Summary:

Washington County, TN has for the past several years been very interested in extending water service to unserved customers within their county. Late last year we prepared an estimate to extend water service to 8 new customers on Hunt Rd. The extension will be approximately 2,200 ft in length and require a 4" PVC water line. In January, they passed a resolution to fund this project and enter into an interlocal agreement with the city.

The agreement will allow Washington County to pay us a total of \$218,713.00 in lump sum to construct the waterline and place it into service. Payment will be made from Washington County upon completion of the project.

This action will allow the City to enter into the agreement and allocate money, to be repaid by Washington County, to a new project within the Water Fund.

Attachments:

1. Resolution
2. Budget Ordinance
3. Exhibit A

Funding source appropriate and funds are available: *JS*

	<u>Y</u>	<u>N</u>	<u>O</u>
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—



AGENDA ACTION FORM

Enter into Interlocal Agreement and Budget Ordinance for Hunt Rd Waterline Extension

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

Action Form No.: AF-242-2017
 Work Session: September 18, 2017
 First Reading: September 19, 2017

Final Adoption: October 3, 2017
 Staff Work By: Chad Austin
 Presentation By: Ryan McReynolds

Recommendation:

Approve Interlocal Agreement and Budget Ordinance.

Executive Summary:

Washington County, TN has for the past several years been very interested in extending water service to unserved customers within their county. Late last year we prepared an estimate to extend water service to 8 new customers on Hunt Rd. The extension will be approximately 2,200 ft in length and require a 4" PVC water line. In January, they passed a resolution to fund this project and enter into an interlocal agreement with the city.

The agreement will allow Washington County to pay us a total of \$218,713.00 in lump sum to construct the waterline and place it into service. Payment will be made from Washington County upon completion of the project.

This action will allow the City to enter into the agreement and allocate money, to be repaid by Washington County, to a new project within the Water Fund.

Attachments:

1. Resolution
2. Budget Ordinance
3. Exhibit A

Funding source appropriate and funds are available: *JF*

	<u>Y</u>	<u>N</u>	<u>O</u>
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT
WITH WASHINGTON COUNTY FOR THE HUNT ROAD
WATERLINE EXTENSION AND AUTHORIZING THE MAYOR TO
EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS
NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE
OF THE AGREEMENT

WHEREAS, Washington County, Tennessee has requested that the city extend its water service to unserved customers Washington County, Tennessee; and

WHEREAS, the service will be for eight new customers; and

WHEREAS, the extension will be approximately 2,200 feet in length and require a 4 inch PVC water line; and

WHEREAS, the total amount to construct the waterline and place it into service is \$218,713.00, and Washington County will pay that amount to the city upon completion of the construction project; and

WHEREAS, funding for the construction project will be available in WA1804 upon the second reading of the attached budget ordinance.

Now therefore,

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

SECTION I. That an Interlocal Agreement with Washington County, Tennessee for the Hunt Road water line extension 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 Interlocal Agreement with Washington County, Tennessee for the Hunt Road water line extension 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:

Interlocal Agreement

This Interlocal Agreement ("Agreement") dated 19 September, 2017 by and between WASHINGTON COUNTY, TENNESSEE, a political subdivision of the State of Tennessee ("County") and the CITY OF KINGSFORT, TENNESSEE, a political subdivision of the State of Tennessee ("City") is made and entered into pursuant to Tenn. Code. Ann. §§ 5-1-113 and 12-9-108.

WHEREAS, the County desires to extend water service provided by the City of Kingsport Water Division Services (the "System") to a certain portion of the unincorporated area of Washington County currently without such services and compensate the City for the cost of said Project; and

WHEREAS, the Washington County Board of County Commissioners previously adopted Resolution No. 17-01-16 at its January 23, 2017 meeting which authorized the County Purchasing Director to enter into an intergovernmental agreement with the City to pay for the costs of said extension of water service; and

WHEREAS, the City agrees to construct, complete, operate and maintain the extension of water service contemplated herein and provide water service to the unincorporated area served by the extension upon completion of the Project as defined herein;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties to this Agreement do hereby agree as follows:

1. Purpose. The City agrees to extend water service as set forth herein and construct the Project within a reasonable time period based upon the particular circumstances of the Project and other projects planned or required by the City for the System. The "Project" is defined for purposes of this Agreement as an approximately 2,200 feet extension of water service and addition to System along or near Hunt Road in Washington County, Tennessee for approximately 8 new water customers as set forth in the attached Exhibit A, incorporated herein, including, but not limited to, the installation of lines within the extension, the acquisition of all necessary permits, design and engineering, drawings and construction documents, easements, property rights of any kind or nature, completion of any required studies, personal property, equipment, materials, fixtures, or other necessary items, and all construction services or work required to complete the Project. Any new customers that wish to connect to the water system must pay the current City water tap fee for their requested service.
2. Cost & Payment. The County agrees to compensate the City for the construction of the Project in the amount of Two Hundred Eighteen Thousand Seven Hundred Thirteen Dollars (\$218,713.00) to be paid upon Completion of the Project (the "Payment"). For the purposes of this Agreement, "Completion" is defined as the date which water service within the Project area is made available to the residences located within the Project area. The City shall notify the County of the date of Completion of the Project and certify in writing to the County upon Completion that the Project is constructed in a manner consistent with Exhibit A attached hereto. The Payment constitutes the full and complete amount of the County's financial contribution to the Project. The County's Highway Department agrees to purchase and deliver gravel to the construction project for \$10.00 per ton. The City will reimburse such costs to the Highway Department upon delivery and invoicing.
3. Construction. The County agrees that the City shall retain and have at all times the authority and discretion regarding the construction of the Project, including all decisions regarding construction methods, materials, and other necessary items required to complete the Project. The City shall provide for and construct the Project in accordance with applicable laws and regulations and up to the City's required standards and specifications for other similar projects. The County shall not have any right or requirement to review or approve any plans, specifications, or construction documents related to the Project.
4. Operation & Maintenance; Liability; Insurance. The City shall accept ownership and at all times be considered the sole owner of the extension to the System contemplated by the Project and the County hereby waives any right or claim to said extension. At all times relevant hereto and following Completion of the Project, the City shall own, operate and maintain the extension of the System contemplated by the Project up to City standards for the entire System. To the extent authorized by law, the City agrees to hold the County harmless from and waives any and all rights, claims or causes of action against the County related to the Project, the System, or the extension of the System contemplated by the Project. The City agrees to maintain at all times insurance on the extension of the System contemplated by the Project in the same manner and on the same terms as the City currently maintains on the entire System.
5. No Third-Party Beneficiary. The City does not intend by this Agreement to assume any contractual obligations to anyone other than the County as set forth herein. The County does not intend by this Agreement to assume any contractual obligations to anyone other than the City as set forth herein. The City and County do not intend to create any third-party beneficiary to this Agreement.
6. No Joint Venture. No joint venture or partnership is formed as a result of this Agreement. No officers, officials, employees or agents of the City or any of its contractors or subcontractors shall be deemed, or represent themselves to be, employees of the County.
7. State & Federal Law. The City agrees to complete the Project in accordance with all applicable state and federal laws and regulations, including any Equal Employment and Non-Discrimination requirements for public projects.
8. Governing Law; Severability. This Agreement is governed by and shall be construed in accordance with the laws of the State of Tennessee. In the event that any provision or portion of this Agreement is found to be invalid or unenforceable, then such provision or any applicable portion thereof shall be reformed in accordance with the applicable laws of the State of Tennessee. The invalidity or unenforceability of any provision or portion of this Agreement shall not affect the validity or enforceability of any other provision or portion of this Agreement.
9. Entire Agreement; Amendment. All understandings, representations and agreements between the Parties with respect to this Agreement or the subject matter contemplated herein are merged into this Agreement, which alone fully and completely expresses the entire agreement of the parties. This Agreement may not be amended, modified or changed in any respect except in writing signed by both parties.

10. Recitals Adopted. The recitals set forth above are hereby adopted as the factual basis for this Agreement.

11. Survival. Upon Completion of the Project, the terms of Paragraphs 4, 5, and 6 shall survive termination of this Agreement, if any.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective for all purposes as of the date first set forth above

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 19th day of September, 2017.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE WATER PROJECT FUND BUDGET BY ESTABLISHING A PROJECT FOR THE HUNT ROAD WATERLINE EXTENSION FOR THE YEAR ENDING JUNE 30, 2018; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the Water Project Fund budget be amended by establishing the Hunt Road Waterline Extension project (WA1804) and appropriating \$218,713 received from Washington County.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
<u>Fund 451 Water Project Fund</u>			
<u>Hunt Road Waterline Extension (WA1804)</u>			
<u>Revenues:</u>	\$	\$	\$
451-0000-333-7700 Washington County	0	218,713	218,713
<i>Totals:</i>	0	218,713	218,713
<u>Expenditures:</u>			
451-0000-605-9003 Improvements	0	218,713	218,713
<i>Totals:</i>	0	218,713	218,713

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:

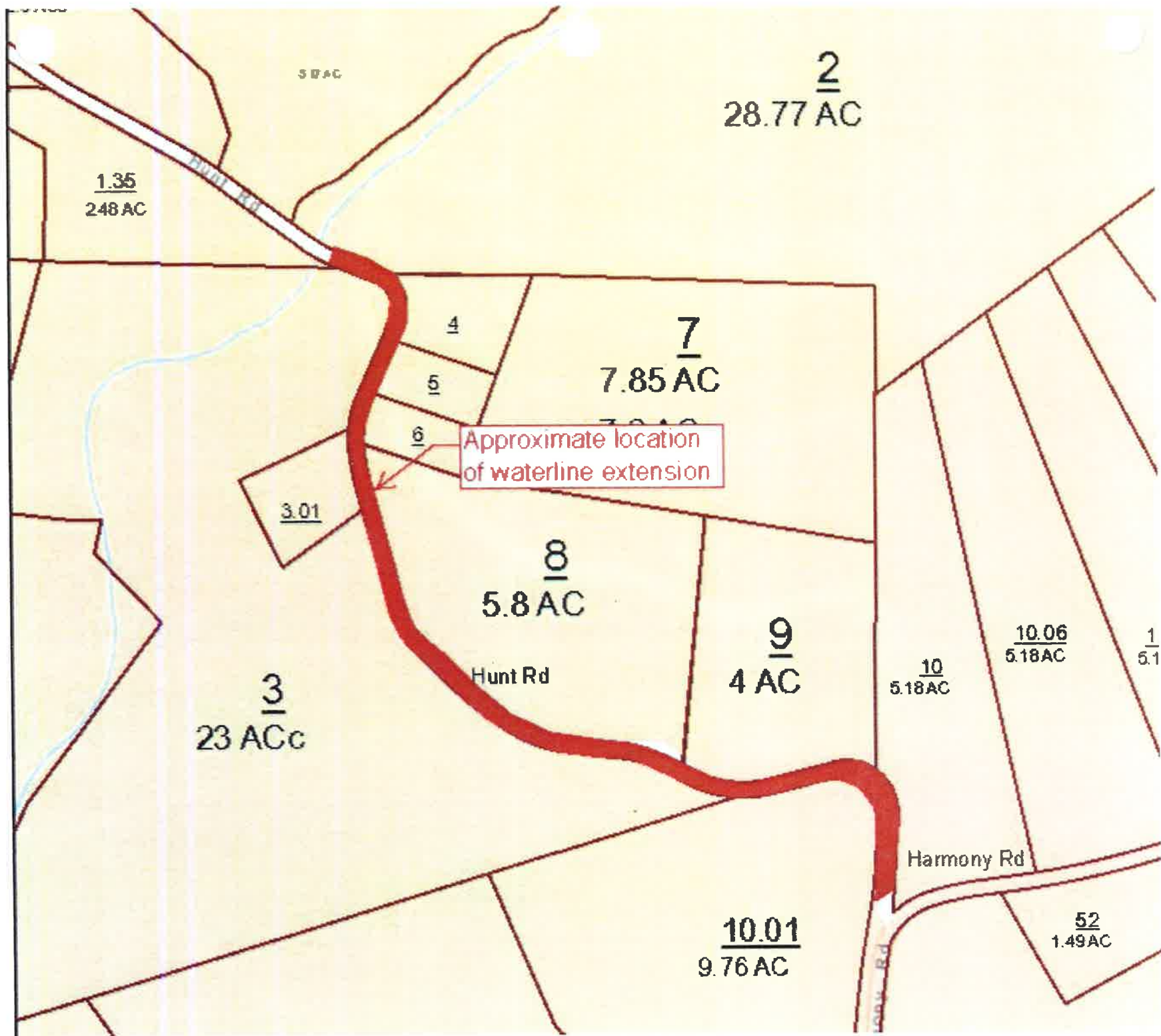
ANGELA L. MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____





AGENDA ACTION FORM

Ordinance to Condemn for the Eastern Greenbelt Extension

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

Action Form No.: AF-252-2017
 Work Session: September 18, 2017
 First Reading: September 19, 2017

Final Adoption: **October 3, 2017**
 Staff Work By: R. Trent, M. Thompson
 Presentation By: M. Billingsley

Recommendation:

Approve the Ordinance.

Executive Summary:

The Public Works Department has requested easements and right-of-ways for the Eastern Greenbelt Extension Project. The attached ordinance authorizes and directs the city attorney to initiate condemnation proceedings to acquire easements and rights-of-way that cannot be voluntarily acquired on the Eastern Greenbelt Extension Project. Although all property owners have agreed to the sale of the properties needed for this project, there are currently issues with obtaining releases from the non-conventional lenders.

Attachments:

1. Ordinance
2. Project Location Map

Funding source appropriate and funds are available: *af*

	Y	N	O
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—



AGENDA ACTION FORM

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 Staff Work By: R. Trent, M. Thompson
 Presentation By: M. Billingsley

Recommendation:

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Attachments:

1. Ordinance
2. Project Location Map

	Y	N	O
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO AUTHORIZE AND DIRECT THE CITY ATTORNEY TO INITIATE CONDEMNATION PROCEEDINGS TO ACQUIRE PROPERTY, REAL OR PERSONAL, OR ANY EASEMENT, INTEREST, ESTATE OR USE THEREIN, FROM AFFECTED PROPERTY OWNERS ALONG THE ROUTE OF A CERTAIN PUBLIC WORKS PROJECT; TO FIX THE PROCEDURE FOR DIRECTING THE INITIATION OF SUCH LITIGATION; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, the construction of public works projects are deemed a matter of highest priority for the public health, welfare, safety and convenience of the citizens and the public at large; and

WHEREAS, pursuant to the provisions of Tenn. Code Ann. Section 7-35-101 et seq., the city has embarked upon the accomplishment of the herein named public works project in accordance with the terms and provisions of said Act; and

WHEREAS, the city is empowered by ordinance, in accordance with the provisions of Article I, Section 2, Subsection 9 of the Charter, to condemn property, real or personal, or any easement, interest, estate or use therein, either within or without the city, for present or future public use, and in accordance with the terms and provisions of the general law of the state regarding eminent domain; and

WHEREAS, it may become necessary in the accomplishment of the herein named public works project to initiate litigation to acquire property, real or personal, or any easement, interest, estate or use therein, in connection with the herein named public works project; and

WHEREAS, time is of the essence in the accomplishment of the herein named public works project,

Now therefore,

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

SECTION I. In accordance with the provision of Article I, Section 2, Subsection 9 of the Charter, the city attorney is hereby authorized and directed to initiate eminent domain proceedings to condemn property, real or personal, or any easement, interest, estate or use therein, for the accomplishment of the following public works project:

Eastern Greenbelt Extension Project

SECTION II. That since time is of the essence in the expeditious acquisition of property, real or personal, or any easement, interest, estate or use therein, to accomplish the foregoing stated purposes, the city attorney is further directed to proceed forthwith to institute eminent domain proceedings as authorized by Resolution.

JOHN CLARK, Mayor

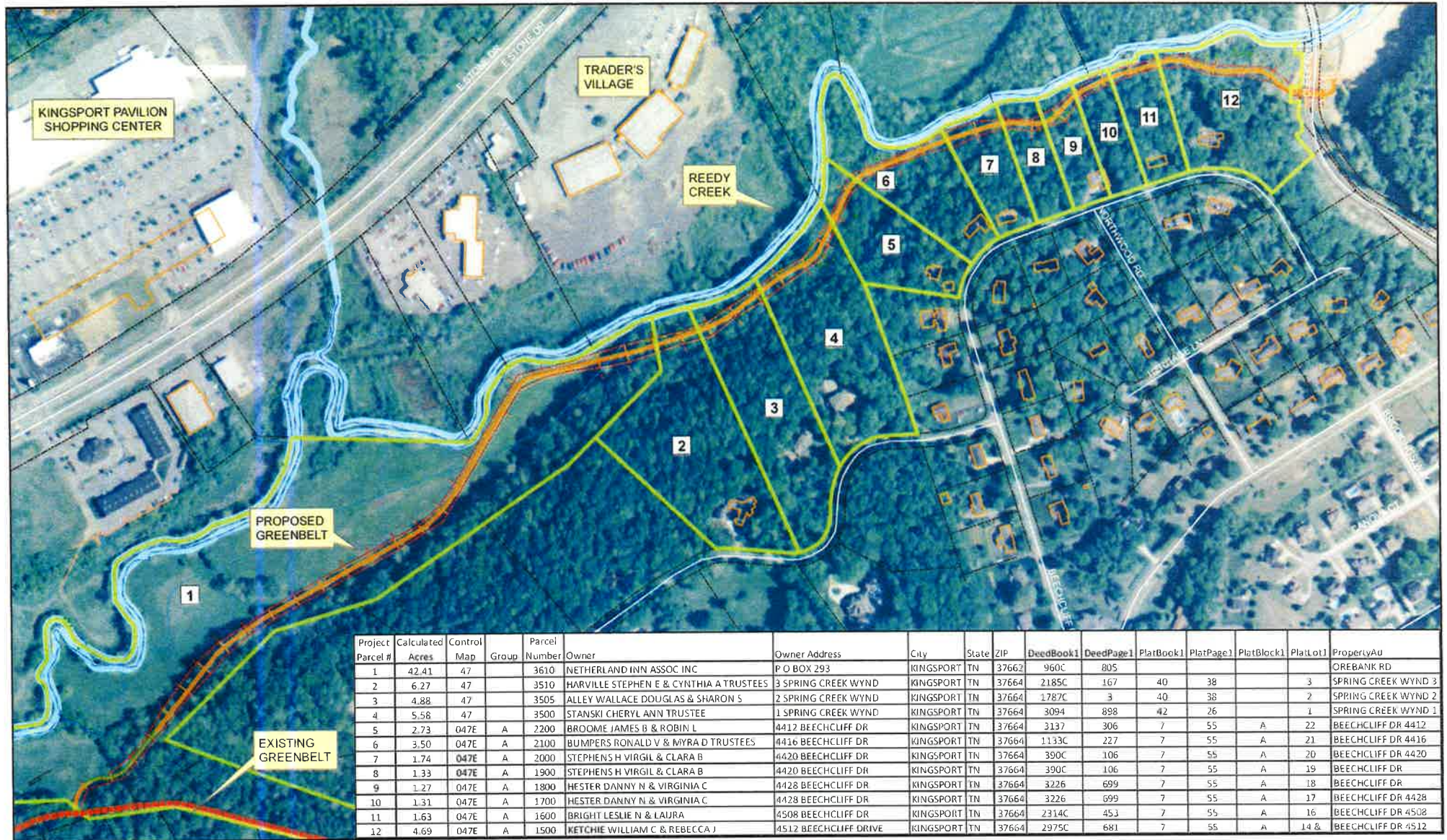
ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

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



Proposed Eastern Greenbelt Extension Location Map

1 inch = 300 feet



AGENDA ACTION FORM

Amend the General Project Fund Budget by Appropriating General Obligation Public Improvement Bond Series 2017

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

Action Form No.: AF-249-2017
 Work Session: September 18, 2017
 First Reading: September 19, 2017

Final Adoption: **October 3, 2017**
 Staff Work By: Smith/Winkle
 Presentation By: Fleming

Recommendation:

Approve the Ordinance.

Executive Summary:

Bond Series 2017A not to exceed \$15,600,000 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, Court Facilities/Public Facilities plan, Park Land Acquisition, fire facilities/capital, acquisition of public works equipment, Street Lights, Signal Pole Upgrades, Flashing Yellow Upgrade Program and technology system improvements and Resolution 2018-022 to issue General Obligation Public Improvement Bond Series 2017B not to exceed \$11,750,000 for 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
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—



AGENDA ACTION FORM

Amend the General Project Fund Budget by Appropriating General Obligation Public Improvement Bond Series 2017

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

Action Form No.: AF-249-2017
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Final Adoption: October 3, 2017
 Staff Work By: Smith/Winkle
 Presentation By: Fleming

Recommendation:

Approve the Ordinance.

Executive Summary:

Bond Series 2017A not to exceed \$15,600,000 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, Court Facilities/Public Facilities plan, Park Land Acquisition, fire facilities/capital, acquisition of public works equipment, Street Lights, Signal Pole Upgrades, Flashing Yellow Upgrade Program and technology system improvements and Resolution 2018-022 to issue General Obligation Public Improvement Bond Series 2017B not to exceed \$11,750,000 for 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: js

	Y	N	O
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
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 2017; FOR THE FISCAL YEAR ENDING JUNE 30, 2018; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

WHEREAS, Resolution No.2018-021 to issue General Obligation Public Improvement Bond Series 2017A was adopted authorizing the issuance of bonded debt Series 2017 A in an amount not to exceed \$15,600,000 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 fire facility/capital,

WHEREAS, Resolution No. 2018-022 was adopted authorizing the issuance of bonded debt Series 2017 B in an amount not to exceed \$11,750,000 to provide funding for 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 2017 A to fund the Library Improvements Project (GP1807) in the amount of \$227,964, Bays Mountain Park Dam Repair Project (GP1711) in the amount of \$587,642, Bays Mountain Park Septic System project (GP1704) in the amount of \$55,724, Bays Mountain Park Nature Exhibit project (GP1839) in the amount of \$88,146, Bays Mountain Park Planetarium (GP1837) in the amount of \$63,830, Bays Mountain Park Bathrooms (GP1838) in the amount of \$71,935, School Facility Maint. Improvements project (GP1801) in the amount of \$1,013,175, Facilities & HAVAC Improvements (GP1803) in the amount of \$563,832, Fire Facilities/Capital (GP1804) in the amount of \$430,154, ADA Play Ground Equipment (GP1814) in the amount of \$75,988, Satellite Salt Shed project (GP1810) in the amount of \$101,318, Greenbelt Improvements project (GP1815) in the amount of \$50,659, General Park Improvements (GP1816) in the amount of \$50,659, Lynn View Site Improvement project (GP1802) in the amount of \$659,071, Preston Forest Park Improvements project (GP1819) in the amount of \$35,461, Technology Infrastructure (GP1805) in the amount of \$364,743, Sidewalk Extensions project (GP1811) in the amount of \$101,318, Facility Audit Assessment (GP1812) in the amount of \$99,291, Renaissance Sky Light project (GP1806) in the amount of \$372,849, Park Land General Shale project (GP1827) in the amount of \$1,013,175, Traffic Flashing Yellow Upgrade Program (GP1818) in the amount of \$40,527, Signal Pole Upgrades (GP1808) in the amount of \$172,240, Street Lights project (GP1809) in the amount of \$151,976, Court Facilities Plan (GP1820) in the amount of \$3,951,384, Transit Garage (GP1727) in the mount of \$151,875, Grounds Holdover Replacement Equipment (GP1817) in the amount of \$40,527, Meadowview Road Improvements (GP1800) in the amount of \$1,874,476, Higher Ed Parking Lot

Expansion (GP1813) in the amount of \$91,186, Local Roads (GP1836) in the amount of \$2,860,553 and Aquatic Center Pool Design (AQ1800) in the amount of \$170,000.

Section II. That the Water Project Fund be amended by appropriating G.O. Public Improvement Bond Series 2017B to fund the Master Plan Water System Upgrades (WA1704) in the amount of \$1,200,000.

Section III. That the Sewer Project Fund be amended by appropriating G.O. Public Improvement Bond Series 2017B to fund WWTP MCC Replacements project (SW1800) in the amount of \$4,400,000, Sewer Lift Station Telemetry project (SW1603) in the amount of \$2,100,000, Border Regions Sewer Expansion (GP1801) in the amount of \$3,500,000 and South Kingsport Sewer Expansion (SW1802) in the amount of \$367,183.

**G.O. Public
Improvements Series
20017**

**General Project
Fund:311
Library Improvements
(GP1807)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds
311-0000-368-2101	Premium From Bond Sale

Total Revenue

Appropriation:

311-0000-601-4041	Bond Expense
311-0000-601-9003	Improvements

Total Appropriation

<u>Budget</u>	<u>Amendments Increase (Decrease)</u>	<u>Amended Budget</u>
---------------	---	---------------------------

0	218,001	218,001
0	9,963	9,963
0	227,964	227,964
0	2,964	2,964
0	225,000	225,000
0	227,964	227,964

**General Project
Fund:311
Signal Pole Upgrades
(GP1808)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds
311-0000-368-2101	Bond Premium

Total Revenue

Appropriation:

311-0000-601-4041	Bond Expense
311-0000-601-9003	Improvements

Total Appropriation

0	164,712	164,712
0	7,528	7,528
0	172,240	172,240
0	2,240	2,240
0	170,000	170,000
0	172,240	172,240

**General Project
Fund:311
Street Lights (GP1809)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds
-------------------	-----------------------

0	145,334	145,334
---	---------	---------

311-0000-368-2101	Premium from Bond Sale	0	6,642	6,642
Total Revenue		0	151,976	151,976

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	1,976	1,976
311-0000-601-9003	Improvements	0	150,000	150,000
Total Appropriation		0	151,976	151,976

Bays MNT Septic System (GP1704)

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	53,289	53,289
311-0000-368-2101	Premium from Bond Sale	0	2,435	2,435
311-0000-391-0100	From General Fund	80,000	0	80,000
Total Revenue		80,000	55,724	135,724

Appropriation:

311-0000-601-2022	Construction Contracts	80,000	55,000	135,000
311-0000-601-4041	Bond Sale Expense	0	724	724
Total Appropriation		80,000	55,724	135,724

Bays MNT Dam Repair (GP1711)

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp (Nov 4)	223,984	0	223,984
311-0000-368-1055	Series 2017A GO Bonds	0	561,959	561,959
311-0000-368-2101	Premium on Sale	18,565	25,683	44,248
Total Revenue		242,549	587,642	830,191

Appropriation:

311-0000-601-2023	Arch/Eng/Landscaping	240,000	0	240,000
311-0000-601-4041	Bond Sale Expense	2,549	7,642	10,191
311-0000-601-9003	Improvements	0	580,000	580,000
Total Appropriation		242,549	587,642	830,191

School Facility Maint.

Improvements

(GP1801)

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	968,894	968,894
311-0000-368-2101	Premium on Sale	0	44,281	44,281
Total Revenue		0	1,013,175	1,013,175

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	13,175	13,175
311-0000-601-9003	Improvements	0	1,000,000	1,000,000
Total Appropriation		0	1,013,175	1,013,175

**Facilities Maint &
HVAC Improvements
(GP1803)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	539,189	539,189
311-0000-368-2101	Premium on Bond Sale	0	24,643	24,643
Total Revenue		0	563,832	563,832

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	7,332	7,332
311-0000-601-9003	Improvements	0	556,500	556,500
Total Appropriation		0	563,832	563,832

**Fire Facilities/Capital
(GP1804)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	411,354	411,354
311-0000-368-2101	Premium on Bond Sale	0	18,800	18,800
Total Revenue		0	430,154	430,154

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	5,594	5,594
311-0000-601-9006	Purchases Over \$5,000	0	50,000	50,000
311-0000-601-9003	Improvements	0	374,560	374,560
Total Appropriation		0	430,154	430,154

**Technology
Infrastructure
(GP1805)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	348,802	348,802
311-0000-368-2101	Premium on Bond Sale	0	15,941	15,941
Total Revenue		0	364,743	364,743

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	4,743	4,743
311-0000-601-9006	Purchases Over \$5,000	0	360,000	360,000
Total Appropriation		0	364,743	364,743

**ADA Play Ground
Equipment (GP1814)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	72,667	72,667
311-0000-368-2101	Premium on Bond Sale	0	3,321	3,321
Total Revenue		0	75,988	75,988

Appropriation:

311-0000-601-4041

Bond Sale Expense

0

988

988

311-0000-601-9006

Purchases Over \$5,000

0

75,000

75,000

Total Appropriation**0****75,988****75,988****Satellite Shed****(GP1810)****Revenue:**

311-0000-368-1055

Series 2017A GO Bonds

0

96,889

96,889

311-0000-368-2101

Premium on Bond Sale

0

4,429

4,429

Total Revenue**0****101,318****101,318****Appropriation:**

311-0000-601-4041

Bond Sale Expense

0

1,318

1,318

311-0000-601-9006

Purchases Over \$5,000

0

100,000

100,000

Total Appropriation**0****101,318****101,318****Greenbelt****Improvements****(GP1815)****Revenue:**

311-0000-368-1055

Series 2017A GO Bonds

0

48,445

48,445

311-0000-368-2101

Premium on Bond Sale

0

2,214

2,214

Total Revenue**0****50,659****50,659****Appropriation:**

311-0000-601-4041

Bond Sale Expense

0

659

659

311-0000-601-9003

Improvements

0

50,000

50,000

Total Appropriation**0****50,659****50,659****Renaissance Sky****Light (GP1806)****Revenue:**

311-0000-368-1055

Series 2017A GO Bonds

0

356,553

356,553

311-0000-368-2101

Premium on Bond Sale

0

16,296

16,296

Total Revenue**0****372,849****372,849****Appropriation:**

311-0000-601-4041

Bond Sale Expense

0

4,849

4,849

311-0000-601-9003

Improvements

0

368,000

368,000

Total Appropriation**0****372,849****372,849****Lynn View Site Imp****(GP1802)****Revenue:**

311-0000-368-1055

Series 2017A GO Bonds

0

630,266

630,266

311-0000-368-2101	Premium on Bond Sale	0	28,805	28,805
Total Revenue		0	659,071	659,071

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	8,571	8,571
311-0000-601-9003	Improvements	0	650,500	650,500
Total Appropriation		0	659,071	659,071

**General Park Imp.
(GP1816)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	48,445	48,445
311-0000-368-2101	Premium on Bond Sale	0	2,214	2,214
Total Revenue		0	50,659	50,659

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	659	659
311-0000-601-9003	Improvements	0	50,000	50,000
Total Appropriation		0	50,659	50,659

**Preston Forest Park
Imp. (GP1819)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	33,911	33,911
311-0000-368-2101	Premium on Bond Sale	0	1,550	1,550
Total Revenue		0	35,461	35,461

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	461	461
311-0000-601-9003	Improvements	0	35,000	35,000
Total Appropriation		0	35,461	35,461

**Facility Audit
Assessment (1812)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	94,952	94,952
311-0000-368-2101	Premium on Bond Sale	0	4,339	4,339
Total Revenue		0	99,291	99,291

Appropriation:

311-0000-601-2023	Arch/Eng/Landscaping	0	98,000	98,000
311-0000-601-4041	Bond Sale Expense	0	1,291	1,291
Total Appropriation		0	99,291	99,291

**Park Land General
Shale (GP1827)**

Revenue:

311-0000-368-1055

Series 2017A GO Bonds

0 968,894 968,894

311-0000-368-2101

Premium on Bond Sale

0 44,281 44,281

Total Revenue**0 1,013,175 1,013,175****Appropriation:**

311-0000-601-4041

Bond Sale Expense

0 13,175 13,175

311-0000-601-9001

Land

0 1,000,000 1,000,000

Total Appropriation**0 1,013,175 1,013,175****Court Facilities Plan
(GP1820)****Revenue:**

311-0000-368-1055

Series 2017A GO Bonds

0 3,778,687 3,778,687

311-0000-368-2101

Premium on Bond Sale

0 172,697 172,697

Total Revenue**0 3,951,384 3,951,384****Appropriation:**

311-0000-601-4041

Bond Sale Expense

0 51,384 51,384

311-0000-601-9006

Purchases Over \$5,000

0 3,900,000 3,900,000

Total Appropriation**0 3,951,384 3,951,384****Traffic Flashing
Yellow Upgrade PRG
(GP1818)****Revenue:**

311-0000-368-1055

Series 2017A GO Bonds

0 38,756 38,756

311-0000-368-2101

Premium on Bond Sale

0 1,771 1,771

Total Revenue**0 40,527 40,527****Appropriation:**

311-0000-601-4041

Bond Sale Expense

0 527 527

311-0000-601-9006

Purchases Over \$5,000

0 40,000 40,000

Total Appropriation**0 40,527 40,527****MeadowView Road
Improvement
(GP1800)****Revenue:**

311-0000-368-1054

Series 2016 GO Pub Imp. (Nov 4)

149,900 0 149,900

311-0000-368-1055

Series 2017A GO Bonds

0 1,792,551 1,792,551

311-0000-368-2101

Premium on Bond Sale

0 81,925 81,925

Total Revenue**149,900 1,874,476 2,024,376****Appropriation:**

311-0000-601-2023	Arch/Eng/Landscaping	149,900	0	149,900
311-0000-601-4041	Bond Sale Expense	0	24,376	24,376
311-0000-601-9003	Improvements	0	1,850,100	1,850,100
Total Appropriation		149,900	1,874,476	2,024,376

**Higher Ed Parking Lot
Expansion (GP1813)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	87,200	87,200
311-0000-368-2101	Premium on Bond Sale	0	3,986	3,986
Total Revenue		0	91,186	91,186

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	1,186	1,186
311-0000-601-9003	Improvements	0	90,000	90,000
Total Appropriation		0	91,186	91,186

**Transit Garage
(GP1727)**

Revenue:

311-0000-368-1054	Series 2016 GO Pub Imp. (Nov 4)	53,530	0	53,530
311-0000-368-1055	Series 2017A GO Bonds	0	145,237	145,237
311-0000-368-2101	Premium on Bond Sale	20,499	6,638	27,137
Total Revenue		74,029	151,875	225,904

Appropriation:

311-0000-601-4041	Bond Sale Expense	2,814	1,975	4,789
311-0000-601-9003	Improvements	71,215	149,900	221,115
Total Appropriation		74,029	151,875	225,904

**Bays MTN
Planetarium Upgrade
(GP1837)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	61,040	61,040
311-0000-368-2101	Premium on Bond Sale	0	2,790	2,790
Total Revenue		0	63,830	63,830

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	830	830
311-0000-601-9003	Improvements	0	63,000	63,000
Total Appropriation		0	63,830	63,830

**Bays MTN Nature
Exhibit (GP1839)
Revenue:**

311-0000-368-1055	Series 2017A GO Bonds	0	84,294	84,294
311-0000-368-2101	Premium on Bond Sale	0	3,852	3,852
Total Revenue		0	88,146	88,146

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	1,146	1,146
311-0000-601-9003	Improvements	0	87,000	87,000
Total Appropriation		0	88,146	88,146

**Bays MTN LWR LVL
Bathrooms (GP1838)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	68,791	68,791
311-0000-368-2101	Premium on Bond Sale	0	3,144	3,144
Total Revenue		0	71,935	71,935

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	935	935
311-0000-601-9003	Improvements	0	71,000	71,000
Total Appropriation		0	71,935	71,935

**Sidewalk Extensions
(GP1811)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	96,889	96,889
311-0000-368-2101	Premium on Bond Sale	0	4,429	4,429
Total Revenue		0	101,318	101,318

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	1,318	1,318
311-0000-601-9003	Purchases Over \$5,000	0	100,000	100,000
Total Appropriation		0	101,318	101,318

Local Roads (GP1836)

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	2,735,531	2,735,531
311-0000-368-2101	Premium on Bond Sale	0	125,022	125,022
Total Revenue		0	2,860,553	2,860,553

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	37,199	37,199
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311-0000-601-9003	Improvements	0	2,823,354	2,823,354
Total Appropriation		0	2,860,553	2,860,553

**Grounds Hold Over
Replacement
(GP1817)**

Revenue:

311-0000-368-1055	Series 2017A GO Bonds	0	38,756	38,756
311-0000-368-2101	Premium on Bond Sale		1,771	1,771
Total Revenue		0	40,527	40,527

Appropriation:

311-0000-601-4041	Bond Sale Expense	0	527	527
311-0000-601-9006	Purchases Over \$5,000	0	40,000	40,000
Total Appropriation		0	40,527	40,527

**Aquatic Center Pool
Expansion (AQ1800)**

Revenue:

459-0000-391-0546	Series 2017A GO Bonds	0	170,000	170,000
Total Appropriation		0	170,000	170,000

Appropriation:

459-0000-629-2023	Arch/Eng/Landscaping	0	170,000	170,000
Total Appropriation		0	170,000	170,000

**Aquatic Center Fund
419:**

Revenue

419-0000-392-9919	Series 2017 A GO Bonds	0	170,000	170,000
Total Revenue		0	170,000	170,000

Expenditure

419-6999-698-7846	Series 2017 A GO Bonds	0	170,000	170,000
Total Expenditures		0	170,000	170,000

**Master Plan Water
Upgrades (WA1704)**

Revenue:

451-0000-391-0545	Series 2016 GO Pub Imp. (Nov 4)	485,023	0	485,023
451-0000-391-0547	Series 2017 B GO Bonds	0	1,200,000	1,200,000
Total Revenue		485,023	1,200,000	1,685,023

Appropriation:

451-0000-605-2023	Arch/Eng/Landscaping	69,030	0	69,030
451-0000-605-9001	Land	970	0	970

451-0000-605-9003	Improvements	415,023	1,200,000	1,615,023
Total Appropriations		485,023	1,200,000	1,685,023

Water Fund 411:

Revenue:

411-0000-392-9920	Series 2017 B GO Bonds	0	1,200,000	1,200,000
Total Revenue		0	1,200,000	1,200,000

Expenditure:

411-6999-698-7847	Series 2017 B GO Bonds	0	1,200,000	1,200,000
Total Expenditures		0	1,200,000	1,200,000

Sewer Proj Fund:452

WWTP MCC

Replacements

(SW1800)

Revenue:

452-0000-391-0547	Series 2017 B GO Bonds	0	4,400,000	4,400,000
Total Revenue		0	4,400,000	4,400,000

Appropriation:

452-0000-606-9003	Improvements	0	4,400,000	4,400,000
Total Appropriations		0	4,400,000	4,400,000

Sewer Proj Fund:452

Sewer Lift Station

Telemetry (SW1603)

Revenue:

452-0000-391-0547	Series 2017 B GO Bonds	0	2,100,000	2,100,000
452-0000-391-4200	From Sewer Fund	681,477	0	681,477
Total Revenue		681,477	2,100,000	2,781,477

Appropriation:

452-0000-606-2023	Arch/Eng/Landscaping	243,078	2,100,000	2,343,078
452-0000-606-9006	Purchases Over \$5,000	438,399	0	438,399
Total Appropriation		681,477	2,100,000	2,781,477

Border Regions Sewer

Expansion (SW1801)

Revenue:

452-0000-391-0547	Series 2017 B GO Bonds	0	3,500,000	3,500,000
Total Revenue		0	3,500,000	3,500,000

Appropriation:

452-0000-606-2023	Arch/Eng/Landscaping	0	462,000	462,000
452-0000-606-9001	Land	0	200,000	200,000

452-0000-606-9003	Improvements	0	2,838,000	2,838,000
Total Appropriation		0	3,500,000	3,500,000

**South KPT Sewer
Expansion (SW1802)**

Revenue:

452-0000-391-0547	Series 2017 B GO Bonds	0	367,183	367,183
Total Revenue		0	367,183	367,183

Appropriation:

452-0000-606-2023	Arch/Eng/Landscaping	0	50,000	50,000
452-0000-606-9001	Land	0	20,000	20,000
452-0000-606-9003	Improvements	0	297,183	297,183
Total Appropriation		0	367,183	367,183

Sewer Fund:412

412-0000-392-9920	Series 2017 B GO Bonds	0	10,367,183	10,367,183
Total Revenue		0	10,367,183	10,367,183

Expenditures

412-6999-698-7847	Series 2017 B GO Bonds	0	10,367,183	10,367,183
Total Expenditures		0	10,367,183	10,367,183

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:

APPROVED AS TO FORM:

JAMES H. DEMMING
City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Approving an Intergovernmental Financing Agreement and a Guaranty Agreement for the Aerospace Park Project

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

Action Form No.: AF-236-2017
 Work Session: October 2, 2017
 First Reading: N/A

Final Adoption: October 3, 2017
 Staff Work By: Fleming, Billingsley
 Presentation By: Jeff Fleming

Recommendation:

Approve the Resolution.

Executive Summary:

The Tri-Cities Airport Authority has been working on developing an Aerospace Park that will promote and accommodate air travel, commerce, and navigation (Project) on land owned by the Authority consisting of approximately 160 acres on land at the airport. All of the local governments involved in the Tri-Cities Airport Authority, other than Bristol, Virginia, have informally agreed, subject to approval of the respective governing bodies, to provide funding to help begin the development of the Project. The Intergovernmental Financing Agreement and Guaranty Agreement provide that Kingsport will pay \$1,589,500 together with interest at a maximum of 6%, paid over the life of the bonds as a the partial repayment of not to exceed \$8,500,000 in bonds that will be issued by the Authority, the funds will be used to begin developing the Project. The obligation of the city is contingent on approval of the same documents by the other participating local governments.

The latest draft of the Intergovernmental Financing Agreement and a Guaranty Agreement are attached as exhibits to the resolution. The authority to approve these agreements is provided in T.C.A. Sections 42-3-111(f), et seq. Notice of consideration of the Guaranty Agreement was published in the Times–News in compliance with the requirement in T.C.A. Section 42-3-111(f).

Attachments:

1. Resolution
2. Exhibit

Funding source appropriate and funds are available: *af*

	Y	N	O
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—

**A RESOLUTION AUTHORIZING THE GUARANTY OF
CERTAIN INDEBTEDNESS OF THE TRI-CITIES AIRPORT
AUTHORITY AND THE EXECUTION AND DELIVERY OF AN
INTERGOVERNMENTAL FINANCING AGREEMENT**

WHEREAS, the Board of Mayor and Aldermen of Kingsport, Tennessee (the "Participating Entity") has met pursuant to proper notice; and

WHEREAS, the Tri-Cities Airport Authority (the "Authority") has been organized pursuant to Sections 42-3-101 et seq., Tennessee Code Annotated (the "Act"), as an agency and instrumentality of Sullivan County, Tennessee, Washington County, Tennessee, the City of Johnson City, Tennessee, the City of Bristol, Tennessee, the City of Kingsport, Tennessee and the City of Bristol, Virginia (the "Organizing Governments"); and

WHEREAS, the Board of Commissioners of the Authority has determined it to be in the best interest of the Authority to issue its Tri-Cities Airport Authority Revenue Bonds, Series 2017, (the "Bonds") in an aggregate principal amount not to exceed \$8,500,000, the proceeds of which will be used to finance the construction of an aerospace park that will promote and accommodate air travel, commerce and navigation (the "Project"); and

WHEREAS, pursuant to Section 42-3-111(f) of the Act, the Board of Mayor and Aldermen (the "Governing Body") of the Participating Entity may, by resolution, pledge the full faith and credit and unlimited taxing power of the Participating Entity as guarantor to the payment of the principal or premium, if any, and interest on the Bonds; and

WHEREAS, the Governing Body has determined it to be in the best interest of the Participating Entity and the Authority to guarantee Eighteen and Seven-Tenths percent (18.7%) of the indebtedness of the Authority as evidenced by the Participating Entity's guaranty (the "Guaranty"); and

WHEREAS, in connection with the issuance of the Bonds and the development of the Project, the Authority and the Organizing Governments (other than the City of Bristol, Virginia) desire to enter into an Intergovernmental Financing Agreement (the "Intergovernmental Agreement") setting forth certain terms relating to the issuance of the Bonds and the development of the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen of Kingsport, Tennessee, as follows:

Section 1. Authority. The Guaranty authorized by this resolution is authorized pursuant to Sections 42-3-111(f), et seq., Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Intergovernmental Agreement. The mayor is hereby authorized and directed to execute and the city recorder to attest on behalf of the Participating Entity the Intergovernmental Agreement. The form of the Intergovernmental Agreement presented to this meeting and attached hereto as Exhibit 1 is hereby in all respects approved and the mayor and the city recorder are hereby authorized and directed to execute and deliver same on behalf of the Participating Entity in substantially the form thereof presented to this meeting, and with such changes as may be approved by the mayor, the city recorder and the city attorney, their execution thereof to constitute conclusive evidence of their approval of all such changes, including modifications to the Guaranty.

Section 2. Guaranty Agreement. For the purpose of guaranteeing not more than Eighteen and Seven-Tenths percent (18.70%) of the payment of the principal of, premium, if any, and interest on the Bonds, the mayor is hereby authorized and directed to execute and the city recorder to attest on behalf of the Participating Entity the Guaranty; provided, however, that in no event shall the Guaranty guarantee more than Eighteen and Seven-Tenths percent (18.7%) of the indebtedness evidenced by the Bonds. The form of the Guaranty presented to this meeting and attached hereto as Exhibit B to the Intergovernmental Agreement is hereby in all respects approved and the mayor and the city recorder are hereby authorized and directed to execute and deliver same on behalf of the Participating Entity in substantially the form thereof presented to this meeting, or with such changes as may be approved by the by the mayor, the city recorder and the city attorney, their execution thereof to constitute conclusive evidence of their approval of all such changes, including modifications to the Guaranty. The Participating Entity hereby pledges its full faith and credit and unlimited taxing power to the payment of that portion of the principal of and interest on the Bonds that is the subject of the Guaranty.

Section 4. Resolution a Contract. The provisions of this resolution shall constitute a contract between the Participating Entity and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this resolution shall be made, except with the written consent of the holders of all of the Bonds, in any manner until such time as the Bonds and interest due thereon shall have been paid in full.

Section 5. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 6. Repeal of Conflicting Resolutions and Effective Date. All other resolutions and orders, or parts thereof, in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.

Adopted and approved this 3rd day of October, 2017.

JOHN CLARK, Mayor

ATTEST:

JAMES H. DEMMING, City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney

STATE OF TENNESSEE)

COUNTY OF SULLIVAN)

I, James Demming, hereby certify that I am the duly qualified and acting city recorder of Kingsport, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from a recessed regular meeting of the governing body of the City of Kingsport held on September 5, 2017; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to the guaranty by the City of Kingsport of certain indebtedness of the Tri-Cities Airport Authority in an amount not to exceed Eighteen and Seven-Tenths percent (18.7%) of not to exceed \$8,500,000 Revenue Bonds, Series 2017 of said Authority and an Intergovernmental Financing Agreement.

WITNESS my official signature and seal of said City of Kingsport this ____ day of October, 2017.

INTERGOVERNMENTAL FINANCING AGREEMENT

THIS AGREEMENT, dated as of _____, 2017, is made and entered into by and among **Sullivan County, Tennessee, Washington County, Tennessee, the City of Johnson City, Tennessee, the City of Kingsport, Tennessee, and the City of Bristol, Tennessee** (herein the "Participating Entities"), and the **Tri-Cities Airport Authority**, a regional airport authority chartered under the laws of the State of Tennessee (the "Authority").

RECITALS:

A. The Authority was created by the City of Bristol, Tennessee, the City of Bristol, Virginia, the City of Johnson City, Tennessee, the City of Kingsport, Tennessee, Sullivan County, Tennessee, and Washington County, Tennessee, (herein the "Authority Members") to own and operate the Tri-Cities Airport, TN/VA (the "Airport"), to exercise all powers granted to Regional Airport Authorities under the Airport Authorities Act, T.C.A. § 42-3-101 et seq., as amended (only as applicable to Regional Airport Authorities), and to exercise all powers granted generally to Regional Airport Authorities under the laws of the State of Tennessee and the County of Sullivan, Tennessee.

B. The Authority was created pursuant to the procedure set forth in T.C.A. § 42-3-104 (a) (3) and T.C.A. § 42-3-105. Prior to the creation of the Authority, the Airport was owned and operated as an unincorporated joint venture of the same Cities and Counties which appointed an Airport Commission to operate and manage the Airport.

C. In order to enhance the availability of services offered on the Airport campus and to promote economic development in the Tri-Cities area, the Participating Entities have determined that it is necessary and desirable, and in the best interest of the Authority and the Authority Members, to develop an aerospace park that will promote and accommodate air travel, commerce and navigation on land owned by the Authority consisting of approximately 160 acres and described in Exhibit A attached hereto (herein the "Aerospace Park Project").

D. In order to finance the Aerospace Park Project, it has been determined by the Authority, and agreed by the Participating Entities, that the Authority will issue its revenue bonds, as set out hereinbelow, and each of the Participating Entities (except as otherwise provided herein) will guarantee the repayment of its Pro Rata Share, as defined hereinbelow, of the interest, principal and other sums which may be due under the Authority's bonds from time to time.

E. The Participating Entities are authorized to enter into this Agreement for the purpose of taking joint action with respect to the Authority and are authorized by T.C.A. § 9-21-101 et seq. and T.C.A. § 42-3-101 et seq. to guarantee all or a portion of any bonds issued by the Authority for the purpose of financing the Aerospace Park Project.

F. The Authority and Participating Entities enter into this Agreement for the purpose of more fully setting forth their respective agreements, undertakings, obligations and remedies in regard to Aerospace Park Project and the financing of such project.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein set forth, the Participating Entities and Authority agree as follows:

1. **Scope of Agreement.** The Authority and Participating Entities acknowledge that the total cost of developing Aerospace Park, including site development, infrastructure, paving, utilities, and associated financing costs, is estimated to be up to \$18,000,000 (the "Project Costs"), a portion of which

will be financed through the Authority's issuance of up to \$8,500,000 of its Aerospace Park Revenue Bonds, Series 2017 (the "2017 Aerospace Park Bonds"). The proceeds of the 2017 Aerospace Park Bonds will be used for site development, infrastructure, paving and utilities at Aerospace Park and the costs of issuing the 2017 Aerospace Park Bonds. This Agreement sets forth the Financial Commitments of the Participating Entities with regard to the 2017 Aerospace Park Bonds. In the event a Participating Entity elects to make a direct contribution of all or a portion of its Financial Commitment, appropriate adjustments will be made to allocate the costs of issuing the 2017 Aerospace Park Bonds to the Participating Entities which elect to guarantee their respective Pro Rata Shares of the 2017 Aerospace Park Bonds.

2. **Issuance of 2017 Aerospace Park Bonds.**

(a) To finance a portion of the Project Costs, the Authority shall issue the 2017 Aerospace Park Bonds in the aggregate principal amount of up to \$8,500,000 less such amounts as may be funded by individual Participating Entities through direct cash contributions. The 2017 Aerospace Park Bonds shall be secured by a pledge of any Net Revenues generated from the Aerospace Park and such cash contributions as may be made by one or more Participating Entities but, otherwise, shall not be secured by a pledge of the Authority's revenues and assets.

(b) As used in subsection (a) above, "Net Revenues" means (i) all ground rents, accounts receivable, receipts, revenues, income, and other monies and rights to payment derived from the Authority's operation of Aerospace Park, less (ii) all direct expenses incurred by the Authority in connection with the operation, maintenance, and administration of Aerospace Park, but excluding depreciation, amortization, and interest on indebtedness.

(c) All Net Revenues generated from the Aerospace Park shall be used for payment of the principal, interest and other sums due under the 2017 Aerospace Park Bonds. In any calendar year, to the extent that Net Revenues exceed the amount necessary to pay principal, interest, and other sums due under the 2017 Aerospace Park Bonds, such excess Net Revenues shall be deposited to the Aerospace Park Cash Contributions Account (as defined in Paragraph 5). Such excess Net Revenues shall be deemed to have been contributed by the Participating Entities in proportion to each Participating Entity's Pro Rata Share, and shall reduce the Financial Commitment of each Participating Entity. Not less than thirty (30) days prior to each payment date under the 2017 Aerospace Park Bonds, the Authority shall advise the Participating Entities of the amount of Net Revenues then available for application to the bond payment, if any, and the amount of each payment due from each Participating Entity at such payment date after application of any such Net Revenues. To the extent a Participating Entity has prepaid its Financial Commitment or has otherwise made financial contributions in excess of its prorata portion of Project Costs incurred at the time any such excess Net Revenues are available, such Participating Entity shall receive a refund of its Pro Rata Share of such excess Net Revenues commensurate with the amount of such Participating Entity's prepayment or accelerated cash contributions. Other than the 2017 Aerospace Park Bonds, and for so long as the 2017 Aerospace Park Bonds are outstanding, the Authority agrees not to issue any bonds, notes, or other obligations payable from or secured by the Net Revenues generated from the Aerospace Park except with the approval of the Participating Entities.

(d) In the event the issuance date of the Authority's 2017 Aerospace Park Bonds occurs in calendar year 2018 rather than calendar year 2017, all references herein to "2017 Aerospace Park Bonds" shall be deemed to be "2018 Aerospace Park Bonds."

3. **Financial Commitments.** To support and enhance the marketability of the 2017 Aerospace Park Bonds, each Participating Entity hereby commits to pay or guarantee its Pro Rata Share

of the 2017 Aerospace Park Bonds (the "Financial Commitments"). The methodology for determining the Pro Rata Share and Financial Commitment of each Participating Entity shall be as follows:

(a) In the aggregate, Sullivan County and the Cities of Kingsport and Bristol, Tennessee, collectively, shall be responsible for supporting and enhancing 55% of the 2017 Aerospace Park Bonds. The 55% shall be allocated among Sullivan County, Kingsport, and Bristol, Tennessee as follows:

Sullivan County	- 49%
Kingsport	- 34%
Bristol	- 17%

(b) In the aggregate, Washington County and Johnson City, collectively, shall be responsible for supporting and enhancing 45% of the 2017 Aerospace Park Bonds. The 45% shall be allocated among Washington County and Johnson City as follows:

Washington County	- 50%
Johnson City	- 50%

4. **Aerospace Park Project Pro Rata Shares and Financial Commitments.** Based upon the allocations set forth in Paragraph 3, the Pro Rata Share and Financial Commitment of each Participating Entity with respect to the 2017 Aerospace Park Bonds shall not exceed:

	<u>Pro Rata Share</u>	<u>Financial Commitment</u>
Sullivan County	- 26.95%	\$2,290,750
Kingsport	- 18.70%	1,589,500
Bristol	- 9.35%	794,750
Washington County	- 22.50%	1,912,500
Johnson City	- 22.50%	<u>1,912,500</u>
		\$8,500,000

5. **Participating Entity Commitments.**

(a) **Direct Financial Contributions.** In lieu of issuing a general obligation guaranty in a principal amount equal to its Financial Commitment set forth in Paragraph 4 above, a Participating Entity may elect to pay to the Authority all or any portion of its Financial Commitment in cash, not less than sixty (60) days prior to the issuance of the 2017 Aerospace Park Bonds, or at such other times as a Participating Entity may elect after issuance of the 2017 Aerospace Park Bonds. Each such cash contribution shall be set aside and held by the Authority in a separate bank account dedicated to the Aerospace Park Project (the "Aerospace Park Cash Contributions Account"). Subject to Paragraph 2(c), the Authority shall be entitled to use the funds deposited to the Aerospace Park Cash Contributions Account, and the interest earnings thereon, for payment of Project Costs in conjunction with the use of the proceeds of the 2017 Aerospace Park Bonds, and the interest earnings thereon, such that each disbursement of funds from the Aerospace Park Cash Contributions Account is in direct proportion to the Pro Rata Shares of the Participating Entities which make such cash contributions and the amounts of their respective cash contributions. Each such disbursement from the Aerospace Park Cash Contributions Account shall be transferred to the Aerospace Park Project Fund as defined in Paragraph 7 and shall be further disbursed in accordance with Paragraph 8.

(b) **Guaranty Agreements of Participating Entities.** Each Participating Entity hereby agrees to guarantee for the benefit of the holders of the 2017 Aerospace Park Bonds the full payment of its Financial Commitment set forth in Paragraph 4 above as needed to pay the principal, interest and premium, if any, due from time to time under the 2017 Aerospace Park Bonds; provided, however, the amount of a Participating Entity's guaranty obligation shall be reduced by the amount of any cash contribution which the Participating Entity pays pursuant to Paragraph 5(a). The general obligation guaranty agreement issued by each Participating Entity shall include the commitment to pay a principal amount equal to its Financial Commitment (less the amount of any cash contribution paid by the Participating Entity), together with interest accruing thereon in the same manner, at the same interest rate, and at the same time as such payments are due under the 2017 Aerospace Park Bonds. The payment of principal of and interest on the 2017 Aerospace Park Bonds shall discharge the obligation of each Participating Entity hereunder to the extent of the payments so made. A Participating Entity which pays its full Financial Commitment through a direct cash contribution shall not be required to issue a guaranty agreement. The form of the guaranty agreement to be executed by each Participating Entity is attached hereto as **Exhibit B.**

6. **Remedies for Default by Participating Entities.**

(a) In the event any Participating Entity fails to make any payment required under its Financial Commitment, such Participating Entity shall be obligated to repay to the Participating Entities which elect, at their option and sole discretion, to advance the payment necessary in respect of the defaulted payment, plus interest at an annual rate equal to one percentage point in excess of the rate being paid by the Tennessee Local Government Investment Pool from time to time during the period of the default. A defaulting Participating Entity may at any time cure the default by paying to the non-defaulting Participating Entities the amounts advanced by such non-defaulting Participating Entities, plus an amount equal to interest thereon at a rate of one percentage point in excess of the rate being paid by the Tennessee Local Government Investment Pool from time to time during the period of the default.

(b) The Authority and each non-defaulting Participating Entity shall be entitled to exercise all available legal and equitable rights and remedies against the defaulting Participating Entity including but not limited to claims for breach of contract and specific performance and actions for writs of mandamus.

(c) Each Participating Entity shall have all common law rights of contribution in regard to their respective Pro Rata Shares and Guaranty Agreements under this Agreement.

(d) Except to the extent provided for in Paragraph 2(c) regarding the use of excess Net Revenues and in Paragraph 9 regarding the Authority's receipt of other sources of funding for the Project Costs, the Participating Entities shall not have any claim against the Authority for reimbursement or indemnity in regard to or arising from any funds paid by the Participating Entities in respect of their Pro Rata Shares.

7. **Disposition of Bond Proceeds.** The proceeds from the sale of the 2017 Aerospace Park Bonds shall be used and applied as follows:

(a) All proceeds from the issuance of the 2017 Aerospace Park Bonds shall be deposited to the Aerospace Park Project Fund to be established by the Authority at a financial institution insured by the Federal Deposit Insurance Corporation or National Credit Union Administration (the "Aerospace Park Project Fund"). The Aerospace Park Project Fund shall be kept separate and apart from all other funds of the Authority. The Aerospace Park Project Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any, or, in the absence of such a statute,

a pledge of readily marketable securities having at all times a market value of not less than the amount in said Project Fund.

(b) The funds in the Aerospace Park Project Fund shall be disbursed solely to pay for costs incurred for the Aerospace Park Project, including (i) all engineering, accounting, legal and other professional fees, closing costs incurred in purchasing any real property, and costs and expenses of the issuance and sale of the 2017 Aerospace Park Bonds, including necessary legal, accounting, engineering, architectural and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, rating agency fees, registration agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the Aerospace Park Project and the issuance and sale of the 2017 Aerospace Park Bonds, and (ii) site development, infrastructure, paving, and utilities. Money in the Aerospace Park Project Fund shall be expended only for the purposes authorized herein.

(c) Funds in the Aerospace Park Project Fund shall be invested as directed by the Authority in such investments as shall be permitted by applicable law and the income and earnings derived from said investments shall be deposited to the Aerospace Park Project Fund and applied and used as all other funds therein.

8. **Disbursement of Bond Proceeds.** Funds shall be disbursed from the Aerospace Park Project Fund according to the Authority's customary approval and signature procedures. All disbursements shall be for the payment of Project Costs and for no other purpose.

9. **Receipt of Other Fundings.** The Authority and the Participating Entities acknowledge that, in addition to the Financial Commitments of the Participating Entities under this Agreement, the Authority is seeking other sources of funding for the Project Costs. In the event the Authority receives funding for the Project Costs from other sources after one or more Participating Entities has paid direct cash contributions to the Aerospace Park Cash Contributions Account, and to the extent such funding is not applied to pay Project Costs in excess of the Project Costs payable from the 2017 Aerospace Park Bonds, the Authority will remit to such Participating Entities their respective Pro Rata Shares of the funds received from other sources to the extent such direct cash contributions have been used to pay Project Costs, and the remainder of such funds will be applied toward payment of Project Costs and payment of principal and interest due under the 2017 Aerospace Park Bonds. Notwithstanding the foregoing, any Fiscal Year 2017 federal funds received by the Authority for the South Apron Sitework shall not be considered other or additional sources of funding for the Project Costs and no portion of such federal funds shall be returned to the Participating Entities which make direct cash contributions.

10. **Refunding Bonds.** The Authority reserves the right from time to time and at any time to issue its bonds to refund, refinance and defease all or a portion of the 2017 Aerospace Park Bonds. Upon issuance of any such refunding bonds, the Authority shall give notice to the Participating Entities of the new principal and interest requirements resulting from the refunding and if the Authority is requesting the Participating Entities to guarantee the refunding bonds, each Participating Entity agrees to request its Governing Body to approve such guaranty. So long as the annual principal and interest requirements after the refunding are not greater than the principal and interest requirements before the refunding and the average maturity of the indebtedness after the refunding is not for a longer period of time and such refunding meets the requirements of the debt management policies of the Participating Entities, each Participating Entity agrees to recommend such guaranty to its Governing Body for approval. As used herein, the term "2017 Aerospace Park Bonds," and the principal and interest requirements thereof, shall include bonds issued to refund in whole or in part the 2017 Aerospace Park Bonds pursuant to this Paragraph 10.

11. **Prepayment of Participating Entity Commitments.** Any Participating Entity may elect to prepay its obligations to the Authority hereunder at any time provided such payment shall be in an amount sufficient, together with interest earnings thereon, to pay the Participating Entity's Pro Rata Share of the outstanding principal of and redemption premium, if any, and interest on the 2017 Aerospace Park Bonds to the earliest optional redemption date.

12. **Aerospace Park Property Tax Revenues.** In the event Sullivan County, Tennessee hereafter receives real property taxes and personal property taxes, or payments in lieu of real property taxes and personal property taxes in respect of the land located within Aerospace Park and improvements constructed at Aerospace Park (such taxes and payments in lieu of taxes collectively referred to as "Aerospace Park Tax Revenues"), Sullivan County will pay such Aerospace Park Tax Revenues to the Authority for deposit to the Aerospace Park Project Fund for use as follows:

(i) Payment of the principal and interest due from time to time under the 2017 Aerospace Park Bonds. Such deposits of Aerospace Park Tax Revenues to the Aerospace Park Project Fund shall be credited toward the Financial Commitments of the Participating Entities on a pro-rata basis according to their respective Pro Rata Shares as defined in paragraph 4; and

(ii) Reimbursement to the Participating Entities on a pro-rata basis, according to the Participating Entities' respective Pro Rata Shares as defined in paragraph 4, of any payments or contributions made by the Participating Entities to pay the principal and interest due under the 2017 Aerospace Park Bonds.

(iii) If the Authority hereafter refunds the 2017 Aerospace Park Bonds through the issuance of new bonds or other refinancing debt, as described in Paragraph 10, Sullivan County shall pay such Aerospace Park Tax Revenues to the Authority for deposit to the Aerospace Park Project Fund for use toward payment of principal, interest and premium, if any, on such refunding debt.

(iv) At such time as the 2017 Aerospace Park Bonds (including any refundings or refinancings of the 2017 Aerospace Park Bond) are fully paid and retired and the Participating Entities have been fully reimbursed from the Aerospace Park Tax Revenues for any payments or contributions made by the Participating Entities to pay the principal and interest due under the 2017 Aerospace Park Bonds (including any refundings or refinancings of the 2017 Aerospace Park Bond), Sullivan County shall thereafter retain all Aerospace Park Tax Revenues without restriction or limitation.

13. **Management of Authority.** The control, operation and management of the Authority shall continue to be vested in the Authority and its Board of Directors.

14. **Obligations Unconditional.** The obligation of each Participating Entity to make the payments required hereunder and under its Guaranty Agreement, and the obligation of a Participating Entity which elects to pay a cash contribution as all or part of its Financial Commitment, shall be absolute and unconditional and shall remain in full force and effect until all indebtedness evidenced by the 2017 Aerospace Park Bonds shall have been paid in full or defeased in accordance with the resolution authorizing the 2017 Aerospace Park Bonds.

15. **Contingencies and Conditions.** It shall be a condition to the issuance of the 2017 Aerospace Park Bonds, including each individual series of the 2017 Aerospace Park Bonds if more than one series is issued, that each Participating Entity shall deliver to the Authority the following:

- (a) A certified copy of the resolution, or resolutions, of the Participating Entity (i) pledging the full faith and credit and unlimited taxing power of the

Participating Entity as permitted under T.C.A. § 42-3-111(f)(1) to support the Participating Entity's Financial Commitment and (ii) authorizing this Agreement and the Participating Entity's Guaranty Agreement and, if applicable, the Participating Entity's payment of any immediate cash contribution;

- (b) A Guaranty Agreement representing each Participating Entity's general obligation commitment conforming to the requirements of Paragraph 4 and 5 hereof (with the amount of such Guaranty Agreement adjusted as appropriate to reflect a Participating Entity's payment of any portion of its Financial Commitment as a direct cash contribution);
- (c) The Authority's receipt of such immediate cash contributions as one or more Participating Entities may elect to make concurrent with the issuance of the 2017 Aerospace Park Bonds;
- (d) A Certificate executed by the Chief Executive Officer of the Participating Entity and the attorney for the Participating Entity certifying that no litigation is pending or to their knowledge threatened (i) seeking to restrain or enjoin the issuance, execution or delivery of the general obligation commitment or this Agreement or the performance by the Participating Entity of its obligations thereunder or hereunder, (ii) questioning the validity of the Participating Entity's obligations under this Agreement or its Guaranty Agreement, (iii) contesting the legal power or authority of the Participating Entity with respect to its obligations under this Agreement or its Guaranty Agreement, (iv) challenging the resolution of the Participating Entity's Governing Body authorizing this Agreement or its Guaranty Agreement, or (v) challenging any act to be done or document or certificate to be executed or delivered by the Participating Entity or the Authority in connection with this Agreement;
- (e) An opinion of the attorney for the Participating Entity, as follows:

i. This Agreement and the Guaranty Agreement of the Participating Entity, and the Participating Entity's payment of a direct financial contribution in the case of the Participating Entity's election to pay all or a portion of its Financial Commitment as an immediate cash contribution, have been duly authorized, executed and issued in accordance with the Constitution and laws of the State of Tennessee, and constitute valid and binding obligations of the Participating Entity;

ii. The resolution of the Participating Entity's Governing Body authorizing this Agreement and its Guaranty Agreement has been duly and lawfully adopted at a meeting of the Participating Entity's Governing Body, duly and regularly called, noticed and held with a quorum present and acting throughout, is in full force and effect;

iii. The meeting of the Participating Entity's Governing Body at which the resolution was adopted was held in accordance with open meetings laws of the State of Tennessee.

16. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties hereto and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof, and may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17. **Severability.** The invalidity or unenforceability of any one or more phrases, sentences, clauses, paragraphs or sections in this Agreement contained, shall not affect the validity and enforceability of the remainder of this Agreement or any part hereof.

18. **Amendment.** This Agreement shall be amended only by written agreement signed by all the parties hereto.

19. **Not Assignable.** Except for the provisions hereof regarding the security to be pledged for the 2017 Aerospace Park Bonds, this Agreement and the parties' respective rights and duties hereunder shall not be assigned by any of the parties hereto.

20. **Termination.** This Agreement shall be in effect for the term of the 2017 Aerospace Park Bonds and shall terminate upon payment in full of the 2017 Aerospace Park Bonds except that the provisions of Paragraph 6 related to Remedies for Default by Participating Entities and the provisions of Paragraph 12 regarding future Sullivan County Tax Revenues shall survive the termination of this Agreement.

21. **Notices.** Any notices, consents, approvals, requests or actions permitted or required hereunder shall be deemed given when mailed certified mail, return receipt requested, postage prepaid, or sent by facsimile transmission, or given by hand delivery, at the addresses, fax numbers or locations, as appropriate, set forth below, unless a different person, address, number or location is designated to the other parties by notice given as provided herein:

To the Airport Authority:

Tri-Cities Airport Authority
Suite 301
2525 Highway 75
Post Office Box 1055
Blountville, Tennessee 37617-1055
Attn: Executive Director and Chairman
Telephone: (423) _____; Fax (423) _____

To Sullivan County:

Sullivan County, Tennessee
Sullivan County Courthouse
Main Street - 2nd Floor
Blountville, Tennessee 37617
Attn: Director of Accounts and Budgets
Telephone: (423) 323-6409 Fax: (423) 323-7249

To Washington County:

Washington County, Tennessee
Post Office Box 219
Jonesborough, Tennessee 37659
Attn: Director of Budgets and Accounts
Telephone: (423) 753-1717 Fax: _____

To the City of Kingsport:

City of Kingsport, Tennessee
City Hall
225 West Center Street
Kingsport, Tennessee 37660-4237
Attn: City Manager
Telephone: (423) 229-9411 Fax: (423) 229-9350

To the City of Johnson City:

City of Johnson City, Tennessee

601 East Main Street
Post Office Box 2150
Johnson City, Tennessee 37605-2150
Attn: Assistant City Manager
Telephone: (423) 929-9171 Fax: (423) 929-9245

To the City of Bristol:

City of Bristol, Tennessee Municipal Building
801 Anderson Street
Bristol, Tennessee 37620
Attn: City Manager
Telephone: (423) 989-5501 Fax: (423) 989-5506

22. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

23. **Limitation of Liability.** No officer of the Authority, nor any member of the Authority's Board of Directors, nor any public official or representative of a Participating Entity consenting to or approving the issuance of the 2017 Aerospace Park Bonds, or any series of 2017 Aerospace Park Bonds, or the execution and performance of this Agreement by the Participating Entities shall be personally liable in any event for (i) the payment of any portion of the principal, interest or premium due under the 2017 Aerospace Park Bonds or any payment due from any Participating Entity pursuant to this Agreement, or (ii) the performance of any pledge, mortgage, obligation, Guaranty Agreement, or other agreement of any kind whatsoever regarding the 2017 Aerospace Park Bonds or this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and date first above written.

SULLIVAN COUNTY, TENNESSEE

By: _____
Richard S. Venable
Mayor

ATTEST:

APPROVED AS TO FORM:

Daniel P. Street
County Attorney

WASHINGTON COUNTY, TENNESSEE

By: _____
Dan Eldridge
Mayor

ATTEST:

APPROVED AS TO FORM:

Tom Seeley
County Attorney

CITY OF JOHNSON CITY, TENNESSEE

By: _____
David Tomita
Mayor

ATTEST:

APPROVED AS TO FORM:

James Epps, IV
City Attorney

CITY OF KINGSPORT, TENNESSEE

By: _____
John Clark
Mayor

ATTEST:

City Recorder

APPROVED AS TO FORM:

Michael Billingsley
City Attorney

CITY OF BRISTOL, TENNESSEE

By: _____
Chad Keen
Mayor

ATTEST:

APPROVED AS TO FORM:

Danielle S. Kiser
City Attorney

TRI-CITIES AIRPORT AUTHORITY

By: _____
Jon Smith
Chairman

ATTEST:

Secretary

APPROVED AS TO FORM:

William C. Bovender
Airport Authority Attorney

**Exhibit A
Intergovernmental Financing Agreement**

[Legal Description of Aerospace Park Property]

**Exhibit B
Intergovernmental Financing Agreement**

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT ("Guaranty"), dated _____, 2017, is made and entered into upon the terms hereinafter set forth, by City of Kingsport, a municipal corporation duly created under the laws of the State of Tennessee ("Guarantor"), in favor of _____, an _____ banking corporation, as paying agent (the "Paying Agent"), for the benefit of the holders of the Bonds (the "Bondholders").

RECITALS:

A. The Tri-Cities Airport Authority (the "Authority") has been organized pursuant to Sections 42-3-101 et seq., Tennessee Code Annotated (the "Act"), as an agency and instrumentality of Sullivan County, Tennessee, Washington County, Tennessee and the City of Johnson City, Tennessee, the City of Bristol, Tennessee, the City of Kingsport, Tennessee and the City of Bristol, Virginia.

B. Pursuant to that certain Resolution of the Authority, dated October 3, 2017 (the "Resolution"), the Authority has authorized the issuance of its \$8,500,000 Tri-Cities Airport Authority Revenue Bonds, Series 2017 (Aerospace Park Project) (the "Bonds") for the purpose of providing funds to finance the construction of an aerospace park that will promote and accommodate air travel, commerce and navigation (collectively, the "Project").

C. Sullivan County, Tennessee, Washington County, Tennessee, the City of Johnson City, Tennessee, the City of Bristol, Tennessee, and the City of Kingsport, Tennessee (collectively the "Participating Entities" and each a "Participating Entity") have agreed to support the Authority's issuance of the Bonds by delivering their respective limited Guaranty Agreements guaranteeing portions of the aggregate indebtedness evidenced by the Bonds.

D. Pursuant to Section 3 of the Resolution, the Authority has appointed _____ as registration agent and paying agent for the Bonds.

E. Pursuant to Section 42-3-111(f) of the Act, the Board of Mayor and Aldermen of Guarantor has, by resolution, pledged the full faith and credit and unlimited taxing power of Guarantor as guarantor to the payment of a portion of the principal of and interest on the Bonds.

AGREEMENTS:

NOW, THEREFORE, in consideration of the foregoing and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged by Guarantor, and to induce the Bondholders to purchase the Bonds, Guarantor hereby agrees as follows:

1. Subject to the limitation in Section 2 hereof, Guarantor hereby guarantees to the Paying Agent, for the benefit of the Bondholders, the full and prompt payment of the principal of and interest on the Bonds (such principal and interest are sometimes herein collectively referred to as the "Guaranteed Obligations").

2. Notwithstanding any provision herein to the contrary, the right of recovery, however, against the Guarantor shall be limited to Eighteen and Seventh-Tenths percent (18.7%) of all Guaranteed Obligations.

3. Unless otherwise required by law, any act of the Paying Agent, for the benefit of the Bondholders consisting of a waiver of any of the terms, covenants or conditions of the Guaranteed Obligations, or the giving of any consent to any matter or thing relating to the Guaranteed Obligations, or the granting of any indulgences or extensions of time to the Authority, may be done without notice to Guarantor and without releasing the obligations of Guarantor hereunder.

4. The obligations of Guarantor hereunder shall not be released by the Paying Agent, without the consent of the Bondholders and the consent of each other Participating Entity.

5. To the fullest extent permitted by law, the liability of Guarantor hereunder shall in no way be affected by (a) the release or discharge of the Authority in any creditors', receivership, bankruptcy or other proceedings, (b) the impairment, limitation or modification of the liability of the Authority or the estate of the Authority in bankruptcy, or of any remedy for the enforcement of any of the Guaranteed Obligations resulting from the operation of any present or future provision of the Federal bankruptcy law or any other statute or the decision of any court, (c) the rejection or disaffirmance of any instrument, document or agreement evidencing any of the Guaranteed Obligations in any such proceedings, (d) the assignment or transfer of any of the Guaranteed Obligations by the Paying Agent, or (e) the cessation from any cause whatsoever of the liability of the Authority with respect to the Guaranteed Obligations.

6. The Guarantor hereby pledges its full faith and credit and its unlimited taxing power to the payment of the principal of and interest on the Guaranteed Obligations subject to the limitation of Section 2 hereof.

7. This Guaranty shall be assignable by the Paying Agent. This Guaranty shall be binding upon Guarantor and shall inure to the benefit of the Noteholders, their successors and assigns.

8. This Guaranty shall be construed in accordance with and governed by the laws of the State of Tennessee applicable to contracts to be performed within said state.

Exhibit I to Resolution No. ____-2017 A RESOLUTION AUTHORIZING THE GUARANTY OF CERTAIN INDEBTEDNESS
OF THE TRI-CITIES AIRPORT AUTHORITY AND THE EXECUTION AND DELIVERY OF AN
INTERGOVERNMENTAL FINANCING AGREEMENT

9. No amendment or modification hereof shall be effective unless evidenced by a writing signed by Guarantor and the Paying Agent. When used herein, the singular shall include the plural, and vice versa, and the use of any gender shall include all other genders, as appropriate.

IN WITNESS WHEREOF, the undersigned Guarantor has executed this Guaranty, or has caused this Guaranty to be executed by its duly authorized representative, as of the date first above written.

KINGSPORT, TENNESSEE

By: _____
Title: Mayor

ATTEST:

By: _____
Title: City Recorder

APPROVED AT TO FORM:

By: _____
Title: City Attorney

ACCEPTED this ____ day of
_____, 2017.

By: _____
Its: _____



AGENDA ACTION FORM

Authorizing the Mayor to Sign a Waiver with Adams and Reese LLP for Representation of Regions Bank

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

Action Form No.: AF-251-2017
 Work Session: October 2, 2017
 First Reading: N/A

Final Adoption: October 3, 2017
 Staff Work By: R. McReynolds
 Presentation By: M. Billingsley

Recommendation:

Approve the Resolution.

Executive Summary:

Regions Bank has requested representation from Adams and Reese LLP for preparation and negotiation of potential purchase and sale agreement, and lease agreement involving real property located in Kingsport, Tennessee. Adams and Reese LLP currently represents the City in different matters, which are not related to the request from Regions Bank. Since the interests of Regions and the City are directly adverse in the selling / buying transaction, it is requested the City consent to the proposed representation.

The resolution grants consent to Adams and Reese LLP for the proposed representation of Regions Bank.

Attachments:

1. Resolution

	<u>Y</u>	<u>N</u>	<u>O</u>
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING CONSENT OF REPRESENTATION AND AUTHORIZING THE MAYOR TO EXECUTE THE CONSENT LETTER AND ANY AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, Regions Bank has requested representation from Adams and Reese LLP for preparation and negotiation of potential purchase and sale agreement, and lease agreement involving real property located in Kingsport, Tennessee; and

WHEREAS, Jeffrey S. DeArman of Adams and Reese, LLP represents Regions Bank and would like the city to consent to Adams and Reese, LLP representing Regions Bank; and

WHEREAS, Adams and Reese, LLP represents the city as bond counsel when it sells bonds, and has represented the city on other matters unrelated to Regions Bank matter.

Now therefore,

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

SECTION I. That the city consents to the representation by Jeffrey S. DeArman and Adams and Reese, LLP of its representation of Regions Bank for preparation and negotiation of potential purchase and sale agreement, and lease agreement involving real property located in Kingsport, Tennessee.

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 letter of consent of representation of Regions Bank by Jeffrey S. DeArman and Adams and Reese, LLP and any and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the consent or this resolution, said consent letter being as follows:

City of Kingsport (Tennessee)
225 West Center Street
Kingsport, TN 37660

Re: Representation of Regions Bank - preparation and negotiation of purchase and sale agreement and lease agreement, involving real property located in Kingsport, Tennessee

To whom it may concern:

We have been asked to represent Regions Bank ("Regions") in the above-referenced transaction, which involves (a) the preparation and negotiation of a certain purchase and sale agreement, by and between Regions, as seller, and the City of Kingsport (Tennessee) ("City"), as purchaser, wherein Regions will sell to the City certain property located in Kingsport, Tennessee (the "Property"); and (b) the preparation and negotiation of a lease agreement, by and between the City, as landlord, and Regions, as tenant, wherein the City will lease a portion of the building located on the Property to Regions. Because the interests of Regions and the City are directly adverse in this transaction, we write to request that the City consent to our undertaking this proposed representation. We are also pursuing a corresponding request to Regions at this time.

We are privileged currently to represent the City in a number of different matters. We have not represented (and do not represent) the City in connection with this transaction or any related matter.

Model Rule 1.7 ("Conflicts of Interest: Current Clients") of the Model Rules of Professional Conduct (some version of which is in effect in every state in which we have offices) applies in this situation. In sum, a lawyer shall not represent a client if the representation of that client will be directly adverse to another client, unless the lawyer reasonably believes the lawyer will be able to give competent and diligent representation to each affected client, and each client consents after consultation, confirmed in writing. It is this "consent after consultation" we are seeking from each client.

The governing principles also suggest the following procedure for securing such consent:

(1) advise the parties of the circumstances implicating Rule 1.7 and thus forming the basis for the request; (2) advise the parties of any perceived risk inherent in their consenting to the adverse representation; (3) advise the parties that they have the right to consult their own counsel before granting the consent; and (4) confirm the consent in writing.

We do not believe our representation of Regions in this transaction, while concurrently representing the City in other matters, will adversely affect the attorney/client relationship with either client because the respective matters are unrelated, and we do not foresee any material prejudice on either party as a result of our representation of both parties on unrelated matters. Moreover, we do not believe that our ability to provide competent and diligent representation to the City will be affected by our representation of Regions; and we undertake to provide notice to the City if we subsequently determine that we cannot provide competent and diligent representation to the City. Finally, we will not represent either party in any related litigation matter against the other.

Assuming that you are agreeable to granting this consent on the City's behalf, please sign below and return this letter to us. Alternatively, should you have any questions regarding any of the above, please do not hesitate to contact us.

Thank you for your consideration of this request. Should you have any questions, please do not hesitate to call me.

Yours truly,
Adams and Reese LLP
Jeffrey S. DeArman

Accepted and agreed:

[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 consent letter set out herein that do not substantially alter the material provisions of the consent, 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 3rd day of October, 2017.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Accept Donation of Landscaping and Materials from Boehm Landscape, Inc.

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

Action Form No.: AF-253-2017
 Work Session: October 2, 2017
 First Reading: N/A

Final Adoption: October 3, 2017
 Staff Work By: Chris McCartt
 Presentation By: Chris McCartt

Recommendation:

Approve the Resolution.

Executive Summary:

Boehm Landscape, Inc. has submitted a landscape proposal of donation for landscaping and material for the Parklet located at the Academic Village at the corner of Market and Clay Streets. The estimated donation value is \$4,500.

Attachments:

1. Resolution
2. Proposal

	Y	N	O
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION ACCEPTING A DONATION OF LANDSCAPING
AND MATERIALS FROM BOEHM LANDSCAPE, INC.

WHEREAS, Boehm Landscape, Inc., would like to donate materials and time to landscape the parklet at the Academic Village located on Market Street; and

WHEREAS, the city will be responsible for watering, once the work is complete; and

WHEREAS, the estimated value of this donation is \$4,500.00.

Now therefore,

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

SECTION I. That the donation to the city from Boehm Landscaping, Inc., of time and materials to landscape the parklet at the Academic Village located on Market Street in the estimated amount of \$4,500.00, is accepted.

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

ADOPTED this the 3rd day of October, 2017.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



Kingsport TN, September 19, 2017

Chris McCart
City of Kingsport
200 Shelby St.
Kingsport, TN 37664

LANDSCAPE PROPOSAL

We submit specifications and estimates for landscaping according to imagining by Boehm Landscape Inc. for the Parklet at the Academic Village located on Market Street in Kingsport TN. to include the following:

Landscape:

1. Spray out all grass in bed area then prep for planting.
2. Plant all plant material listed below according to imaging by Boehm Landscape Inc.
3. Edge out bed areas and mulch as needed then water the initial watering.

Plant material:

2- Red Maples- 2"

3- Crepe Myrtles- 15 gal.

2- Fox Valley Dwarf River Birches- 7 gal.

7- Dwarf Hetzi Midget Arborvitae- 3 gal.

25- Variegated Lirope – 1 gal.

5- May Night Salvia- 1 gal.

Topsoil, Fertilizer and Mulch as needed

Cost: To be donated by Boehm Landscape Inc.

(Estimated Value \$4500.00)



Kingsport TN, September 19, 2017

Owner is responsible for watering once project is completed.

All work to be completed in a workmanlike manner according to standard landscape practices.

All plant material installed by Boehm Landscape is guaranteed to be as specified. Plants are first quality, free of disease and insects and are under warranty for one year after installation. Proper care must be maintained by the owner if an irrigation system is not installed, the owner must water the plants as needed. Plant material will not be under warranty if it has been trampled, transplanted or not watered adequately. **There is no warranty for sod or seed application. There is no warranty provided for seasonal color**

Parts and Labor for irrigation systems, ponds and waterfalls have a one year warranty. This warranty will be void if they have been serviced by personnel other than Boehm Landscape employees, or damaged by misuse or neglect.

Any alteration or deviation from the specifications involving extra costs will be done only upon written orders, and will become an extra charge over and above the estimate. All agreements are contingent upon delays beyond our control.

Additional Terms: Boehm Landscape, Inc. is not responsible for extra costs for removal of underground material such as, but not limited to, rock not detected upon inspection and found after project has begun.

Acceptance of proposal: The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature of Acceptance: _____ **Date:** _____

BOEHM LANDSCAPE, INC.
5025 BLOOMINGDALE PIKE
KINGSPORT, TN 37660
Tel. +1 423 323 3309
Fax +1 423 323 3138
www.boehmlandscap.com
boehmland@aol.com



BOEHM LANDSCAPE INC.
KINGSPORT TN



AGENDA ACTION FORM

Amend the Professional Services Agreement with Barge, Waggoner, Sumner & Cannon, Inc. (BWSC) for Meadowview Roadway Design

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

Action Form No.: AF-255-2017
 Work Session: October 2, 2017
 First Reading: NA

Final Adoption: October 3, 2017
 Staff Work By: R. McReynolds
 Presentation By: Ryan McReynolds

Recommendation:

Approve the Resolution

Executive Summary:

On July 5, 2017 (AF-195-2017) we entered into an Agreement with Barge, Waggoner, Sumner & Cannon for design services of a new roadway and utility infrastructure providing additional connectivity between Wilcox Drive and Meadowview Parkway. This project, in partnership with Eastman, will extend the existing roadway leading into the Kingsport Aquatic Center (KAC) and construct a new roadway connecting the KAC roadway with Wilcox Drive.

The traffic impact study will include the development of background traffic data for the existing intersections and roadway network, estimated trip generation and volumes from the proposed land use, assess the traffic impacts from the proposed land use and provide recommendations for any needed mitigation efforts.

It is requested to amend the Professional Services Agreement with BWSC for the traffic impact study in the amount of \$13,000.00. Funding is identified in GP1800.

Attachments:

1. Resolution
2. Proposal

Funding source appropriate and funds are available: 

	Y	N	O
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH BARGE, WAGGONER, SUMNER & CANNON FOR THE MEADOWVIEW ROADWAY DESIGN; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, in July, 2017, the board approved a resolution authorizing the mayor to sign an agreement with Barge, Waggoner, Sumner & Cannon for the design services of a new roadway and utility infrastructure providing additional connectivity between Wilcox Drive and Meadowview Parkway; and

WHEREAS, since that time, the city would like to include a traffic impact study to the professional services agreement; and

WHEREAS, the traffic impact study will include the development of background traffic data for the existing intersections and roadway network, estimated trip generation and volumes from the proposed land use, assess the traffic impacts from the proposed land use and provide recommendations for any needed mitigation efforts; and

WHEREAS, the cost of this amendment is \$13,000.00 and funding is available in GP1800;

Now therefore,

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

SECTION I. That an amendment to the agreement with Barge, Waggoner, Sumner & Cannon for the design services of a new roadway and utility infrastructure providing additional connectivity between Wilcox Drive and Meadowview Parkway 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, an amendment to the agreement Barge, Waggoner, Sumner & Cannon for the design services of a new roadway and utility infrastructure providing additional connectivity between Wilcox Drive and Meadowview Parkway and all other documents necessary and proper to effectuate the purpose of the agreement or 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 that do not substantially alter the material provisions of the amendment, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

SECTION 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 3rd day of October, 2017.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

The scope of work is presented in the following elements.

- I. Project Description
- II. Scope of Services
- III. Project Understanding, Assumptions, and Exclusions
- IV. Time of Performance
- V. Client's Responsibilities
- VI. Deliverables
- VII. Compensation

I. Project Description

Eastman Credit Union is relocating some of its services to a new building that will be located near the northeast corner of Meadowview Parkway and S. Wilcox Drive in Kingsport, TN. This proposed development will require a traffic impact study (TIS) to be conducted and submitted to the City.

II. Scope of Services

BWSC proposes the following Scope of Services related to the above-noted items.

A. Traffic Impact Study

A traffic impact study (TIS) will be prepared in accordance with the City of Kingsport's requirements as shown in the "Minimum Design Standards" document dated October, 2014 for this proposed land use and based on the information provided to BWSC. The TIS effort will include the collection of vehicular turning movement counts of 8 hours each, at three existing intersections (Meadowview Parkway/ S. Wilcox Drive, Meadowview Parkway/Aquatic Center entrance, and S. Wilcox Drive/Jan Way). Average daily traffic (ADT) volumes will be collected on S. Wilcox Drive and Meadowview Parkway from the TDOT traffic database. Data will be collected prior to the closure of the Aquatic Center to obtain peak.

The TIS will include the development of background traffic data for the existing intersections and roadway network, estimated trip generation and volumes from the proposed land use, assess the traffic impacts from the proposed land use and provide recommendations for any needed mitigation efforts. A sealed copy of the study will be submitted to the City.

III. Project Understandings, Assumptions, and Exclusions

- A. BWSC will provide the above-noted services based upon a given set of assumptions. These assumptions are as follows.
 - 1. BWSC will have access to the site and adjoining areas, as required.
 - 2. Attendance information for the Aquatics Center and YMCA will be made available to determine peak days for data collection.
 - 3. Turning movement counts will be collected on a week day for an eight (8) hour duration including 2 hours for the morning peak, 2 hours for the mid-day peak, 2 hours for the afternoon peak, and 2 hours of off peak.
- B. The following excluded services can be provided as an additional service with an appropriate adjustment in fees.
 - 1. Data collection at additional intersections.
 - 2. Data collection for additional time durations or on weekends.
 - 3. If there are changes to the development plan or land uses, this PSA will need to be revised in both scope and compensation.
 - 4. Traffic signal design.

IV. Time of Performance

This effort will begin upon the receipt of a notice to proceed (NTP). It is estimated that the effort will be completed with 45 working days.

BWSC and Client are aware that many factors outside BWSC's control may affect BWSC's ability to complete the services to be provided under this Agreement. BWSC will perform these services with reasonable diligence and expediency, consistent with sound professional practices.

V. Client's Responsibilities

BWSC strives to work closely with our clients. In order for the project team to function efficiently, certain information is needed to be provided by the Client and other interested stakeholders in a timely manner. These items and responsibilities are noted below.

- A. Provide attendance data from Aquatic Center and YMCA to determine peak days.

VI. Deliverables

The following deliverables will be produced as a part of this effort.

- A. TIS report

VII. Compensation

The compensation to be paid to BWSC for providing requested services is a lump sum fee of \$13,000.00.

The fees provided above are valid up to three (3) months from the date of this proposal.



AGENDA ACTION FORM

Enter into a Professional Service Agreement with CDM Smith for Design of Wastewater Treatment Plant Electrical Improvements

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

Action Form No.: AF-258-2017
 Work Session: October 2, 2017
 First Reading: N/A

Final Adoption: October 3, 2017
 Staff Work By: N. Ensor
 Presentation By: R. McReynolds

Recommendation:

Approve the Resolution.

Executive Summary:

A condition assessment of the WWTP electrical system was performed in 2016. The equipment was evaluated based on age, condition and serviceability. The assessment prioritized projects based on the condition and risk to plant operations and compliance. Electrical equipment greater than 30 years of age has reached the end of its useful life and is not deemed reliable.

The main switchgear (1980) provides power to the entire plant. A failure in this equipment will result in complete shutdown of the plant. The intermediate switchgear, RAM switch and transformers (1960 & 1980) feed the intermediate pumps, UV system and RAS/WAS pumps. These electrical components have reached the end of their useful life. The equipment is obsolete, parts are no longer available and do not meet Arc Flash standards. These upgrades are necessary to maintain compliance, ensure reliability and improve operations and maintenance capabilities of the wastewater treatment plant electrical distribution equipment.

This project was identified and funding was approved by the BMA for the FY 2017 Capital Improvement Plan. Total amount for this request is \$328,136. Funding is available in SW1800.

Attachment:

1. Resolution
2. CDM Smith Proposal
2. Existing Equipment Pictures

Funding source appropriate and funds are available: *af*

	Y	N	O
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING A PROFESSIONAL SERVICE AGREEMENT WITH CDM SMITH FOR DESIGN OF WASTEWATER TREATMENT PLANT ELECTRICAL IMPROVEMENTS AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in 2016, an assessment of the water/wastewater plant's electrical system was performed; and

WHEREAS, it was determined that the electrical components in parts of the plant have reached the end of their useful life, some equipment is obsolete, parts are no longer available and do not meet Arc Flash standard; and

WHEREAS, upgrades are necessary to maintain compliance, ensure reliability and improve operations and maintenance capabilities of the wastewater treatment plant electrical distribution equipment; and

WHEREAS, the city would like CDM Smith to design the wastewater treatment plant electrical improvements; and

WHEREAS, the cost of this design is \$328,136.00 and funding is available in SW1800.

Now therefore,

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

SECTION I. That a professional services agreement with CDM Smith for the upgrades to the wastewater treatment plant electrical distribution equipment, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the agreement with CDM Smith for the upgrades to the wastewater treatment plant electrical distribution equipment and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution.

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

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

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

ADOPTED this the 3rd day of October, 2017.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



1100 Marion Street, Suite 300
Knoxville, Tennessee 37921
tel: 865 963-4300
fax: 865 524-5311

September 6, 2017

Ms. Niki Ensor, P.E.
Water/Wastewater Facilities Manager
City of Kingsport
620 West Industry Drive
Kingsport, TN 37660

Subject: Proposal for Professional Services for Replacement of the Kingsport Wastewater Treatment Plant 5kV Main Switchgear and Switchgear SB-1

Dear Niki:

Background

The City of Kingsport (City) owns and operates the City of Kingsport Wastewater Treatment Plant (WWTP). Much of the WWTP electrical equipment is reaching the end of its useful service life and should be programmed for replacement. In order to support renewal of the service life and improve operations and maintenance capabilities of the electrical distribution equipment, CDM Smith completed the Kingsport WWTP Electrical Evaluation Report in July, 2016, which provides specific upgrade recommendations which can be phased over the next several years as funding becomes available.

A. Main Switchgear

The main switchgear is located in an outdoor-rated metal enclosure adjacent to the utility substation at the north-west portion of the plant. The 4.16 kV service is fed via exposed overhead utility feeders into the switchgear from the top of the enclosure. The switchgear underwent preventive maintenance by Eaton Electrical in 2010 with Class I Reconditioning of the main circuit breakers, replacement of the protective device relays and metering, and preventative maintenance of the switchgear lineup. Maintenance staff has stated some parts are difficult to find, and they feel unsafe operating the tie breaker due to the age and condition of the switchgear. The switchgear is past its reliable service life due to its age and condition. Furthermore, the enclosure has significant signs of rust, deterioration, water intrusion, and the overhead feeders into the enclosure could allow the additional ingress of water over time.

It is recommended the switchgear be removed and replaced with a new switchgear in an outdoor walk-in style enclosure in an adjacent location. Construction can be sequenced to energize only one main circuit breaker at a time, which allows the existing switchgear to remain energized while the new switchgear is brought online and tested. An additional circuit breaker can be provided for a standby generator, if desired by the City of Kingsport for an added level of reliability. The two utility sources and standby generator will have all controls via a new PLC based switchgear control module for maximum flexibility, control, and reliability.





Ms. Niki Ensor, P.E.

September 6, 2017

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B. Switchgear SB-1

Switchgear SB-1 is located in the Chemical Building. It is a main-tie-main construction switchgear installed in 1980, with an additional section added in 2010. The switchgear feeds the intermediate submersible pumps, UV system, RAS/WAS pumps, and ancillary loads. The tie circuit breaker within Switchgear SB-1 currently does not operate properly. Maintenance staff have indicated the breaker trips within 48 hours of being closed, and the “trip flag” indicator is not functional. Schneider Electric performed maintenance services to test and inspect the circuit breakers, however the results were inconclusive. Furthermore, spare parts do not exist for this switchgear due to its age, and even minor maintenance items will require costly replacements and even custom-made parts as well. In the event a main utility feeder is lost, half of the intermediate pumps and half of the UV system would be offline without the use of the tie circuit breaker. Furthermore, loss of the RAS/WAS pumps could be possible as well, since they are only fed from a single side of the switchgear. Transformers #3 and #4 are 1000kVA, rated, and undersized to power the entire switchgear through a single feeder in the event of loss of one of the utility feeds. In addition, both transformers are fed from RAM Oil Switch #6, which is a common point of failure.

CDM Smith recommends removing and replacing the switchgear. In order to maintain plant operations during construction, a new building will be required adjacent to the current Switchgear/Chemical Building. Switchgear SB-1 contains two feeders with a tie breaker which can be replaced with a similar main-tie-main switchgear with interlocking tie breaker. Therefore, construction can be sequenced to keep half of SB-1 energized, along with half the intermediate pumps and UV system. Once SB-1 is taken out of service completely, there will be adequate space within the Chemical Building for future expansion. RAM Oil Switch #6, Transformers #3, and Transformer #4 will be removed. New transformers #3 and #4 will be 1500kVA rated and furnished with loop-feed oil-immersed gang-operated load breaker sectionalizing switches, and draw-out current limiting fuses in the dry wells. This will allow the transformers to be directly connected to the loop, without a common switch and point of failure.

Scope of Services

Professional engineering services associated with the replacement of the Main Switchgear and Switchgear SB-1 and related equipment will be delivered according to the tasks, detailed as follows:

- Task 1 – Design Services
- Task 2 – Bidding Services
- Task 3 – Limited General Services During Construction

Task 1 – Design Services

Task 1.1: Site Visit and Review of Existing Information – CDM Smith will meet with Kingsport staff at the WWTP to review the existing equipment installation, finalize project goals and objectives, define project constraints, and collect relevant field information required for final



Ms. Niki Ensor, P.E.
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design. CDM Smith will also conduct the following activities as part of review of existing information and project initiation:

- Conduct internal design kick-off meeting
- Review as-built drawings/existing information
- Develop requests for additional information needed for design, as appropriate

Task 1.2: Final Design and Contract Documents – The ENGINEER will undertake the appropriate level of engineering to prepare the 30-percent, 90-percent, and final design of the project including equipment sizing and selection, reviewing feasible options for MOPO during construction, finalizing site layout, building modifications required to meet Code compliance, evaluation of technical alternatives, and other pertinent engineering considerations.

The ENGINEER shall prepare construction documents for the above listed scope suitable for the receipt of bids for construction of the project. This scope assumes that the complete project will be included in one set of Contract Documents. Throughout final design, the ENGINEER will maintain regular contact with OWNER's staff to review the progress of design. Constructability and design reviews will be conducted at the 30- and 90-percent design completion stages by OWNER's staff. Opinions of Probable Construction Cost (OPCC) will be provided with the 30- and 90-percent deliverables. Final design and Contract Document services to be provided by the ENGINEER are described as follows:

Task 1.2.1: Prepare Construction Contract Drawings – Construction Contract Drawings will be prepared showing the scope, extent, and character of the work to be performed by the contractor. It is assumed that one set of contract documents will cover both the Main Switchgear and Switchgear SB-1 replacement. Drawings shall include general, structural, electrical, instrumentation, and HVAC drawings suitable for public bidding. A pre-engineered, precast concrete building will be designed for Switchgear SB-1. The preliminary list of drawings follows.

Preliminary List of Drawings

Cover Sheet

- C-1 Site Plan – Main Switchgear
- C-2 Site Plan – Switchgear SB-1
- C-3 Miscellaneous Civil Details

- S-1 Main Switchgear Enclosure Slab Plan, Sections and Details, Structural General Notes
- S-2 Switchgear SB-1 - Building Foundation Plan, Sections and Notes
- SD-1 Special Inspections

- A-1 Architectural Sheet Index, General Notes, Abbreviations, Symbols and Building Code Key Determinations
- A-2 Switchgear SB-1 - Building Floor Plan, Roof Plan, Exterior Elevations and Details



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- H-1 HVAC Symbols and Abbreviations
- H-2 Switchgear SB-1 - Building HVAC Plan and Details

- E-1 Electrical Symbols and Abbreviations I
- E-2 Electrical Symbols and Abbreviations II
- E-3 Main Switchgear - Electrical Site Plan
- E-4 Main Switchgear - One Line Power Diagram Demolition
- E-5 Main Switchgear - One Line Power Diagram Modifications & Front Elevations
- E-6 Main Switchgear - Elementary Control Diagrams, Instrumentation Riser Diagrams
- E-7 Main Switchgear - Existing Switchgear Power-House Demolition Plan
- E-8 Main Switchgear - New Switchgear Power-House Power & Lighting Plans
- E-9 Switchgear SB-1 - Electrical Site Plan
- E-10 Switchgear SB-1 - One Line Power Diagram
- E-11 Switchgear SB-1 - Control and Instrumentation Riser Diagrams
- E-12 Switchgear SB-1 - Switchgear Building Power, Control, Grounding and Lighting Plan
- E-13 Switchgear SB-1 - Existing Electrical Building Modification Plan
- E-14 Switchgear SB-1 - Panelboard and Lighting Fixture Schedule and Details

- ED-1 Electrical Details I
- ED-2 Electrical Details II

- I-1 Instrumentation Symbols and Legend
- I-2 Switchgear I/O P&ID
- I-3 MCC I/O P&ID

Task 1.2.2: Prepare Technical Specifications – Technical specifications for the construction work will be prepared in general conformance with the sixteen-division format of the Construction Specification Institute (CSI).

Task 1.2.3: Prepare General Conditions, Bidding, and Contract Documents – ENGINEER shall prepare Division 00 and Division 01 specifications including Contract agreement forms, invitation for bids, information for bidders, bid form, Contract, performance bonds, labor and material bonds, general conditions, and supplemental general conditions.

Task 1.2.4: Prepare Sequence of Construction – In consultation with the OWNER, the ENGINEER shall prepare a construction sequencing plan for the Switchgear SB-1 replacement construction. The plans will include identification of scheduling constraints, construction completion milestones, and definition of construction constraints to minimize construction impacts on existing plant operations. The construction sequencing plan shall be included as part of the construction project manual or on the Drawings.

Task 1.2.5: Conduct Technical Reviews – An independent CDM Smith senior technical reviewer will make an evaluation of the design progress at the 30- and 90-percent completion stages. Progress drawings and specifications will be submitted to the OWNER prior to each design review,



Ms. Niki Ensor, P.E.
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along with OPCCs. OWNER will review the progress drawings and specifications and will return written review comments within 2 weeks of receipt from ENGINEER. Based on the scope of this project, no formal review meetings are anticipated. Conference calls may be scheduled as required to collect and/or review OWNER review comments, as needed.

Task 1.2.6: Complete Construction Documents – Following the 90-percent final review meeting, final design modifications will be incorporated in the final Construction Documents. The ENGINEER will be responsible for making copies of and distributing the final Construction Contract Documents.

Task 1.2.7: Final Review – The ENGINEER will conduct a final discipline cross-checks and final quality review of the construction documents prior to bidding.

Task 1.2.8: Permitting – A local building permit and site development permit are expected to be required for this project since a new building will be constructed. It is assumed that Contractor will prepare and submit permit applications with fees to the local permitting agency.

Task 2 – Bidding Assistance Services

The ENGINEER shall provide services during the Bidding Phase of the project. This scope budgets for one bidding of a single contract. OWNER may authorize ENGINEER for rebidding, if the need arises. Bidding services to be provided by the ENGINEER will be limited to the following tasks:

Task 2.1: Bid Advertisement and Distribution of Documents – Assist the OWNER in advertising for and obtaining bids for construction. OWNER shall place advertisement for bids. CDM Smith will reproduce documents, distribute documents to bidders, and maintain plan holders list

Task 2.2: Issue Addenda – Prepare Addenda as appropriate to clarify, correct, or change the Bidding Documents. OWNER shall distribute addenda to bidders.

Task 2.3: Review Subcontractors and Suppliers – Consult with the OWNER as to the acceptability of subcontractors, suppliers, and other persons or entities proposed by Contractor for those portions of the work for which such acceptability is required by the Bidding Documents.

It is assumed that no conformed documents will be required for this project based on the proposed scope of work. The Bidding Documents and bound Addenda (as applicable) shall serve as the Contract Documents.

Task 3 – Limited General Services (GS) During Construction

The ENGINEER shall provide engineering services during the construction phase. This Agreement includes provision of construction services for up to 6 months beginning from the construction contract Notice-to-Proceed (NTP) date and ending at Final Construction Completion. ENGINEER shall receive additional compensation for any additional construction services required due to an



Ms. Niki Ensor, P.E.
September 6, 2017
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increase in this construction period duration (via further amendment of the Agreement).
Construction Phase Services to be provided by the ENGINEER are as follows:

Task 3.1: General Administration of Construction Contract – ENGINEER shall consult with and advise OWNER and act as OWNER's representative as provided in the Standard General Conditions. The extent and limitations of the duties, responsibilities, and authority of the ENGINEER as assigned in said Standard General Conditions shall not be modified, except to the extent provided herein. All of OWNER's instructions to Contractor will be issued through ENGINEER who shall have authority to act on behalf of OWNER in dealings with Contractor to the extent provided in this Agreement and said Standard General Conditions, except as otherwise provided in writing.

Task 3.2: Visits to Site and Observation of Construction – In connection with observations of the work of Contractor while in progress:

ENGINEER shall make visits to the site at intervals appropriate to the various stages of construction as ENGINEER deems necessary in order to observe as an experienced and qualified design professional the progress and quality of the various aspects of the Contractor's work. Such visits and observations by ENGINEER are not intended to be exhaustive or to extend to every aspect of the work in progress, or to involve detailed inspections of the work beyond the responsibilities specifically assigned to ENGINEER in this Agreement and the Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the work based on ENGINEER's exercise of professional judgment. Based on information obtained during such visits and such observations, ENGINEER shall endeavor to determine in general if such work is proceeding in accordance with the Contract Documents, and ENGINEER shall keep OWNER informed of the progress of the work. The responsibilities of ENGINEER contained in this paragraph are expressly subject to the limitations set forth in the following paragraph and other express or general limitations in this Agreement and elsewhere.

The purpose of ENGINEER's visits to the site will be to enable ENGINEER to better carry out the duties and responsibilities assigned to and undertaken by ENGINEER during the Construction Phase and, in addition, by the exercise of ENGINEER's efforts as an experienced and qualified design professional, to provide for OWNER a greater degree of confidence that the completed work of Contractor will conform in general to the Contract Documents and that the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents has been implemented and preserved by Contractor. On the other hand, ENGINEER shall not, during such visits or as a result of such observations of Contractor's work in progress, supervise, direct, or have control over Contractor's work; nor shall ENGINEER have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor, for safety precautions and programs incident to the work of Contractor, or for any failure of Contractor to comply with laws, rules, regulations, ordinances, codes, or orders applicable to Contractor's furnishing and performing the work. Accordingly, ENGINEER neither guarantees the



Ms. Niki Ensor, P.E.

September 6, 2017

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performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents.

Task 3.3: Defective Work – During such visits and on the basis of such observations, ENGINEER shall have authority to disapprove of or reject Contractor's work while it is in progress, if ENGINEER believes that such work will not produce a completed Project that conforms generally to the Contract Documents or that it will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents.

Task 3.4: Clarifications and Interpretations, Field Orders – ENGINEER shall issue necessary clarifications and interpretations of the Contract Documents, as appropriate to the orderly completion of the work. Such clarifications and interpretations will be consistent with the intent of and reasonably inferable from the Contract Documents. ENGINEER may issue Field Orders authorizing minor variations from the requirements of the Contract Documents.

Task 3.5: Change Orders and Work Change Directives – ENGINEER shall recommend Change Orders and Work Change Directives to OWNER as appropriate and shall prepare change Orders and Work Change Directives as required.

Task 3.6: Shop Drawings – ENGINEER shall review and approve (or take other appropriate action in respect of) Shop Drawings, Samples, Operations and Maintenance Manuals, and other data which Contractor is required to submit but only for conformance with the information given in the Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated in the Contract Documents. Such reviews and approvals or other action will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto.

Task 3.7: Substitutes – ENGINEER shall evaluate and determine the acceptability of substitute or or-equal materials and equipment proposed by Contractor. However, services in making revisions to Drawings and Specifications occasioned by the acceptance of substitute materials or equipment other than or-equal items and services after the award of the Construction Contract in evaluating and determining the acceptability of a substitute which is appropriate for the Project or an excessive number of substitutes will only be performed pursuant to an amendment to this Agreement for additional compensation.

Task 3.8: Disagreements between OWNER and Contractor – ENGINEER shall render the initial decisions on all claims of OWNER and Contractor relating to the acceptability of the work or the interpretation of the requirements of the technical and design related portions of the Contract Documents pertaining to the execution and progress of the work. In rendering such decisions, ENGINEER shall be fair and not show partiality to OWNER or Contractor and shall not be liable in connection with any decision rendered in good faith in such capacity. OWNER shall be responsible for interpretation of the requirements of Divisions 00 and 01 of the Contract Documents.



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Task 3.9: Applications for Payment – Based on ENGINEER’s on-site observations as an experienced and qualified design professional and on review of Applications for Payment and the accompanying data and schedules:

ENGINEER shall determine the amounts that ENGINEER recommends Contractor be paid. Such recommendations of payment will be in writing and will constitute ENGINEER’s representation to OWNER, based on such observations and review, that, to the best of ENGINEER’s knowledge, information and belief, the work has progressed to the point indicated, the quality of such work is generally in accordance with the contract Documents (subject to an evaluation of such work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Contract Documents and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor’s being entitled to such payment appear to have been fulfilled in so far as it is ENGINEER’s responsibility to observe the work. In the case of unit price work, ENGINEER’s recommendations of payment will include final determinations of quantities and classifications of such work (subject to any subsequent adjustments allowed by the Contract Documents). The responsibilities of ENGINEER contained in this paragraph are expressly subject to the limitations set forth in the following paragraph and other express or general limitations in this Agreement and elsewhere.

By recommending any payment, ENGINEER shall not thereby be deemed to have represented that on-site observations made by ENGINEER to check the quality or quantity of Contractor’s work as it is performed and furnished have been exhaustive, extended to every aspect of the work in progress, or have involved detailed inspections of the work beyond the responsibilities specifically assigned to ENGINEER in this Agreement and the Contract Documents. Neither ENGINEER’s review of Contractor’s work for the purposes of recommending payments nor ENGINEER’s recommendation of any payment (including final payment) will impose on ENGINEER responsibility to supervise, direct, or control such work or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor’s compliance with laws, rules, regulations, ordinances, codes, or orders applicable to Contractor’s furnishing and performing the work. It will also not impose responsibility on ENGINEER to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price or to determine that title to any of the work, materials, or equipment has passed to OWNER free and clear of any liens, claims, security interests, or encumbrances or that there may not be other matters at issue between OWNER and Contractor that might affect the amount that should be paid.

Task 3.10: Contractor’s Completion Documents – ENGINEER shall receive, review, and transmit to OWNER with written comments maintenance and operation instructions, schedules, guarantees, bonds, certificates, or other evidence of insurance required by the Contract Documents, certificates of inspection, tests and approvals, and marked-up Record Documents (including Shop Drawings, Samples, and other data approved as provided under paragraph 3.6 and marked-up record



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drawings) which are to be assembled by Contractor in accordance with the Contract Documents to obtain final payment. ENGINEER's review of such documents will only be to determine generally that their content complies with the requirements of and, in the case of certificates of inspections, tests, and approvals, the results certified indicate compliance with, the Contract Documents.

Task 3.11: Substantial Completion – Following notice from Contractor that Contractor considers the entire work ready for its intended use, ENGINEER and OWNER, accompanied by Contractor, shall conduct an inspection to determine if the work is substantially complete. If, after considering any objections of OWNER, ENGINEER considers the work substantially complete ENGINEER shall deliver a certificate of Substantial Completion to OWNER and Contractor.

Task 3.12: Final Notice of Acceptability of the Work – ENGINEER shall conduct a final inspection to determine if the completed work of Contractor is acceptable so that ENGINEER may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, ENGINEER shall indicate that the work is acceptable (subject to the provisions of paragraph 3.10) to the best of ENGINEER's knowledge, information, and belief and based on the extent of the services performed and furnished by ENGINEER under this Agreement.

Task 3.13: Prepare Record Drawings - ENGINEER shall prepare one reproducible record drawing set based on information provided by the Contractor and reviewed as part of Task 3.10. Record Drawings shall also be delivered in electronic format as PDF files on CD.

Limitation of Responsibilities – ENGINEER shall not be responsible for the acts or omissions of any Contractor, or of any subcontractor, any supplier, or any other person or organization performing or furnishing any of the work. ENGINEER shall not be responsible for Contractor's failure to perform or furnish the work in accordance with the Contract Documents.

Time of Completion

The following schedule is the anticipated time of completion for the amended scope of work:

Task Description	Completion Date ⁽¹⁾
Task 1 – Design Services	April 15, 2018
Task 2 – Bidding Services	August 30, 2018
Task 3 – Limited General Services During Construction	December 31, 2019

(1) Assumes Notice to Proceed by November 1, 2017.

Payment and Compensation

The City of Kingsport shall compensate the CDM Smith for providing services set forth herein in accordance with the terms of the Agreement. Invoicing for the work shall be monthly on a lump sum percentage of work completed basis. A status report will accompany each progress invoice.



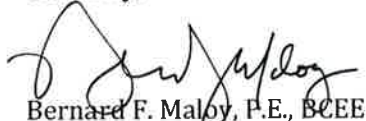
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The project total upper limit shall not exceed without written amendment to this authorization. An estimated breakdown of cost by task is provided for informational purposes below.

Task Description	Task Budget
Task 1 – Design Services	\$204,440
Task 2 – Bidding Services	\$ 19,390
Task 3 – Construction Phase Services	\$104,306
Project Total	\$328,136

CDM Smith looks forward to working with the City of Kingsport for the implementation of the WWTP Switchgear Replacement project. Please contact me with any questions or need for any additional information.

Sincerely,



Bernard F. Maloy, P.E., BCEE
Vice President
CDM Smith Inc.



WWTP Main Switchgear Enclosure



Inside Main Switchgear.



Ram #6 Switchgear



WWTP Intermediate Switchgear



AGENDA ACTION FORM

Authorizing the Mayor to Execute All Documents Necessary and Proper with the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) for a Contribution for Economic Development

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

Action Form No.: AF-257-2017
 Work Session: October 2, 2017
 First Reading: N/A

Final Adoption: October 3, 2017
 Staff Work By: Staff
 Presentation By: Chris McCart

Recommendation:

Approve the Resolution.

Executive Summary:

The Industrial Development Board of the City of Kingsport (KEDB) purchased the Bray property, located on West Sullivan Street, in 2012 for the provision of Economic Development. It is now time for the loan, which was used to purchase this property, to be refinanced.

As a result, it is necessary for the City of Kingsport to enter into an agreement for the purpose of contributing funding to KEDB for economic development, which is already included in our annual contribution to KEDB, for three (3) years beginning November 1, 2017. Within our annual contribution KEDB will have funding to cover the annual interest payments, legal costs and environmental costs.

This agreement will assist KEDB in getting a very low interest rate on the loan for the property.

Attachments:

1. Resolution

Funding source appropriate and funds are available: 

	Y	N	O
Adler	—	—	—
Begley	—	—	—
Cooper	—	—	—
George	—	—	—
McIntire	—	—	—
Olterman	—	—	—
Clark	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN
AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF KINGSPORT, TENNESSEE (KEDB) FOR A
CONTRIBUTION FOR ECONOMIC DEVELOPMENT

WHEREAS, the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) is purchasing the Bray property located on West Sullivan Street in Kingsport, with proceeds from a loan, for the purpose of providing for economic development; and

WHEREAS, the development 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, T.C.A. §6-54-118 permits a municipality to make a contribution to an industrial development corporation, such as KEDB; and

WHEREAS, in consideration of the acquisition of the property by KEDB, and its expected development, the city desires to make a contribution to KEDB for economic development in annual installments of \$65,000 for three years beginning on the 1st day of November, 2017, which contribution can be used for economic development purposes, including the repayment of the loan, if needed; and

WHEREAS, it is in the public interest for the parties to enter into an agreement to provide for the terms of the contribution.

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, an agreement with the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) establishing the terms and conditions as set out herein for a contribution to KEDB for economic development annual installments of \$65,000 for three years beginning on the 1st day of November, 2017, which contribution can be used for economic development purposes, including the repayment of the loan, if needed.

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 3rd day of October, 2017.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY