



AGENDA

BOARD OF MAYOR AND ALDERMEN WORK SESSION

**Monday, February 29, 2016
Council Room, 2nd Floor, City Hall, 4:30 p.m.**

Board of Mayor and Aldermen

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

Alderman Michele Mitchell
Alderman Tommy Olterman
Alderman Tom C. Parham

Leadership Team

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

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

1. Call to Order
2. Roll Call
3. Project Status – Jeff Fleming
4. Sales Tax, Wellness Clinic & Safety – Jeff Fleming
5. Review of Items on March 1, 2016 Business Meeting Agenda
6. ONEKingsport Summit Focus Groups
 - Health & Wellness
BMA – Alderman Parham
Steward – Charlie Glass
Staff – Morris Baker & Michael Thompson
 - Housing
BMA – Alderman Duncan
Stewards – Jeanette Blazier & CeeGee McCord
Staff – Lynn Tully

- Job Creation & Entrepreneurship
BMA – Alderman Olterman
Steward – Julie Bennett
Staff – Corey Shepherd

7. Kingsport100 - Centennial Update – Jeff & CeeGee McCord

8. Adjourn

Next Work Session, (Tuesday) March 15, 2016: Transit Center, Summit Recommendation Priorities
Process, Projects Status

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

Status Updates on Active Projects sorted by Cost

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$13,537,873.00	Niki Ensor	Niki Ensor	Raw Water Intake Replacement (1.5 M EDA Grant)	WA1504	5/7/2017	Two of the four vertical shafts are complete at the WTP. The vertical shaft and stub tunnel at the RWI are complete. Drillers will blast another 35' to finish the connector tunnel and 270' in the main tunnel before they start using the road header.
\$7,500,000.00	Michael Thompson	Thompson, Michael	SR 347 (Rock Springs Road) [State & MTPO funded]	No City Funds	12/31/2020	Conference call held with TDOT Region One staff (Danny Oliver, John Barrett, Eric Wilson) and TDOT Local Programs in Nashville (Whitney Sullivan). Whitney Sullivan will prepare the contract.
\$5,600,000.00	Chad Austin	Norman Eichmann	Reedy Creek Sewer Trunk Line	SW1400	6/30/2017	TDOT & TDEC and CSX approvals have been received. Still working with one property owner for easement.
\$3,250,000.00	Chad Austin	Mike Hickman	Colonial Heights Ph II Sewer & Water	SW1501	3/7/2017	Contract signed. Scheduling preconstruction meeting.
\$2,609,000.00	Chad Austin	Pamela Gilmer	System Wide Water Upgrades FY15 Phase 1	WA1601	5/15/2016	Working on Oakland St, Stagecoach Rd, Timberlake Ln. Cindy Place and Azalea Place passed chlorine tests and connected.
\$2,500,000.00	Chad Austin	Mike Hickman	Colonial Heights Ph V Sewer & Water	SW1512/ WA1404	12/29/2017	Project is in design phase.
\$2,500,000.00	Chad Austin	Mike Hickman	Colonial Heights Ph IV Sewer & Water	SW1511	3/3/2017	Project is in design phase.
\$2,400,000.00	Kitty Frazier	Mason, David	Centennial Park	GP1533	6/15/2017	Design work is proceeding in consultation with Centennial Commission
\$1,886,220.00	Chad Austin	Pamela Gilmer	System Wide Water Upgrades FY15 Phase 2	TBD	12/31/2016	Ready for advertisement.
\$1,700,000.00	Michael Thompson	Thompson, Michael	Main Street Rebuild [City & MTPO Funded]	GP1516	12/31/2018	Awaiting contract from TDOT.
\$1,600,000.00	Chad Austin	Mike Hickman	Colonial Heights Ph III Sewer & Water	SW1502/ WA1502	4/28/2017	Aquiring easements.
\$1,123,727.93	Chad Austin	Pamela Gilmer	Ft. Henry and Moreland Dr. Sewer Rehabilitation	SW1401	10/31/2016	Project will advertise 2/28/16.
\$1,076,018.00	Ronnie Hammonds	Robbins, Steve	Demolition Landfill Clay Liner	DL 1500	5/1/2016	The contract was put on hold as of January 7, 2016 due to weather conditions. The project was 70% complete as of that date.
\$1,002,226.46	Michael Thompson	Clabaugh, Hank	Riverbend Drive - Road Improvements and Construction	GP1512	3/12/2016	The boring for the signal conduit is expected to be completed by Wednesday March 2. This work will complete the project.

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$940,000.00	Kitty Frazier	Clabaugh, Hank	Kingsport Greenbelt - Eastern Extension - Phase 1 [Fed. Grant & City funded]	GP1529	11/1/2017	The professional design services contract with Spoden Wilson is going to the BMA for approval on February 16.
\$900,000.00	Chad Austin	Sam Chase	ARC Kingsport Sewer System Upgrade	SW1504	12/31/2016	Littlejohn addressing comments from Nov. meeting.
\$697,475.00	Michael Thompson	Thompson, Michael	Stone Drive (SR 1, US 11W) Sidewalk Improvements from Stonebrook Place Pvt. Dr. to American Way [95% State Funded 5% City]	TBD	12/8/2018	TDOT has given the notice to proceed with Environmental Phase. TDOT Nashville to do Categorical Exclusion document.
\$671,382.14	Kitty Frazier	Clabaugh, Hank	Greenbelt (Rotherwood/Pedestrian Bridge) [Fed. Grant and City Funded]	GP1013	7/30/2016	TDOT Nashville staff have approved redesign for Thibault property and we are now moving forward with ROW acquisition process.
\$631,700.00	Ronnie Hammonds	Elsa, Tim	Wilcox Sidewalk Phase 5 [State & MTPO funded]	MPO15D	6/30/2016	Legislation proposed this session in Nashville to remedy conflicting licensing requirement/information.
\$550,000.00	Michael Thompson	Grieb, Jacob	Enterprise Place roadway Improvements	GP1611	12/31/2016	Wetland has been delineated. Finalizing roadway layout.
\$500,000.00	Michael Thompson	Clabaugh, Hank	2016 Citywide Sidewalk Extension	GP1403	12/31/2016	The Clinchfield/Stone Drive/Bloomingdale portion of the project is expected to be advertised for bids in late March/early April.
\$500,000.00	Niki Ensor	Niki Ensor	WWTP Blower (175,000 CTEG Grant)	SW1507	5/1/2016	Blower expected to be delivered to WWTP at the end of February.
\$487,800.00	Chad Austin	Hank Clabaugh	Citywide Sewer Replacements & Extensions	SW1600/WA1404	2/28/2016	The fire hydrant installation is complete. The only remaining work on this project is cleanup, seeding, and strawing.
\$450,000.00	Chad Austin	Chad Austin	Border Regions Areas 1, 2 & 3 - Water	TBD	2/17/2017	Currently in FY18 CIP.
\$438,000.00	Hank Clabaugh	Mason, David	130 Shelby St. - Engineering Bldg. Renovation	GP1514	12/31/2016	Executing contract with Armstrong Const.
\$400,000.00	Michael Thompson	Thompson, Michael	Signalization of the SR 126 (Memorial Blvd. at Island Road Intersection [State & MTPO Funded])	MPO15A	12/31/2016	In ROW phase. Currently obtaining appraisal consultants.
\$265,100.00	Helen Whittaker	Mason, David	Library Window Replacement	GP1400	3/11/2016	Primary scope of work is complete. Awaiting custom repair of leaded glass transom to close project.
\$221,800.00	Tim Elsa	Elsa, Tim	Lynn Garden Signal System [MTPO & City funded]	MPO15C	1/31/2018	RFQ advertised 1/31/16. Expressions of interest due 2/24/16.
\$131,000.00	Chad Austin	Chad Austin	JB Dennis Annexation - Water	GP1405	7/1/2017	Bloomingdale has received pricing for the construction. An agreement for the City to fund the upgrades will be prepared for BMA approval.

Estimated Cost	Project Owner	Project Manager	Project Name	Project #	Completion Date	CurrentStatus
\$90,000.00	Chad Austin	Hank Clabaugh	Kingsport South Annexation - Water	TBD	4/3/2017	Lebanon Road hydrant will be installed with CH I I Sewer Project.
\$90,000.00	Kitty Frazier	Clabaugh, Hank	Reedy Creek Terrace Bridge	ST1503	12/31/2016	The environmental reviewers are requiring wetland delineation for the project area. The developer is working with Spoden Wilson on the delineation consultant.
\$75,000.00	Chad Austin	Hank Clabaugh	Cliffside Dr Force Main Replacement	TBD	5/30/2016	The design plans are complete. The project will be advertised for bids once the Riverbend Road "B" project is closed and reallocated.
\$70,000.00	Niki Ensor	Mason, David	Storage Building at Waste Water Treatment Plant	SW1607		Bids to be received March 17th.
\$50,000.00	David Quillen	Gilmer, Pamela	Police Seize Car Lot - Landfill	GP1609	5/31/2016	Will advertise for bids in early March.
\$50,000.00	Tim Elsea	Elsea, Tim	Portable Camera Equipment Purchase [MTPO & City funded]	MPO15B	6/30/2016	No RFQs were submitted for this project. Staff reviewing specifications and having discussions with vendors.
\$40,000.00	Chad Austin	Jim Gilreath	Clinchfield Street Waterline Replacement	Operating	4/30/2016	New waterline to be installed on west side of Clinchfield this spring.
\$20,000.00	Chad Austin	Chris Alley	Robindale Subdivison Water Service	Operating	6/30/2016	Working on details of acquiring 21 new customers of private system.
\$18,000.00	Chad Austin	Chris Alley	Sullivan County Agriculture Center Waterline Extension	Operating	6/15/2016	JC has sent plans to TDEC for approval.
\$15,000.00	Chad Austin	Harvey Page	Centennial Park sewer line replacement - Main St.	Operations	12/31/2016	Met with Engineering to discuss details. This has been placed on the Surveyor's to-do list.

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Friday, February 26, 2016

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

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BMA Report, February 29, 2016



Financial Comments, Judy Smith

Sales Tax Revenue-February 2016

For the Month of December

- December 2015 \$1,845,794
- December 2016 \$1,911,650
 - \$94,868 above budget (5.22%)
 - \$65,856 above last year's actual (3.57%)
- Year to Date 2015 (July-Dec.) \$8,641,734
- Year to Date 2016 (July-Dec.) \$9,128,903

Kingsport Employee Wellness, Terri Evans

	01/01/2016 – 01/31/2016	02/01/2016 – 02/20/2016
Total Utilization	100.9%	96.4%
City – Active Employees	33.3%	31.6%
City – Dependents	20.4%	19.8%
City – Retirees	2.8%	2.2%
Schools – Active Employees	24.1%	18.4%
Schools – Dependents	12.8%	12.9%
Schools – Retirees	1.6%	1.5%
Extended-Patient Services/Other	2.3%	3.2%
Work Comp	0.1%	0.7%
No Show	3.5%	6.1%

Worker's Compensation, Terri Evans

For the month of January 2016 the city had 3 recordable claims. In the 3 claims we had 1 with lost time, 1 with restricted duty, and 1 medical only.

1. **School System, date of injury 1/25/2016**, had 3 days of restricted duty.
What happened: Getting out of a chair tripped over a cord and landed face first. Eye, lip and knee injured.
Action taken: Employee instructed to be more aware of surroundings and cord was removed.
2. **Public Works-Storm Water Management, date of injury 1/28/2016**, 1 day of lost time and is now a restricted duty.
What happened: Putting out road work signs got on sidewalk, slipped and fell on ice (L) ankle.
Action taken: Try to be aware of slick areas-Hazard of the weather
3. **Public Works-WW/W Plant, date of injury 1/6/2016**, restricted duty as of 2/9/2016.
What happened: While moving a set of scales employee twisted his/her knee.
Action taken: None that is noted.



AGENDA

BOARD OF MAYOR AND ALDERMEN

BUSINESS MEETING

Tuesday, March 1, 2016

Large Courtroom – 2nd Floor, City Hall

7:00 p.m.

Board of Mayor and Aldermen

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

Alderman Michele Mitchell
Alderman Tommy Olterman
Alderman Tom C. Parham

City Administration

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

I. CALL TO ORDER

II.A. PLEDGE OF ALLEGIANCE TO THE FLAG

II.B. INVOCATION – Stan Leonard, Minister/Director, Mustard Seed Ministries

III. ROLL CALL

IV. RECOGNITIONS & PRESENTATIONS

1. 911 Call Center – Alderman Olterman
2. Emergency Preparedness Kits at John Sevier Middle School – SRO Brad Conkin, Alderman Parham

V. APPROVAL OF MINUTES

1. Work Session – February 15, 2016
2. Business Meeting – February 16, 2016

VI. COMMUNITY INTEREST ITEMS

A. PUBLIC HEARINGS

None

COMMENT

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

B. BUSINESS MATTERS REQUIRING FIRST READING

1. Enter into an Agreement with TDOT for the Fort Robinson Drive Bridge Replacement Project and Appropriate Available Funds to GP1618 (AF: 44-2016) (Ryan McReynolds)
 - Resolution
 - Ordinance – First Reading
2. Amending the FY 2016 CDBG Budget Ordinance for the Addition of One (1) Position within the Community Development Program (AF: 51-2016) (Lynn Tully)
 - Ordinance – First Reading
3. Amending the Franchise Fee with Kingsport Power Company (d.b.a. AEP Appalachian Power) (AF: 50-2016) (Ryan McReynolds)
 - Ordinance – First Reading

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Amend Zoning of the Arch Street Property, Located at the Intersection of Arch Street and Roller Street (AF: 32-2016) (Ken Weems)
 - Ordinance – **Second Reading & Final Adoption**
2. Accept Donation from the Friends of the Kingsport Public Library for Transformer and Lighting for Outside Kingsport Public Library Sign and Appropriate Funds (AF: 38-2016) (Morris Baker)
 - Ordinance – **Second Reading & Final Adoption**
3. Agreement with Kingsport Economic Development Board for Economic Development in the Downtown Redevelopment District and Appropriation of Funds (AF: 36-2016) (Lynn Tully)
 - Ordinance - **Second Reading & Final Adoption**
4. Budget Cleanup Ordinance for FY16 (AF: 37-2016) (Jeff Fleming)
 - Ordinance - **Second Reading & Final Adoption**

D. OTHER BUSINESS

1. Adoption of VantageTrust II Participation Agreement for Retirement Health Savings Plan (AF: 48-2016) (Mike Billingsley, Jim Demming)
 - Resolution

E. APPOINTMENTS

1. Reappointments to the Construction Board of Adjustments and Appeals (AF: 45-2016) (Mayor Clark)
 - Appointment
2. Reappointment to the Beverage Board (AF: 46-2016) (Mayor Clark)
 - Appointment
3. Reappointments to the Gateway Review Commission (AF: 43-2016) (Mayor Clark)
 - Appointment

VII. CONSENT AGENDA

1. Reimbursement of Materials Agreement Funds to Danny Karst for Edinburgh Phase 7 (AF: 42-2016) (Ryan McReynolds)
 - Resolution
2. Approval and Receiving of a Grant from FM Global (AF: 41-2016) (Craig Dye, Chris Vandagriff)
 - Resolution
3. Authorizing the Mayor to Execute the Necessary Documents to Prepare an Updated Adoption Agreement for the Defined Contribution Retirement Plan per Internal Revenue Instructions (AF: 40-2016) (George DeCroes)
 - Resolution

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

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, February 15, 2016, 4:30 PM
Council Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor John Clark

Vice-Mayor Mike McIntire

Alderman Darrell Duncan

Alderman Colette George

Alderman Tommy Olterman

Alderman Tom C. Parham

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. Absent: Alderman Michele Mitchell
3. **PROJECT STATUS.** City Manager Fleming gave a presentation on this item.
4. **REVIEW OF AGENDA ITEMS ON THE FEBRUARY 16, 2016 REGULAR BUSINESS MEETING AGENDA.** City Manager Fleming and members of staff gave a summary or presentation for each item on the proposed agenda. The following are items the Board discussed at greater length or which received specific questions or concerns.

VI.A.1 Amend Zoning of the Arch Street Property Located at the Intersection of Arch Street and Roller Street (AF: 32-2016). Development Services Director Lynn Tully gave details on this item, pointing out the previous changes made to the requirements were geared to larger developments and had a negative impact on smaller apartment buildings on smaller lots. This amendment would change the floor area ratio to unit per acre density.

VI.B.2 Agreement with Kingsport Economic Development Board for Economic Development in the Downtown Redevelopment District and Appropriation of Funds (AF: 36-2016). Development Services Director Lynn Tully presented this item, stating this program was widely used with an average of \$10,000 awarded to each project. She explained the process for awarding these façade grants, noting it required a 50% match from the applicant.
5. **ONEKINGSPORT SUMMIT FOCUS GROUPS.** Representatives from these focus groups reported their progress to the BMA. Reporting for Arts and Entertainment was Cultural Arts Director Bonnie MacDonald. Destination City Investments was presented Frank Lett from the Kingsport Convention and Visitors Bureau. Lastly, John and Beverly Perdue reported on Downtown Revitalization.
6. **TRANSPORTATION PROJECT PRIORITIES.** Assistant Public Works Director Michael Thompson gave a presentation on this item, highlighting upcoming road projects. Discussion followed.

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of
Kingsport, Tennessee, Monday, February 15, 2016**

7. SCHOOL FACILITIES. School Superintendant Dr. Lyle Aislie provided details on this item, highlighting a strategic plan to address the needs of these facilities. There was considerable discussion.

8. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Clark adjourned the meeting at 7:20 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, February 16, 2016, 7:00 PM
Large Court Room – City Hall

PRESENT:

Board of Mayor and Aldermen

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

Alderman Tommy Olterman
Alderman Tom C. Parham

City Administration

Jeff Fleming, City Manager
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James Demming, City Recorder/Chief Financial Officer

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor John Clark.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Led by New Vision Youth.
- II.B. **INVOCATION:** Pastor Ed Clevinger, Grace Covenant Church.
- III. **ROLL CALL:** By City Recorder Demming. Absent: Alderman Michele Mitchell.
- IV. **RECOGNITIONS AND PRESENTATIONS.**
 1. Kingsport Convention & Visitors Bureau – New Tournament – Chris McCartt, Alderman Duncan.
 2. Jamey Gillenwater – Graphic Winner for Safety Logo – Vice Mayor McIntire.
- V. **APPROVAL OF MINUTES.**

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

- A. February 1, 2016 Regular Work Session
- B. February 2, 2016 Regular Business Meeting

Approved: All present voting “aye.”

VI. COMMUNITY INTEREST ITEMS.

A. PUBLIC HEARINGS.

1. **Amend Zoning of the Arch Street Property Located at the Intersection of Arch Street and Roller Street (AF: 32-2016) (Ken Weems).**

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

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Motion/Second: McIntire/George, to pass:

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO ARCH STREET FROM R-4, MEDIUM DENSITY APARTMENT DISTRICT TO R-5, HIGH DENSITY APARTMENT DISTRICT IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

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

B. BUSINESS MATTERS REQUIRING FIRST READING.

1. Accept Donation from the Friends of the Kingsport Public Library for Transformer and Lighting for Outside Kingsport Public Library Sign and Appropriate Funds (AF: 38-2016) (Morris Baker).

Motion/Second: George/Parham, to pass:

Resolution No. 2016-114, A RESOLUTION ACCEPTING A DONATION OF \$1,087.00 FROM THE FRIENDS OF THE KINGSFORT PUBLIC LIBRARY FOR LIGHTING FOR THE KINGSFORT PUBLIC LIBRARY SIGN

Passed: All present voting "aye."

Motion/Second: George/Duncan, to pass:

AN ORDINANCE TO AMEND THE GENERAL FUND BUDGET BY APPROPRIATING DONATIONS RECEIVED FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

2. Agreement with Kingsport Economic Development Board for Economic Development in the Downtown Redevelopment District and Appropriation of Funds (AF: 36-2016) (Lynn Tully).

Motion/Second: McIntire/Parham, to pass:

Resolution No. 2016-115, A RESOLUTION APPROVING AN AGREEMENT WITH KINGSFORT ECONOMIC DEVELOPMENT BOARD FOR THE ECONOMIC DEVELOPMENT IN THE DOWNTOWN REDEVELOPMENT DISTRICT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye" except George "abstained."

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Motion/Second: Olterman/Duncan, to pass:

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

Passed on first reading: All present voting "aye" except George "abstained."

3. Budget Cleanup Ordinance for FY16 (AF: 37-2016)
(Jeff Fleming).

Motion/Second: McIntire/George, to pass:

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

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

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.

1. Ordinance to Amend the Code of Ordinances, Chapter 114-242(3) Building Permits (AF: 28-2016) (Corey Shepherd).

Motion/Second: Duncan/Olterman, to amend:

Motion/Second: Parham/Olterman, to pass as amended:

ORDINANCE NO. 6544, AN ORDINANCE AMENDING THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, SECTION 114-242(3) BY ADDING A PARAGRAPH PERTAINING TO MINOR IMPROVEMENTS; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

2. Amend the Code of Ordinances to Create the B-2E Central Business Edge District to Better Accommodate Existing and Proposed Uses Downtown (AF: 12-2016) (Justin Steinmann).

Motion/Second: McIntire/Duncan, to pass:

ORDINANCE NO. 6545, AN ORDINANCE TO AMEND THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

3. Rezone Portions of Downtown from B-2, Central Business District, to B-2E, Central Business Edge District, to Better Accommodate Existing and Proposed Uses in Downtown (AF: 13-2016) (Justin Steinmann).

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Motion/Second: McIntire/Duncan, to pass:

ORDINANCE NO. 6546, AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PORTIONS OF DOWNTOWN FROM B-2, CENTRAL BUSINESS DISTRICT TO B-2E, CENTRAL BUSINESS EDGE DISTRICT IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

4. Amend Ordinance 6475, the B-2 Central Business District, to Better Accommodate Existing and Proposed Uses Downtown (AF: 25-2016) (Justin Steinmann).

Motion/Second: McIntire/Parham, to pass:

ORDINANCE NO. 6547, AN ORDINANCE TO FURTHER AMEND THE CODE OF ORDINANCES, CITY OF KINGSFORT, TENNESSEE, ORDINANCE 6475; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

5. Ordinance to Condemn (AF: 21-2016) (Mike Billingsley).

Motion/Second: Olterman/Parham, to pass:

ORDINANCE NO. 6548, 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 CERTAIN PUBLIC WORKS PROJECTS; TO FIX THE PROCEDURE FOR DIRECTING THE INITIATION OF SUCH LITIGATION; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

6. Condemn Property for the Indian Highland Park Parking Lot Project (AF: 27-2016) (Mike Billingsley).

Motion/Second: McIntire/Duncan, to pass:

ORDINANCE NO. 6549, AN ORDINANCE TO AUTHORIZE AND TO 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 WIT, INDIAN HIGHLAND PARK PARKING LOT PROJECT; TO FIX THE PROCEDURE FOR DIRECTING THE INITIATION OF SUCH LITIGATION; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

D. OTHER BUSINESS.

1. Agreement with Spoden and Wilson Consulting Engineers for the Continuation of the Greenbelt Eastern Extension Phase 1 Project (AF: 35-2016) (Ryan McReynolds).

Motion/Second: Parham/George, to pass:

Resolution No. 2016-116, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH SPODEN & WILSON CONSULTING ENGINEERS FOR THE GREENBELT PROJECT AND TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting “aye.”

E. APPOINTMENTS/REAPPOINTMENTS.

Appointments/Reappointments are considered under one motion.

Motion/Second: Olterman/Parham, to approve:

1. Appointment to the Gateway Review Commission (AF: 29-2016) (Mayor Clark).

Approve:

APPOINTMENT OF MR. JOHN PERDUE TO SERVE A THREE-YEAR TERM ON THE **GATEWAY REVIEW COMMISSION**. THIS APPOINTMENT IS EFFECTIVE IMMEDIATELY AND EXPIRES ON FEBRUARY 28, 2019.

Passed: All present voting “aye.”

2. Appointment to the Planning Commission (AF: 30-2016) (Mayor Clark).

Approve:

APPOINTMENT OF MS. SHARON DUNCAN ON THE **PLANNING COMMISSION** TO COMPLETE THE UNEXPIRED TERM OF MS. HEATHER COOK. MS. DUNCAN'S TERM WILL EXPIRE JUNE 30, 2017.

Passed: All present voting “aye” except Duncan “abstained.”

3. Reappointment and Appointment to the Kingsport Board of Zoning Appeals (AF: 31-2016) (Mayor Clark).

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Approve:

APPOINTMENT OF MR. ASHOK GALA AND REAPPOINTMENT OF MR. WILLIAM SUMNER TO SERVE ON THE **KINGSPORT BOARD OF ZONING APPEALS**. MR. GALA WILL REPLACE THE UNEXPIRED TERM OF MS. SHARON DUNCAN AND HIS TERM WILL EXPIRE ON APRIL 30, 2017. MR. SUMNER WILL SERVE A THREE-YEAR TERM EXPIRING ON DECEMBER 31, 2018.

Passed: All present voting "aye."

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

Motion/Second: Olterman/George, to adopt:

1. Approval of Easement and Right-of-Way for Cooks Terrace Sewer Extension Project (AF: 33-2016) (Ryan McReynolds).

Pass:

APPROVE EASEMENT AND RIGHT-OF-WAY FOR COOKS TERRACE SEWER EXTENSION PROJECT

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

2. Bid Award for the Purchase of Various Water and Sewer Maintenance Items (AF: 39-2016) (Chris McCartt, Ryan McReynolds).

Pass:

Resolution No. 2016-117, A RESOLUTION AWARDING THE BID FOR PURCHASE OF VARIOUS WATER AND SEWER MAINTENANCE ITEMS TO SOUTHERN PIPE & SUPPLY, HD SUPPLY WATERWORKS, HAYES SUPPLY WATERWORKS, INC, CMC SUPPLY, INC, AND CONSOLIDATED PIPE & SUPPLY, INC AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR THE SAME

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

VIII. COMMUNICATIONS.

- A. CITY MANAGER.** Mr. Fleming commented on the Stone Drive sidewalk proposal to alleviate confusion from an editorial in the paper. He pointed out this is a grant with very tight controls over what can be applied for so staff chose the project that was most likely to be funded. Mr. Fleming also gave details on the transportation facilities discussion from last night's work session.

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B. MAYOR AND BOARD MEMBERS. Alderman Olterman thanked the Public Works Department as well as the police department for working through the recent snow. Alderman George commended the efforts of the CVB recruiting tournaments to the area. She also stated the recent annual Chamber dinner was an excellent event. Vice-Mayor McIntire commented on the Fire Department's recent confined space training event at the dam which he attended with Alderman Duncan. Alderman Duncan stated his tie was signed by the New Vision Youth group, giving details on this organization and their activities. He also described his experience at the confined space training. Lastly, he encouraged everyone to buy local. Alderman Parham spoke about how well the Chamber dinner was organized. He also gave details on the featured article about Kingsport in the Tennessee Town and City circulation paper. Mayor Clark stated Kingsport was on the right track and we just need to keep it going, pointing out the city is being recognized by the state on many different fronts. He congratulated Dobyys Bennett for winning the Northeast Science Academic Bowl. The mayor noted the summit process is about a month away from wrapping up the four month long process by hearing a final report from the seven focus groups. He also gave some details on the school's presentation from the work session last night. Lastly Mr. Clark discussed the "Live Sugar Free" initiative of Healthy Kingsport as well as the installation of water fountains along the greenbelt.

C. VISITORS. Mr. Skip Morrell commented on the Park Hill subdivision.

IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Clark adjourned the meeting at 8:02 p.m.

ANGELA MARSHALL
Deputy City Recorder

JOHN CLARK
Mayor



AGENDA ACTION FORM

Enter into an Agreement with TDOT for the Fort Robinson Drive Bridge Replacement Project and Appropriate Available Funds to GP1618

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

Action Form No.: AF-44-2016
 Work Session: February 29, 2016
 First Reading: March 1, 2016

Final Adoption: March 15, 2016
 Staff Work By: Michael Thompson
 Presentation By: Ryan McReynolds

Recommendation:

Approve the Resolution and Ordinance.

Executive Summary:

In 2015 an inspection, and field review was provided for the Fort Robinson Drive bridge over Dry Hollow. Through the Federal-Aid Off-System Bridge Replacement Program, TDOT is now prepared to move forward with project development for replacing the Fort Robinson Drive bridge. The Off-System Bridge Replacement Program is an 80% federally funded program, and the local government is responsible for the 20% matching share. The estimated total cost for all phases of this project is \$3,541,000.00, and TDOT has committed to set a maximum amount of \$708,200.00 for the city's portion toward all phases of development. However, if the city requests substantial deviations from the recommended improvements as reflected in the Transportation Investment Report (TIR), TDOT will reevaluate the maximum amount set forth as the city's share.

We request to enter into an agreement with TDOT for Fort Robinson Drive Bridge over Dry Hollow, LM 0.39; Federal Project No. BRZ-9108(47); State Project No. 82956-3590-94; PIN 122156.00; transfer \$48,400.00 from GP1401 (Cooks Valley Road) to GP1618 (Ft. Robinson Bridge Replace); and deposit \$48,400.00 into an LGIP account for our 20% matching deposit for the Preliminary Engineering phase.

Attachments:

1. Resolution
2. Budget Ordinance
3. Agreement (23 pages)
4. LGIP (3 pages)

Funding source appropriate and funds are available: 

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH THE
TENNESSEE DEPARTMENT OF TRANSPORTATION, AND
AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT
AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO
EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the Tennessee Department of Transportation, through its Federal-Aid Off-System Bridge Replacement Program, would like to move forward with project development to replace the Fort Robinson Drive bridge; and

WHEREAS, the estimated total cost of the project is \$3,541,000.00 with a twenty (20%) percent local match, which should not be more than \$708,200.00, unless there are substantial deviations from the plan improvements at this time; and

WHEREAS, a budget ordinance to appropriate the funds for the match is expected to be approved at the March 15, 2016, BMA meeting.

Now therefore,

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

SECTION I. That an agreement with Tennessee Department of Transportation for the Fort Robinson Drive bridge improvement project, 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 Tennessee Department of Transportation 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:

Agreement Number: 160012
Project Identification Number: 122156.00
Federal Project Number: BRZ-9108(47)
State Project Number: 82956-3590-94
State of Tennessee Department of Transportation
LOCAL AGENCY PROJECT AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20__ by and between the STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION, an agency of the State of Tennessee (hereinafter called the "Department") and the City of Kingsport, (hereinafter called the "Agency") for the purpose of providing an understanding between the parties of their respective obligations related to the management of the project described as:
Fort Robinson Drive Bridge over Dry Hollow, LM 0.39

A. PURPOSE OF AGREEMENT

A.1 Purpose:

a) The purpose of this Agreement is to provide for the Department's participation in the project as further described in Exhibit A attached hereto and by this reference made a part hereof (hereinafter called the "Project") and state the terms and conditions as to the manner in which the Project will be undertaken and completed.

A.2 Modifications and Additions:

a) Exhibit(s) are attached hereto and by this reference made a part hereof.

B. ACCOMPLISHMENT OF PROJECT

B.1 General Requirements:

a)

**Funding Provided by
Responsible Party**

	Department	Agency or Project.
Environmental Clearance by:	Department	Project
Preliminary Engineering by:	Department	Project
Right-of-Way by:	Department	Project
Utility Coordination by:	Department	Project
Construction by:	Department	Project

b) After receiving authorization for a phase, the Agency shall commence and complete the phases as assigned above of the Project as described in Exhibit A with all practical dispatch, in a sound, economical, and efficient manner, and in accordance with the provisions herein, and all applicable laws. The Project will be performed in accordance with all latest applicable Department procedures, guidelines, manuals, standards, and directives as described in the Department's Local Government Guidelines, available in electronic format, which by this reference is made a part hereof as if fully set forth herein.

c) A full time employee of the Agency shall supervise the herein described phases of the Project. Said full time employee of the Agency shall be qualified to and shall ensure that the Project will be performed in accordance with the terms of this Agreement and all latest applicable Department procedures, guidelines, manuals, standards, and directives as described in the Department's Local Government Guidelines and this Agreement.

B.2 Completion Date:

a) The Agency agrees to complete the herein assigned phases, of the Project on or before N/A. If the Agency does not complete the herein described phases of the Project within this time period, this Agreement will expire on the last day of scheduled completion as provided in this paragraph unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of the Agreement. An extension of the term of this Agreement will be effected through an amendment to the Agreement. Expiration of this Agreement will be considered termination of the Project. The cost of any work performed after the expiration date of the Agreement will not be reimbursed by the Department.

B.3 Environmental Regulations:

a) The Department will review environmental documents and require any appropriate changes for approval as described in the Department's Local Government Guidelines.

b) In the event the Agency is made responsible for the Environmental Clearances in Section B.1(a) of this Agreement, the Agency will be solely responsible for compliance with all applicable environmental regulations and for any liability arising from non-compliance with these regulations and will reimburse the Department of any loss incurred in connection therewith to the extent permitted by Tennessee Law. The Agency will be responsible for securing any applicable permits as described in the Department's Local Government Guidelines.

c) In the event the Agency is made responsible for the Environmental Clearances in section B.1.(a) of this Agreement, then the Agency must complete environmental clearances before it begins final design and understands that a separate Notice to Proceed will be submitted for final design. Any work on final design performed ahead of this Notice to Proceed will not be reimbursable.

B.4 Plans and Specifications

a) In the event that the Agency is made responsible for the Preliminary Engineering in Section B.1.(a) of this Agreement and federal and/or state funding is providing reimbursement, except as otherwise authorized in writing by the Department, the Agency shall not execute an agreement for the Preliminary Engineering phase of the Project without the written approval of the Department. Failure to obtain such written approval shall be sufficient cause for nonpayment by the Department.

b) In the event that this Agreement involves constructing and equipping of facilities on the State Highway System and/or is a Project with Federal participation and the Agency is made responsible for Preliminary Engineering in section B.1.(a) of this Agreement, the Agency shall submit to the Department for approval all appropriate plans and specifications covering the Project. The Department will review all plans and specifications and will issue to the Agency written approval with any approved portions of the Project and comments or recommendations covering any remainder of the Project deemed appropriate.

1) After resolution of these comments and recommendations to the Department's satisfaction, the Department will issue to the Agency written approval and authorization to proceed with the next assigned phase of the Project. Failure to obtain this written approval and authorization to proceed shall be sufficient cause for nonpayment by the Department.

c) In the event that this Agreement involves the use of State Highway Right-of-Way, the Agency shall submit a set of plans to the TDOT Traffic Engineer responsible for the land in question. These

plans shall be sufficient to establish the proposed Project and its impact on the State Highway Right-of-Way.

B.5 Right-of-Way

- a) The Agency shall, without cost to the Department, provide all land owned by the Agency or by any of its instrumentalities as may be required for the Project right-of-way or easement purposes.
- b) The Agency understands that if it is made responsible for the Right-of-Way phase in section B.1(a) hereof and federal and/or state funds are providing the reimbursement, any activities initiated for the appraisal or the acquisition of land prior to authorization from the Department will not be reimbursed and that failure to follow applicable Federal and State law in this regard may make the Project ineligible for federal and/or state funding.
- c) The Department will review the processes the Agency used for the acquisition of land and other right-of-way activities. If those processes are found to be in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Public Law 91-646, 84 Stat. 1894), the Department will certify that the acquisition phase was completed appropriately. The Agency understands that the Project cannot proceed to the Construction phase until this certification of the acquisition phase has been provided. It further understands that if the processes used for acquisition are such that certification is impossible, federal and/or state funds will be withdrawn from the Project. If such withdrawal does occur, the Agency hereby agrees to reimburse the Department for all federal and/or state funds expended at the time of such withdrawal.
- d) If the Agency is responsible for the Construction phase, it agrees to correct any damage or disturbance caused by its work within the State Highway Right-of-Way, including but not limited to the replacement of any control access fence removed by the Agency or its Contractor or agent during the Construction phase of the Project.

B.6 Approval of the Construction Phase

- a) In the event that the Agency is made responsible for the Construction phase in section B.1.(a) of this Agreement, except as otherwise authorized in writing by the Department, the Agency shall not execute an agreement for the Construction phase of the Project without the written approval of the Department. Failure to obtain such approval shall be sufficient cause for nonpayment by the Department.
- b) In the event that the Department is made responsible for the Construction phase in section B.1.(a) of this Agreement, when the construction phase begins, the Agency may make such periodic visits to the Project site as necessary to familiarize itself generally with the progress and quality of the work and to determine in general if the work is proceeding in accordance with the Construction Agreement. If there is any perceived failure, the Agency shall give prompt written notification to the Department's Resident Engineer in charge.
- c) If the Project includes State Highway Right-of-Way and the Agency is responsible for the Construction phase, the Agency shall follow all requirements imposed by the TDOT Traffic Engineer.
- d) In the event that the Project includes State Highway Right-of-Way and the Agency is performing any construction work on this project, such work shall be performed to the satisfaction of the Department. If the Agency is being compensated for any construction work under this Agreement, any remedial work deemed necessary by the Department shall be done at the Agency's sole expense.
- e) The Agency understands that all contractors allowed to bid hereunder must be included on the Department's pre-qualified contractor list. Under Federal law, however, no contractor shall be required by law, regulation, or practice to obtain a license before submitting a bid or before a bid may be considered for an award of a contract; provided, however, that this is not intended to preclude requirements for the licensing of a contractor upon or subsequent to the award of the contract if such requirements are consistent with competitive bidding.

B.7 Detours

- a) If the Agency deems a detour to be necessary to maintain traffic during a road closure, then the Agency shall select, sign, and maintain the detour route in strict accordance with the Departments Final Construction Plan Notes and the Manual on Uniform Traffic Control Devices.

B.8 Utilities

- a) In the event that the Department is made responsible for the Construction phase in Section B.1(a) of this Agreement, the Department shall also be responsible for the Utilities phase.
- b) In the event that the Agency is made responsible for the Utilities Phase in section B.1.(a) of this Agreement, the following applies:
 - 1) The Agency shall assist and ensure that all utility relocation plans are submitted by the utilities and received by the Regional TDOT Utility Office per TDOT's coordination instructions for approval prior to the Project advertisement for bids.
 - 2) The Agency agrees to provide for and have accomplished all utility connections within the right-of-way and easements prior to the paving stage of the Construction phase.

B.9 Railroad

a) In the event that a railroad is involved, Project costs may be increased by federally required improvements. The Agency agrees to provide such services as necessary to realize these improvements. The Agency understands it may have to enter into additional agreements to accomplish these improvements.

C. PAYMENT TERMS AND CONDITIONS

C.1 Total Cost:

In the event that the Agency shall receive reimbursement for Project expenditures with federal and/or state funds for any portion of the herein described Project, this provision shall apply.

a) The Department agrees to reimburse the Agency for eligible and appropriate Project expenditures as detailed in the Department's Local Government Guidelines with federal and/or state funds made available and anticipated to become available to the Agency, provided that the maximum liability of the Department shall be as set forth in Exhibit A.

C.2 Eligible Costs:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

a) Only Project costs incurred after the issuance of the Notice to Proceed for each phase as detailed in the Department's Local Government Guidelines are eligible for Department reimbursement.

C.3 Limits on Federal and State Participation:

a) Federal and/or state funds shall not participate in any cost which is not incurred in conformity with applicable federal and state law, the regulations in 23 C.F.R. and 49 C.F.R., and policies and procedures prescribed by the Federal Highway Administration (FHWA). Federal funds shall not be paid on account of any cost incurred prior to authorization by the FHWA to the Department to proceed with the Project or part thereof involving such cost. (23 CFR 1.9 (a)). If FHWA and/or the Department determines that any amount claimed is not eligible, federal and/or state participation may be approved in the amount determined to be adequately supported. The Department shall notify the Agency in writing citing the reasons why items and amounts are not eligible for federal and/or state participation. Where correctable non-compliance with provisions of law or FHWA requirements exists, federal and/or state funds may be withheld until compliance is obtained. Where non-compliance is not correctable, FHWA and/or the Department may deny participation in Project costs in part or in total.

b) For any amounts determined to be ineligible for federal and/or state reimbursement for which the Department has made payment, the Agency shall promptly reimburse the Department for all such amounts within ninety (90) days of written notice.

c) The Agency agrees to pay all costs of any part of this project which are not eligible for federal and/or state funding. These funds shall be provided upon written request therefore by either (a) check, or (b) deposit to the Local Government Investment Pool, whenever requested.

C.4 Payment Methodology:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

a) The Agency shall submit invoices, in a form outlined in the Local Government Guidelines with all necessary supporting documentation, prior to any reimbursement of allowable costs. Such invoices shall be submitted no more often than monthly but at least quarterly and indicate, at a minimum, the amount charged by allowable cost line-item for the period invoiced, the amount charged by line-item to date, the total amounts charged for the period invoiced, and the total amount charged under this agreement to date. Each invoice shall be accompanied by proof of payment in the form of a canceled check or other means acceptable to the Department.

b) The payment of an invoice by the Department shall not prejudice the Department's right to object to or question any invoice or matter in relation thereto. Such payment by the Department shall neither be construed as acceptance of any part of the work or service provided nor as final approval of any of the costs invoiced therein. The Agency's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the Department not to constitute allowable costs. Any payment may be reduced for overpayments or increased for under-payments on subsequent invoices.

c) Should a dispute arise concerning payments due and owing to the Agency under this Agreement, the Department reserves the right to withhold said disputed amounts pending final resolution of the dispute.

C.5 The Department's Obligations:

In the event that the Department is managing all phases of the Project herein described, this provision C.5 does not apply.

a) Subject to other provisions hereof, the Department will honor requests for reimbursement to the Agency in amounts and at times deemed by the Department to be proper to ensure the carrying out of the Project and payment of the eligible costs. However, notwithstanding any other provision of this Agreement, the Department may elect not to make a payment if:

1) Misrepresentation:

The Agency shall have made misrepresentation of a material nature in its application, or any supplement thereto or amendment thereof, or in or with respect to any document or data furnished therewith or pursuant hereto;

2) Litigation:

There is then pending litigation with respect to the performance by the Agency of any of its duties or obligations which may jeopardize or adversely affect the Project, this Agreement or payments to the Project;

3) Approval by Department:

The Agency shall have taken any action pertaining to the Project, which under this Agreement requires the approval of the Department or has made related expenditure or incurred related obligations without having been advised by the Department that same are approved;

4) Conflict of Interests:

There has been any violation of the conflict of interest provisions contained herein in D.16; or

5) Default:

The Agency has been determined by the Department to be in default under any of the provisions of the Agreement.

C.6 Final Invoices:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

a) The Agency must submit the final invoice on the Project to the Department within one hundred twenty (120) days after the completion of the Project. Invoices submitted after the one hundred twenty (120) day time period may not be paid.

C.7 Offset:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

a) If, after Project completion, any claim is made by the Department resulting from an audit or for work or services performed pursuant to this Agreement, the Department may offset such amount from payments due for work or services done under any agreement which it has with the Agency owing such amount if, upon demand, payment of the amount is not made within sixty (60) days to the Department. Offsetting any amount pursuant to this section shall not be considered a breach of agreement by the Department.

C.8 Travel Compensation

a) If the Project provided for herein includes travel compensation, reimbursement to the Agency for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time and subject to the Agreement Budget.

D. STANDARD TERMS AND CONDITIONS

D.1 Governing Law:

a) This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. The Agency agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Agreement. The Agency acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under Tennessee Code Annotated, Sections 9-8-101 through 9-8-407.

D.2 General Compliance with Federal, State, and Local Law:

a) The Agency is assumed to be familiar with and observe and comply with those Federal, State, and local laws, ordinances, and regulations in any manner affecting the conduct of the work and those instructions and prohibitive orders issued by the State and Federal Government regarding fortifications, military and naval establishments and other areas. The Agency shall observe and comply with those laws, ordinances, regulations, instructions, and orders in effect as of the date of this Agreement.

b) The parties hereby agree that failure of the Agency to comply with this provision shall constitute a material breach of this Agreement and subject the Agency to the repayment of all damages suffered by the State and/or the Department as a result of said breach.

D.3 State Law:

a) Nothing in the Agreement shall require the Agency to observe or enforce compliance with any provision thereof, perform any other act or do any other thing in contravention of any applicable state

law, provided, that if any of the provisions of the Agreement violate any applicable state law, the Agency will at once notify the Department in writing in order that appropriate changes and modifications may be made by the Department and the Agency to the end that the Agency may proceed as soon as possible with the Project.

D.4 Submission of the Proceedings, Agreements, and Other Documents:

a) The Agency shall submit to the Department such data, reports, records, agreements, and other documents relating to the Project as the Department and the Federal Highway Administration may require.

D.5 Appropriations of Funds:

a) This Agreement is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the Department reserves the right to terminate the Agreement upon thirty (30) days written notice to the Agency. Said termination shall not be deemed a breach of agreement by the Department. Upon receipt of the written notice, the Agency shall cease all work associated with the Agreement. Should such an event occur, the Agency shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Agency shall have no right to recover from the Department any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.6 Rights and Remedies Not Waived:

a) In no event shall the making by the Department of any payment to the Agency constitute or be construed as a waiver by the Department of any breach of covenant or any default which may then exist on the part of the Agency and the making of such payment by the Department, while any such breach or default shall exist, shall in no way impair or prejudice any right or remedy available to the Department with respect to such breach or default.

b) Nothing in this agreement shall be construed to limit the Department's right at any time to enter upon its highway right-of-way, including the area occupied by the Project, for the purpose of maintaining or reconstructing its highway facilities.

D.7 Department and Agency Not Obligated to Third Parties:

a) The Department and Agency shall not be obligated hereunder to any party other than the parties to this Agreement.

D.8 Independent Contractor:

a) The parties hereto, in the performance of this Agreement, shall not act as agents, employees, partners, joint ventures, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Agreement shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

b) The Agency, being a political subdivision of the State, is governed by the provisions of the Tennessee Government Tort Liability Act, Tennessee Code Annotated, Sections 29-20-101, et seq, and all other applicable laws.

D.9 Maintenance:

a) Nothing contained herein shall be construed as changing the maintenance responsibility of either party for any part of the referenced project that lies on its system of highways. If the project funded hereunder results in the installation of any traffic signal, lighting or other electrically operated device(s), then the Agency shall be solely responsible for and pay all costs associated with maintenance and operation of all electrically operated devices together with the related equipment, wiring and other necessary appurtenances, and the Agency shall furnish electrical current to all such devices which may be installed as part of the project. Additionally, the Agency shall be solely responsible for and pay all costs associated with the maintenance and operation of solar-powered devices, including, but not limited to, replacement of solar panels, batteries, lights and lenses.

b) In the event that the Department is made responsible for the Construction phase in section B.1.(a) of this Agreement and to the extent that the Department is responsible for accomplishing the construction of the project, the Department will notify the Agency when Construction phase of the project has been completed; provided however, that failure to notify the Agency shall not relieve the Agency of its maintenance responsibilities.

D.10 Disadvantaged Business Enterprise (DBE) Policy and Obligation:

In the event that the herein-described project is funded with federal funds, the following shall apply:

a) DBE Policy:

It is the policy of the Department that Disadvantaged Business Enterprises, as defined in 49 C.F.R., Part 26, as amended, shall have the opportunity to participate in the performance of agreements

financed in whole or in part with Department funds under this Agreement. The DBE requirements of applicable federal and state regulations apply to this Agreement; including but not limited to project goals and good faith effort requirements.

b) DBE Obligation:

The Agency and its Contractors agree to ensure that Disadvantaged Business Enterprises, as defined in applicable federal and state regulations, have the opportunity to participate in the performance of agreements and this Agreement. In this regard, all recipients and Contractors shall take all necessary and reasonable steps in accordance with applicable federal and state regulations, to ensure that the Disadvantaged Business Enterprises have the opportunity to compete for and perform agreements. The Agency shall not discriminate on the basis of race, color, national origin or sex in the award and performance of Department-assisted agreements.

D.11 Tennessee Department of Transportation Debarment and Suspension:

a) In accordance with the Tennessee Department of Transportation regulations governing Contractor Debarment and Suspension, Chapter 1680-5-1, the Agency shall not permit any suspended, debarred or excluded business organizations or individual persons appearing on the Tennessee Department of Transportation Excluded Parties List to participate or act as a principal of any participant in any covered transaction related to this Project. Covered transactions include submitting a bid or proposal, entering into an agreement, or participating at any level as a subContractor.

D.12 Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion (applies to federal aid projects):

a) Instructions for Certification - Primary Covered Transactions:

By signing and submitting this Agreement, the Agency is providing the certification set out below.

- 1) The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The Agency shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Department's determination whether to enter into this transaction. However, failure of the Agency to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.
- 2) The certification in this clause is a material representation of fact upon which reliance was placed when the Department determined to enter into this transaction. If it is later determined that the Agency knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department may terminate this transaction for cause or default.
- 3) The Agency shall provide immediate written notice to the Department if at any time the Agency learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- 4) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the Department for assistance in obtaining a copy of those regulations.
- 5) The Agency agrees by entering into this Agreement that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Department.
- 6) The Agency further agrees by entering into this Agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the Department, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 7) An Agency may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement portion of the "Lists of Parties Excluded From Federal Procurement or Non-procurement Programs" (Non-procurement List) which is compiled by the General Services Administration.
- 8) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9) Except for transactions authorized under these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the Department may terminate this transaction for cause or default.

b) Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-- Primary Covered Transactions:

The prospective participant in a covered transaction certifies to the best of its knowledge and belief, that it and its principals:

1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal, State or local department or agency;

2) Have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or agreement under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in this certification; and

4) Have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

5) Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

D.13 Equal Employment Opportunity:

a) In connection with the performance of any Project, the Agency shall not discriminate against any employee or applicant for employment because of race, age, religion, color, sex, national origin, disability or marital status. The Agency will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, age, religion, color, gender, national origin, disability or marital status. Such action shall include, but not be limited to, the following: employment upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

b) The Agency shall insert the foregoing provision in all agreements modified only to show the particular contractual relationship in all its agreements in connection with the development of operation of the Project, except agreements for the standard commercial supplies or raw materials, and shall require all such Contractors to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials. When the Project involves installation, construction, demolition, removal, site improvement, or similar work, the Agency shall post, in conspicuous places available to employees and applicants for employment for Project work, notices to be provided by the Department setting forth the provisions of the nondiscrimination clause.

D.14 Title VI - Civil Rights Act of 1964:

a) The Agency shall comply with all the requirements imposed by Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), 49 C.F.R., Part 21, and related statutes and regulations. The Agency shall include provisions in all agreements with third parties that ensure compliance with Title VI of the Civil Rights Act of 1964, 49 C.F.R., Part 21, and related statutes and regulations.

D.15 Americans with Disabilities Act of 1990 (ADA):

a) The Agency will comply with all the requirements as imposed by the ADA and the regulations of the federal government issued thereunder.

D.16 Conflicts of Interest:

a) The Agency warrants that no amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subContractor, or consultant to the Agency in connection with any work contemplated or performed relative to this Agreement.

b) The Agency shall insert in all agreements entered into in connection with the Project or any property included or planned to be included in any Project, and shall require its Contractors to insert in each of its subcontracts, the following provision:

1) "No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subContractor, or consultant to the Agency in connection with any work contemplated or performed relative to this Agreement."

D.17 Interest of Members of or Delegates to, Congress (applies to federal aid projects):

a) No member of or delegate to the Congress of the United States shall be admitted to any share or part of the Agreement or any benefit arising therefrom.

D.18 Restrictions on Lobbying (applies to federal aid projects): The Agency certifies, to the best of its knowledge and belief, that:

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

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

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

D.19 Records:

a) The Agency shall maintain documentation for all charges against the Department under this Agreement. All costs charged to the Project, including any approved services contributed by the Agency or others, shall be supported by properly executed payrolls, time records, invoices, agreements or vouchers evidencing in proper detail and in a form acceptable to the Department the nature and propriety of the charges. The books, records, and documents of the Agency, insofar as they relate to work performed or money received under this Agreement, shall be maintained and made available upon request to the Department at all times during the period of this Agreement and for at least three (3) years after final payment is made.

b) Copies of these documents and records shall be furnished to the Department, the Comptroller of the Treasury, or their duly appointed representatives, upon request. Records of costs incurred includes the Agency's general accounting records and the Project records, together with supporting documents and records, of the Agency and all subContractors performing work on the Project and all other records of the Agency and subContractors considered necessary by the Department for a proper audit of costs. If any litigation, claim, or audit is started before the expiration of the three (3) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

c) The aforesaid requirements to make records available to the Department shall be a continuing obligation of the Agency and shall survive a termination of the Agreement.

D.20 Inspection:

a) The Agency shall permit, and shall require its Contractor, subContractor or materials vendor to permit, the Department's authorized representatives and authorized agents of the Federal Highway Administration to inspect all work, workmanship, materials, payrolls, records and to audit the books, records and accounts pertaining to the financing and development of the Project.

b) The Department reserves the right to terminate this Agreement for refusal by the Agency or any Contractor, subContractor or materials vendor to allow public access to all documents, papers, letters or other material made or received in conjunction with this Agreement.

D.21 Annual Report and Audit:

a) In the event that an Agency expends \$500,000 or more in federal awards in its fiscal year, the Agency must have a single or program specific audit conducted in accordance with the United States Office of Management and Budget (OMB) Circular A-133.

b) All books of account and financial records shall be subject to annual audit by the Tennessee Comptroller of the Treasury or the Comptroller's duly appointed representative. When an audit is required, the Agency may, with the prior approval of the Comptroller, engage a licensed independent public accountant to perform the audit. The audit agreement between the Agency and the licensed independent public accountant shall be on an agreement form prescribed by the Tennessee Comptroller of the Treasury. Any such audit shall be performed in accordance with generally accepted government auditing standards, the provisions of OMB Circular A-133, if applicable, and the Audit Manual for Governmental Units and Recipients of Grant Funds published by the Tennessee Comptroller of the Treasury.

c) The Agency shall be responsible for reimbursement of the cost of the audit prepared by the Tennessee Comptroller of the Treasury, and payment of fees for the audit prepared by the licensed independent public accountant. Payment of the audit fees of the licensed independent public

accountant by the Agency shall be subject to the provisions relating to such fees contained in the prescribed agreement form noted above. Copies of such audits shall be provided to the designated cognizant state agency, the Department, the Tennessee Comptroller of the Treasury, and the Department of Finance and Administration and shall be made available to the public.

D.22 Termination for Convenience:

a) The Department may terminate this agreement without cause for any reason. Said termination shall not be deemed a breach of agreement by the Department. The Department shall give the Agency at least thirty (30) days written notice before the effective termination date. The Agency shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the Department be liable to the Agency for compensation for any service which has not been rendered. The final decision as to the amount for which the Department is liable shall be determined by the Department. Should the Department exercise this provision, the Agency shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.23 Termination for Cause:

a) If the Agency fails to properly perform its obligations under this Agreement in a timely or proper manner, or if the Agency violates any terms of this Agreement, the Department shall have the right to immediately terminate the Agreement and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Agency shall not be relieved of liability to the Department for damages sustained by virtue of any breach of this Agreement by the Agency.

b) In the event that the Project herein described includes Federal funds, the Agency understands that if the Federal Highway Administration (FHWA) determines that some or all of the cost of this project is ineligible for federal funds participation because of failure by the Agency to adhere to federal laws and regulations, the Agency shall be obligated to repay to the Department any federal funds received by the Agency under this agreement for any costs determined by the FHWA to be ineligible.

c) If the Project herein described lies on the state highway system and the Agency fails to perform any obligation under this section of this agreement, the Department shall have the right to cause the Agency, by giving written notice to the Agency, to close the Project to public use and to remove the Project at its own expense and restore the premises to the satisfaction of the Department within ninety (90) days thereafter.

D.24 How Agreement is Affected by Provisions Being Held Invalid:

a) If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected. In such an instance the remainder would then continue to conform to the terms and requirements of applicable law.

D.25 Agreement Format:

a) All words used herein in the singular form shall extend to and include the plural. All words used in the plural form shall extend to and include the singular. All words used in any gender shall extend to and include all genders.

D.26 Certification Regarding Third Party Contracts:

a) The Agency certifies by its signature hereunder that it has no understanding or contract with a third party that will conflict with or negate this Agreement in any manner whatsoever.

b) The Agency further certifies by its signature hereunder that it has disclosed and provided to the Department a copy of any and all contracts with any third party that relate to the Project or any work funded under this Agreement.

c) The Agency further certifies by its signature hereunder that it will not enter into any contract with a third party that relates to this project or to any work funded under this Agreement without prior disclosure of such proposed contract to the Department.

d) The Agency hereby agrees that failure to comply with these provisions shall be a material breach of this Agreement and may subject the Agency to the repayment of funds received from or through the Department under this Agreement and to the payment of all damages suffered by the Department as a result of said breach.

D.27 Amendment:

a) This Agreement may be modified only by a written amendment, which has been executed and approved by the appropriate parties as indicated on the signature page of this Agreement.

D.28 State Liability:

a) The Department shall have no liability except as specifically provided in this Agreement.

D.29 Force Majeure:

a) The obligations of the parties to this Agreement are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, strikes, epidemics or any other similar cause.

D.30 Required Approvals:

a) The Department is not bound by this Agreement until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.

D.31 Estimated Cost:

a) The parties recognize that the estimated costs contained herein are provided for planning purposes only. They have not been derived from any data such as actual bids, etc

b) In the event that the Department is made responsible in section B.1.(a) of this Agreement for the management of the herein described Project, the parties understand that more definite cost estimates will be produced during project development. These more reliable estimates will be provided to the Agency by the Department as they become available.

D.32 Third Party Liability:

a) The Agency shall assume all liability for third-party claims and damages arising from the construction, maintenance, existence and use of the Project to the extent provided by Tennessee Law and subject to the provisions, terms and liability limits of the Governmental Tort Liability Act, T.C.A. Section 29-20-101, et seq, and all applicable laws.

D.33 Deposits:

a) Required deposits and any other costs for which the Agency is liable shall be made available to the Department, whenever requested.

D.34 Department Activities:

a) Where the Agency is managing any phase of the project the Department shall provide various activities necessary for project development. The estimated cost for these activities are included in the funds shown herein.

D.35 Congestion Mitigation and Air Quality Requirement:

a) If the herein described project is funded with Congestion Mitigation Air Quality (CMAQ) funds, this section D.35 shall apply.

1) Whereas the Agency understands and agrees that the funding provided hereunder must be obligated with the Federal Highway Administration within three years from the date of this agreement. It is further agreed that once all requirements have been met for development of the project, the Agency will expend the funds in a manner to insure its expenditure on a continuous basis until the funds are exhausted. Failure to follow this process may result in a loss of funds.

D.36 Investment of Public Funds:

a) The facility on which this project is being developed shall remain open to the public and vehicular traffic for a sufficient time to recoup the public investment therein as shown below:

Amount Open to Public and Vehicular Traffic

\$1.00 - \$200,000	=	5 Years
>\$200,000 - \$500,000	=	10 Years
>\$500,000 - \$1,000,000	=	20 Years

b) Projects over \$1,000,000 carry a minimum 25 years open to public and vehicular traffic requirement and will be subject to individual review.

D.37 Federal Funding Accountability and Transparency Act:

a) **If the Project is funded with federal funds the following shall apply:** The Agency shall comply with the Federal Funding Accountability and Transparency Act of 2006 (Pub.L. 109-282), as amended by section 6202 of Public Law 110-252 ("the Transparency Act") and the regulations and requirements of the federal government issued thereunder, including, but not limited to, 2 CFR Part 170. The Agency shall submit the information needed for the Transparency Act in accordance with the forms and processes identified by the Department.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their respective authorized officials on the date first above written.

[Acknowledgements and Indexes 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 1st day of March, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER
APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL
PROJECT FUND BUDGET BY TRANSFERRING
FUNDS TO THE FORT ROBINSON BRIDGE
REPLACEMENT PROJECT FOR THE YEAR
ENDING JUNE 30, 2016; AND TO FIX THE
EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Project Fund budget be amended by transferring \$48,400 from the Cooks Valley Road project (GP1401) to the Fort Robinson Bridge Replacement project (GP1618) for the City's 20% matching deposit for the Preliminary Engineering phase.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 311: General Project Fund			
Cooks Valley Road (GP1401)			
Revenues:	\$	\$	\$
311-0000-368-1040 Series 2011 GO Pub Imp	459,694	0	459,694
311-0000-368-1046 Series 2013B GO Pub Imp	894,586	(48,400)	846,186
311-0000-368-2101 Premium From Bond Sale	61,414	0	61,414
Totals:	1,415,694	(48,400)	1,367,294

Expenditures:	\$	\$	\$
311-0000-601-2023 Arch/Eng/Landscaping	160,000	(24,000)	136,000
311-0000-601-2097 State Reviews & Permits	2,000	0	2,000
311-0000-601-4041 Bond Expense	11,762	0	11,762
311-0000-601-9001 Land	6,238	0	6,238
311-0000-601-9003 Improvements	1,235,694	(24,400)	1,211,294
Totals:	1,415,694	(48,400)	1,367,294

Fund 311: General Project Fund			
Ft. Robinson Bridge Replace (GP1618)			
Revenues:	\$	\$	\$
311-0000-368-1040 Series 2011 GO Pub Imp	0	48,400	48,400
Totals:	0	48,400	48,400

Expenditures:	\$	\$	\$
311-0000-601-2023 Arch/Eng/Landscaping	0	48,400	48,400
Totals:	0	48,400	48,400

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

ATTEST:

JOHN CLARK, Mayor

APPROVED AS TO FORM:

ANGIE MARSHALL
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

Agreement Number: 160012

Project Identification Number: 122156.00

Federal Project Number: BRZ-9108(47)

State Project Number: 82956-3590-94

State of Tennessee Department of Transportation

LOCAL AGENCY PROJECT AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20__ by and between the STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION, an agency of the State of Tennessee (hereinafter called the "Department") and the City of Kingsport, (hereinafter called the "Agency") for the purpose of providing an understanding between the parties of their respective obligations related to the management of the project described as:

Fort Robinson Drive Bridge over Dry Hollow, LM 0.39

A. PURPOSE OF AGREEMENT

A.1 Purpose:

- a) The purpose of this Agreement is to provide for the Department's participation in the project as further described in Exhibit A attached hereto and by this reference made a part hereof (hereinafter called the "Project") and state the terms and conditions as to the manner in which the Project will be undertaken and completed.

A.2 Modifications and Additions:

- a) Exhibit(s) are attached hereto and by this reference made a part hereof.

B. ACCOMPLISHMENT OF PROJECT

B.1 General Requirements:

- a)
- | | Responsible Party | Funding Provided by Agency or Project. |
|-----------------------------|--------------------------|---|
| Environmental Clearance by: | Department | Project |
| Preliminary Engineering by: | Department | Project |
| Right-of-Way by: | Department | Project |

Utility Coordination by:	Department	Project
Construction by:	Department	Project

- b) After receiving authorization for a phase, the Agency shall commence and complete the phases as assigned above of the Project as described in Exhibit A with all practical dispatch, in a sound, economical, and efficient manner, and in accordance with the provisions herein, and all applicable laws. The Project will be performed in accordance with all latest applicable Department procedures, guidelines, manuals, standards, and directives as described in the Department's Local Government Guidelines, available in electronic format, which by this reference is made a part hereof as if fully set forth herein.
- c) A full time employee of the Agency shall supervise the herein described phases of the Project. Said full time employee of the Agency shall be qualified to and shall ensure that the Project will be performed in accordance with the terms of this Agreement and all latest applicable Department procedures, guidelines, manuals, standards, and directives as described in the Department's Local Government Guidelines and this Agreement.

B.2 Completion Date:

- a) The Agency agrees to complete the herein assigned phases of the Project on or before N/A. If the Agency does not complete the herein described phases of the Project within this time period, this Agreement will expire on the last day of scheduled completion as provided in this paragraph unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of the Agreement. An extension of the term of this Agreement will be effected through an amendment to the Agreement. Expiration of this Agreement will be considered termination of the Project. The cost of any work performed after the expiration date of the Agreement will not be reimbursed by the Department.

B.3 Environmental Regulations:

- a) The Department will review environmental documents and require any appropriate changes for approval as described in the Department's Local Government Guidelines.
- b) In the event the Agency is made responsible for the Environmental Clearances in Section B.1(a) of this Agreement, the Agency will be solely responsible for compliance with all applicable environmental regulations and for any liability arising from non-compliance with these regulations and will reimburse the Department of any loss incurred in connection therewith to the extent permitted by Tennessee Law. The Agency will be responsible for securing any applicable permits as described in the Department's Local Government Guidelines.

- c) In the event the Agency is made responsible for the Environmental Clearances in section B.1.(a) of this Agreement, then the Agency must complete environmental clearances before it begins final design and understands that a separate Notice to Proceed will be submitted for final design. Any work on final design performed ahead of this Notice to Proceed will not be reimbursable.

B.4 Plans and Specifications

- a) In the event that the Agency is made responsible for the Preliminary Engineering in Section B.1.(a) of this Agreement and federal and/or state funding is providing reimbursement, except as otherwise authorized in writing by the Department, the Agency shall not execute an agreement for the Preliminary Engineering phase of the Project without the written approval of the Department. Failure to obtain such written approval shall be sufficient cause for nonpayment by the Department.
- b) In the event that this Agreement involves constructing and equipping of facilities on the State Highway System and/or is a Project with Federal participation and the Agency is made responsible for Preliminary Engineering in section B.1.(a) of this Agreement, the Agency shall submit to the Department for approval all appropriate plans and specifications covering the Project. The Department will review all plans and specifications and will issue to the Agency written approval with any approved portions of the Project and comments or recommendations covering any remainder of the Project deemed appropriate.
 - 1) After resolution of these comments and recommendations to the Department's satisfaction, the Department will issue to the Agency written approval and authorization to proceed with the next assigned phase of the Project. Failure to obtain this written approval and authorization to proceed shall be sufficient cause for nonpayment by the Department.
- c) In the event that this Agreement involves the use of State Highway Right-of-Way, the Agency shall submit a set of plans to the TDOT Traffic Engineer responsible for the land in question. These plans shall be sufficient to establish the proposed Project and its impact on the State Highway Right-of-Way.

B.5 Right-of-Way

- a) The Agency shall, without cost to the Department, provide all land owned by the Agency or by any of its instrumentalities as may be required for the Project right-of-way or easement purposes.
- b) The Agency understands that if it is made responsible for the Right-of-Way phase in section B.1(a) hereof and federal and/or state funds are providing the reimbursement, any activities initiated for the appraisal or the acquisition of land prior to authorization from the Department will not be reimbursed and that failure

to follow applicable Federal and State law in this regard may make the Project ineligible for federal and/or state funding.

- c) The Department will review the processes the Agency used for the acquisition of land and other right-of-way activities. If those processes are found to be in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Public Law 91-646, 84 Stat. 1894), the Department will certify that the acquisition phase was completed appropriately. The Agency understands that the Project cannot proceed to the Construction phase until this certification of the acquisition phase has been provided. It further understands that if the processes used for acquisition are such that certification is impossible, federal and/or state funds will be withdrawn from the Project. If such withdrawal does occur, the Agency hereby agrees to reimburse the Department for all federal and/or state funds expended at the time of such withdrawal.
- d) If the Agency is responsible for the Construction phase, it agrees to correct any damage or disturbance caused by its work within the State Highway Right-of-Way, including but not limited to the replacement of any control access fence removed by the Agency or its Contractor or agent during the Construction phase of the Project.

B.6 Approval of the Construction Phase

- a) In the event that the Agency is made responsible for the Construction phase in section B.1.(a) of this Agreement, except as otherwise authorized in writing by the Department, the Agency shall not execute an agreement for the Construction phase of the Project without the written approval of the Department. Failure to obtain such approval shall be sufficient cause for nonpayment by the Department.
- b) In the event that the Department is made responsible for the Construction phase in section B.1.(a) of this Agreement, when the construction phase begins, the Agency may make such periodic visits to the Project site as necessary to familiarize itself generally with the progress and quality of the work and to determine in general if the work is proceeding in accordance with the Construction Agreement. If there is any perceived failure, the Agency shall give prompt written notification to the Department's Resident Engineer in charge.
- c) If the Project includes State Highway Right-of-Way and the Agency is responsible for the Construction phase, the Agency shall follow all requirements imposed by the TDOT Traffic Engineer.
- d) In the event that the Project includes State Highway Right-of-Way and the Agency is performing any construction work on this project, such work shall be performed to the satisfaction of the Department. If the Agency is being compensated for any construction work under this Agreement, any remedial work deemed necessary by the Department shall be done at the Agency's sole expense.

- e) The Agency understands that all contractors allowed to bid hereunder must be included on the Department's pre-qualified contractor list. Under Federal law, however, no contractor shall be required by law, regulation, or practice to obtain a license before submitting a bid or before a bid may be considered for an award of a contract; provided, however, that this is not intended to preclude requirements for the licensing of a contractor upon or subsequent to the award of the contract if such requirements are consistent with competitive bidding.

B.7 Detours

- a) If the Agency deems a detour to be necessary to maintain traffic during a road closure, then the Agency shall select, sign, and maintain the detour route in strict accordance with the Departments Final Construction Plan Notes and the Manual on Uniform Traffic Control Devices.

B.8 Utilities

- a) In the event that the Department is made responsible for the Construction phase in Section B.1(a) of this Agreement, the Department shall also be responsible for the Utilities phase.
- b) In the event that the Agency is made responsible for the Utilities Phase in section B.1.(a) of this Agreement, the following applies:
 - 1) The Agency shall assist and ensure that all utility relocation plans are submitted by the utilities and received by the Regional TDOT Utility Office per TDOT's coordination instructions for approval prior to the Project advertisement for bids.
 - 2) The Agency agrees to provide for and have accomplished all utility connections within the right-of-way and easements prior to the paving stage of the Construction phase.

B.9 Railroad

- a) In the event that a railroad is involved, Project costs may be increased by federally required improvements. The Agency agrees to provide such services as necessary to realize these improvements. The Agency understands it may have to enter into additional agreements to accomplish these improvements.

C. PAYMENT TERMS AND CONDITIONS

C.1 Total Cost:

In the event that the Agency shall receive reimbursement for Project expenditures with federal and/or state funds for any portion of the herein described Project, this provision shall apply.

- a) The Department agrees to reimburse the Agency for eligible and appropriate Project expenditures as detailed in the Department's Local Government Guidelines with federal and/or state funds made available and anticipated to become available to the Agency, provided that the maximum liability of the Department shall be as set forth in Exhibit A.

C.2 Eligible Costs:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

- a) Only Project costs incurred after the issuance of the Notice to Proceed for each phase as detailed in the Department's Local Government Guidelines are eligible for Department reimbursement.

C.3 Limits on Federal and State Participation:

- a) Federal and/or state funds shall not participate in any cost which is not incurred in conformity with applicable federal and state law, the regulations in 23 C.F.R. and 49 C.F.R., and policies and procedures prescribed by the Federal Highway Administration (FHWA). Federal funds shall not be paid on account of any cost incurred prior to authorization by the FHWA to the Department to proceed with the Project or part thereof involving such cost. (23 CFR 1.9 (a)). If FHWA and/or the Department determines that any amount claimed is not eligible, federal and/or state participation may be approved in the amount determined to be adequately supported. The Department shall notify the Agency in writing citing the reasons why items and amounts are not eligible for federal and/or state participation. Where correctable non-compliance with provisions of law or FHWA requirements exists, federal and/or state funds may be withheld until compliance is obtained. Where non-compliance is not correctable, FHWA and/or the Department may deny participation in Project costs in part or in total.
- b) For any amounts determined to be ineligible for federal and/or state reimbursement for which the Department has made payment, the Agency shall promptly reimburse the Department for all such amounts within ninety (90) days of written notice.

- c) The Agency agrees to pay all costs of any part of this project which are not eligible for federal and/or state funding. These funds shall be provided upon written request therefore by either (a) check, or (b) deposit to the Local Government Investment Pool, whenever requested.

C.4 Payment Methodology:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

- a) The Agency shall submit invoices, in a form outlined in the Local Government Guidelines with all necessary supporting documentation, prior to any reimbursement of allowable costs. Such invoices shall be submitted no more often than monthly but at least quarterly and indicate, at a minimum, the amount charged by allowable cost line-item for the period invoiced, the amount charged by line-item to date, the total amounts charged for the period invoiced, and the total amount charged under this agreement to date. Each invoice shall be accompanied by proof of payment in the form of a canceled check or other means acceptable to the Department.
- b) The payment of an invoice by the Department shall not prejudice the Department's right to object to or question any invoice or matter in relation thereto. Such payment by the Department shall neither be construed as acceptance of any part of the work or service provided nor as final approval of any of the costs invoiced therein. The Agency's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the Department not to constitute allowable costs. Any payment may be reduced for overpayments or increased for under-payments on subsequent invoices.
- c) Should a dispute arise concerning payments due and owing to the Agency under this Agreement, the Department reserves the right to withhold said disputed amounts pending final resolution of the dispute.

C.5 The Department's Obligations:

In the event that the Department is managing all phases of the Project herein described, this provision C.5 does not apply.

- a) Subject to other provisions hereof, the Department will honor requests for reimbursement to the Agency in amounts and at times deemed by the Department to be proper to ensure the carrying out of the Project and payment of the eligible costs. However, notwithstanding any other provision of this Agreement, the Department may elect not to make a payment if:

1) **Misrepresentation:**

The Agency shall have made misrepresentation of a material nature in its application, or any supplement thereto or amendment thereof, or in or with respect to any document or data furnished therewith or pursuant hereto;

2) **Litigation:**

There is then pending litigation with respect to the performance by the Agency of any of its duties or obligations which may jeopardize or adversely affect the Project, this Agreement or payments to the Project;

3) **Approval by Department:**

The Agency shall have taken any action pertaining to the Project, which under this Agreement requires the approval of the Department or has made related expenditure or incurred related obligations without having been advised by the Department that same are approved;

4) **Conflict of Interests:**

There has been any violation of the conflict of interest provisions contained herein in D.16; or

5) **Default:**

The Agency has been determined by the Department to be in default under any of the provisions of the Agreement.

C.6 Final Invoices:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

- a) The Agency must submit the final invoice on the Project to the Department within one hundred twenty (120) days after the completion of the Project. Invoices submitted after the one hundred twenty (120) day time period may not be paid.

C.7 Offset:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

- a) If, after Project completion, any claim is made by the Department resulting from an audit or for work or services performed pursuant to this Agreement, the Department may offset such amount from payments due for work or services done under any agreement which it has with the Agency owing such amount if, upon demand, payment of the amount is not made within sixty (60) days to the

Department. Offsetting any amount pursuant to this section shall not be considered a breach of agreement by the Department.

C.8 Travel Compensation

- a) If the Project provided for herein includes travel compensation, reimbursement to the Agency for travel, meals, or lodging shall be subject to amounts and limitations specified in the “State Comprehensive Travel Regulations,” as they are amended from time to time and subject to the Agreement Budget.

D. STANDARD TERMS AND CONDITIONS

D.1 Governing Law:

- a) This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. The Agency agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Agreement. The Agency acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under Tennessee Code Annotated, Sections 9-8-101 through 9-8-407.

D.2 General Compliance with Federal, State, and Local Law:

- a) The Agency is assumed to be familiar with and observe and comply with those Federal, State, and local laws, ordinances, and regulations in any manner affecting the conduct of the work and those instructions and prohibitive orders issued by the State and Federal Government regarding fortifications, military and naval establishments and other areas. The Agency shall observe and comply with those laws, ordinances, regulations, instructions, and orders in effect as of the date of this Agreement.
- b) The parties hereby agree that failure of the Agency to comply with this provision shall constitute a material breach of this Agreement and subject the Agency to the repayment of all damages suffered by the State and/or the Department as a result of said breach.

D.3 State Law:

- a) Nothing in the Agreement shall require the Agency to observe or enforce compliance with any provision thereof, perform any other act or do any other thing in contravention of any applicable state law, provided, that if any of the provisions of the Agreement violate any applicable state law, the Agency will at once notify the Department in writing in order that appropriate changes and modifications may be

made by the Department and the Agency to the end that the Agency may proceed as soon as possible with the Project.

D.4 Submission of the Proceedings, Agreements, and Other Documents:

- a) The Agency shall submit to the Department such data, reports, records, agreements, and other documents relating to the Project as the Department and the Federal Highway Administration may require.

D.5 Appropriations of Funds:

- a) This Agreement is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the Department reserves the right to terminate the Agreement upon thirty (30) days written notice to the Agency. Said termination shall not be deemed a breach of agreement by the Department. Upon receipt of the written notice, the Agency shall cease all work associated with the Agreement. Should such an event occur, the Agency shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Agency shall have no right to recover from the Department any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.6 Rights and Remedies Not Waived:

- a) In no event shall the making by the Department of any payment to the Agency constitute or be construed as a waiver by the Department of any breach of covenant or any default which may then exist on the part of the Agency and the making of such payment by the Department, while any such breach or default shall exist, shall in no way impair or prejudice any right or remedy available to the Department with respect to such breach or default.
- b) Nothing in this agreement shall be construed to limit the Department's right at any time to enter upon its highway right-of-way, including the area occupied by the Project, for the purpose of maintaining or reconstructing its highway facilities.

D.7 Department and Agency Not Obligated to Third Parties:

- a) The Department and Agency shall not be obligated hereunder to any party other than the parties to this Agreement.

D.8 Independent Contractor:

- a) The parties hereto, in the performance of this Agreement, shall not act as agents, employees, partners, joint ventures, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting

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

- b) The Agency, being a political subdivision of the State, is governed by the provisions of the Tennessee Government Tort Liability Act, Tennessee Code Annotated, Sections 29-20-101, et seq, and all other applicable laws.

D.9 Maintenance:

- a) Nothing contained herein shall be construed as changing the maintenance responsibility of either party for any part of the referenced project that lies on its system of highways. If the project funded hereunder results in the installation of any traffic signal, lighting or other electrically operated device(s), then the Agency shall be solely responsible for and pay all costs associated with maintenance and operation of all electrically operated devices together with the related equipment, wiring and other necessary appurtenances, and the Agency shall furnish electrical current to all such devices which may be installed as part of the project. Additionally, the Agency shall be solely responsible for and pay all costs associated with the maintenance and operation of solar-powered devices, including, but not limited to, replacement of solar panels, batteries, lights and lenses.
- b) In the event that the Department is made responsible for the Construction phase in section B.1.(a) of this Agreement and to the extent that the Department is responsible for accomplishing the construction of the project, the Department will notify the Agency when Construction phase of the project has been completed; provided however, that failure to notify the Agency shall not relieve the Agency of its maintenance responsibilities.

D.10 Disadvantaged Business Enterprise (DBE) Policy and Obligation:

In the event that the herein-described project is funded with federal funds, the following shall apply:

- a) **DBE Policy:**
It is the policy of the Department that Disadvantaged Business Enterprises, as defined in 49 C.F.R., Part 26, as amended, shall have the opportunity to participate in the performance of agreements financed in whole or in part with Department funds under this Agreement. The DBE requirements of applicable federal and state regulations apply to this Agreement; including but not limited to project goals and good faith effort requirements.

b) **DBE Obligation:**

The Agency and its Contractors agree to ensure that Disadvantaged Business Enterprises, as defined in applicable federal and state regulations, have the opportunity to participate in the performance of agreements and this Agreement. In this regard, all recipients and Contractors shall take all necessary and reasonable steps in accordance with applicable federal and state regulations, to ensure that the Disadvantaged Business Enterprises have the opportunity to compete for and perform agreements. The Agency shall not discriminate on the basis of race, color, national origin or sex in the award and performance of Department-assisted agreements.

D.11 Tennessee Department of Transportation Debarment and Suspension:

- a) In accordance with the Tennessee Department of Transportation regulations governing Contractor Debarment and Suspension, Chapter 1680-5-1, the Agency shall not permit any suspended, debarred or excluded business organizations or individual persons appearing on the Tennessee Department of Transportation Excluded Parties List to participate or act as a principal of any participant in any covered transaction related to this Project. Covered transactions include submitting a bid or proposal, entering into an agreement, or participating at any level as a subContractor.

D.12 Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion (applies to federal aid projects):

a) **Instructions for Certification - Primary Covered Transactions:**

By signing and submitting this Agreement, the Agency is providing the certification set out below.

- 1) The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The Agency shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Department's determination whether to enter into this transaction. However, failure of the Agency to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.
- 2) The certification in this clause is a material representation of fact upon which reliance was placed when the Department determined to enter into this transaction. If it is later determined that the Agency knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department may terminate this transaction for cause or default.

- 3) The Agency shall provide immediate written notice to the Department if at any time the Agency learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- 4) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the Department for assistance in obtaining a copy of those regulations.
- 5) The Agency agrees by entering into this Agreement that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Department.
- 6) The Agency further agrees by entering into this Agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the Department, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 7) An Agency may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement portion of the "Lists of Parties Excluded From Federal Procurement or Non-procurement Programs" (Non-procurement List) which is compiled by the General Services Administration.
- 8) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- 9) Except for transactions authorized under these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the Department may terminate this transaction for cause or default.

b) Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Primary Covered Transactions:

The prospective participant in a covered transaction certifies to the best of its knowledge and belief, that it and its principals:

- 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal, State or local department or agency;
- 2) Have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or agreement under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- 3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in this certification; and
- 4) Have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- 5) Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

D.13 Equal Employment Opportunity:

- a) In connection with the performance of any Project, the Agency shall not discriminate against any employee or applicant for employment because of race, age, religion, color, sex, national origin, disability or marital status. The Agency will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, age, religion, color, gender, national origin, disability or marital status. Such action shall include, but not be limited to, the following: employment upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- b) The Agency shall insert the foregoing provision in all agreements modified only to show the particular contractual relationship in all its agreements in connection with the development of operation of the Project, except agreements for the standard commercial supplies or raw materials, and shall require all such Contractors to

insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials. When the Project involves installation, construction, demolition, removal, site improvement, or similar work, the Agency shall post, in conspicuous places available to employees and applicants for employment for Project work, notices to be provided by the Department setting forth the provisions of the nondiscrimination clause.

D.14 Title VI – Civil Rights Act of 1964:

- a) The Agency shall comply with all the requirements imposed by Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), 49 C.F.R., Part 21, and related statutes and regulations. The Agency shall include provisions in all agreements with third parties that ensure compliance with Title VI of the Civil Rights Act of 1964, 49 C.F.R., Part 21, and related statutes and regulations.

D.15 Americans with Disabilities Act of 1990 (ADA):

- a) The Agency will comply with all the requirements as imposed by the ADA and the regulations of the federal government issued thereunder.

D.16 Conflicts of Interest:

- a) The Agency warrants that no amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subContractor, or consultant to the Agency in connection with any work contemplated or performed relative to this Agreement.
- b) The Agency shall insert in all agreements entered into in connection with the Project or any property included or planned to be included in any Project, and shall require its Contractors to insert in each of its subcontracts, the following provision:
 - 1) "No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subContractor, or consultant to the Agency in connection with any work contemplated or performed relative to this Agreement."

D.17 Interest of Members of or Delegates to, Congress (applies to federal aid projects):

- a) No member of or delegate to the Congress of the United States shall be admitted to any share or part of the Agreement or any benefit arising therefrom.

D.18 Restrictions on Lobbying (applies to federal aid projects):

The Agency certifies, to the best of its knowledge and belief, that:

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

D.19 Records:

- a) The Agency shall maintain documentation for all charges against the Department under this Agreement. All costs charged to the Project, including any approved services contributed by the Agency or others, shall be supported by properly executed payrolls, time records, invoices, agreements or vouchers evidencing in proper detail and in a form acceptable to the Department the nature and propriety of the charges. The books, records, and documents of the Agency, insofar as they relate to work performed or money received under this Agreement, shall be maintained and made available upon request to the Department at all times during the period of this Agreement and for at least three (3) years after final payment is made.
- b) Copies of these documents and records shall be furnished to the Department, the Comptroller of the Treasury, or their duly appointed representatives, upon request. Records of costs incurred includes the Agency's general accounting records and the Project records, together with supporting documents and records, of the Agency and all subContractors performing work on the Project and all other records of the Agency and subContractors considered necessary by the Department for a proper audit of costs. If any litigation, claim, or audit is started before the expiration of the three (3) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

- c) The aforesaid requirements to make records available to the Department shall be a continuing obligation of the Agency and shall survive a termination of the Agreement.

D.20 Inspection:

- a) The Agency shall permit, and shall require its Contractor, subContractor or materials vendor to permit, the Department's authorized representatives and authorized agents of the Federal Highway Administration to inspect all work, workmanship, materials, payrolls, records and to audit the books, records and accounts pertaining to the financing and development of the Project.
- b) The Department reserves the right to terminate this Agreement for refusal by the Agency or any Contractor, subContractor or materials vendor to allow public access to all documents, papers, letters or other material made or received in conjunction with this Agreement.

D.21 Annual Report and Audit:

- a) In the event that an Agency expends \$500,000 or more in federal awards in its fiscal year, the Agency must have a single or program specific audit conducted in accordance with the United States Office of Management and Budget (OMB) Circular A-133.
- b) All books of account and financial records shall be subject to annual audit by the Tennessee Comptroller of the Treasury or the Comptroller's duly appointed representative. When an audit is required, the Agency may, with the prior approval of the Comptroller, engage a licensed independent public accountant to perform the audit. The audit agreement between the Agency and the licensed independent public accountant shall be on an agreement form prescribed by the Tennessee Comptroller of the Treasury. Any such audit shall be performed in accordance with generally accepted government auditing standards, the provisions of OMB Circular A-133, if applicable, and the Audit Manual for Governmental Units and Recipients of Grant Funds published by the Tennessee Comptroller of the Treasury.
- c) The Agency shall be responsible for reimbursement of the cost of the audit prepared by the Tennessee Comptroller of the Treasury, and payment of fees for the audit prepared by the licensed independent public accountant. Payment of the audit fees of the licensed independent public accountant by the Agency shall be subject to the provisions relating to such fees contained in the prescribed agreement form noted above. Copies of such audits shall be provided to the designated cognizant state agency, the Department, the Tennessee Comptroller of the Treasury, and the

Department of Finance and Administration and shall be made available to the public.

D.22 Termination for Convenience:

- a) The Department may terminate this agreement without cause for any reason. Said termination shall not be deemed a breach of agreement by the Department. The Department shall give the Agency at least thirty (30) days written notice before the effective termination date. The Agency shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the Department be liable to the Agency for compensation for any service which has not been rendered. The final decision as to the amount for which the Department is liable shall be determined by the Department. Should the Department exercise this provision, the Agency shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.23 Termination for Cause:

- a) If the Agency fails to properly perform its obligations under this Agreement in a timely or proper manner, or if the Agency violates any terms of this Agreement, the Department shall have the right to immediately terminate the Agreement and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Agency shall not be relieved of liability to the Department for damages sustained by virtue of any breach of this Agreement by the Agency.
- b) In the event that the Project herein described includes Federal funds, the Agency understands that if the Federal Highway Administration (FHWA) determines that some or all of the cost of this project is ineligible for federal funds participation because of failure by the Agency to adhere to federal laws and regulations, the Agency shall be obligated to repay to the Department any federal funds received by the Agency under this agreement for any costs determined by the FHWA to be ineligible.
- c) If the Project herein described lies on the state highway system and the Agency fails to perform any obligation under this section of this agreement, the Department shall have the right to cause the Agency, by giving written notice to the Agency, to close the Project to public use and to remove the Project at its own expense and restore the premises to the satisfaction of the Department within ninety (90) days thereafter.

D.24 How Agreement is Affected by Provisions Being Held Invalid:

- a) If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected. In such an instance the remainder would then continue to conform to the terms and requirements of applicable law.

D.25 Agreement Format:

- a) All words used herein in the singular form shall extend to and include the plural. All words used in the plural form shall extend to and include the singular. All words used in any gender shall extend to and include all genders.

D.26 Certification Regarding Third Party Contracts:

- a) The Agency certifies by its signature hereunder that it has no understanding or contract with a third party that will conflict with or negate this Agreement in any manner whatsoever.
- b) The Agency further certifies by its signature hereunder that it has disclosed and provided to the Department a copy of any and all contracts with any third party that relate to the Project or any work funded under this Agreement.
- c) The Agency further certifies by its signature hereunder that it will not enter into any contract with a third party that relates to this project or to any work funded under this Agreement without prior disclosure of such proposed contract to the Department.
- d) The Agency hereby agrees that failure to comply with these provisions shall be a material breach of this Agreement and may subject the Agency to the repayment of funds received from or through the Department under this Agreement and to the payment of all damages suffered by the Department as a result of said breach.

D.27 Amendment:

- a) This Agreement may be modified only by a written amendment, which has been executed and approved by the appropriate parties as indicated on the signature page of this Agreement.

D.28 State Liability:

- a) The Department shall have no liability except as specifically provided in this Agreement.

D.29 Force Majeure:

- a) The obligations of the parties to this Agreement are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, strikes, epidemics or any other similar cause.

D.30 Required Approvals:

- a) The Department is not bound by this Agreement until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.

D.31 Estimated Cost:

- a) The parties recognize that the estimated costs contained herein are provided for planning purposes only. They have not been derived from any data such as actual bids, etc
- b) In the event that the Department is made responsible in section B.1.(a) of this Agreement for the management of the herein described Project, the parties understand that more definite cost estimates will be produced during project development. These more reliable estimates will be provided to the Agency by the Department as they become available.

D.32 Third Party Liability:

- a) The Agency shall assume all liability for third-party claims and damages arising from the construction, maintenance, existence and use of the Project to the extent provided by Tennessee Law and subject to the provisions, terms and liability limits of the Governmental Tort Liability Act, T.C.A. Section 29-20-101, et seq, and all applicable laws.

D.33 Deposits:

- a) Required deposits and any other costs for which the Agency is liable shall be made available to the Department, whenever requested.

D.34 Department Activities:

- a) Where the Agency is managing any phase of the project the Department shall provide various activities necessary for project development. The estimated cost for these activities are included in the funds shown herein.

D.35 Congestion Mitigation and Air Quality Requirement:

- a) If the herein described project is funded with Congestion Mitigation Air Quality (CMAQ) funds, this section D.35 shall apply.
- 1) Whereas the Agency understands and agrees that the funding provided hereunder must be obligated with the Federal Highway Administration within three years from the date of this agreement. It is further agreed that once all requirements have been met for development of the project, the Agency will expend the funds in a manner to insure its expenditure on a continuous basis until the funds are exhausted. Failure to follow this process may result in a loss of funds.

D.36 Investment of Public Funds:

- a) The facility on which this project is being developed shall remain open to the public and vehicular traffic for a sufficient time to recoup the public investment therein as shown below:

Amount		Open to Public and Vehicular Traffic
\$1.00 - \$200,000	=	5 Years
>\$200,000 - \$500,000	=	10 Years
>\$500,000 - \$1,000,000	=	20 Years

- b) Projects over \$1,000,000 carry a minimum 25 years open to public and vehicular traffic requirement and will be subject to individual review.

D.37 Federal Funding Accountability and Transparency Act:

- a) **If the Project is funded with federal funds the following shall apply:** The Agency shall comply with the Federal Funding Accountability and Transparency Act of 2006 (Pub.L. 109-282), as amended by section 6202 of Public Law 110-252 ("the Transparency Act") and the regulations and requirements of the federal government issued thereunder, including, but not limited to, 2 CFR Part 170. The Agency shall submit the information needed for the Transparency Act in accordance with the forms and processes identified by the Department.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their respective authorized officials on the date first above written.

CITY OF KINGSPORT

**STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION**

By: _____ By: _____
John Clark **Date** **John C. Schroer** **Date**
Mayor **Commissioner**

**APPROVED AS TO
FORM AND LEGALITY**

**APPROVED AS TO
FORM AND LEGALITY**

By: _____ By: _____
Mike Billingsley **Date** **John Reinbold** **Date**
Attorney **General Counsel**

EXHIBIT "A"

CONTRACT No.: 160012

PROJECT IDENTIFICATION No.: 122156.00

Federal Identification No.: BRZ-9108(47)

PROJECT DESCRIPTION: FORT ROBINSON DRIVE BRIDGE OVER DRY HOLLOW, LM 0.39

Change in Cost: Cost hereunder is controlled by the availability of funding thru the Off-Systems Bridge Replacement Program.

TYPE OF WORK: BRIDGE REPLACEMENT

PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
PE-NEPA	BRR-L	80%	0%	20%	\$100,000.00
PE-DESIGN	BRR-L	80%	0%	20%	\$142,000.00
PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
ROW	BRR-L	80%	0%	20%	\$37,300.00
UTILITY	BRR-L	80%	0%	20%	\$86,300.00
PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
CONST	BRR-L	80%	0%	20%	\$3,175,400.00

LIABILITY: The Agency understands the estimated cost of the Project is \$3,541,000.00, and that the Department will pay, as herein provided, for 80% of the actual cost of the project with the maximum liability of the Agency being \$708,200.00. Any additional costs for the project exceeding the maximum liability shall be the responsibility of the Department. The twenty percent (20%) non-federal share of the Project must be provided by the Agency as a cash match. The Agency shall be responsible for all cost associated with non-participating items as deemed by the Department.

INELIGIBLE COST: One hundred percent (100%) of the actual cost will be paid from Agency funds if the use of said state or federal funds is ruled ineligible at any time by the Federal Highway Administration.

LEGISLATIVE AUTHORITY: STP: 23 U.S.C.A, Section 133, Surface Transportation Funds (STP).

For federal funds included in this contract, the CFDA Number is 20.205, Highway Planning and Construction funding provided through an allocation from the US Department of Transportation.

C O N T R A C T

THIS AGREEMENT, made and entered into this ____ day of _____, 20__, by and between **THE TREASURY DEPARTMENT OF THE STATE OF TENNESSEE**, hereinafter referred to as the "Treasury", and the City of Kingsport, Tennessee, hereinafter referred to as the "Local Agency".

W I T N E S S E T H:

WHEREAS, the State of Tennessee, acting through the Department of Transportation, entered into a contract with the City of Kingsport hereinafter called "Local Agency", on the ____ day of _____, 20__, relative to providing for Fort Robinson Drive Bridge over Dry Hollow at Log Mile 0.39 in Kingsport;

WHEREAS, said agreement provides that the Local Agency may deposit its pro rata share of the estimated cost of the project with the Treasury for temporary investment as an alternative to furnishing the Department with said share, and the Local Agency has elected to use said alternate; and

WHEREAS, the Local Agency has made application to participate in the Local Government Investment Pool which has been accepted by the Treasury and has deposited its pro rata share of the estimated cost of the project by immediate credit transfer and advised the Treasury thereof and identified the account to which said deposit should be credited.

NOW THEREFORE, in consideration of the premises, the Treasury and the Local Agency agree as follows:

The Local Agency hereby authorizes Treasury to transfer from its Local Government Investment Pool Account (LGIP Account) relative to the above identified project, to the account of the Department of Transportation, such amounts as said Department may request from time to time by written instructions from its Finance Director, without liability.

The Local Agency understands that no funds in its LGIP account shall be subject to withdrawal until the project is completed and the actual pro rata share of cost is determined. On completion, any surplus will be returned to the Local Agency pursuant to written instructions of said Department with an accounting of transfers made.

The Treasury will credit interest to the account which will be added to the principal and will become part of the surplus, if any, for disposition by said Department at the completion of the project. LGIP account statements will be sent to the Local Agency and said Department monthly. There will be an administrative fee charged to the Local Agency for the LGIP account at the same rate as other LGIP accounts are charged.

It is understood by the parties that the Treasury shall be responsible for the investment of aforesaid sum in accordance with the terms and conditions of the administration of the pool.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their duly authorized officials as of the date above written.

**STATE OF TENNESSEE
TREASURY DEPARTMENT**

By: _____

City of Kingsport
NAME OF OFFICIAL WHOSE
SIGNATURE APPEARS BELOW

(Type or Print)

TITLE: _____

ADDRESS: _____

TELEPHONE NO: _____

COUNTY OF: _____

SIGNATURE
OF OFFICIAL: _____

**INSTRUCTIONS FOR DEPOSITING FUNDS
FOR INVESTMENT IN LOCAL GOVERNMENT INVESTMENT POOL**

Enclosed herewith you will find four (4) copies of a contract relative to investing in the Local Government Investment Pool (LGIP) administered by the State Treasury Department. These are for your use in providing evidence that the Local Agency's pro-rata share of funds for the amount set forth in the project agreement relative to the project identified in the contract have been deposited for the use of the Department of Transportation. After completing the information necessary in the body of the contract you should have three (3) copies signed by an authorized official. Due to the sophistication of today's copiers, signatures in ink of a color other than black will clearly mark them as original signatures and prevent possible delays. Mail two (2) copies to , Antonia Tucker, Assistant Cash Manager, Cash Management Dept., P. O. Box 198785, Nashville, TN., 37219-8785, and one (1) copy to Neal Ham, Finance Administrator, Tennessee Department of Transportation, 800 James K. Polk Building, Nashville, TN 37243-0329. The remaining copy is to be retained for your file until a fully executed copy is returned by the Treasury Department. Any questions you have should be directed to Antonio Tucker at 615-532-1163.

Please note that due to the volume of deposits, the Treasury Department will not confirm to TDOT that your deposit has been made more than once a month. To prevent delays in project development, once you have made the deposit, call the person who signed the letter transmitting this document. Give that person the account number to which you have made your deposit, the amount of your deposit and the date on which you submitted it.



AGENDA ACTION FORM

Amending the FY 2016 CDBG Budget Ordinance for the Addition of One (1) Position within the Community Development Program

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

Action Form No.: AF-51-2016
 Work Session: February 29, 2016
 First Reading: March 1, 2016

Final Adoption: March 15, 2016
 Staff Work By: Haga, Smith
 Presentation By: Lynn Tully, AICP

Recommendation:

Approve the Ordinance.

Executive Summary:

The City of Kingsport is a member government for the Northeast TN/Southwest VA HOME Consortium, established in 2003, which allows the partner members of the Consortium to receive the benefit of HUD HOME Program entitlement funding annually. HOME funds are used by the Consortium to provide housing opportunities, including homeownership assistance and rehabilitation, for low and moderate income households within its jurisdiction. The City of Bristol, TN is the designated Lead Entity for the HOME Consortium and acts as the point jurisdiction with the Department of Housing and Urban Development which grants the funds. The City of Bristol has requested Kingsport to contract for administrative services for the Consortium, providing the necessary administrative funds to carry out required duties. The administrative duties, which would begin with the 2017 fiscal year, are significant enough to warrant the addition of a full-time staff position to the Community Development program. This position would be responsible for implementation of the Consortium's two major programs, homeownership assistance and rehabilitation/reconstruction, and would perform these duties for the whole jurisdiction, consisting of Sullivan and Washington Counties and the all the cities within, plus Bristol, VA. The Community Development budget currently has adequate resources in place to fill the new position within the 2016 fiscal year to provide adequate time for training new staff. From July 1, 2016 forward, the position will be funded through the HOME Consortium contract which is generated through the annual HOME program allocation process. As such, the life of the position depends solely on the availability of grant funding and contracts offered by the HOME Consortium Lead Entity.

Attachments:

1. Budget Ordinance
2. Memo

Funding source appropriate and funds are available: _____

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

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE COMMUNITY DEVELOPMENT BUDGET BY ADDING A COMMUNITY DEVELOPMENT SPECIALIST POSITION FOR THE YEAR ENDING JUNE 30, 2016; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the Community Development budget be amended by amending the authorized positions in the Community Development Program by adding a Community Development Specialist position at a pay grade 40 Step 3 for Fiscal Year 2015-2016. The life of the position depends solely on the on the availability of grant funding and contracts offered by the HOME Consortium Lead Entity.

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

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

JAMES H. DEMMING, City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

Memorandum

To: Jeff Fleming, City Manager

From: C. Lynn Tully, AICP, Development Services Director

CC: George DeCroes, Human Services Director

Date: February 23, 2016

Re: Community Development Specialist Position

You may recall that we have been in discussions with the City of Bristol, TN concerning the provision of administrative services for the Northeast TN/Southwest VA HOME Consortium for the past few months. After considerable investigation and discussion among staff of both cities, as well as staff of the U. S. Department of Housing and Urban Development, it is apparent that there is an advantage to both entities for the City of Bristol, as the HOME Consortium Lead Entity, to contract with the City of Kingsport for certain administrative and program delivery services for the HOME program. The new administrative and program delivery services the City of Kingsport would provide are significant and would necessitate the addition of one staff position within the Community Development program of the Development Services Department. The contract with the City of Bristol would provide adequate funding for the position, which would be designated "Community Development Specialist", beginning July 1, 2016. We have had a part-time, temporary position funded for over a year completing various planning, code and CDBG functions. The annual cost for this position is anticipated to be approximately \$60,000 for salary and benefits. For the remainder of FY 2016, upon approval of a budget amendment ordinance, we would like to employ a full-time Community Development Specialist. The specialist would undergo training in Community Development for the balance of the fiscal year in anticipation of assuming HOME, and some CDBG, duties in FY 2017. The Community Development budget currently has adequate funding for this position for the remainder of FY 2016.



AGENDA ACTION FORM

Amending the Franchise Fee with Kingsport Power Company (d.b.a. AEP Appalachian Power)

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

Action Form No.: AF-50-2016
 Work Session: February 29, 2016
 First Reading: March 1, 2016

Final Adoption: March 15, 2016
 Staff Work By: Ryan McReynolds
 Presentation By: Ryan McReynolds

Recommendation:

Approve the Ordinance.

Executive Summary:

The City of Kingsport approved a franchise agreement with Kingsport Power Company, d.b.a. AEP Appalachian Power, (See AF-20-2016) allowing Kingsport Power the right to utilize the right of ways owned or controlled by the city for electrical distribution, thereby continuing to provide such service the citizens of Kingsport. Since AEP is a privately held company, not a public utility, and since it is serving the citizens with a necessary utility, its relationship with the city is defined through a Franchise Agreement.

The ordinance establishing and approving the franchise agreement authorizes the city to enact a franchise fee. The board approved ordinance no. 6542 establishing the fee with the knowledge that it might be amended. The attached ordinance amends ordinance no. 6542 by providing a franchise fee of 5% per customer per month for sales on the first 0 – 500,000 kilowatt hours (kWh) and 1.5% for all kilowatt hours over 500,000. This is consistent with franchise agreements that have been in place the past few decades throughout the country.

Attachments:

1. Ordinance – Franchise Fee

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

PRE-FILED CITY RECORDER

ORDINANCE NO. ____

AN ORDINANCE AMENDING ORDINANCE NUMBER 6542 BY ENACTING A FRANCHISE FEE FOR THE USE BY KINGSPORT POWER COMPANY, D/B/A AEP APPALACHIAN POWER, OF THE PUBLIC STREETS, ALLEYS, OTHER PUBLIC PLACES FOR ITS FRANCHISE FOR A SYSTEM OF ELECTRICITY DISTRIBUTION AND TRANSMISSION LINES AND OTHER NECESSARY EQUIPMENT AND FACILITIES FOR THE PURPOSE OF TRANSMITTING AND DISTRIBUTING ELECTRICITY IN, UPON, ACROSS, ALONG AND UNDER THE HIGHWAYS, STREETS, AVENUES, ROADS, COURTS, ALLEYS, LANES, WAYS, UTILITY EASEMENTS, PARKWAYS AND PUBLIC GROUNDS OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

That Ordinance Number 6542 approved on February 2, 2016, is amended by deleting its contents in its entirety and substituting in its place the following:

WHEREAS, Kingsport Power Company, d/b/a AEP Appalachian Power, hereinafter the Company, is a regulated investor owned utility that provides electric power and energy to the citizens of the city and other surrounding areas;

WHEREAS, providing electrical power and energy requires the Company to install, operate and maintain power poles and other related facilities to be located within the public ways of the city;

WHEREAS, the parties are working to obtain approval of a new franchise to replace the franchise agreement that will expire this year;

WHEREAS, the franchise allows the city to impose a franchise fee; and

WHEREAS, the city and the Company recognize that both parties benefit from economic development in the city.

SECTION I. The board makes the following findings:

1. The Company has a franchise with the city to sell electrical power in the corporate limits of the city.
2. The Company uses the public streets, alleys, other public places and other real property owned or controlled by the city to transmit electrical power for sale and should remit a fee to the city for the use of the public streets, alleys or other public places and for the expenses for the administration of the franchise.
3. The use of large amounts of kilowatt hours (kWh) of electricity in a month does not require any significant additional use of the public streets, alleys, other public places and other real property owned or controlled by the city and a lower

percentage fee should be imposed for all kilowatt hours over 500,000 sold to a customer on a monthly basis.

SECTION II. For its use of the public streets, alleys, other public places and other real property owned or controlled by the city and for the expenses for the administration of the franchise, the Company shall pay to the city a fee equal to the aggregate of the following:

1. Five percent (5%) of the Company's gross receipts derived from retail electrical power and energy sales within the corporate limits of the city for all kilowatt hours per customer per month from 0 to 500,000; and
2. One and one-half percent (1½%) of the Company's gross receipts derived from retail electrical power and energy sales within the corporate limits of the city for all kilowatt hours per customer per month over 500,000.

SECTION III. Such fee shall be paid monthly not later than 30 days after the last day of each month. The fee shall be in addition to any and all taxes which are now or may be required hereafter to be paid pursuant to any federal, state or local law. On a monthly basis the Company shall furnish to the city a report showing the monthly amount of gross revenues, and commodity volumes by rate class, for the Company's sale of electricity in the corporate limits of the city.

SECTION IV. Acceptance of payments of the fee shall not be construed as a release or as an accord and satisfaction of any claim the city may have for further or additional sums payable hereto.

SECTION V. As may be permitted by state law, the Company may show the fees paid to the city hereto as a line item charge on the bills of the Company's customers served by the Company within the corporate limits of the city. The Company shall pay the fee to the city from the gross receipts derived from the retail electrical power and energy sales. The Company shall use its usual collection procedures, including potential cessation of service, to collect the fee from customers who have not paid their bill in full, including the fee imposed herein.

SECTION VI. The city will promptly notify the Company in writing of any geographic areas annexed by the city. Any such notice will be sent to the Company by certified mail, return receipt request, and shall contain the effective date of the annexation, maps showing the annexed area and such other information as the Company may reasonably require in order to ascertain whether there exist any customers of the Company receiving electrical service in the annexed area. To the extent there are customers of the Company therein, the gross revenues of the Company derived from the sale and distribution of electrical power and energy to such customers shall become subject to the fee provisions hereof effective on the first day of the Company's billing cycle immediately following the Company's receipt of the notice.

SECTION VII. That this ordinance shall be effective from and after the date of its passage, as the law directs, including approval by the Tennessee Regulatory Authority, as needed, the public welfare of the citizens of Kingsport requiring it.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

Passed on first reading _____
Passed on second reading _____



AGENDA ACTION FORM

Amend Zoning of the Arch Street Property, Located at the Intersection of Arch Street and Roller Street

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

Action Form No.: AF-32-2016
 Work Session: February 15, 2016
 First Reading: February 16, 2016

Final Adoption: March 1, 2016
 Staff Work By: Ken Weems
 Presentation By: Ken Weems

Recommendation:

- ~~Hold public hearing.~~
- Approve ordinance amending the zoning ordinance to rezone parcels 6, 17, 18, 19, and 20 from R-4, Medium Density Apartment District to R-5, High Density Apartment District.

Executive Summary:

This is an owner-requested rezoning of approximately 1.7 acres located at the intersection of Arch Street and Roller Street from R-4 to R-5. The purpose of the rezoning request is to permit development of an 18-unit apartment building. As of February 1, 2016, the Planning Department has not received any public comment on the rezoning proposal. During their January 2016 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation for the rezoning to the Board of Mayor and Aldermen. The Notice of Public Hearing was published on February 1, 2016.

Attachments:

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

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



AGENDA ACTION FORM

Amend Zoning of the Arch Street Property, Located at the Intersection of Arch Street and Roller Street

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

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Final Adoption: March 1, 2016
 Staff Work By: Ken Weems
 Presentation By: Ken Weems

Recommendation:

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- Approve ordinance amending the zoning ordinance to rezone parcels 6, 17, 18, 19, and 20 from R-4, Medium Density Apartment District to R-5, High Density Apartment District.

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Attachments:

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

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

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on February 16, 2016 to consider the rezoning for parcels 6, 17, 18, 19, and 20 of tax map 46H located off Arch Street from R-4 District to R-5 District. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

BEGINNING at a point, said point being the northern corner of parcel 20, Tax Map 46H; thence in a southeasterly direction, crossing into the centerline of Roller Street, approximately 355 feet to a point, said point lying on the centerline of Roller Street; thence in a southwesterly direction, following the centerline of Roller Street, approximately 140 feet to a point, said point lying at the intersection of the centerline of Roller Street and the centerline of Arch Street; thence in a northwesterly direction, following the centerline of Arch Street, approximately 130 feet to a point, said point lying on the centerline of Arch Street; thence in a southwesterly direction, crossing over Arch Street, approximately 170 feet to a point, said point being the southern corner of parcel 6; thence in a northwesterly direction, approximately 48 feet to a point, said point being a western corner of parcel 6 in common with the southeastern boundary of parcel 10; thence in a northeasterly direction, approximately 50 feet to a point, said point being the eastern corner of parcel 10; thence in a northwesterly direction, approximately 120 feet to a point, said point being the eastern corner of parcel 11.10; thence in a northeasterly direction, crossing onto the centerline of Arch Street, approximately 120 feet to a point, said point lying on the centerline of Arch Street; thence in a northwestern direction, following the centerline of Arch Street, approximately 60 feet to a point, said point lying on the centerline of Arch Street; thence in a northeasterly direction, crossing over Arch Street, approximately 140 feet to the point of BEGINNING, and being all of parcels 6, 17, 18, 19, and 20, as well as a portion of Arch Street, approximately 330 feet in length and a portion of Roller Street, approximately 140 feet in length, Tax Map 46H, as shown on the August 2015 Sullivan County Tax Maps.

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

CITY OF KINGSPORT
Angie Marshall, Deputy City Clerk
PIT: 2/1/16

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO ARCH STREET FROM R-4, MEDIUM DENSITY APARTMENT DISTRICT TO R-5, HIGH DENSITY APARTMENT DISTRICT IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property adjacent to Arch Street from R-4, Medium Density Apartment District to R-5, High Density Apartment District in the 11th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

BEGINNING at a point, said point being the northern corner of parcel 20, Tax Map 46H; thence in a southeasterly direction, crossing into the centerline of Roller Street, approximately 355 feet to a point, said point lying on the centerline of Roller Street; thence in a southwesterly direction, following the centerline of Roller Street, approximately 140 feet to a point, said point lying at the intersection of the centerline of Roller Street and the centerline of Arch Street; thence in a northwesterly direction, following the centerline of Arch Street, approximately 130 feet to a point, said point lying on the centerline of Arch Street; thence in a southwesterly direction, crossing over Arch Street, approximately 170 feet to a point, said point being the southern corner of parcel 6; thence in a northwesterly direction, approximately 48 feet to a point, said point being a western corner of parcel 6 in common with the southeastern boundary of parcel 10; thence in a northeasterly direction, approximately 50 feet to a point, said point being the eastern corner of parcel 10; thence in a northwesterly direction, approximately 120 feet to a point, said point being the eastern corner of parcel 11.10; thence in a northeasterly direction, crossing onto the centerline of Arch Street, approximately 120 feet to a point, said point lying on the centerline of Arch Street; thence in a northwestern direction, following the centerline of Arch Street, approximately 60 feet to a point, said point lying on the centerline of Arch Street; thence in a northeasterly direction, crossing over Arch Street, approximately 140 feet to the point of BEGINNING, and being all of parcels 6, 17, 18, 19, and 20, as well as a portion of Arch Street, approximately 330 feet in length and a portion of Roller Street, approximately 140 feet in length, Tax Map 46H, as shown on the August 2015 Sullivan County Tax Maps.

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

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

JOHN CLARK
Mayor

ATTEST:

JAMES H. DEMMING
City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

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

Kingsport Regional Planning Commission
Rezoning Report

File Number 16-101-00001

Arch Street Rezoning

Property Information			
Address		406 Roller St., 646 Arch St., 657 Arch St., Kingsport, TN 37660	
Tax Map, Group, Parcel		Map 46H, Parcels 6, 17, 18, 19, & 20	
Civil District		11	
Overlay District		n/a	
Land Use Designation		Industrial and Single Family	
Acres		1.7 acres +/-	
Existing Use	Multi-family and vacant	Existing Zoning	R-4
Proposed Use	18 unit apartment bldg	Proposed Zoning	R-5
Owner /Applicant Information			
Name: James Phillips Address: 832 Ridgefields Rd City: Kingsport State: TN Zip Code: 37660 Phone: (423) 863-3998		Intent: To rezone from R-4 (Medium Density Apartment District) to R-5 (High Density Apartment District) to accommodate an 18 dwelling unit apartment building.	
Planning Department Recommendation			
<p>The Kingsport Planning Division recommends approval for the following reasons:</p> <ul style="list-style-type: none"> The R-5 zone proposal is appropriate for the area in that the end result will be an apartment building that contains the same density as the existing R-4 designation would have provided prior to the density calculation switch from Floor Area Ratio (FAR) to units per acre. The Arch Street area is transitioning from a single-family land use area to a multi-family land use area. <p>Staff Field Notes and General Comments:</p> <ul style="list-style-type: none"> In March of 2014, a zoning text amendment was passed by the Planning Commission and Board of Mayor and Alderman that switched density calculations in multi-family zoning districts from FAR to units per acre. An unintended consequence of this action is that developers desiring to build smaller apartment units were penalized due to a higher amount of units per acre compared to multi-family developments with larger apartments. The density proposal for 657 Arch Street would have been accommodated under the old R-4 density requirements, but must now require a successful rezoning to R-5 to achieve a density of 18 units on an approximate .53 acre site. The current units per acre allotment for an R-4 district is 20 units per acre. The current units per acre allotment for an R-5 district is 40 units per acre. The previous guideline that used FAR to calculate density is as follows: R-4 permitted a FAR of .7, or approximately 16,160 square feet of floor area for this rezoning site size (approximately .53 acres). The developer is proposing approximately 12,960 square feet of floor area. In addition to 657 Arch Street, both 646 Arch Street and 406 Roller Street are included in the rezoning area. Both 646 Arch St and 406 Roller St. are owned by the rezoning applicant and both contain existing apartment buildings that are similar in size and scope to the proposal. Upon successful rezoning, both existing apartment building will be in compliance with the recent units per acre density calculation for R-5 districts. As of January 15, 2016, the planning department has not received any public comment about the rezoning. 			

Rezoning Report

Kingsport Regional Planning Commission

File Number 16-101-00001

Planner:	Ken Weems	Date:	January 15, 2016
Planning Commission Action		Meeting Date:	January 28, 2016
Approval:			
Denial:		Reason for Denial:	
Deferred:		Reason for Deferral:	

PROPERTY INFORMATION

ADDRESS	657 Arch St., 646 Arch St., and 406 Roller St.
DISTRICT	11
OVERLAY DISTRICT	n/a
EXISTING ZONING	R-4 (Medium Density Apartment District)
PROPOSED ZONING	R-5 (High Density Apartment District)
ACRES	1.7 +/-
EXISTING USE	Vacant land for 657 Arch St./ existing multi-family dwellings for both 646 Arch St. and 406 Roller St.
PROPOSED USE	An 18 unit apartment building for 657 Arch St.

PETITIONER

ADDRESS 832 Ridgefields Rd, Kingsport, TN 37660

REPRESENTATIVE

PHONE (423) 863-3998

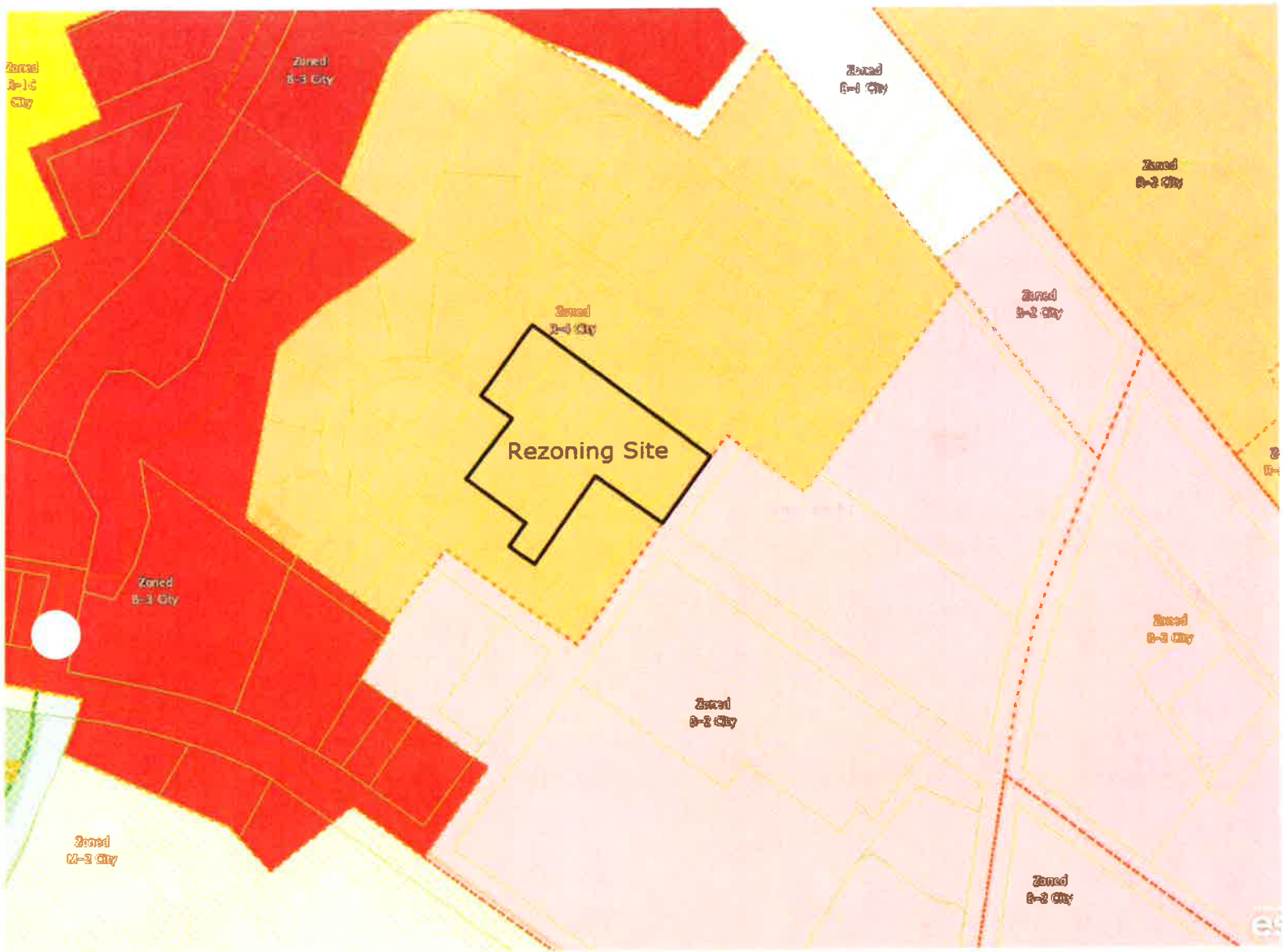
INTENT

To rezone from R-4 (Medium Density Apartment District) to R-5 (High Density Apartment District) to accommodate an 18 dwelling unit apartment building.

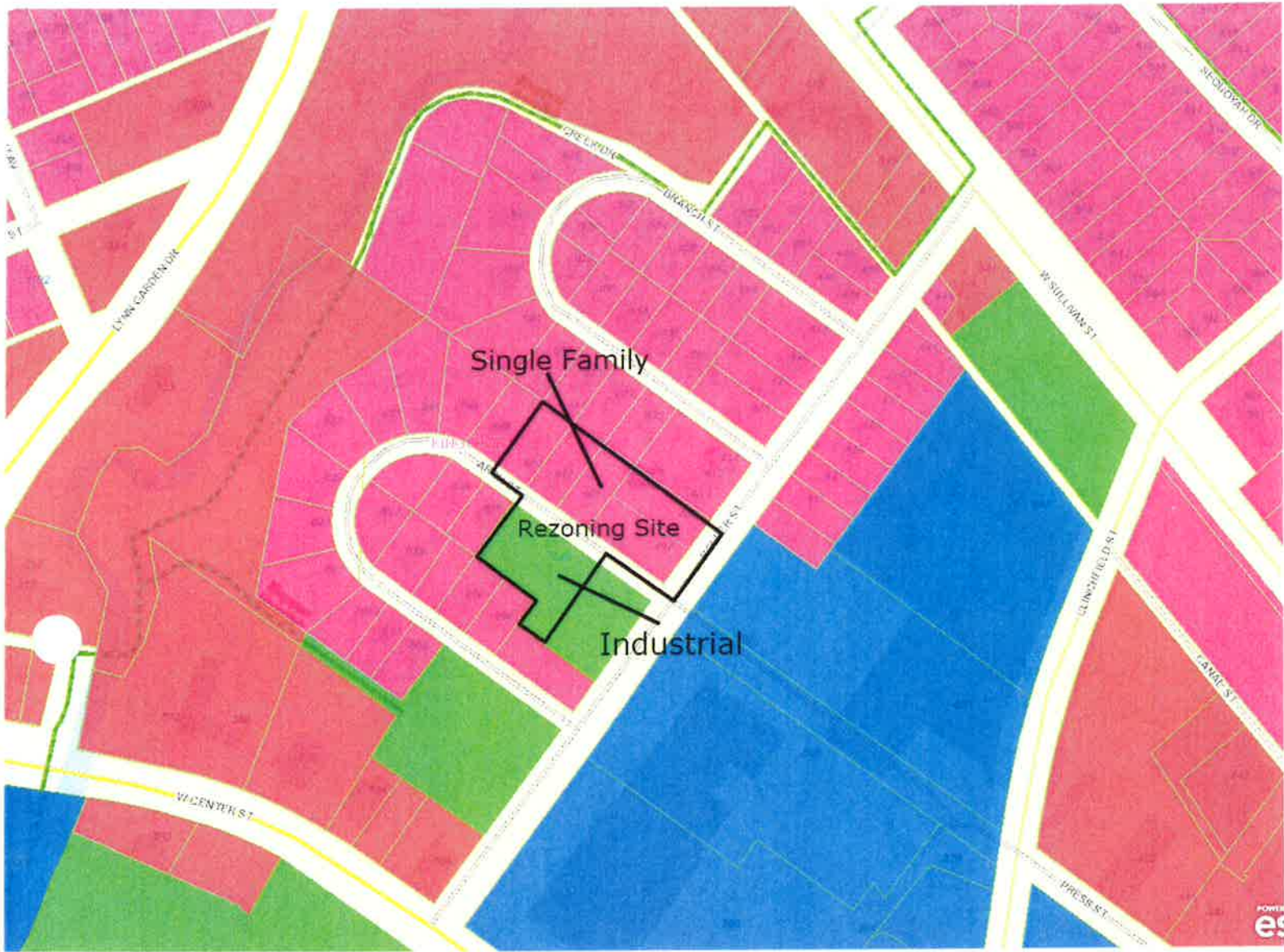
Vicinity Map



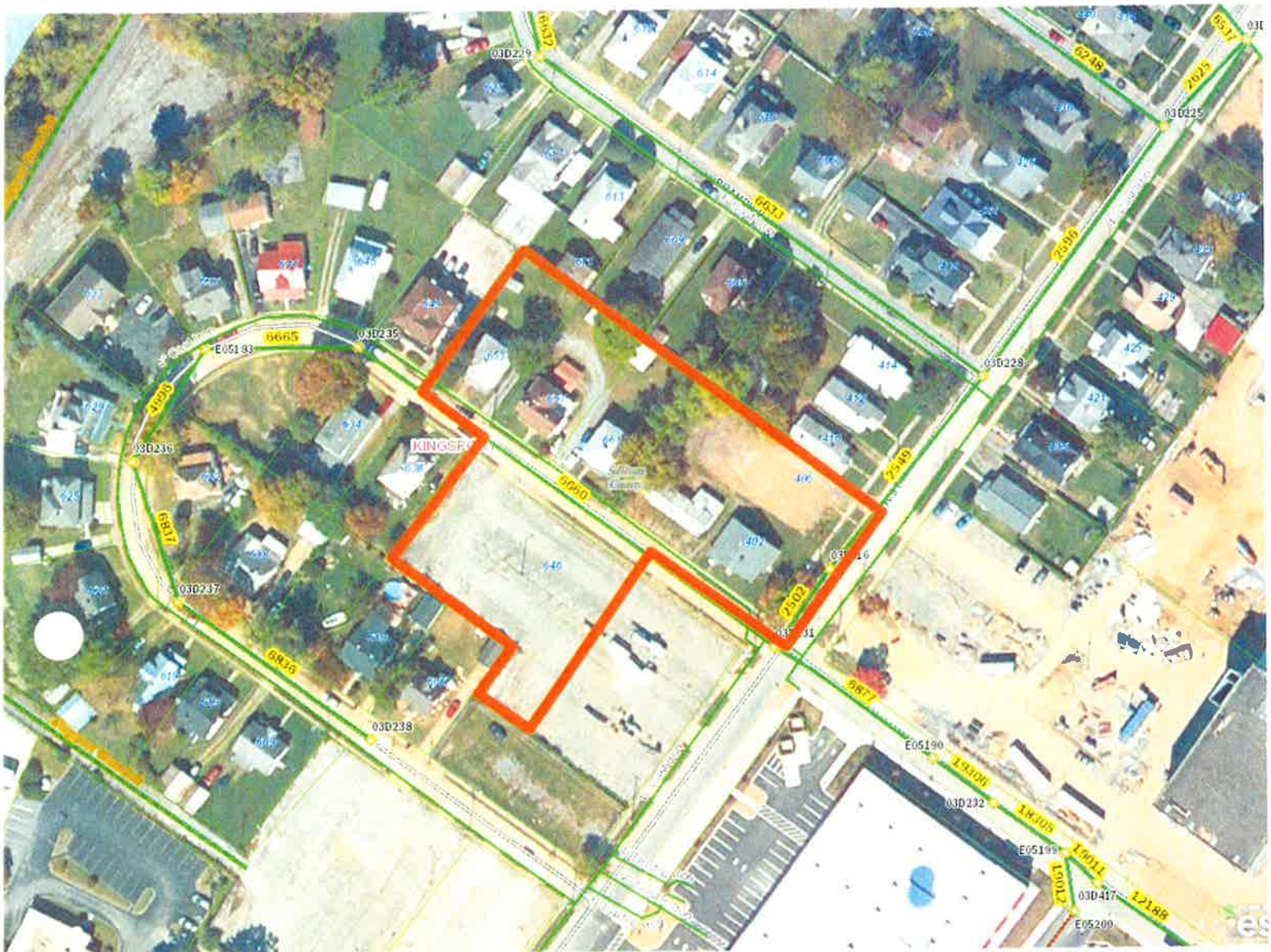
Surrounding Zoning Map



Future Land Use Plan 2030



Aerial



North View (Site of Proposed Apartment Building)



West View



South East View (Toward rear of Food City commercial complex)



North View (Existing apartments similar to the proposed apartments/ 406 Roller St.)



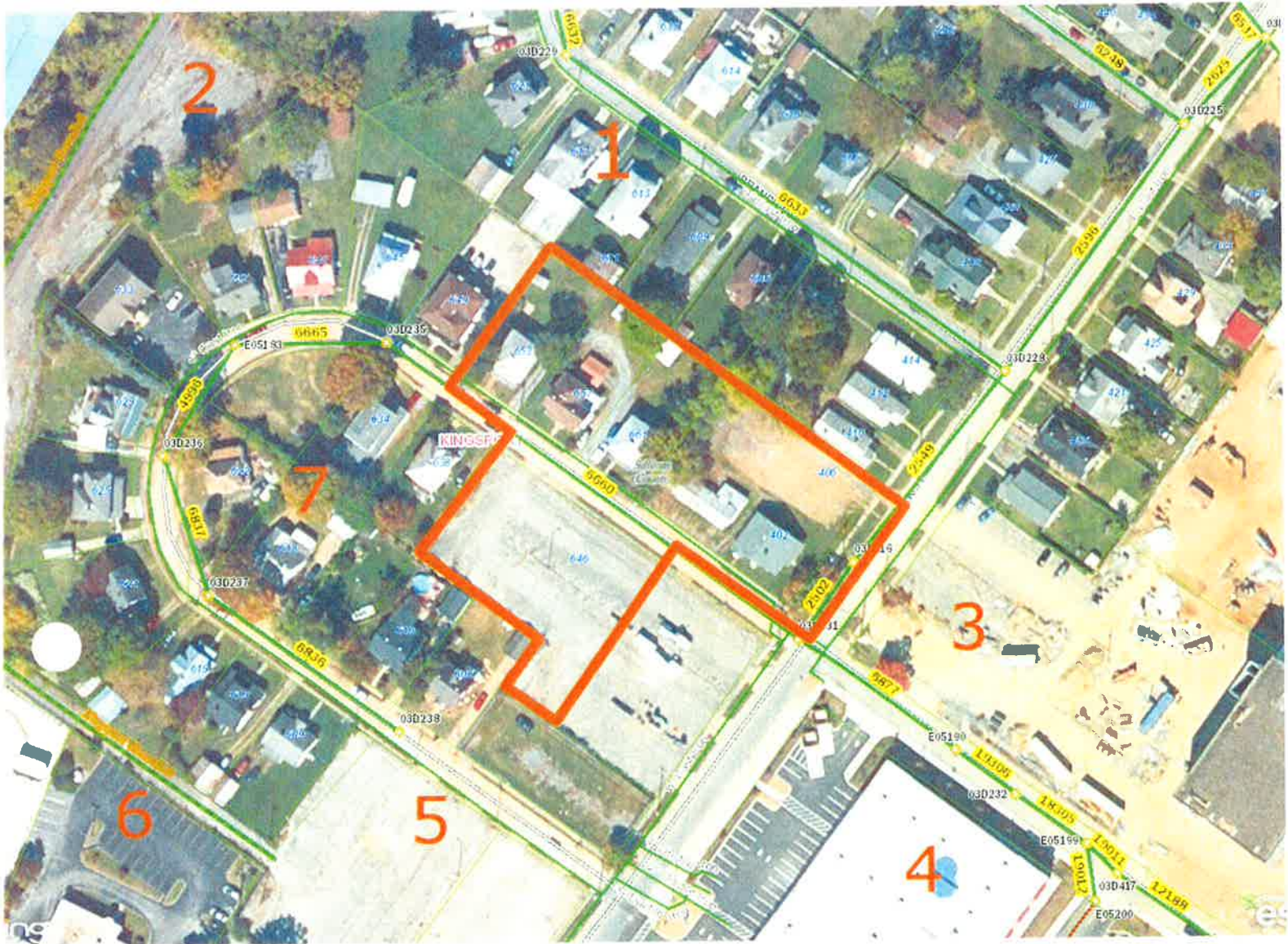
Southwest View (Existing apartments similar to the proposed apartments/ 646 Arch St.)



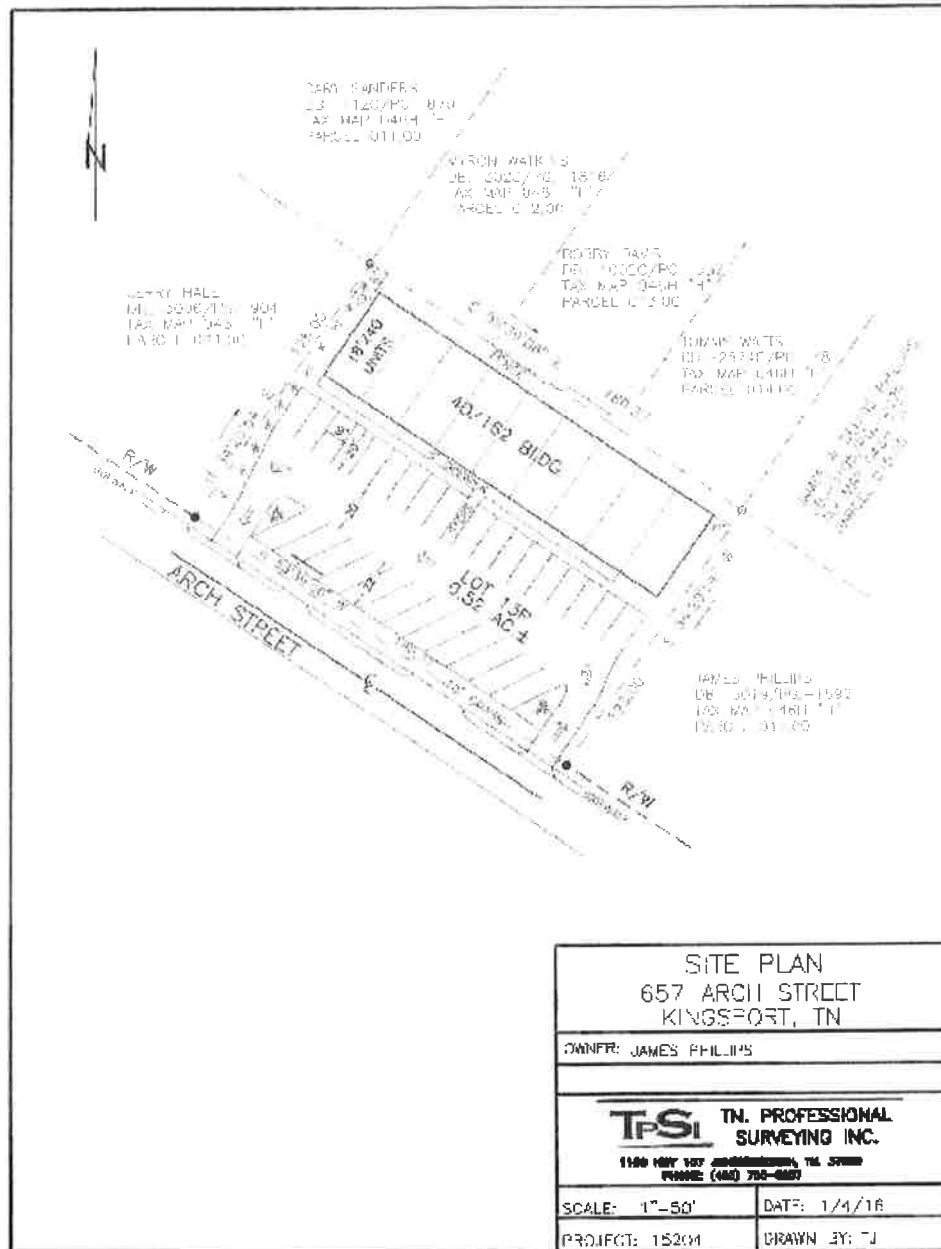
Existing Zoning/ Land Use Table

Location	Parcel / Zoning Petition	Zoning / Name	History Zoning Action Variance Action
North, East, Northwest	1	<u>Zone: City R-4</u> Use: single family	n/a
Further North and Northwest	2	<u>Zone: City B-3</u> Use: Greenbelt	637 Arch St was granted a Special Exception to operate a daycare in 1998
East	3	<u>Zone: City B-2</u> Use: parking for KCS Central Office	n/a
Further East	4	<u>Zone: City B-2</u> Use: Food City Shopping Center Complex	n/a
Southeast and South	5	<u>Zone: City B-2</u> Use: parking lot	n/a
Further South	6	<u>Zone: City B-3</u> Use: Kingsport Press CU parking lot	n/a
West	7	<u>Zone: City R-4</u> Use: single family	n/a

EXISTING USES LOCATION MAP



Site Plan



Based on the applicant's site plan submitted to the Planning Department on January 5, 2016, Staff offers the following considerations:

DEVELOPMENT STANDARDS : R-5

District minimum requirements:

- Maximum density is 40 dwelling units per acre/ proposed density= 33.9 du/acre
- Parking required: 1.5 spaces per unit/ site plan identified parking: 1.66 spaces per unit

The ZDP indicates compliance with the development standards in an R-5 District.

Property Features

The rezoning site lies on both sides of Arch Street, located behind the Downtown Food City Shopping Center. The portion of the rezoning site that is proposed for development is currently a vacant lot pending rezoning consideration. Also included in the rezoning site is two additional parcels that both contain an existing apartment building that will be similar in style to the proposed apartment building.

Standards of Review

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

- 1. Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** The proposal will permit a use that is suitable with adjacent property as multi-family use and zone.
- 2. Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** The adjacent and nearby property will not be adversely affected by the proposal. The proposed apartment units will be in keeping with the existing (recently constructed) apartments.
- 3. Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** The property has a reasonable economic use as currently zoned. There is also a reasonable economic use for the proposed zone with similar density calculations to the adjacent apartments.
- 4. Whether the proposal will result in a use which will or could cause an excessive or burdensome use of existing streets, transportation facilities, utilities or schools?** The

proposal will not cause a burdensome use of existing streets, transportation facilities, or schools.

5. **Whether the proposal is in conformity with the policies and intent of the land use plan?**

Proposed use: 18 unit apartment building

The Future Land Use Plan Map recommends Single Family use and Industrial use.

6. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** The existing conditions support approval of the proposed rezoning.
7. **Whether the zoning proposal will permit a use which can be considered environmentally adverse to the natural resources, environment and citizens of the City of Kingsport?** There are no adverse uses proposed.
8. **Whether the change will create an isolated district unrelated to similar districts:** The proposed rezoning is related to the similar and surrounding R-4 District.
9. **Whether the present district boundaries are illogically drawn in relation to existing conditions?** The present district boundaries are logically drawn as is in comparison to the existing conditions.
10. **Whether the change will constitute a grant of special privilege to an individual as contrasted to the general welfare?** The change will not allow a special privilege to an individual as contrasted to the general welfare.

CONCLUSION

Staff recommends APPROVAL to rezone from R-4 to R-5. The proposal is in keeping with current and trending land use and density in the vicinity.



AGENDA ACTION FORM

Accept Donation from the Friends of the Kingsport Public Library for Transformer and Lighting for Outside Kingsport Public Library Sign and Appropriate Funds

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

Action Form No.: AF-38-2016
 Work Session: February 15 2016
 First Reading: February 16, 2016

Final Adoption: March 1, 2016
 Staff Work By: Helen Whittaker
 Presentation By: Morris Baker

Recommendation:

Approve the ~~Resolution~~ and Ordinance to accept the donation.

Executive Summary:

The *Friends of the Kingsport Public Library* is donating to the City \$1,087.00 to pay for 100 percent of the labor, equipment and materials (transformer, light fixtures, wiring, etc.) to provide lighting on both sides of the new outside Kingsport Public Library sign on the corner of New Street and Broad Street.

Attachments:

1. Resolution
2. Ordinance

Funding source appropriate and funds are available: 

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



AGENDA ACTION FORM

Accept Donation from the Friends of the Kingsport Public Library for Transformer and Lighting for Outside Kingsport Public Library Sign and Appropriate Funds

To: Board of Mayor and Aldermen
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Action Form No.: AF-38-2016
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Final Adoption: March 1, 2016
 Staff Work By: Helen Whittaker
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Recommendation:

Approve the Resolution and Ordinance to accept the donation.

Executive Summary:

The *Friends of the Kingsport Public Library* is donating to the City \$1,087.00 to pay for 100 percent of the labor, equipment and materials (transformer, light fixtures, wiring, etc.) to provide lighting on both sides of the new outside Kingsport Public Library sign on the corner of New Street and Broad Street.

Attachments:

1. Resolution
2. Ordinance

Funding source appropriate and funds are available: Je

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

RESOLUTION NO. _____

A RESOLUTION ACCEPTING A DONATION OF \$1,087.00 FROM
THE FRIENDS OF THE KINGSPORT PUBLIC LIBRARY FOR
LIGHTING FOR THE KINGSPORT PUBLIC LIBRARY SIGN

WHEREAS, the Friends of the Kingsport Public Library would like to donate \$1,087.00 for lighting for the new sign located outside at the Kingsport Public Library; and;

WHEREAS, the funds will help pay for the labor, equipment and materials, including the transformers, wiring, and light fixtures, to provide lighting on both sides of the new Kingsport Public Library sign.

Now therefore,

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

SECTION I. That the donation to the city from the Friends of the Library in the amount \$1,087.00 for lighting for the new Kingsport Public Library sign located outside, is accepted.

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

ADOPTED this the 16th day of February, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL FUND
BUDGET BY APPROPRIATING DONATIONS
RECEIVED FOR THE YEAR ENDING JUNE 30,
2016; AND TO FIX THE EFFECTIVE DATE OF THIS
ORDINANCE

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

SECTION I. That the General Fund budget be amended by appropriating donations received from the Friends of the Library in the amount of \$1,087 to the Public Library operating budget to purchase equipment and materials to provide lighting on both sides of the new Kingsport Public Library sign.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
Fund 110: General Fund			
<u>Revenues:</u>	\$	\$	\$
110-0000-364-3000 From Non-Profit Groups	125,575	1,087	126,662
Totals:	125,575	1,087	126,662
<u>Expenditures:</u>	\$	\$	\$
110-4540-474-9004 Equipment	4,800	1,087	5,887
Totals:	4,800	1,087	5,887

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

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

ANGIE MARSHALL
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

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

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

Action Form No.: AF-36-2016
 Work Session: February 15, 2016
 First Reading: February 16, 2016

Final Adoption: March 1, 2016
Staff Work By: Lynn Tully & Mike Billingsley
Presentation By: Lynn Tully

Recommendation:

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

Executive Summary:

We have for several years authorized the KEDB to administer the Downtown Façade & Redevelopment grant program. As the funds have dwindled over time, this resolution provides for additional funds for the program in the amount of \$60,000. The program has become increasingly successful, providing over \$586,000 in grant funds since 2007 in 57 different projects. The typical project receives an average of \$10,282 each at a 50% match.

Attachments:

1. Resolution for KEDB Funds
2. Ordinance to Transfer Budget Monies
3. KEDB Agreement
4. Revised Kingsport Downtown Façade Grant Program Application
5. Revised Kingsport Redevelopment Grant Program Application

Funding source appropriate and funds are available: 

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



AGENDA ACTION FORM

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

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

Action Form No.: AF-36-2016
 Work Session: February 15, 2016
 First Reading: February 16, 2016

Final Adoption: March 1, 2016
 Staff Work By: Lynn Tully & Mike Billingsley
 Presentation By: Lynn Tully

Recommendation:


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

Executive Summary:

We have for several years authorized the KEDB to administer the Downtown Façade & Redevelopment grant program. As the funds have dwindled over time, this resolution provides for additional funds for the program in the amount of \$60,000. The program has become increasingly successful, providing over \$586,000 in grant funds since 2007 in 57 different projects. The typical project receives an average of \$10,282 each at a 50% match.

Attachments:

1. Resolution for KEDB Funds
2. Ordinance to Transfer Budget Monies
3. KEDB Agreement
4. Revised Kingsport Downtown Façade Grant Program Application
5. Revised Kingsport Redevelopment Grant Program Application

Funding source appropriate and funds are available: 

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH KINGSFORT ECONOMIC DEVELOPMENT BOARD FOR THE ECONOMIC DEVELOPMENT IN THE DOWNTOWN REDEVELOPMENT DISTRICT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the Kingsport Economic Development Board (KEDB) has a Downtown Facade Grant program; and

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

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

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

Now therefore,

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

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

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

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

SECTION IV. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a contribution agreement with Kingsport Economic Development Board (KEDB) for Economic Development in the Downtown Redevelopment District including for the Downtown Facade Grant program and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution.

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

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

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

ADOPTED this the 16th day of February, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

ORDINANCE NO. _____

**PRE-FILED
CITY RECORDER**

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

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

SECTION I. That the General Fund budget be amended by transferring funds in the amount of \$60,000 from the Downtown project (NC1510) to fund the KEDB Façade program.

Account Number/Description:

Fund 110: General Fund

Expenditures:

	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
110-1005-405-8078 KEDB Façade Program	0	60,000	60,000
110-4804-481-7035 General Projec-Special Revenue Fund	681,989	(60,000)	621,989
<i>Totals:</i>	681,989	0	681,989

Fund 111: General Project-Spec. Rev. Fund

Downtown Project (NC1510)

Revenues:

	\$	\$	\$
111-0000-391-0100 From General Fund	119,045	(60,000)	59,045
<i>Totals:</i>	119,045	(60,000)	59,045

Expenditures:

	\$	\$	\$
111-0000-601-2022 Construction Contracts	119,045	(60,000)	59,045
<i>Totals:</i>	119,045	(60,000)	59,045

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

JOHN CLARK, Mayor

ATTEST:

APPROVED AS TO FORM:

ANGELA L. MARSHALL
Deputy City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

AGREEMENT

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

WITNESSETH:

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

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

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

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

SECTION I PROJECT DESCRIPTION/STATEMENT OF WORK

A. Purpose of Program

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

B. Method of Operation

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

SECTION II RECORDS AND REPORTS

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

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

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

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

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

**SECTION III
OTHER REQUIREMENTS**

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

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

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

CITY OF KINGSPORT

JOHN CLARK, Mayor

Date

ATTEST:

APPROVED TO AS TO FORM:

JAMES H. DEMMING, City Recorder

J. MICHAEL BILLINGSLEY, City Attorney

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

BILL DUDNEY, Chair

Date

Kingsport Downtown Façade Grant Program

APPLICATION

Contact: Vanessa Bennett
Kingsport Economic Development Board
Kingsport, TN 37660
423-392-8813

APPLICANT INFORMATION

Name:
Phone:
Referred by:

FOR OFFICE USE ONLY

Application Date:	
Approval Date:	Amount:
Tax ID number:	

PROPERTY OWNER INFORMATION

Name:	Years Owned:	
Address:	Phone:	
City:	State:	Zip:
Type of Ownership:	Owner's Signature-Improvements Approved:	

BUSINESS AND / OR PROJECT INFORMATION

Name of Business:	Business / Project Owner's Name:	
Address:	Phone:	
City:	State:	Zip:
Type of Business:	Upper floor use (if applicable):	

PROPOSED IMPROVEMENTS

Storefront Improvements:	
Upper Façade Improvements:	
Other Improvements:	
Estimated Cost of Eligible Improvements:	Grant Amount Requested:

Check appropriately:

☐ I own the property in consideration ☐ I lease the property in consideration

I have read the Downtown Façade Grant Program and Design Guidelines. I understand that if the proposal is approved, I will make the above improvements to the property within the specified time allowed.

APPLICANT'S SIGNATURE:

DATE:



Kingsport Downtown Façade Grant Program

INTAKE SHEET

Applicant Information

Company Name _____

Name of Individual: First _____ Middle Initial _____ Last _____

Contact Address _____ City _____ State _____ Zip Code _____

Telephone _____

Estimated Date of Completion: _____
Additional Description of Work (*attach design plans if applicable*):

This Section for Office Use Only:

Submittals:

- | | |
|---|---|
| <input type="checkbox"/> Photos (<i>Before and After improvement if applicable</i>) | <input type="checkbox"/> Color samples |
| <input type="checkbox"/> Cost Estimates | <input type="checkbox"/> Material samples |
| <input type="checkbox"/> Design Plans (<i>if applicable</i>) | <input type="checkbox"/> Façade Maintenance Agreement |
| <input type="checkbox"/> Quotes for completion | <input type="checkbox"/> Additional Information |

APPLICANT'S SIGNATURE:



DATE:

Program Guidelines

The **PURPOSE** of the Façade Grant Program is to encourage the revitalization of building facades and to improve the aesthetics of the City's Central Business District with grant assistance through the Kingsport Economic Development Board (KEDB), for the City of Kingsport, Tennessee.

Eligibility Requirements

Please check each box to indicate acceptance of the eligibility requirement. Work that does not comply with the eligibility requirements is subject to reduction or retraction of award.

- ☐ All projects must be located within the established Central Business District
- ☐ All work must be done on a street facing side of an existing building
- ☐ All work must be done on the exterior of the building and result in a publicly visible improvement.
- ☐ The Building may be Existing or New Construction ("New" is a completely new structure on a clear site completed within the grant period)
- ☐ All work must be in compliance with approved Building and Fire Codes
- ☐ All work must be appropriate according to the Downtown Façade Grant Program's design guidelines.
- ☐ Project Cost must exceed \$1,000 to be considered for a façade grant.
- ☐ Live and work studios should be classified as a commercial or mixed use building. Staff will conduct a site visit.
- ☐ Routine maintenance such as painting, masonry, and lighting must be part of a larger renovation project.
- ☐ New construction projects are eligible to apply for enhancements to the original design including upgraded materials, etc.
- ☐ Property owner must agree to maintain the property upon completion of the work.

Projects that are not Eligible

The following types of Projects or Properties are not eligible for the Downtown Façade Grant Program:

Projects/work completed prior to the last funding year (generally before April of the prior year)

Tax delinquent property

Property whose owner has any other tax delinquent property

Tax Exempt Property

Property in litigation

Property in condemnation or receivership

Properties purchased from the city may be considered on a case by case basis

National Franchises or Retail Chain Stores

Work on the rear or unseen roof of the building is not eligible for a façade grant.

Downtown Façade Grant funds cannot be used to correct outstanding code violations, for property damaged by collision, acts of nature or occurrences covered by insurance.

Landscaping, Fences & Gates not integral to the façade of the building

Security systems

Air Conditioning and Heating Upgrades

Vinyl Awnings

Program Guidelines

General Criteria

For a period of one year after the establishment of the program by the Board of Mayor and Alderman, façade improvement grants will be available for properties located within the established Central Business District. After the first year, the program will be evaluated for potential continued funding and expansion to other areas within the City.

Only one award will be allowed per property per year. Properties which are awarded multiple awards over several years may receive a reduced award based on amount of previous awards, completion and quality of work performed on previous awards.

Plans for rehabilitation of structures should respect the architectural integrity of the entire building and the neighboring streetscape.

Materials that are compatible in quality, texture, finish and dimension to those previously approved projects in the district are encouraged.

Façade grants are not intended to be a partial solution to building in obvious disrepair and neglect. For these properties, the applicant must show a comprehensive proposal for the entire building's rehabilitation that would meet the current building and zoning codes in order to bring the property into occupiable condition.

Tenants may qualify for grant funding with the written consent of the owner of the building.

The City of Kingsport/KEDB/Façade Grant Review Committee will not be a party in negotiations between the applicant and contractors employed by the applicant. The applicant agrees to hold the aforementioned harmless of an defects in workmanship, liability, damages, or other costs relative to the project.

Goals of the Program

It is hoped that in addition to preserving the building facades, the program will:

- ❖ Provide an incentive for complete rehabilitation of the structures and construction of new structures in harmony with the character of the district.

Rehabilitation means the process of returning a property to a state of utility, through repair or alteration, which makes possible an efficient, contemporary use while preserving those portions which are significant to its historic, architectural and cultural values.

- ❖ Maintain a quality image consistent with the character of the surrounding area and the Downtown Design Guidelines for any New construction.
- ❖ Encourage the use of historic and architecturally significant commercial buildings in a manner that would continue to draw the public to the downtown.
- ❖ Increase the investment in downtown and raise property values for tenants and owners.
- ❖ Eliminate blighting influences and prevent deterioration of commercial properties in the Downtown Business District
- ❖ Conserve important existing building stock.

Program Guidelines

Application Review

Staff will determine if the application package that is submitted is sufficiently complete to review, and will forward the application to the Façade Grant Committee.

The Façade Grant Committee meets quarterly to review and score the applications. All applications are reviewed on a competitive basis. Eligible application packages are due 30 days prior to their meeting date.

The application package will be reviewed by the Façade Grant Committee to determine whether the project should receive a grant and determine the amount of the award. In making the determination, the committee will consider the following factors and will score higher those projects that are in a priority area or show additional efforts to meet the following criteria:

Will the project foster the use of the ground-floor storefront space as retail-dining-service-entertainment space which encourages pedestrians to look inside through windows?

Will the project preserve any original architectural features which remain?

Will the project eliminate/correct previous remodeling which has covered up original architectural features?

Will the improvements employ new materials in ways which don't obscure the building's original character (i.e. vinyl, aluminum or stucco or other treatment over unpainted brick.)?

Will the project improve the entire building frontage on the street (particularly the front façade)?

Will the materials used in the improvement have lasting durability?

Will the project substantially leverage more property investments than the required matching amount of the grant?

Will the grant result in an improvement that would not be made otherwise?

Does the project comply with the Downtown Façade Grant Program's Design Guidelines?

Required Materials for Application

*Application packages must include enough documentation to illustrate the visual impact of the project and its costs. **Failure to provide required information will delay the review process.** The items submitted should include:*

- ☐ **A completed application form**
- ☐ **Written consent from property owner giving permission to conduct façade improvements.**
- ☐ **Color photographs of existing conditions (before and after if applicable)**
- ☐ **Samples of materials and colors to be used**
- ☐ **Any other documentation necessary to illustrate the visual impact of the proposed project completion schedule.**
- ☐ **Submit quotes from licensed contractors for the proposed work.** In lieu of quotes receipts for work completed from same will be accepted. These proposals should give detailed information about the work to be done, the costs, and the project completion schedule
- ☐ **Owners or merchants who are in contracting business and intend to perform work on their own properties or businesses, must furnish at least one quote other than their own to be done.**
- ☐ **Owners and merchants may also perform work on their own buildings; however, they will not be reimbursed for their time while acting as contractor and/or installing material. **Material costs are reimbursable; however, documentation must be produced for the expense.****
- ☐ **Completed Façade Maintenance Agreement**
- ☐ **HZC Certificate of Appropriateness (as applicable)**

Program Guidelines

Award Reimbursement

Reimbursement shall be limited to no more than 50% of the total cost of eligible improvements, not to exceed \$15,000 per building. All necessary government approvals, building permits, and taxes are not eligible items for reimbursement.

Projects involving minor improvements to a single 25' wide storefront are typically awarded a maximum of \$5,000.

Applications Timeline:

- ❖ **March 1** - Applications Due for **April Review**
- ❖ **June 1** - Applications Due for **July Review**
- ❖ **September 1** - Applications Due for **October Review**
- ❖ **December 1** - Applications Due for **January Review**

- ❖ **Quarterly Review Meetings** - Scores and deliberations considered by Façade Grant Review Committee

- ❖ **Approx. 1 Week following Review** - Awards announced and monies begin eligibility for disbursement

The Façade Grant Committee reserves the right to refuse reimbursements in whole or in part for work that:

- Does not conform to the program design guidelines.
- ***Do not conform to the proposals submitted with your application and approved by the Façade Grant Committee.***
- Are not commensurate with the workmanship and cost customary to the industry
- Are not completed within 180 days. Since the Façade Grant Committee cannot reserve funds indefinitely, your grant may be subject to cancellation if not completed or significant progress hasn't been made by the completion date. ***Request for extensions will be considered only if made in writing and progress towards completion has been demonstrated.***

Required Materials for Reimbursement

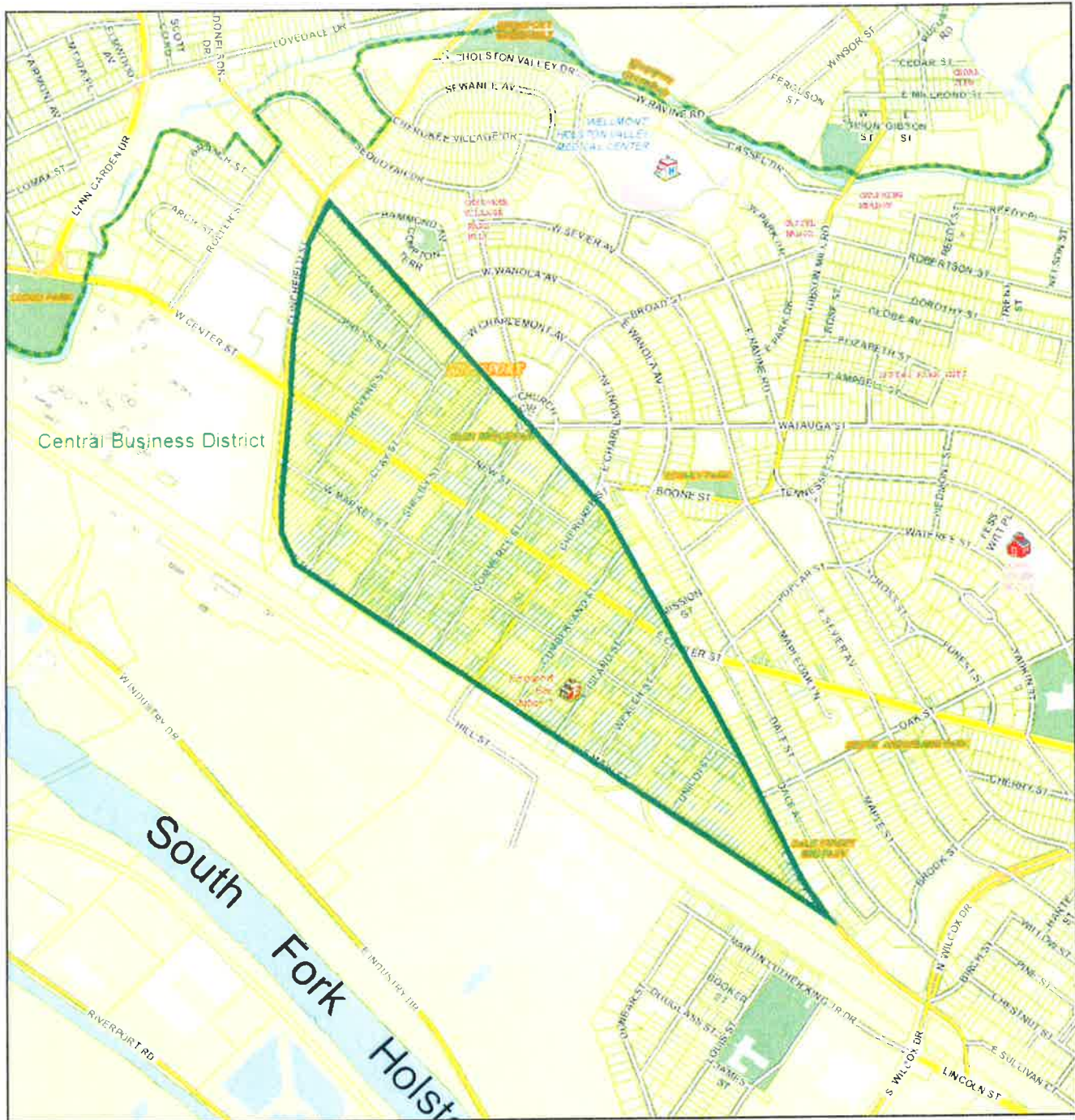
City Development Staff will inspect work to ensure that it complies with the approved plans. Upon completion please contact the Planning and Community Development Director at 423-229-9485 for an inspection. ***Any changes to the approved plan will require a written request from the applicant and approval by the Façade Grant Committee in order to retain the façade grant.***

Reimbursement can be expected in approximately **three (3) to six (6) weeks** after all of the following documentation has been submitted

- Copies of all paid invoices, canceled checks, and or bank statements for all of the façade work covered by grant. These must equal at least the required matching amount plus the amount of the owner investment. The invoices must be marked paid, signed, and dated by the contractors. ***Cash payments are not accepted.***
- Lien waivers cannot be substituted for canceled checks or bank statements.
- **Color photographs of completed project.**
- **Grantee is responsible for obtaining any permits required to complete the project. Cost of permitting cannot be part of the grant funding. Copies of the approved permits must be submitted prior to reimbursement.**
- **Certificate of Occupancy or Completion from the office of the Building Official**
- **Certificate of Appropriateness from Historic Zoning Commission (if applicable)**

Records of all plans, and fund disbursements will be kept by KEDB.

Central Business District Map



1.029 ft

Central Business District Applicability Map

Internal Use Only

Scoring and Eligibility Worksheet

Grant Amount Requested: _____

- A. Completed Application:
- B. Will the project foster the use of the ground-floor storefront space as retail-dining-service-entertainment space which encourages pedestrians to look inside through windows?
- C. Will the project preserve any original architectural features which remain?
- D. Will the project eliminate/correct previous remodeling which has covered up original architectural features?
- E. Will the improvements employ new materials in ways which don't obscure the building's original character (i.e. paint, vinyl, aluminum or stucco over unpainted brick.)?
- F. Will the project improve the entire building frontage on the street (particularly the front façade)?
- G. Will the materials used in the improvement have lasting durability?
- H. Will the project substantially leverage more property investments than the required matching amount of the grant?
- I. Will the grant result in an improvement that would not be made otherwise?
- J. Does the project comply with the Downtown Façade Grant Program's Design Guidelines?
- K. Is the project located on Broad Street as a significant downtown destination area?

Projects receiving less than 5 points shall not be eligible for funding.

Tally

Circle one:

- | | |
|---|--------|
| A. Yes - 1 | No - 0 |
| B. Yes - 2 | No - 1 |
| C. Yes - 2 or 3 | No - 1 |
| <i>Optional 3 pts. for significant arch. features</i> | |
| D. Yes - 3 | No - 0 |
| E. Yes - 1 | No - 0 |
| F. Yes - 3 | No - 1 |
| G. Yes - 2 | No - 1 |
| H. Yes - 3 or 4 | No - 1 |
| <i>Optional 4 pts. for full remodel of building</i> | |
| I. Yes - 1 | No - 0 |
| J. Yes - 2 | No - 0 |
| K. Yes - 2 | No - 1 |

Total Score: _____

Rank: _____

Approved funding: _____

Downtown Façade Design Guidelines

The Downtown Façade Design Guidelines outline the standards, which should be followed when renovating buildings using a façade grant. These design guidelines take into consideration a building's historic significance in determining what would be an appropriate treatment. Projects that affect city-designated historic buildings also require a separate review by the City of Kingsport Historic Zoning Commission.

These guidelines will also assist property owners in understanding the context of the built environment in Kingsport's Downtown, and to help owners when they are faced with decisions about alterations and new construction. Also, for property owners faced with decisions about the repair, maintenance, rehabilitation and demolition of a building. These guidelines are not a rigid set of rules, rather, their purpose is to provide information to property owners and tenants about buildings, their distinct characteristics and suggest various appropriate ways to address design, repair, and rehabilitation issues.

The Design Guidelines are further explained through the use of photographs and illustrations. Examples given should not be considered the only appropriate options. In most cases, there are numerous possible solutions that meet the intention of the design guidelines, as well as the needs of the property owner. Simply because a design approach is not listed or illustrated does not mean that it is not acceptable.

How are the Design Guidelines Used?

Property owners, agents, developers, tenants and architects should use these guidelines when considering applying for a Façade Grant. This will help establish an appropriate direction for design. The applicant should refer to the guidelines at the outset to avoid efforts that later may be inappropriate.

The guidelines are employed in two ways during the grant review process:

- The Façade Grant Review Committee will use the guidelines when considering the appropriateness of grant monies to be expended for the application
- The Façade Grant Review Committee will also use the guidelines when considering level of grant funding awarded.

While it guides an approach to certain design problems by offering alternative solutions, it does not dictate a specific outcome and it does not require a property owner to instigate improvements that are not contemplated. The committee will consider the proposed projects on a case-by-case basis to determine if an adequate number of the relevant guidelines have been met. However, there is no set number of guidelines that must be met to gain approval. In making its determination, the committee's overall goals are to ensure that the proposed work complies with the goals of the program and that the overall character of the Downtown is enhanced. The design guidelines provide an objective basis for determining that these goals will be achieved.

I. Façade

The façade is the entire exposed exterior surface of a building that fronts a public street and contains the building's principal entrance. Any elevation not containing the main entrance but fronting on a public street exposed to public view will be considered a secondary elevation. Secondary Elevations may also be eligible for façade grants.

Downtown Façade Design Guidelines

II. Storefronts

It is the intent of these guidelines that most buildings should have storefront-type glazing facing the street. When alterations are made to the first floor levels of buildings that presently have more opaque wall treatments, the façade grant program will usually require that storefront type glazing be installed that could accommodate retail uses in the future.

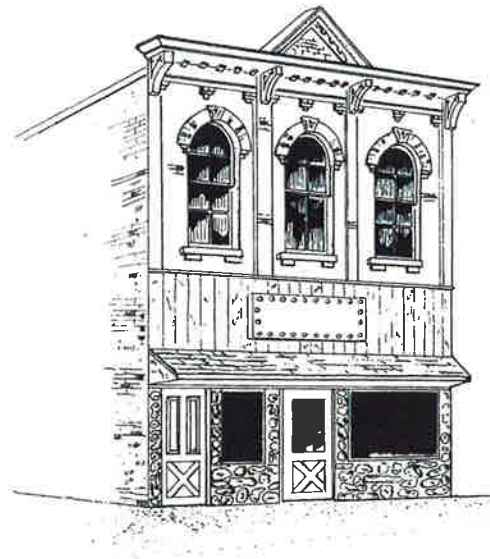
If an existing storefront is to be replaced, the new storefront should be traditional in character and include an appropriately designed bulkhead panel; large, undivided areas of clear glass display windows; a glazed transom surmounted by a storefront cornice; and a traditional, fully glazed storefront floor. The new storefront should fill the full height of the original masonry opening. Display windows should be of clear glass in pieces as large as is practical. **Tinted or reflective glazing is not recommended.**

For historic buildings, all structural and decorative elements should be repaired or replaced to match or be compatible with the original materials and design of the building to the greatest extent possible. Buildings, that are an integral element of a historic streetscape, should reflect and complement the character of the surrounding area to the greatest extent possible.

See the following for Pictorial example:

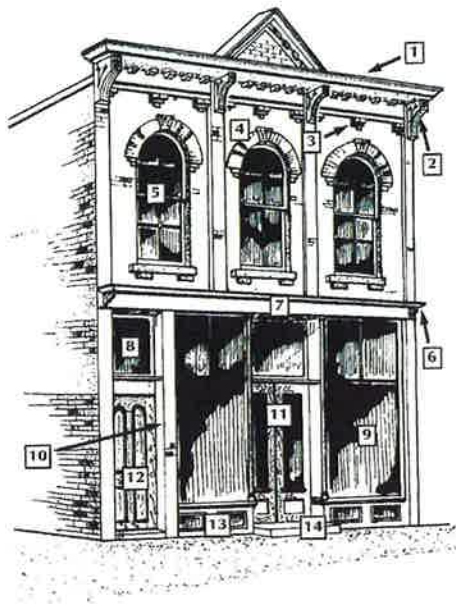


Storefront Before and After



BEFORE

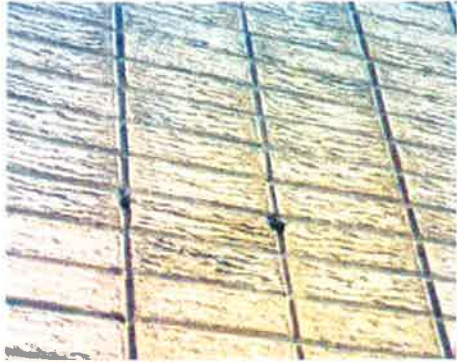
1. UPPER CORNICE
2. BRACKET
3. CORBELLED BRICK DECORATION
4. WINDOW HOOD MOLDING
5. DOUBLE HUNG WINDOW UNIT
6. STOREFRONT CORNICE
7. SIGN ZONE
8. TRANSOM WINDOW
9. DISPLAY WINDOW
10. MASONRY PIER
11. DOUBLE LEAF ENTRY DOOR
12. DOOR TO UPPER FLOOR
13. BULKHEAD
14. ENTRY RECESS



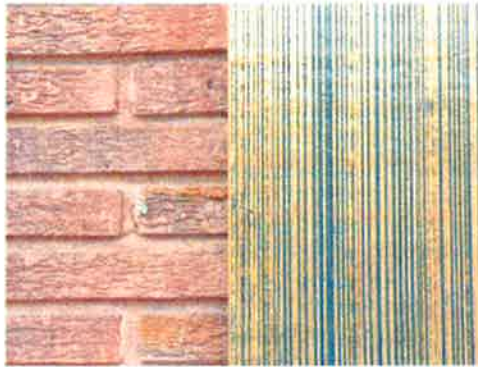
AFTER

II. Masonry

Unpainted brick, stone or terra cotta should not be painted or covered. Previously painted masonry may be painted. If it is necessary to remove paint or clean unpainted masonry, use the gentlest methods possible. Sandblasting and other abrasive cleaning methods are not recommended. Repaint defective mortar by matching the original in color, style, texture and strength. Repair or replace deteriorated masonry with new masonry that duplicates the original material as closely as possible.



Textured Masonry Surface or Brick in a Vertical Bond



Brick or Terra Cotta



Stone Patterns

III. Upper Story Windows

Retain original upper story window openings that are visible from the public right-of-way. Retain the present configuration of window panes and sashes except when historic photographs indicate a more original condition. Avoid making additional openings or changes in the principal elevations by enlarging or reducing window-opening sizes. The intent is to restore the original window configuration not to create new designs. If the replacement of a window sash is necessary, the replacement should duplicate the appearance and design of the original window sash to the extent possible.

Avoid the filling-in or covering of openings with materials like glass-block. Avoid using modern style window units such as horizontal sliding sash, or fixed sash in place of double hung sash. Do not replace round head windows with square top windows.



Note the use of rounded top windows in the second story although they are painted



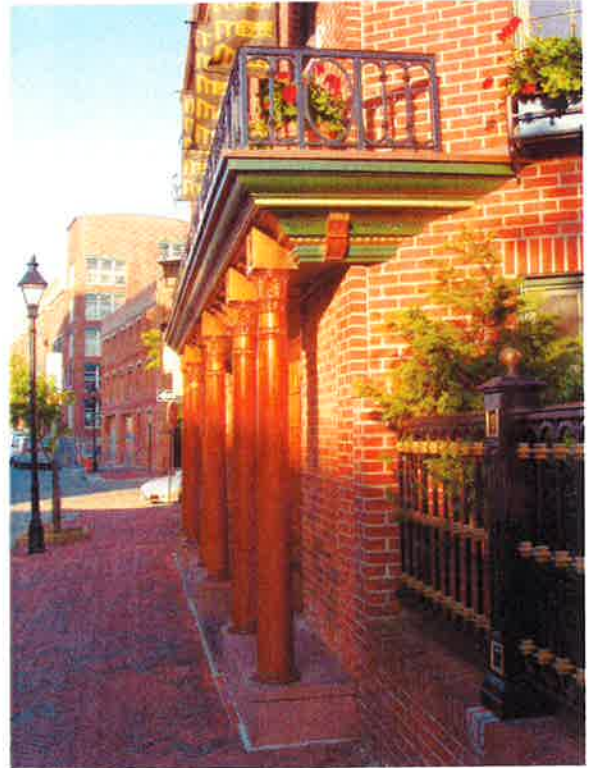
Note the difference in the second story windows – Use of fixed glass versus the sashed windows in the adjoining building

XII. Trim and Ornamentation

Retain and repair or replace character giving trim ornamentation including, but not limited to, window caps, carved stone work, ornamental plaques, storefront cornices and eaves cornices. Replacement should attempt to match the design, dimensions and material of the original trim and ornamentation.



Note the Detailed cornices at the Entrances



**Additional
Option for
New
Construction
Projects**



XIII. Awnings

Awnings should be crafted to complement the age, style and scale of the building. Generally, traditional shed awnings are appropriate for most historic window, door, and storefront installations. It is preferable that these awnings should be made of canvas or neoprene impregnated fabric instead of shiny vinyl with free-hanging valances, the flapping bottom pieces are characteristic of historic awnings. Fabric or fixed metal awning materials may be acceptable. Quarter-round awnings, modern mansard awnings, and other contemporary commercial designs with distended, fixed valances have no precedent in traditional awning design and are usually inappropriate for historic buildings. Backlit awnings and dome awnings are usually inappropriate.



XIV. Signage

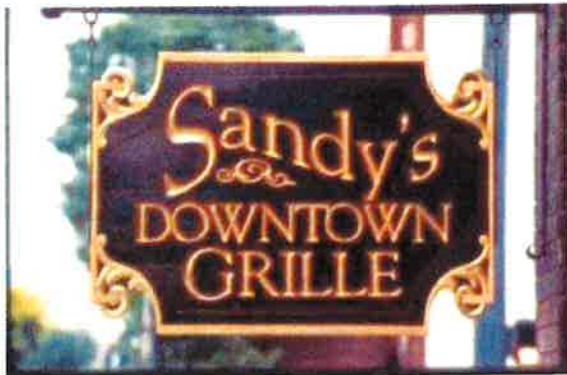


Fascia signs, placed on the fascia or horizontal band between the storefront and the second floor, were common nineteenth century signage. The fascia is often called the "signboard," and as the word implies, provided a perfect place for a sign--then as now and such signs usually gave little more than the name of the business and perhaps a street number. Modern internally lit box signs are not recommended.

Neon signage is generally discouraged.



Signs in the form of **plaques, shields, and ovals** were used on many nineteenth-century buildings. Such signs had the advantage of being easily replaced as tenants came and went. They also easily incorporated images as well as lettering.



Hanging Signs are signs that project from a building's wall and are supported by metal brackets. These signs can come in all shapes and sizes and are sometimes made in the likeness of objects and symbols associated with an actual type of business. These signs should project no more than four feet from the face of the building and should not obscure the signage of other nearby businesses. The signs and brackets should be designed to complement the architecture of the building and mounted in the mortar joints of masonry buildings. All projecting signs should be hung within the base zone of the building or parallel to the second story window. Internally lit and moving projecting signs are not recommended.

Display Window Lettering, is another common type of storefront signage that is painted on or etched into the interior side of display windows and glazed entry doorways. These signs should consist of lettering and/or a logo, and should not cover more than 1/5 of the area of the glass panel, and should not obscure the display area.

Transom Signs, are typically made of leaded glass letters that are built into the transom above the storefront display window or door. This can be illuminated at night with backlighting or illuminated from the lower interior part of the store lights. These signs can be made today by leaded glass craft workers and can be made as easily to remove panels.

Awning Signs, allow the fringe or skirt of the awning, as well as the panel at the side as typical placement for a name or street number. Lettering on the main part of the awning is generally not permitted.



XV. Security Gates and Bars

The installation of exterior, permanent or retractable security gates or bars is highly discouraged. They are out of character with the architecture; create an impression that the area is unsafe, and ultimately hurt business. Less obstructive retractable interior security gates, security devices, alarm systems or unbreakable glazing material are preferred alternative security measures. Please note, the listed items are not considered as an eligible façade cost.

At right is an unusually sensitive security treatment



XVI. Exterior Lighting

Spot or flood lighting to highlight the architectural detailing of a building should be inconspicuous and blend with the wall on which it is mounted. No lights should move, flash or make noise.



XVII. Other Exterior Elements

Existing exterior fire escapes, ladders, standpipes, vents, etc. should either be painted to blend with the wall on which it is mounted.

XVIII. Landscaping & Fencing

In some projects landscaping and fencing will be considered. Simply installing fencing around a parking lot or a portion of the parking lot will generally not qualify for a façade grant. If fencing is part of a larger renovation project, it will be considered only if the fence has extraordinary architectural character such as a wrought iron fence with masonry piers. Common fences such as stockade, bound-on board, picket and chain link would not be eligible for a façade grant. Planter or retaining walls should be built of materials of the adjacent buildings. Generally, brick or other suitable masonry units would be considered while certain types of interlocking concrete block, landscaping timers, sidewalks, and curbs would not be eligible.



Kingsport Redevelopment Grant Program

APPLICATION

Contact: Vanessa Bennett
Kingsport Economic Development Board
Kingsport, TN 37660
423-392-8813

APPLICANT INFORMATION

Name:
Phone:
Referred by:

FOR OFFICE USE ONLY

Application Date:	
Approval Date:	Amount:
Tax ID number:	

PROPERTY OWNER INFORMATION

Name:	Years Owned:	
Address:	Phone:	
City:	State:	Zip:
Type of Ownership:	Owner's Signature-Demolition Approved:	

BUSINESS AND / OR PROJECT INFORMATION

Name of Business:	Business / Project Owner's Name:	
Address:	Phone:	
City:	State:	Zip:
Type of Business:	Upper floor use (if applicable):	

PROPOSED DEMOLITION and IMPROVEMENTS

Describe extent of Demolition:	
Describe planned Improvements:	
Other Improvements:	
Estimated Cost of Demolition:	Grant Amount Requested:

Check appropriately:

☐ I own the property in consideration ☐ I lease the property in consideration

I have read the Downtown Redevelopment Grant Program Guidelines. I understand that if the proposal is approved, I will make the above improvements to the property within the specified time allowed.

APPLICANT'S SIGNATURE:

DATE:



Kingsport Demolition Grant Program

INTAKE SHEET

Applicant Information

Company Name _____

Name of Individual: First _____ Middle Initial _____ Last _____

Contact Address _____ City _____ State _____ Zip Code _____

Telephone _____

Estimated Date of Completion: _____

Additional Description of Work (*attach plans if applicable*):

This Section for Office Use Only:

Submittals:

- ☐ Photos (*Before and After improvement if applicable*)
- ☐ Cost Estimates
- ☐ Demolition Plans (*if applicable*)
- ☐ Quotes for completion
- ☐ Additional Information

APPLICANT'S SIGNATURE:



DATE:

Program Guidelines

The **PURPOSE** of the Redevelopment Grant Program is to encourage the revitalization of building sites with special emphasis on improvement of the aesthetics in the City's Central Business District with grant assistance through the Kingsport Economic Development Board (KEDB), for the City of Kingsport, Tennessee.

Eligibility Requirements

Please check each box applicable to indicate acceptance of the eligibility requirement. Work that does not comply with the eligibility requirements is subject to reduction or retraction of award.

- ☐ All projects must be located within the City Limits of the City of Kingsport
- ☐ Please also check if project is within the Central Business District (*if not leave blank*)
- ☐ All work must result in a publicly visible improvement.
- ☐ Demolition is all of an existing structure
OR
- ☐ Demolition is a portion of an existing structure
- ☐ Project includes preparation of a building for Interior tenant finish work (*if not leave blank*)
- ☐ All work must be in compliance with approved Building and Fire Codes
- ☐ All work must be appropriate according to the Downtown Redevelopment Grant Program's guidelines.
- ☐ Project Cost must exceed \$1,000 to be considered for a demolition grant.
- ☐ Property owner must agree to maintain the property upon completion of the work.

Projects that are not Eligible

The following types of Projects or Properties are not eligible for the Downtown Façade Grant Program:

Projects/work completed prior to the last funding year (generally before April of the prior year)

Tax delinquent property

Property whose owner has any other tax delinquent property

Tax Exempt Property

Property in litigation

Property in condemnation or receivership

Properties purchased from the city may be considered on a case by case basis

National Franchises or Retail Chain Stores

Work on the rear or unseen roof of the building is not eligible for a façade grant.

Redevelopment Grant funds cannot be used to correct outstanding code violations, for property damaged by collision, acts of nature or occurrences covered by insurance.

Program Guidelines

General Criteria

For a period of one year after the establishment of the program by the Board of Mayor and Alderman redevelopment grants will be available for properties located within the City of Kingsport. After the first year, the program will be evaluated for potential continued funding and expansion to other areas within the City.

Only one award will be allowed per property per year. Properties which are awarded multiple awards over several years may receive a reduced award based on amount of previous awards, completion and quality of work performed on previous awards.

Plans for rehabilitation of structures should respect the architectural integrity of the entire building and the neighboring streetscape.

Redevelopment grants are not intended to be a partial solution to a building in obvious disrepair and neglect. For these properties, the applicant must show a comprehensive proposal for the entire site's redevelopment that would meet the current building and zoning codes in order to bring the property into occupiable condition.

Tenants may qualify for grant funding with the written consent of the owner of the building.

The City of Kingsport/KEDB/Redevelopment Grant Review Committee will not be a party in negotiations between the applicant and contractors employed by the applicant. The applicant agrees to hold the aforementioned harmless of any defects in workmanship, liability, damages, or other costs relative to the project.

Goals of the Program

It is hoped that in addition to providing an incentive to redevelop dilapidated sites, the program will:

- ❖ Provide an incentive for rehabilitation of structures and construction of new structures in harmony with the character of the district.

Rehabilitation means the process of returning a property to a state of utility, through repair or alteration, which makes possible an efficient, contemporary use while preserving those portions which are significant to its historic, architectural and cultural values.

- ❖ Maintain a quality image consistent with the character of the surrounding area and the City of Kingsport for any New construction.
- ❖ Encourage the use of historic and architecturally significant commercial buildings in a manner that would continue to draw the public to the downtown.
- ❖ Increase the investment in downtown and raise property values for tenants and owners.
- ❖ Eliminate blighting influences and prevent deterioration of commercial properties in the Downtown Business District
- ❖ Conserve important existing building stock.

Program Guidelines

Application Review

Staff will determine if the application package that is submitted is sufficiently complete to review, and will forward the application to the Façade Grant Committee.

The Redevelopment Grant Committee meets quarterly to review and score the applications. All applications are reviewed on a competitive basis. Eligible application packages are due 30 days prior to their meeting date.

The application package will be reviewed by the Redevelopment Grant Committee to determine whether the project should receive a grant and determine the amount of the award. In making the determination, the committee will consider the following factors and will score higher those projects that are in a priority area or show additional efforts to meet the following criteria:

Will the project preserve any original architectural features which remain?

Will the project improve the entire building frontage on the street?

Will the project substantially leverage more property investments than the required matching amount of the grant?

Will the grant result in an improvement that would not be made otherwise?

How long has the property remained vacant/unused?

Is the project located within the Downtown Business District?

Required Materials for Application

*Application packages must include enough documentation to illustrate the visual impact of the project and its costs. **Failure to provide required information will delay the review process.** The items submitted should include:*

- ☐ **A completed application form**
- ☐ **Written consent from property owner giving permission to conduct demolition**
- ☐ **Color photographs of existing conditions (*before and after if applicable*)**
- ☐ **Any other documentation necessary to illustrate the visual impact of the proposed project completion schedule.**
- ☐ **Owners or merchants who are in contracting business may also perform work on their own buildings.**
- ☐ **Expected value of the improvement upon completion – include the basis for the estimate.**
- ☐ **HZC Certificate of Appropriateness (*as applicable*)**

Program Guidelines

Award Reimbursement

Reimbursement shall be limited to no more than 10% of the total value of the improvements, not to exceed \$20,000 per site. All necessary government approvals, building permits, and taxes are not eligible items for reimbursement.

Applications Timeline:

- ❖ **March 1** - Applications Due for **April Review**
- ❖ **June 1** - Applications Due for **July Review**
- ❖ **September 1** - Applications Due for **October Review**
- ❖ **December 1** - Applications Due for **January Review**

- ❖ **Quarterly Review Meetings** - Scores and deliberations considered by Façade Grant Review Committee

- ❖ **Approx. 1 Week following Review** - Awards announced and monies begin eligibility for disbursement

The Redevelopment Grant Committee reserves the right to refuse reimbursements in whole or in part for work that:

- ***Do not conform to the proposals submitted with your application and approved by the Redevelopment Grant Committee.***

- Are not commensurate with the workmanship and cost customary to the industry

- Are not completed within 180 days. Since the Redevelopment Grant Committee cannot reserve funds indefinitely, your grant may be subject to cancellation if not completed or significant progress hasn't been made by the completion date. ***Request for extensions will be considered only if made in writing and progress towards completion has been demonstrated.***

Required Materials for Reimbursement

City Development Staff will inspect work to ensure that it complies with the approved plans. Upon completion please contact the Planning and Community Development Director at 423-229-9485 for an inspection. ***Any changes to the approved project will require a written request from the applicant and approval by the Redevelopment Grant Committee in order to retain the grant.***

Receipt of funds can be expected in approximately **three (3) to six (6) weeks** after all of the following documentation has been submitted

- **Color photographs of completed project.**

- **Grantee is responsible for obtaining any permits required to complete the project. Cost of permitting cannot be part of the grant funding. Copies of the approved permits must be submitted prior to reimbursement.**

- **Certificate of Occupancy or Completion from the office of the Building Official**

- **Certificate of Appropriateness from Historic Zoning Commission (if applicable)**

Records of all plans, and fund disbursements will be kept by KEDB.

Scoring and Eligibility Worksheet

Tally

Grant Amount Requested: _____

- A. Completed Application:**

- B. Will the project preserve any original architectural features which remain?**

- C. Will the project improve the entire building frontage on the street?**

- D. Will the project substantially leverage more property investments than the required matching amount of the grant?**

- E. Will the grant result in an improvement that would not be made otherwise?**

- F. Has the property remained vacant/unused for more than two years?**

- G. Is the project located within the Downtown Business District?**

Projects receiving less than 7 points shall not be eligible for funding.

Circle one:

- | | |
|---|---------------|
| A. Yes - 1 | No - 0 |
| B. Yes - 2 or 3 | No - 1 |
| <i>Optional 3 pts. for significant arch. Features</i> | |
| C. Yes - 2 | No - 1 |
| D. Yes - 3 | No - 0 |
| E. Yes - 1 | No - 0 |
| F. Yes - 3 | No - 1 |
| G. Yes - 2 | No - 1 |

Total Score: _____

Rank: _____

Approved funding: Yes or No

Funding Amount: _____



AGENDA ACTION FORM

Budget Cleanup Ordinance for FY16

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

Action Form No.: AF-37-2016
 Work Session: February 15, 2016
 First Reading: February 16, 2016

Final Adoption: **March 1, 2016**
 Staff Work By: Judy Smith
 Presentation By: Jeff Fleming

Recommendation: Approve the Ordinance.

Executive Summary:

The ordinance will transfer \$200,000 from the Visitors Enhancement Fund to the Bays Mountain Improvement project for the Bays Mountain Park Wedding Venue. Funds will be transferred from the Street Resurfacing project in the amount of \$100,000 to purchase salt for snow removal. \$129,279 will be transferred from the Radio Towers project and from the East Stone Commons TIF to General Projects and \$5,595 will be transferred to the Litigation Contingency project for future road litigations. A total of \$232,202 will be transferred into the 2016 Road Design project from the Tranbarger Chadwick improvement project, Wilcox Court Intersection Improvement project and from the 2011 GO Road Design project. Funds in the amount of \$17,024 will be transferred from the Greenbelt Park System project (GP8805) to the Greenbelt Park System project (GP1616) in the amount of \$16,775 and the remaining \$249 will be transferred to the Greenbelt Development project. The old projects will be closed. Donations were made to the Veterans Memorial in the amount of \$9,811 from individuals, non-profits and corporations. This ordinance will appropriate those funds.

The ordinance will transfer \$2,118 from the Fordtown Road Water Line Relocation project to the Facilities Improvements project in the amount of \$50, to the Welcome Center/Waterline project in the amount of \$367 and \$1,701 to the Water Line Improvement project. The Fordtown Road Water Line Relocation project, Facilities Improvement project and the Welcome Center/Waterline project will be closed. Sewer funds will be moved from the Sewer Litigation Contingency project (SW0309) to a new Sewer Litigation project (SW1608) in the amount of \$13,666 and close SW0309.

The ordinance will transfer \$88,767 from the Storm Water Infrastructure project to the Reedy Creek Land/Improvement project to the Byerly purchase property in five annual installments.

Attachments:

1. Ordinance

Funding source appropriate and funds are available: 

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



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Attachments:

1. Ordinance

Funding source appropriate and funds are available: 

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

ORDINANCE NO. _____

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

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

SECTION I. That the General Project Fund and General Project Special Revenue Fund budgets be amended by transferring \$200,000 from the Visitors Enhancement Fund to the Bays Mountain Improvements project (GP1509), by transferring \$100,000 from the Street Resurfacing project to the State Street Aid operating budget for salt, by transferring \$84,279 from the Radio Towers project (GP1504) to General Projects (NC1605), by transferring \$50,000 from the East Stone Common TIF to General projects (NC1605) in the amount of \$45,000 and \$5,000 to the Litigation Contingency project (GP1614), by transferring \$595 from the Litigation Contingency project (GP0305) to the Litigation Contingency project (GP1614) by transferring \$6,645 from the Tranbarger Chadwick Improvement project (GP1519), by transferring \$21,615 from the Wilcox Court Intersection Improvements project (GP1530), by transferring \$232,020 from the 2011 GO Road Design (GP1208) to the 2016 Road Design project (GP1615) in the amount of \$260,280, by transferring \$6,231 from the Downtown project (NC1510) to the Downtown project (NC1606) and close the project, by transferring \$17,024 from the Greenbelt Park System project (GP8805) to the Greenbelt Park System project (GP1616) in the amount of \$16,775 and by transferring \$249 to the Greenbelt Development project (GP1617); and by amending the General project fund budget by appropriating \$9,811 in donations to the Veterans Memorial project (GP1540).

SECTION II. That the Water Project Fund budgets be amended by transferring \$417 from the Fordtown Rd WL Relocation project (WA0701) to the Facilities Improvements project (WA1001) in the amount of \$50 and by transferring \$367 to the Welcome Center/Waterline project (WA1301) and close projects WA0701, WA1001 and WA1301

SECTION III. That the Sewer Project Fund budget be amended by transferring \$13,666 from the Litigation Contingency project (GP0309) to the Litigation Contingency project (GP1608)..

SECTION IV. That the Storm Water Project Fund budgets be amended by transferring \$88,767 from the Storm Water Infrastructure project (ST1401) to the Reedy Creek Land/Imp project (ST1300).

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/<Decr></u>	<u>New Budget</u>
<u>Fund 311: General Project Fund</u>			
<u>Bays Mountain Improvements (GP1509)</u>			
<u>Revenues:</u>	\$	\$	\$
311-0000-368-1047 Series 2014A GO Bonds	274,951	0	274,951
311-0000-368-2101 Bond Sale Premium	28,791	0	28,791

311-0000-391-6900 From Visitors Enhancement

Totals:

0	200,000	200,000
303,742	200,000	503,742

Expenditures:

311-0000-601-4041 Bond Sale Expense

311-0000-601-9003 Improvements

Totals:

\$ 3,742	\$ 0	\$ 3,742
300,000	200,000	500,000
303,742	200,000	503,742

Fund 135: Visitors Enhancement Fund

Revenues:

135-0000-392-0100 Fund Balance Appropriation

Totals:

\$ 164,000	\$ 77,200	\$ 241,200
164,000	77,200	241,200

Expenditures:

135-1015-405-9003 Improvements

135-4804-481-7036 To General Proj. Fund

Totals:

\$ 122,832	\$ (122,800)	\$ 32
0	200,000	200,000
122,832	77,200	200,032

Fund 111: General Project-Special Rev. Fund
Street Resurfacing (NC1600)

Revenues:

111-0000-391-0100 From General Fund

Totals:

\$ 666,920	\$ (100,000)	\$ 566,920
666,920	(100,000)	566,920

Expenditures:

111-0000-601-2022 Construction Contracts

111-0000-601-2023 Arch/Eng/Landscaping

Totals:

\$ 599,493	\$ (100,000)	\$ 499,493
67,427	0	67,427
666,920	(100,000)	566,920

Fund 110: General Fund

Revenues:

110-4804-481-7035 General Proj-Special Rev

110-4804-481-7023 To State Street Aid Fund

110-4874-481-7424 East Stone Commons TIF

Totals:

\$ 731,989	\$ (50,000)	\$ 681,989
1,175,900	100,000	1,275,900
52,990	(50,000)	2,990
1,907,889	0	1,960,879

Fund 121: State Street Aid Fund

Revenues:

121-0000-391-0100 From General Fund

Totals:

\$ 1,175,900	\$ 100,000	\$ 1,275,900
1,175,900	100,000	1,275,900

Expenditures:

121-4024-461-3038 Snow Removal Supplies

Totals:

\$ 200,000	\$ 100,000	\$ 300,000
200,000	100,000	300,000

Fund 311: General Project Fund
Radio Towers (GP1504)

Revenues:

311-0000-391-0100 From General Fund

Totals:

\$	\$	\$
225,000	(84,279)	140,721
225,000	(84,279)	140,721

Expenditures:

311-0000-601-2023 Arch/Eng/Landscaping

311-0000-601-9003 Improvements

Totals:

\$	\$	\$
0	7,793	7,793
225,000	(92,072)	132,928
225,000	(84,279)	140,721

Fund 111: General Project-Special Rev. Fund
General Projects (NC1605)

Revenues:

111-0000-391-0100 From General Fund

Totals:

\$	\$	\$
0	129,279	129,279
0	129,279	129,279

Expenditures:

111-0000-601-2020 Professional Consultant

111-0000-601-2022 Construction Contracts

111-0000-601-2023 Arch/Eng/Landscaping

111-0000-601-9004 Equipment

Totals:

\$	\$	\$
0	80,000	80,000
0	20,000	20,000
0	15,000	15,000
0	14,279	14,279
0	129,279	129,279

Fund 111: General Project-Special Rev. Fund
Downtown Project (NC1510)

Revenues:

111-0000-391-0100 From General Fund

Totals:

\$	\$	\$
59,045	(6,231)	52,814
59,045	(6,231)	52,814

Expenditures:

111-0000-601-2022 Construction Contracts

Totals:

\$	\$	\$
59,045	(6,231)	52,814
59,045	(6,231)	52,814

Fund 111: General Project-Special Rev. Fund
Downtown Project (NC1606)

Revenues:

111-0000-391-0100 From General Fund

Totals:

\$	\$	\$
0	6,231	6,231
0	6,231	6,231

Expenditures:

111-0000-601-2022 Construction Contracts

Totals:

\$	\$	\$
0	6,231	6,231
0	6,231	6,231

Fund 311: General Project Fund**Litigation Contingency (GP0305)****Revenues:**

311-0000-391-0100 From General Fund

Totals:

\$	\$	\$
27,000	(595)	26,405
27,000	(595)	26,405

Expenditures:

311-0000-601-2024 Legal Services

311-0000-601-9001 Land

Totals:

\$	\$	\$
300	0	300
26,700	(595)	26,105
27,000	(595)	26,405

Fund 311: General Project Fund**Litigation Contingency (GP1614)****Revenues:**

311-0000-391-0100 From General Fund

Totals:

\$	\$	\$
0	5,595	5,595
0	5,595	5,595

Expenditures:

311-0000-601-9003 Improvements

Totals:

0	5,595	5,595
0	5,595	5,595

Fund 311: General Project Fund**Tranbarger Chadwick Imp (GP1519)****Revenues:**

311-0000-368-1047 Series 2014A GO Bonds

311-0000-368-2101 Bond Premium

Totals:

\$	\$	\$
51,650	(6,645)	45,005
9,597	0	9,597
61,247	(6,645)	54,602

Expenditures:

311-0000-601-2023 Arch/Eng/Landscaping

311-0000-601-4041 Bond Sale Exp.

311-0000-601-9001 Land

311-0000-601-9003 Improvements

Totals:

\$	\$	\$
6,631	(375)	6,256
1,247	0	1,247
3,000	(761)	2,239
50,369	(5,509)	44,860
61,247	(6,645)	54,602

Fund 311: General Project Fund**Wilcox Ct. Intersect Impr. (GP1530)****Revenues:**

311-0000-368-1040 Series 2011GO Pub Imp

Totals:

\$	\$	\$
55,000	(21,615)	33,385
55,000	(21,615)	33,385

Expenditures:

311-0000-601-2023 Arch/Eng/Landscaping
 311-0000-601-9003 Improvements

Totals:

\$	\$	\$
10,000	(5,103)	4,897
45,000	(16,512)	28,488
55,000	(21,615)	33,385

Fund 311: General Project Fund**Veterans Memorial (GP1540)****Revenues:**

311-0000-364-1000 Contributions/Individual
 311-0000-364-1020 From Corporations
 311-0000-364-3000 From Non-Profits
 311-0000-368-1047 2014 A GO Bonds
 311-0000-391-0100 From General Fund
 311-0000-391-6900 Visitor's Enhancement Fund

Totals:

\$	\$	\$
34,859	3,810	38,669
10,000	3,000	13,000
183,315	3,001	186,316
75,000	0	75,000
60,800	0	60,800
3,510	0	3,510
367,484	9,811	377,295

Expenditures:

311-0000-601-2022 Construction Contracts
 311-0000-601-2023 Arch/Eng/Landscaping
 311-0000-601-2075 Temporary Employees
 311-0000-601-3010 Office Supplies
 311-0000-601-3022 Maintenance Supplies

Totals:

\$	\$	\$
335,609	0	335,609
27,112	9,811	36,923
4,263	0	4,263
26	0	26
474	0	474
367,484	9,811	377,295

Fund 311: General Project Fund**Greenbelt Park System (GP8805)****Revenues:**

311-0000-332-7200 Dept. of Conservation
 311-0000-364-1000 Contributions/Individuals
 311-0000-368-1001 Bond Funds 1988
 311-0000-368-1002 Bond Funds 1989
 311-0000-368-1003 Bond Funds 1990
 311-0000-368-1005 Bond Funds 1992
 311-0000-368-1006 Bond Funds 1993
 311-0000-368-1007 Bond Funds 1994
 311-0000-391-0100 From General Fund

Totals:

\$	\$	\$
148,978	0	148,978
210	0	210
204,692	0	204,692
443,120	0	443,120
69,000	0	69,000
250,000	0	250,000
272,000	0	272,000
31,091	0	31,091
38,999	(17,024)	21,975
1,458,090	(17,024)	1,441,066

Expenditures:

311-0000-601-2010 Advertising & Publications
 311-0000-601-2022 Construction Contracts
 311-0000-601-2023 Arch/Eng/Landscaping
 311-0000-601-2080 Court Costs & Fees
 311-0000-601-2099 Miscellaneous

\$	\$	\$
193	0	193
730,455	0	730,455
333,412	(17,024)	316,388
16	0	16
6,440	0	6,440

311-0000-601-3020 Operating Supplies & Tools	2,300	0	2,300
311-0000-601-3022 Maintenance Supplies	1,929	0	1,929
311-0000-601-9001 Land	383,345	0	383,345
Totals:	1,458,090	(17,024)	1,441,066

Fund 311: General Project Fund
Greenbelt Park System (GP1616)

<u>Revenues:</u>	\$	\$	\$
311-0000-391-0100 From General Fund	0	16,775	16,775
Totals:	0	16,775	16,775

<u>Expenditures:</u>	\$	\$	\$
311-0000-601-2023 Arch/Eng/Landscaping	0	16,775	16,775
Totals:	0	16,775	16,775

Fund 311: General Project Fund
Greenbelt Park Development (GP1617)

<u>Revenues:</u>	\$	\$	\$
311-0000-391-0100 From General Fund	0	249	249
Totals:	0	249	249

<u>Expenditures:</u>	\$	\$	\$
311-0000-601-2023 Arch/Eng/Landscaping	0	249	249
Totals:	0	249	249

Fund 311: General Project Fund
2011 GO Road Design (GP1208)

<u>Revenues:</u>	\$	\$	\$
311-0000-368-1040 Series 2011GO Pub Imp	553,799	(232,020)	321,779
311-0000-368-2101 Bond Premium	12,238	0	12,238
Totals:	566,037	(232,020)	334,017

<u>Expenditures:</u>	\$	\$	\$
311-0000-601-2023 Arch/Eng/Landscaping	545,089	(232,020)	313,069
311-0000-601-4041 Bond Sale Exp	20,948	0	20,948
Totals:	566,037	(232,020)	334,017

Fund 311: General Project Fund
2016 Road Design (GP1615)

<u>Revenues:</u>	\$	\$	\$
311-0000-368-1040 Series 2011 GO Pub Imp	0	253,635	253,635
311-0000-368-1047 Series 2014A GO Bonds	0	6,645	6,645
Totals:	0	260,280	260,280

Expenditures:

311-0000-601-2023 Arch/Eng/Landscaping

Totals:

\$	\$	\$
0	260,280	260,280
0	260,280	260,280

Fund 451: Water Project Fund**Fordtown Rd W/L Reloc (WA0701)****Revenues:**

451-0000-361-2200 Int. LGIP

451-0000-391-4500 From Water Fund

Totals:

\$	\$	\$
0	2,138	2,138
468,701	(2,118)	466,583
468,701	20	468,721

Expenditures:

451-0000-605-2022 Construction Contracts

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

451-0000-605-9001 Land

Totals:

\$	\$	\$
439,798	20	439,818
21,486	0	21,486
7,417	0	7,417
468,701	20	468,721

Fund 451: Water Project Fund**Facilities Improvements (WA1001)****Revenues:**

451-0000-391-4500 From Water Fund

Totals:

\$	\$	\$
342,378	50	342,428
342,378	50	342,428

Expenditures:

451-0000-605-2022 Construction Contracts

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

Totals:

\$	\$	\$
306,280	(491)	305,789
36,098	541	36,639
342,378	50	342,428

Fund 451: Water Project Fund**Welcome Center/Waterline (WA1301)****Revenues:**

451-0000-337-9210 Appalachian Development

451-0000-391-4500 From Water Fund

Totals:

\$	\$	\$
200,000	0	200,000
0	367	367
200,000	367	200,367

Expenditures:

451-0000-606-2023 Arch/Eng/Landscaping

451-0000-605-9003 Improvements

Totals:

25,000	367	25,367
175,000	0	175,000
200,000	367	200,367

Fund 451: Water Project Fund
Water Line Improvements (WA1507)

Revenues:	\$	\$	\$
451-0000-391-4500 From Water Fund	1,181,056	1,701	1,182,757
Totals:	1,181,056	1,701	1,182,757
ncExpenditures:			
451-0000-605-9021 Capital Outlay /New Dist Lines	30,000	0	30,000
451-0000-605-9022 Capital Outlay/.Hydrants	80,000	0	80,000
451-0000-605-9023 Capital Outlay/New Meters	250,488	39,663	290,151
451-0000-605-9024 Replacement lines	100,000	0	100,000
451-0000-605-9025 Replacement Dist. Lines	720,568	(37,962)	682,606
Totals:	1,181,056	1,701	1,182,757

Fund 457: Storm Water Project Fund
Storm Water Infrastructure (ST1401)

Revenues:	\$	\$	\$
457-0000-391-9500 From Storm Water Fund	366,463	(88,767)	277,696
Totals:	366,463	(88,767)	277,696

Expenditures:	\$	\$	\$
457-0000-622-2022 Construction Contracts	211,663	(88,767)	122,896
457-0000-622-2023 Arch/Eng/Landscaping	38,800	0	38,800
457-0000-622-9001 Land	1,000	0	1,000
457-0000-622-9004 Equipment	115,000	0	115,000
Totals:	366,463	(88,767)	277,696

Fund 457: Storm Water Project Fund
Reedy Creek Land/Imp (ST1300)

Revenues:	\$	\$	\$
457-0000-391-9500 From Storm Water Fund	325,000	88,767	413,767
Totals:	325,000	88,767	413,767

Expenditures:	\$	\$	\$
457-0000-622-2022 Construction Contracts	160,000	(10,000)	150,000
457-0000-622-2023 Arch/Eng/Landscaping	10,000	(10,000)	0
457-0000-622-9001 Land	155,000	108,767	263,767
Totals:	325,000	88,767	413,767

Fund 452: Sewer Fund
Litigation Contingency (SW0309)

Revenues:	\$	\$	\$
452-0000-391-0912 2004 Wat. & Sew. Refunding	25,370	0	25,370
452-0000-391-4200 From Sewer Fund	25,000	(13,666)	11,334
Totals:	50,370	(13,666)	36,704

Expenditures:

452-0000-606-9001 Land

Totals:

\$	\$	\$
50,370	(13,666)	36,704
50,370	(13,666)	36,704

Fund 452: Sewer Fund**Litigation Contingency (SW1608)****Revenues:**

452-0000-391-4200 From Sewer Fund

Totals:

\$	\$	\$
0	13,666	13,666
0	13,666	13,666

Expenditures:

452-0000-606-9001 Land

Totals:

\$	\$	\$
0	13,666	13,666
0	13,666	13,666

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

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

Adoption of VantageTrust II Participation Agreement for Retirement Health Savings Plan

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

Action Form No.: AF-48-2016
 Work Session: February 29, 2016
 First Reading: N/A

Final Adoption: March 1, 2016
 Staff Work By: Billingsley/Demming
 Presentation By: Billingsley/Demming

Recommendation:

Adopt the Resolution to authorize the City to adopt the VantageTrust II Participation Agreement for the City's Retirement Health Savings Plan (RHSP).

Executive Summary:

Attached for your consideration is a Resolution that authorizes the City to adopt the VantageTrust II Multiple Collective Investment Funds Trust for the City's RHSP. Participation in this Trust will make these new Collective Investment Trust (CIT) Funds available to the RHSP participants. The CIT Funds will invest in the Vantagepoint Funds and a third-party cash management fund (currently Dreyfus Cash Management Fund) which are currently available as direct investments in the RHSP. These CIT Funds maintain the same investment objectives and strategies as the corresponding Vantagepoint Funds.

The ICMA-RC, which is the organization that administers the RHSP for the City, indicates that by participating in these CIT structured Funds, the RHSP and the participants will realize cost savings due to lower marketing expenses, overhead and compliance-related costs.

The CIT Fund structure is the same as the VantageTrust Funds that are available in the City's 401(a) and 457 plans.

The City established the RHS Plan in 2010 as a replacement for a Medicare supplement benefit that it had previously provided for its retirees. The City has provided an annual contribution into the plan for its active employees based on the employees' length of service. Upon retirement (as defined in the Plan), the monies can be used for eligible health expenses.

Attachments:

1. Resolution
2. Participation Agreement
3. Investments Mapping Chart

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

RESOLUTION NO. _____

A RESOLUTION APPROVING A PARTICIPATION AGREEMENT
WITH VANTAGETRUST, LLC, AND AUTHORIZING THE MAYOR
TO EXECUTE THE AGREEMENT AND ALL OTHER
DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE
THE PURPOSE OF THE AGREEMENT

WHEREAS, the city has a retirement health savings plan through ICMA-RC; and

WHEREAS, ICMA-RC has indicated that by participating in a new structure system the participating employees will realize cost savings due to lower marketing expenses, overhead and compliance-related costs; and

WHEREAS, the new structure consists of the VantageTrust Multiple Collective Investment Funds Trust; and

WHEREAS, the VantageTrust will purchase the investment funds and hold them in a trust for the participating employee, cutting down the amount of reporting and paper required when investment funds are held by an individual person; and

WHEREAS, the city is required to execute the Participation Agreement to participate in the new plan;

Now therefore,

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

SECTION I. That a Participation Agreement with VantageTrust, LLC, 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 Participation Agreement with VantageTrust, LLC and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution, said agreement being as follows:

VantageTrust II Multiple Collective Investment Funds Trust
Participation Agreement

This Participation Agreement by and between VantageTrust Company, LLC ("Trust Company"), the trustee of the VantageTrust II Multiple Collective Investment Funds Trust (the "Trust"), and the employer executing this Participation Agreement ("Employer") on behalf of the retirement plan(s) or retirement trust(s) identified on the signature page and effective as of the date specified at the end of this Agreement (the "Retirement Trust").

RECITALS

1. The Trust Company maintains the Trust (including each separate investment fund established as a "Fund") under the Declaration of Trust dated January 1, 2015, and all other attachments thereto, as amended and in effect from time to time (the "Declaration of Trust"), as a medium for the collective investment and reinvestment of assets of certain tax-exempt, governmental pension and profit-sharing plans, and retiree welfare plans within the meaning of section 401(a)(24) of the Internal Revenue Code of 1986, as amended, and related trusts, and other eligible investors that become Participating Trusts under the Declaration of Trust (defined as "Eligible Trust" in the Declaration of Trust).

2. The Retirement Trust desires to become a Participating Trust as defined in the Declaration of Trust.

DEFINITIONS

1. Unless otherwise specified herein, any capitalized word or phrase shall have the meaning as set forth in the Declaration of Trust.

AGREEMENT

In consideration of the foregoing and the promises set forth below, the parties agree to the following:

1. Appointment and Acceptance. The Employer hereby acknowledges that the Trust Company has appointed ICMA Retirement Corporation ("Investment Adviser"), an investment adviser registered under the Investment Advisers Act of 1940, as an investment adviser, pursuant to the terms of the Declaration of Trust to provide advice and recommendations to the Trust Company in the management of the Funds. The Employer further acknowledges and accepts that the Trust Company is a wholly owned subsidiary of Investment Adviser.

3. Adoption of Trust. The Retirement Trust's participation in each Fund will at all times be subject to the terms of the Declaration of Trust, which is hereby adopted as a part of the Retirement Trust and this Participation Agreement. The Retirement Trust's participation in each Fund will also be subject to the terms of the Declaration of Trust.

4. Acceptance of Plan. The Trust Company accepts the Retirement Trust (including each plan forming a part thereof) as a Participating Trust as of the date specified on the execution page of this Participation Agreement.

5. Notice of Disqualification. In the event that the Retirement Trust ceases to be an Eligible Trust as defined in the Declaration of Trust, then, in the case of any such event, the Employer shall deliver to the Trust Company a written notice of its ceasing to be an Eligible Trust within fifteen (15) calendar days of receipt of any notice, execution of any amendment, receipt of any letter or determination of such cessation. Upon the Trust Company's receipt of such information, in writing or otherwise, the Retirement Trust's Units shall be redeemed in accordance with the provisions of the Declaration of Trust.

WARRANTIES, REPRESENTATIONS AND COVENANTS OF EMPLOYER AND ELIGIBLE TRUST

1. Employer and Retirement Trust represent and warrant as follows:

- A. The Retirement Trust meets the definition of an "Eligible Trust" under the Declaration of Trust. This means the Retirement Trust is any of the following:

- i. a retirement, pension, profit-sharing, stock bonus, or other employee benefit trust that is exempt from Federal income taxation under Section 501(a) of the Code by reason of qualifying under Section 401(a) of the Code; or
- ii. an eligible governmental plan trust or custodial account under Section 457(b) of the Code that is exempt under Section 457(g) of the Code; or
- iii. Section 401(a)(24) governmental plans; or
- iv. any common, collective, or commingled trust fund the assets of which consist solely of assets of eligible investors in a group trust under Revenue Ruling 81-100; or
- v. an insurance company separate account (i) the assets of which consist solely of assets of eligible investors in a group trust under Revenue Ruling 81-100, (ii) with respect to which the insurance company maintaining the separate account has entered into a written arrangement with the Trust Company consistent with the requirements of Revenue Ruling 2011-1, and (iii) the assets of which are insulated from the claims of the insurance company's general creditors; or
- vi. any other plan, trust, or other entity that is an eligible investor in a group trust under Revenue Ruling 81-100.

- B. The Retirement Trust is established, maintained and administered under one or more documents that authorize part or all of the assets of the Retirement Trust to be transferred to, and commingled for investment purposes in, a Trust that meets the requirements of Revenue Ruling 81-100;

- C. The Declaration of Trust (including each Fund thereunder) is adopted as part of the Retirement Trust;

- D. Authorization or license from any foreign, federal, state or local regulatory authority or agency required on the part of the Employer or the Retirement Trust has been obtained and any necessary filing with any of the foregoing has been duly made.

2. Employer hereby represents and acknowledges the following:

- A. It has the requisite authority to enter into this Participation Agreement on behalf of the Retirement Trust, to authorize investments under the provisions of the documents of the Retirement Trust and to make, on behalf of the Retirement Trust, any and all certifications, covenants, representations or warranties set forth in this Agreement.

- B. It has received and reviewed the Declaration of Trust, any addenda thereto, the VantageTrust II

Funds Disclosure Memorandum, and any additional materials and information it has requested describing the Trust, and its business and operation, and that in making a prudent investment decision with respect to the contribution of assets to the Trust in exchange for Units, the Employer has relied solely upon independent investigations made directly or indirectly, by it.

C. It has been given the opportunity to review with the Trust Company the terms and conditions of this Participation Agreement and the Declaration of Trust, and to obtain additional information to verify the accuracy of the information contained in the aforesaid materials, and such other information as it desires to evaluate its investment in the Trust.

D. The Units of the Fund(s) have not been registered under the Securities Act of 1933, or the applicable securities laws of any states or other jurisdictions.

E. Neither the Trust nor any Fund is registered under the Investment Company Act of 1940 and investors are not entitled to the protections of that Act.

F. The Units of the Fund(s) are not insured by the Federal Deposit Insurance Corporation or any other type of deposit insurance coverage.

3. Employer agrees promptly to notify the Trust Company in the event that any of the representations set forth above or any information provided pursuant to the provisions hereof ceases to be accurate during the term of this Participation Agreement. Until such notice is given to the Trust Company, the Trust Company may rely on the representations contained in, and all other information provided pursuant to or as contemplated by, this Participation Agreement in connection with all matters related to the Funds and the Trust.

FEES AND EXPENSES

1. Fees and expenses incurred with respect to the Trust, including compensation of the Trustee, shall be paid in accordance with the Declaration of Trust.

MISCELLANEOUS

1. **Construction.** This Participation Agreement shall be deemed to be executed and delivered in the District of Columbia, and, except to the extent superseded by federal laws, all laws or rules of construction of the District of Columbia shall govern the rights of the parties hereto and the interpretation of provisions of this Participation Agreement.

2. **Counterparts.** This Participation Agreement may be executed in any number of separate counterparts, each of which shall be deemed an original, but the several counterparts shall together constitute one and the same Participation Agreement of the parties hereto.

3. **Amendments.** This Participation Agreement shall be automatically amended by any amendment to the Declaration of Trust, and all such amendments shall be automatically incorporated by reference herein, and any provisions of this Participation Agreement inconsistent with the terms of such amendment shall be null and void on and after the effective date of such amendment.

4. **Agreement Conflicts.** In the event that any terms of this Participation Agreement conflict with or are in addition to the terms of any Administrative Services Agreement ("ASA") between the parties, the terms of this Participation Agreement and the Declaration of Trust shall prevail. In the event that the terms of this Participation Agreement conflict with the terms of the Declaration of Trust, the terms of the Declaration of Trust shall prevail.

5. **Prohibited Transactions.** If the Trust Company determines that the Retirement Trust's involvement with certain assets, liabilities or transactions will result, or has resulted, in the Trust engaging in a transaction that is prohibited by the Internal Revenue Code, Securities Act of 1933, Investment Company Act of 1940 or other applicable law, the Trust Company, in its sole discretion, may take action to correct such prohibited transaction, or may treat the Retirement Trust as having withdrawn from participation and shall redeem the Retirement Trust's Units, all in accordance with the Declaration of Trust.

6. **Severability.** Each clause or term of this Participation Agreement is severable from the entire Participation Agreement, and if any clause or term is declared invalid, the remaining clauses or terms shall remain in effect.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date specified below.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

SECTION IV. That the 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 1st day of March, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER
APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

VantageTrust II Multiple Collective Investment Funds Trust

Participation Agreement

This Participation Agreement by and between VantageTrust Company, LLC ("Trust Company"), the trustee of the VantageTrust II Multiple Collective Investment Funds Trust (the "Trust"), and the employer executing this Participation Agreement ("Employer") on behalf of the retirement plan(s) or retirement trust(s) identified on the signature page and effective as of the date specified at the end of this Agreement (the "Retirement Trust").

RECITALS

1. The Trust Company maintains the Trust (including each separate investment fund established as a "Fund") under the Declaration of Trust dated January 1, 2015, and all other attachments thereto, as amended and in effect from time to time (the "Declaration of Trust"), as a medium for the collective investment and reinvestment of assets of certain tax-exempt, governmental pension and profit-sharing plans, and retiree welfare plans within the meaning of section 401(a)(24) of the Internal Revenue Code of 1986, as amended, and related trusts, and other eligible investors that become Participating Trusts under the Declaration of Trust (defined as "Eligible Trust" in the Declaration of Trust).
2. The Retirement Trust desires to become a Participating Trust as defined in the Declaration of Trust.

DEFINITIONS

1. Unless otherwise specified herein, any capitalized word or phrase shall have the meaning as set forth in the Declaration of Trust.

AGREEMENT

In consideration of the foregoing and the promises set forth below, the parties agree to the following:

1. **Appointment and Acceptance.** The Employer hereby acknowledges that the Trust Company has appointed ICMA Retirement Corporation ("Investment Adviser"), an investment adviser registered under the Investment Advisers Act of 1940, as an investment adviser, pursuant to the terms of the Declaration of Trust to provide advice and recommendations to the Trust Company in the management of the Funds. The Employer further acknowledges and accepts that the Trust Company is a wholly owned subsidiary of Investment Adviser.
3. **Adoption of Trust.** The Retirement Trust's participation in each Fund will at all times be subject to the terms of the Declaration of Trust, which is hereby adopted as a part of the Retirement Trust and this Participation Agreement. The Retirement Trust's participation in each Fund will also be subject to the terms of the Declaration of Trust.
4. **Acceptance of Plan.** The Trust Company accepts the Retirement Trust (including each plan forming a part thereof) as a Participating Trust as of the date specified on the execution page of this Participation Agreement.
5. **Notice of Disqualification.** In the event that the Retirement Trust ceases to be an Eligible Trust as defined in the Declaration of Trust, then, in the case of any such event, the Employer shall deliver to the Trust Company a written notice of its ceasing to be an Eligible Trust within fifteen (15) calendar days of receipt of any notice, execution of any amendment, receipt of any letter or determination of such cessation. Upon the Trust

Company's receipt of such information, in writing or otherwise, the Retirement Trust's Units shall be redeemed in accordance with the provisions of the Declaration of Trust.

WARRANTIES, REPRESENTATIONS AND COVENANTS OF EMPLOYER AND ELIGIBLE TRUST

1. Employer and Retirement Trust represent and warrant as follows:

- A. The Retirement Trust meets the definition of an "Eligible Trust" under the Declaration of Trust. This means the Retirement Trust is any of the following:
 - i. a retirement, pension, profit-sharing, stock bonus, or other employee benefit trust that is exempt from Federal income taxation under Section 501(a) of the Code by reason of qualifying under Section 401(a) of the Code; or
 - ii. an eligible governmental plan trust or custodial account under Section 457(b) of the Code that is exempt under Section 457(g) of the Code; or
 - iii. Section 401(a)(24) governmental plans; or
 - iv. any common, collective, or commingled trust fund the assets of which consist solely of assets of eligible investors in a group trust under Revenue Ruling 81-100; or
 - v. an insurance company separate account (i) the assets of which consist solely of assets of eligible investors in a group trust under Revenue Ruling 81-100, (ii) with respect to which the insurance company maintaining the separate account has entered into a written arrangement with the Trust Company consistent with the requirements of Revenue Ruling 2011-1, and (iii) the assets of which are insulated from the claims of the insurance company's general creditors; or
 - vi. any other plan, trust, or other entity that is an eligible investor in a group trust under Revenue Ruling 81-100.
- B. The Retirement Trust is established, maintained and administered under one or more documents that authorize part or all of the assets of the Retirement Trust to be transferred to, and commingled for investment purposes in, a Trust that meets the requirements of Revenue Ruling 81-100;
- C. The Declaration of Trust (including each Fund thereunder) is adopted as part of the Retirement Trust;
- D. Authorization or license from any foreign, federal, state or local regulatory authority or agency required on the part of the Employer or the Retirement Trust has been obtained and any necessary filing with any of the foregoing has been duly made.

2. Employer hereby represents and acknowledges the following:

- A. It has the requisite authority to enter into this Participation Agreement on behalf of the Retirement Trust, to authorize investments under the provisions of the documents of the Retirement Trust and to make, on behalf of the Retirement Trust, any and all certifications, covenants, representations or warranties set forth in this Agreement.

- B. It has received and reviewed the Declaration of Trust, any addenda thereto, the VantageTrust II Funds Disclosure Memorandum, and any additional materials and information it has requested describing the Trust, and its business and operation, and that in making a prudent investment decision with respect to the contribution of assets to the Trust in exchange for Units, the Employer has relied solely upon independent investigations made, directly or indirectly, by it.
 - C. It has been given the opportunity to review with the Trust Company the terms and conditions of this Participation Agreement and the Declaration of Trust, and to obtain additional information to verify the accuracy of the information contained in the aforesaid materials, and such other information as it desires to evaluate its investment in the Trust.
 - D. The Units of the Fund(s) have not been registered under the Securities Act of 1933, or the applicable securities laws of any states or other jurisdictions.
 - E. Neither the Trust nor any Fund is registered under the Investment Company Act of 1940 and investors are not entitled to the protections of that Act.
 - F. The Units of the Fund(s) are not insured by the Federal Deposit Insurance Corporation or any other type of deposit insurance coverage.
3. Employer agrees promptly to notify the Trust Company in the event that any of the representations set forth above or any information provided pursuant to the provisions hereof ceases to be accurate during the term of this Participation Agreement. Until such notice is given to the Trust Company, the Trust Company may rely on the representations contained in, and all other information provided pursuant to or as contemplated by, this Participation Agreement in connection with all matters related to the Funds and the Trust.

FEES AND EXPENSES

- 1. Fees and expenses incurred with respect to the Trust, including compensation of the Trustee, shall be paid in accordance with the Declaration of Trust.

MISCELLANEOUS

- 1. **Construction.** This Participation Agreement shall be deemed to be executed and delivered in the District of Columbia, and, except to the extent superseded by federal laws, all laws or rules of construction of the District of Columbia shall govern the rights of the parties hereto and the interpretation of provisions of this Participation Agreement.
- 2. **Counterparts.** This Participation Agreement may be executed in any number of separate counterparts, each of which shall be deemed an original, but the several counterparts shall together constitute one and the same Participation Agreement of the parties hereto.
- 3. **Amendments.** This Participation Agreement shall be automatically amended by any amendment to the Declaration of Trust, and all such amendments shall be automatically incorporated by reference herein, and any provisions of this Participation Agreement inconsistent with the terms of such amendment shall be null and void on and after the effective date of such amendment.
- 4. **Agreement Conflicts.** In the event that any terms of this Participation Agreement conflict with or are in addition to the terms of any Administrative Services Agreement ("ASA") between the parties, the terms of this Participation Agreement and the Declaration of Trust shall prevail. In the event that the terms of this

Participation Agreement conflict with the terms of the Declaration of Trust, the terms of the Declaration of Trust shall prevail.

5. **Prohibited Transactions.** If the Trust Company determines that the Retirement Trust's involvement with certain assets, liabilities or transactions will result, or has resulted, in the Trust engaging in a transaction that is prohibited by the Internal Revenue Code, Securities Act of 1933, Investment Company Act of 1940 or other applicable law, the Trust Company, in its sole discretion, may take action to correct such prohibited transaction, or may treat the Retirement Trust as having withdrawn from participation and shall redeem the Retirement Trust's Units, all in accordance with the Declaration of Trust.
6. **Severability.** Each clause or term of this Participation Agreement is severable from the entire Participation Agreement, and if any clause or term is declared invalid, the remaining clauses or terms shall remain in effect.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date specified below.

VantageTrust II Multiple Collective Investment Funds Trust

By: VantageTrust Company, LLC, as Trustee,

By: 

Angela Montez
Secretary

Plan/Retirement Trust:

CITY OF KINGSPORT

Plan/Retirement Trust Name

801984

ICMA-RC Plan Number

By: CITY OF KINGSPORT

Name of Employer or Fiduciary

C3488

Customer Number

By: _____

Authorized Officer Signature

Date

Printed Name and Title

Address

Telephone Number

INVESTMENTS MAPPING CHART

The chart below shows the current Vantagepoint Funds and Dreyfus Cash Management Fund lineup and the proposed VantageTrust II Funds lineup by comparable fund. Upon adoption of VantageTrust II, RHIS plans that include a fund listed in Column A will have existing assets moved to and future contributions directed to corresponding funds in Column B.

Current Fund Name (Column A)	Current Fund Code	New VantageTrust II Fund Name (Column B)	New VT II Fund Code
Vantagepoint Growth Fund	0020	VT II Vantagepoint Growth Fund	8620
Vantagepoint Select Value Fund	0022	VT II Vantagepoint Select Value Fund	8622
Vantagepoint Discovery Fund	0023	VT II Vantagepoint Discovery Fund	8623
Vantagepoint Low Duration Bond Fund	0024	VT II Vantagepoint Low Duration Bond Fund	8624
Vantagepoint Equity Income Fund	0025	VT II Vantagepoint Equity Income Fund	8625
Vantagepoint Aggressive Opportunities Fund	0026	VT II Vantagepoint Aggressive Opportunities Fund	8626
Vantagepoint Core Bond Index Fund	0030 / 0060	VT II Vantagepoint Core Bond Index Fund	8630
Vantagepoint Overseas Equity Index Fund	0036 / 0066	VT II Vantagepoint Overseas Equity Index Fund	8636
Vantagepoint 500 Stock Index Fund	0037 / 0067	VT II Vantagepoint 500 Stock Index Fund	8637
Vantagepoint Mid/Small Company Index Fund	0038 / 0068	VT II Vantagepoint Mid/Small Company Index Fund	8638
Vantagepoint International Fund	0045	VT II Vantagepoint International Fund	8645
Vantagepoint Growth & Income Fund	0047	VT II Vantagepoint Growth & Income Fund	8647
Vantagepoint Broad Market Index Fund	0050 / 0080	VT II Vantagepoint Broad Market Index Fund	8650
Vantagepoint Inflation Focused Fund	0075	VT II Vantagepoint Inflation Focused Fund	8675
Vantagepoint Milestone Retirement Income Fund	0250	VT II Vantagepoint Milestone Retirement Income Fund	8850
Vantagepoint Model Portfolio Conservative Growth Fund	0252	VT II Vantagepoint Model Portfolio Conservative Growth Fund	8852
Vantagepoint Model Portfolio Traditional Growth Fund	0253	VT II Vantagepoint Model Portfolio Traditional Growth Fund	8853
Vantagepoint Model Portfolio Long-Term Growth Fund	0254	VT II Vantagepoint Model Portfolio Long-Term Growth Fund	8854
Vantagepoint Model Portfolio Global Equity Growth Fund	0255	VT II Vantagepoint Model Portfolio Global Equity Growth Fund	8855
Vantagepoint Milestone 2010 Fund	0257	VT II Vantagepoint Milestone 2010 Fund	8857
Vantagepoint Milestone 2015 Fund	0258	VT II Vantagepoint Milestone 2015 Fund	8858
Vantagepoint Milestone 2020 Fund	0259	VT II Vantagepoint Milestone 2020 Fund	8859

continued on back

Current Fund Name (Column A)	Current Fund Code	New Vantage Trust II Fund Name (Column B)	New VT II Fund Code
Vantagepoint Milestone 2025 Fund	0260	VT II Vantagepoint Milestone 2025 Fund	8860
Vantagepoint Milestone 2030 Fund	0261	VT II Vantagepoint Milestone 2030 Fund	8861
Vantagepoint Milestone 2035 Fund	0262	VT II Vantagepoint Milestone 2035 Fund	8862
Vantagepoint Milestone 2040 Fund	0263	VT II Vantagepoint Milestone 2040 Fund	8863
Vantagepoint Milestone 2045 Fund	0264	VT II Vantagepoint Milestone 2045 Fund	8864
Vantagepoint Milestone 2050 Fund	0265	VT II Vantagepoint Milestone 2050 Fund	8865
Dreyfus Cash Management Fund	4591	VT II Cash Management Fund	8856



AGENDA ACTION FORM

Reappointments to the Construction Board of Adjustments and Appeals

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

Action Form No.: AF-45-2016
 Work Session: February 29, 2016
 First Reading: N/A

Final Adoption: March 1, 2016
 Staff Work By: R. McBryar
 Presentation By: Mayor Clark

Recommendation:

Approve reappointments.

Executive Summary:

Mr. David Stauffer, Stauffer Construction, Inc. and Mr. Steve Wilson, Spoden & Wilson Consulting have agreed to be reappointed to the Construction Board of Adjustments and Appeals if approved by the Board of Mayor and Aldermen. Both will be serving a second term. This is a three-year term set to expire February 28, 2019.

Attachments:

None

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



AGENDA ACTION FORM

Reappointment to the Beverage Board

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

Action Form No.: AF-46-2016
 Work Session: February 29, 2016
 First Reading: N/A

Final Adoption: March 1, 2016
 Staff Work By: R. McBryar
 Presentation By: Mayor Clark

Recommendation:

Approve reappointment.

Executive Summary:

Mr. Stephen LaHair has agreed to be reappointed to a second term to the Beverage Board if approved by the Board of Mayor and Aldermen. This three-year term will expire March 31, 2019.

Attachments:

None

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



AGENDA ACTION FORM

Reappointments to the Gateway Review Commission

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

Action Form No.: AF-43-2016
 Work Session: February 29, 2016
 First Reading: N/A

Final Adoption: March 1, 2016
 Staff Work By: Lynn Tully, AICP
 Presentation By: Mayor Clark

Recommendation:

Approve reappointments for a five-year term beginning March 1, 2016 and ending February 28, 2021.

Executive Summary:

Mr. Jim Wright and Mrs. Vivian Crymble have agreed to be reappointed to the Gateway Review Commission of the City of Kingsport if approved by the Board of Mayor and Aldermen. The reappointments for the Gateway Review Commission are for five year terms. Mr. Wright and Mrs. Crymble are current city residents and volunteers.

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



AGENDA ACTION FORM

Reimbursement of Materials Agreement Funds to Danny Karst for Edinburgh Phase 7

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

Action Form No.: AF-42-2016
 Work Session: February 29, 2016
 First Reading: NA

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

Recommendation:

Approve the Resolution.

Executive Summary:

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

Pursuant to the policy, the BMA entered into Materials Agreements with Danny Karst related to Edinburgh Phase 7 (AF-145-2015) in the amount of \$27,552.51. Upon construction, adjustment due to sales tax, and close out of the necessary materials, the Developer is due \$25,162.11.

To date, including these developments, the program has supported 786 new/proposed lots within the City of Kingsport. Of those lots, 358 Building Permits and 263 Certificates of Occupancy have been issued to date.

Attachments:

1. Resolution
2. Closeout Worksheet
3. Location Map(s)

Funding source appropriate and funds are available: 

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING REIMBURSEMENT OF
MATERIALS AGREEMENT FUNDS TO DANNY KARST FOR
EDINBURGH PHASE 7

WHEREAS, pursuant to the Materials Agreement Policy as set forth in Resolution 2007-084, Danny Karst entered into a Materials Agreement in the total amount of \$27,552.51 with the city for provision of certain water and sewer materials by the city for Edinburgh, Phase 7; and

WHEREAS, upon construction, adjustment due to sales tax, and close out of the necessary materials the developer is due reimbursement funds in the amount of \$25,162.11 for Edinburgh, Phase 7; and

Now, therefore,

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

SECTION I. That reimbursement of Material Agreement funds to Danny Karst in the amount of \$25,162.11 for Edinburgh, Phase 7, is approved.

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

ADOPTED this the 1st day of March, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER
APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

Materials Agreement

Project: Edinburgh VII
 Date: February 11, 2016
 Developer: _____

Water line

Item #	Item description	Units	U/M	Price	Total
41828	6" Mj Di accessory kit	1.00	ea	\$16.99	\$16.99
41864	8" x18' DI push on pipe	27.00	jt	\$306.36	\$8,271.72
42115	3.6' bury hydrant	1.00	ea	\$1,285.00	\$1,285.00
42335	8" mj gate valve	2.00	ea	\$666.84	\$1,333.68
42845	6" x 18" mj anchoring coupling	1.00	ea	\$90.99	\$90.99
42525	8" X 45deg bend	4	ea.	76.27	\$305.08
40835	8" mj valve	8	ea.	35.63	\$285.04
42421	round valve boxes	3	ea.	36.98	\$110.94
40401	5/8 X 3/4 linesetter	20	ea.	111.98	\$2,239.60
42732	midstate meter box/lid	20.00	st.	\$35.00	\$700.00
Project #	WA1587				
	Expensed To:				
Subtotal:	451-0000-605-9003				\$14,639.04
	REVISED SALES TAX			9.50%	\$1,390.71
	Amount paid and Receipted To:				
Subtotal:	451-0000-208-1250				\$14,639.04
Sales Tax:	451-0000-207-0201			9.50%	\$1,390.71
	Total Paid			Water Total:	\$16,029.75
	Sales Tax Adjustment				\$0.00
Water	Refund Due Developer				\$14,639.04

Materials Agreement

Sanitary sewer

Item #	Item description	Units	U/M	Price	Total
45003	8" x 13' sdr-35 gsktd sewer pipe	70.00	jt	\$40.46	\$2,832.20
45057	8" x 6" tee wye gsktd sewer	20.00	ea	\$28.80	\$576.00
45112	manhole covers v-1312-44	6.00	ea	\$310.00	\$1,860.00
45221	24" conc. Cone	6.00	ea	\$140.91	\$845.46
45223	16" conc. Riser	3.00	ea	\$88.55	\$265.65
45224	32" manhole riser	6.00	ea	\$169.40	\$1,016.40
45226	Manhole base	6.00	ea	\$502.10	\$3,012.60
45229	2" grade ring riser	2.00	ea	\$16.94	\$33.88
45230	4" grade ring riser	2.00	ea	\$23.87	\$47.74
45231	6" grade ring riser	1.00	ea	\$33.14	\$33.14
Project #	SW1587				
	Expensed To:				
Subtotal:	452-0000-606-9003				\$10,523.07
	REVISED SALES TAX			9.50%	\$999.69
	Amount Paid and Receipted To:				
Subtotal:	452-0000-208-1250				\$10,523.07
Sales Tax:	452-0000-207-0201			9.50%	\$999.69
	Total Paid			Sewer Total:	\$11,522.76
	Sales Tax Adjustment				\$0.00
Sewer	Refund Due Developer				\$10,523.07
				Total Refund	\$25,162.11

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

City of Kingsport Warehouse:

Date:

2/16/2016

City of Kingsport Inspector:

Date:

2-12-16

Developer:

Date:

2-15-16



EDINBURGH - PHASE 7

KINGSPOORT TENNESSEE

THE EDINBURGH GROUP, LLC

KINGSPOORT TENNESSEE



EDINBURGH - PHASE 7

Diagram illustrating the proposed street layout for Highway 101, showing various lanes and their widths:

- 10' MIN.
- NEW 8' PVC SAN. SEWER LINE
- NEW 4' MIN. SIDEWALK AND GUTTER
- NEW MODIFIED CURB
- PROP. ROW

[illegible]

WATER UTILITIES PLAN

PHASE 7
6.26 ± AC.

WATERLINE
O IN-PLACE
INSTALLED
2 1/2"

SANTANUM PHASE CHART									
ANTHROPOMETER SERIES CHART									
Knee to #									
Hip Depth									
Top Ewy									
Invert Out									
Invert In									
Working In									
Blasting In									
Lift Coordinates									
Degree of									
100	40	SHOULDER	1703.11	1603.67	1603.67	1603.67	1603.67	1603.67	1603.67
90	41	SHOULDER	1703.08	1603.64	1603.64	1603.64	1603.64	1603.64	1603.64
80	42	SHOULDER	1703.05	1603.61	1603.61	1603.61	1603.61	1603.61	1603.61
70	43	SHOULDER	1703.02	1603.58	1603.58	1603.58	1603.58	1603.58	1603.58
60	44	SHOULDER	1702.99	1603.55	1603.55	1603.55	1603.55	1603.55	1603.55
50	45	SHOULDER	1702.96	1603.52	1603.52	1603.52	1603.52	1603.52	1603.52
40	46	SHOULDER	1702.93	1603.49	1603.49	1603.49	1603.49	1603.49	1603.49
30	47	SHOULDER	1702.90	1603.46	1603.46	1603.46	1603.46	1603.46	1603.46
20	48	SHOULDER	1702.87	1603.43	1603.43	1603.43	1603.43	1603.43	1603.43
10	49	SHOULDER	1702.84	1603.40	1603.40	1603.40	1603.40	1603.40	1603.40
0	50	SHOULDER	1702.81	1603.37	1603.37	1603.37	1603.37	1603.37	1603.37

PLAN - SUB-MAIN DIAGRAM

1072 ALL SITE SURVEY INFORMATION INCLUDING
EXISTING TOPOGRAPHY PROVIDED BY ALLEY &
ASSOCIATES MASTER PLAN INFORMATION
INCLUDING LOT LAYOUT, ROADWAY LAYOUT BY
WARGNE WARGNE SUMNER & CANNON, INC.

MAINTAIN 60 MIN. HORIZONTAL
SEPARATION BETWEEN
SANITARY DRAIN LINES AND
DOMESTIC WATER LINES

SANITARY SEWER UTILITIES PLAN

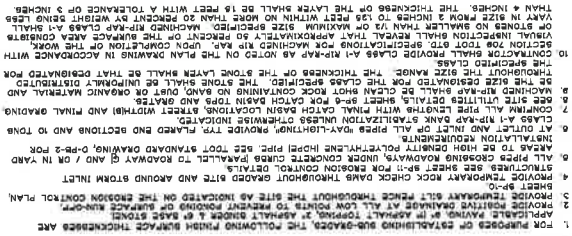
[illegible]

FOR SANITARY SEWER LINES OF SLOPE GREATER THAN 1%, PROVIDE ANCHORS AT SPACING INDICATED ON THIS PLAN IN ACCORDANCE WITH CITY OF KANSASPORT STANDARDS AND SPECIFICATIONS.

PROVIDE 1/2 CABBAGES FOR ALL SANITARY
SEWER LINES, 6" SUB-MAIN, LATERALS
AND APPURTENANCES. CABBAGES SHALL
BE CENTER ON INDICATED LINE LOCATIONS
AND ON EACH APPLICABLE LOT LINE

NOTES

[illegible]



DATE	FILE NO.
02-18-2014	017
RECORDS	
DATE	CR

SHEET TITLE

EDINBURGH - PHASE 7

**SPODEN & WILSON
CONSULTING ENGINEERS**





AGENDA ACTION FORM

Approval and Receiving of a Grant from FM Global

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

Action Form No.: AF-41-2016
 Work Session: February 29, 2016
 First Reading: N/A

Final Adoption: March 1, 2016
 Staff Work By: Chief Dye, Chris Vandagriff
 Presentation By: Chief Dye, Chris Vandagriff

Recommendation:

Approve the Resolution to authorize the Kingsport Fire Department's Fire Marshal's office to apply and receive a funding grant for printers and public education material from FM Global.

Executive Summary:

The Kingsport Fire Department's Fire Marshal's office would like to apply for a grant and if approved accept the grant from FM Global. FM Global is an insurance company that awards grants only for fire prevention/ education, pre-planning/ inspection and for fire/ arson investigations. This grant would allow the Fire Marshal's to work more effectively in the field while conducting inspections. Also this grant would provide handout materials to the groups that come and participate in the station tours put on by the Fire Marshal's office. FM Global does not require an organization to have matching funding to apply for the grant. Items that the Fire Marshal's office would like to apply for consist of the following:

1. 1,000 Be Smart. Don't Start. mood pencils \$625.00
2. 2,500 plastic fire helmets \$1325.00
3. 10,000 Junior Firefighter sticker badges \$700.00
4. 3 Epson XP-420 printers \$ 299.97

The total amount for funding would be \$2949.97 and with your permission we would like to apply and submit the application for approval.

Attachments:

1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL
DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND
RECEIVE A GRANT FROM FM GLOBAL

WHEREAS, the city, through the fire department, would like to apply for a grant from FM Global for public information material; and

WHEREAS, FM Global is an insurance company that awards grants only for fire prevention/ education, pre-planning/ inspection and for fire/ arson investigations; and

WHEREAS, the grant funds will provide handout materials such as plastic fire helmets, sticker badges and mood pencils to the groups that come and participate in the station tours put on by the fire marshal's office; and

WHEREAS, the grant funds will also purchase three printers that will aid the Fire Marshal's to work more effectively in the field while conducting inspections;

WHEREAS, the maximum amount of the grant award is \$2,949.97, and the grant does not require any local match;

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive grant funds from FM Global in the amount of \$32,949.97 for handout materials and printers for the fire station which requires no local match.

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

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

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

ADOPTED this the 1st day of March, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Authorizing the Mayor to Execute the Necessary Documents to Prepare an Updated Adoption Agreement for the Defined Contribution Retirement Plan per Internal Revenue Instructions

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

Action Form No.: AF-40-2016
 Work Session: February 29, 2016
 First Reading: N/A

Final Adoption: March 1, 2016
 Staff Work By: DeCroes/Billingsley
 Presentation By: DeCroes

Recommendation:

Approve the Resolution.

Executive Summary:

The Internal Revenue Service (IRS) has a six-year review schedule for the type of 401 plan documents ICMA-RC makes available. Following the IRS schedule, ICMA-RC submitted plan documents for review and approval in 2012 and received favorable opinion letters last year. The documents incorporate amendments for legislative and regulatory changes and are effective as of 2012.

In the past ICMA-RC has utilized a "negative election process" in an effort to make the plan document adoption process as easy as possible. This time around, per instructions from the IRS, each plan sponsor using the ICMA-RC plan document will be required to execute a new adoption agreement by April 30, 2016

Attachments:

1. Resolution
2. Government Money Purchase Plan & Trust Adoption Agreement

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

RESOLUTION NO. _____

A RESOLUTION APPROVING THE GOVERNMENT MONEY PURCHASE PLAN & TRUST ADOPTION AGREEMENT WITH ICMA-RETIREMENT CORPORATION AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in 2012 the board approved the IMCA-Retirement Corporation (ICMA-RC) defined contribution retirement plan for city employees; and

WHEREAS, the Internal Revenue Service (IRS) this year introduced the requirement to execute a new Government Money Purchase Plan & Trust Adoption Agreement; and

WHEREAS, this plan will need to be re-executed every 6 years.

Now therefore,

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

SECTION I. That the ICMA Retirement Corporation Government Money Purchase Plan & Trust Adoption Agreement attached hereto as Exhibit A, 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 ICMA Retirement Corporation Government Money Purchase Plan & Trust Adoption Agreement 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 1st day of March, 2016.

JOHN CLARK, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER
APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Authorizing the Mayor to Execute the Necessary Documents to Prepare an Updated Adoption Agreement for the Defined Contribution Retirement Plan per Internal Revenue Instructions

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

Action Form No.: AF-40-2016
Work Session: February 29, 2016
First Reading: N/A

Final Adoption: March 1, 2016
Staff Work By: DeCroes/Billingsley
Presentation By: DeCroes

Recommendation:

Approve the Resolution.

Executive Summary:

The Internal Revenue Service (IRS) has a six-year review schedule for the type of 401 plan documents ICMA-RC makes available. Following the IRS schedule, ICMA-RC submitted plan documents for review and approval in 2012 and received favorable opinion letters last year. The documents incorporate amendments for legislative and regulatory changes and are effective as of 2012.

In the past ICMA-RC has utilized a "negative election process" in an effort to make the plan document adoption process as easy as possible. This time around, per instructions from the IRS, each plan sponsor using the ICMA-RC plan document will be required to execute a new adoption agreement by April 30, 2016

Attachments:

1. Resolution
2. Government Money Purchase Plan & Trust Adoption Agreement

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

ICMA RETIREMENT CORPORATION

GOVERNMENTAL MONEY PURCHASE PLAN & TRUST ADOPTION AGREEMENT



**ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT**

Plan Number 106736 _____

The Employer hereby establishes a Money Purchase Plan and Trust to be known as CITY OF KINGSPORT
(the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

☒ Yes

☐ No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

CITY OF KINGSPORT

I. Employer: CITY OF KINGSPORT

II. Effective Dates

- ☒ 1. **Effective Date of Restatement.** If this document is a restatement of an existing plan, the effective date of the Plan shall be January 1, 2007 unless an alternate effective date is hereby specified: _____

(Note: An alternate effective date can be no earlier than January 1, 2007.)

- ☐ 2. **Effective Date of New Plan.** If this is a new Plan, the effective date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

3. **Special Effective Dates.** Please note here any elections in the Adoption Agreement with an effective date that is different from that noted in 1. or 2. above.

(Note provision and effective date.)

III. Plan Year will mean:

- ☒ The twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)

- ☐ The twelve (12) consecutive month period commencing on _____ and each anniversary thereof.

IV. Normal Retirement Age shall be age 60.0 (not to exceed age 65).

Important Note to Employers: Normal Retirement Age is significant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also defines the latest date at which a Participant must have a fully vested right to his/her Account. There are IRS rules that limit the age that may be specified as the Plan's Normal Retirement Age. The Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. An age under 55 is presumed not to satisfy this requirement, unless the Commissioner of Internal Revenue determines that the facts and circumstances show otherwise.

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, applies in the case of a plan where substantially all of the participants in the plan are qualified public safety employees within the meaning of section 72(t)(10)(B) of the Code, in which case an age of 50 or later is deemed not to be earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

V. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible to participate in the Plan:

- ☐ All Employees
- ☒ All Full Time Employees
- ☐ Salaried Employees
- ☐ Non union Employees
- ☐ Management Employees
- ☐ Public Safety Employees
- ☐ General Employees
- ☐ Other Employees (Specify the group(s) of eligible employees below. Do not specify employees by name. Specific positions are acceptable.) _____

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. The eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. **Note:** As stated in Sections 4.07 and 4.08, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) N/A.

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is 18.0 (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. **The Employer shall contribute as follows:** (Choose all that apply, but at least one of Options A or B. If Option A is not selected, Employer must pick up Participant Contributions under Option B.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option B is chosen, please complete section C.)

- ☒ A. Employer Contributions. The Employer shall contribute on behalf of each Participant 5 % of Earnings or \$ _____ for the Plan Year (subject to the limitations of Article V of the Plan).

Mandatory Participant Contributions

☐ are required ☐ are not required

to be eligible for this Employer Contribution.

- ☒ B. Mandatory Participant Contributions for Plan Participation.

Required Mandatory Contributions. A Participant is required to contribute (subject to the limitations of Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

☒ Yes

☐ No

Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

☐ Yes ☐ No

Contribution Schedule.

- (i) 5 % of Earnings,
(ii) \$ _____, or
(iii) a whole percentage of Earnings between the range of _____ (insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up". The Employer hereby elects to "pick up" the Mandatory Participant Contributions¹ (pick up is required if Option A is not selected).

☒ Yes ☐ No ("**Yes**" is the default provision under the Plan if no selection is made.)

- ☒ C. Election Window (Complete if Option B is selected):
Newly eligible Employees shall be provided an election window of 0 days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employer may also elect to contribute as follows:

- ☐ A. Fixed Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant % of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed % of Earnings or \$ _____. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.
- ☐ B. Variable Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):
 % of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding % of Earnings or \$ _____);

¹ Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).

PLUS _____% of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate _____% of Earnings or \$ _____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed \$ _____ or _____% of Earnings, whichever is _____ more or _____ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan:

☐ Yes ☒ No (***"No" is the default provision under the Plan if no selection is made.***)

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

6. In the case of a Participant performing qualified military service (as defined in Code section 414(u)) with respect to the Employer:

- A. Plan contributions will be made based on differential wage payments:

☐ Yes ☒ No (***"Yes" is the default provision under the Plan if no selection is made.***)

If yes is selected, this is effective beginning January 1, 2009 unless another later effective date is filled in here:

- B. Participants who die or become disabled will receive Plan contributions with respect to such service:

☐ Yes ☒ No (***"No" is the default provision under the Plan if no selection is made.***)

If yes is selected, this is effective for participants who died or became disabled while performing qualified military service on or after January 1, 2007, unless another later effective date is filled in here:

VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

1. Overtime
☒ Yes ☐ No
2. Bonuses
☐ Yes ☒ No
3. Other Pay (specifically describe any other types of pay to be included below)

VIII. ROLLOVER PROVISIONS

1. The Employer will permit rollover contributions in accordance with Section 4.12 of the Plan:
☒ Yes ☐ No (*"Yes" is the default provision under the Plan if no selection is made.*)
2. Direct rollovers by non-spouse beneficiaries are effective for distributions after 2006 unless the Plan delayed making them available. If the Plan delayed making such rollovers available, check the box below and indicate the later effective date in the space provided.
☐ Effective Date is _____
(Note: Plans must offer direct rollovers by non-spouse beneficiaries no later than plan years beginning after December 31, 2009.)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (e) of the Plan will apply unless another method has been indicated below.
☐ Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)
2. The Limitation Year is the following 12 consecutive month period: _____
3. Unless the Employer elects a delayed effective date below, Article 5 of the Plan will apply to limitations years beginning on or after July 1, 2007. _____
(The effective date listed cannot be later than 90 days after the close of the first regular legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.)

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

Period of Service Completed	Percent Vested
Zero	0 %
One	0 %
Two	20 %
Three	40 %
Four	60 %
Five	80 %
Six	100 %
Seven	100 %
Eight	100 %
Nine	100 %
Ten	100 %

XI. WITHDRAWALS AND LOANS

1. In-service distributions are permitted under the Plan after a participant attains (select one of the below options):

- ☐ Normal Retirement Age
☐ Age 70½ (***“70½” is the default provision under the Plan if no selection is made.***)
☐ Alternate age (after Normal Retirement Age): _____
☒ Not permitted at any age

2. A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.

- ☐ Yes ☐ No (***“Yes” is the default provision under the plan if no selection is made.***)

3. Tax-free distributions of up to \$3,000 for the direct payment of qualifying insurance premiums for eligible retired public safety officers are available under the Plan.

- ☐ Yes ☒ No (***“No” is the default provision under the Plan if no selection is made.***)

4. In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.

- ☐ Yes ☒ No (***“No” is the default provision under the Plan if no selection is made.***)

5. Loans are permitted under the Plan, as provided in Article XIII of the Plan:

- ☐ Yes ☒ No (***“No” is the default provision under the Plan if no selection is made.***)

XII. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

- ☐ 1. Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.
- ☒ 2. Beneficiary Spousal Consent Election (Article XII). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant's naming another Beneficiary. (***"Beneficiary Spousal Consent Election" is the default provision under the Plan if no selection is made.***)
- ☐ 3. QJSA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If C is selected, the spousal consent requirements in Article XII also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

The following group of Employees shall be eligible for Final Pay Contributions:

- ☐ All Eligible Employees
- ☐ Other: _____

Final Pay shall be defined as (select one):

- ☐ A. Accrued unpaid vacation
- ☐ B. Accrued unpaid sick leave
- ☐ C. Accrued unpaid vacation and sick leave
- ☐ D. Other (*insert definition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona fide vacation and/or sick leave*):

- ☐ 1. **Employer Final Pay Contribution.** The Employer shall contribute on behalf of each Participant _____ % of Final Pay to the Plan (subject to the limitations of Article V of the Plan).
- ☐ 2. **Employee Designated Final Pay Contribution.** Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute ____ % (insert fixed percentage of final pay to be contributed) or up to _____ % (insert maximum percentage of final pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XIV. ACCRUED LEAVE CONTRIBUTIONS

The Plan will provide for accrued unpaid leave contributions annually if either 1 or 2 is selected below.

The following group of Employees shall be eligible for Accrued Leave Contributions:

- ☐ All Eligible Employees
- ☐ Other: _____

Accrued Leave shall be defined as (select one):

- ☐ A. Accrued unpaid vacation
- ☐ B. Accrued unpaid sick leave
- ☐ C. Accrued unpaid vacation and sick leave
- ☐ D. Other (insert definition of accrued leave that is bona fide vacation and/or sick leave):

- ☐ 1. **Employer Accrued Leave Contribution.** The Employer shall contribute as follows (choose one of the following options):

☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of _____ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).

☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant _____% of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

- ☐ 2. **Employee Designated Accrued Leave Contribution.**

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute _____% (insert fixed percentage of accrued unpaid leave to be contributed) or up to _____% (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee's election shall remain in force and may not be revised or revoked.

- XV.** The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

- XVI.** The Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. This ICMA Retirement Corporation Governmental Money Purchase Plan and Trust is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on April 2, 2012, and received approval on March 31, 2014.

The Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. The Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become effective within 30 days of notice of the amendment(s) unless the Employer notifies the Plan Administrator, in writing, that it disapproves of the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

- XVII.** The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

XVIII. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XIX. An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other official guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _____ day of _____, 20_____.

EMPLOYER

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE Suite 600
Washington, DC 20002
800-326-7272

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Attest: _____

Attest: _____



ICMA RETIREMENT CORPORATION
777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
800-669-7400
WWW.ICMARC.ORG
BRC000-214-21268-201405-W1303