



## **AGENDA**

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

**Monday, July 14, 2014**

**Council Room, 2<sup>nd</sup> Floor, City Hall, 4:30 p.m.**

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

Mayor Dennis R. Phillips, Presiding  
Vice Mayor Mike McIntire  
Alderman John Clark  
Alderman Colette George

Alderman Tom C. Parham  
Alderman Tom Segelhorst

#### **Leadership Team**

Jeff Fleming, City Manager  
Chris McCartt, Assistant City Manager for Administration  
Ryan McReynolds, Assistant City Manager for Operations  
J. Michael Billingsley, City Attorney  
Jim Demming, City Recorder/Chief Financial Officer  
David Quillin, Police Chief  
Craig Dye, Fire Chief  
Morris Baker, Community Services Director  
Lynn Tully, Development Services Director  
Tim Whaley, Community and Government Relations Director

1. Call to Order
2. Roll Call
3. Updates on J. Fred Johnson Stadium – Ryan McReynolds
4. Interim Annexation Policy Presentation – Lynn Tully
5. Discussion of Vacancy Created by Resignation of Alderman Shupe – Jeff Fleming
6. Work Session Tickler
7. Review of Items on July 15, 2014 Regular Business Agenda
8. Adjourn

**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.**



## Work Session Tickler

July 14, 2014

### Special Projects

#### **Softball/Baseball Field Transition**

**David Mason**

Thomas Construction is continuing with cut and fill grading operations on the site. AEP has finished relocating the electrical transmission line allowing access to cut and fill the old right of way areas. There is an area of grey shale that is being loosened by blasting for excavation. There will be occasional blasts through the week of the 14<sup>th</sup> and maybe into the next week depending on the amount of shale uncovered.

Bids for the Centennial Ballpark construction project were received on June 10, 2014 and staff will be presenting a request for the necessary funding and making a recommendation to award the contract to Denark Construction. The recommendation will include proceeding with the base bid plus alternate 2 for the concessions brick accent, and alternate 3 for the maintenance area, for a total contact amount of \$3,699,500.

#### **Fire Training Ground**

**Chief Dye**

We are waiting on funding to meet with vendors to spec the Training Tower / Burn building to see if we have enough funding to move forward. The water system at the training ground is considered complete with the contractor extending the warranty to three years due to some issues.



#### **Welcome Center**

**Michael Thompson**

The City waterline project to serve the Welcome Center is complete. Shake Roofing on primary structure and wood frame construction is near completion, with trim work currently underway. Masonry work is continuing with the construction of the chimney underway. Plumbing is to start this week. P&W Construction Company, LLC is the general contractor for this TDOT project. The building project started on November 25, 2013, and completion is expected in late August 2014.

### ***Fire Station 6 Upgrades***

***Chief Dye***

Purchasing is finalizing agreements with subcontractors working under construction management of Allen Dryden. The LOXON system materials have arrived and the contractor is getting started by putting up the metal grid that holds the brick. You should see substantial progress now on the exterior.



### ***Carousel***

***Tim Elsea***

The intersection is open, the median island completed, and the striping for roadway improvements finished. Tipton will now shift focus to completing sidewalk and curbing that will ultimately result in closing the Food City driveway that runs along the Farmers Market. Contract time, 60 days for the intersection to be open, is June 5th with the project to be completed by July 5th.

### ***Wilcox Mobility Path***

***Tim Elsea***

Phase 5 design is 95% complete and will fill in the gap between Industry Drive and the Sluice Bridge. Work will include drainage components, raising parapet wall, and placing of a 7-foot wide, 6-inch raised sidewalk on the northwestern shoulder of roadway along both the Holston River and Sluice Bridges. TDOT will pay the 20% local match since Wilcox Drive is a state route. Kingsport received the Notice to Proceed with Environmental Phase on May 6, 2014. Mattern & Craig has finished the environmental documents which staff will review and forward on to TDOT. Staff will be working through each individual phase in order: Environmental, Right-of-Way, and Construction Review plans in order to receive Notice to Proceed to Construction. Staff anticipates it will be fall 2014 at the earliest before project is ready for construction.

### ***WTP Raw Water Transmission and Intake Replacement Design***

***Niki Ensor***

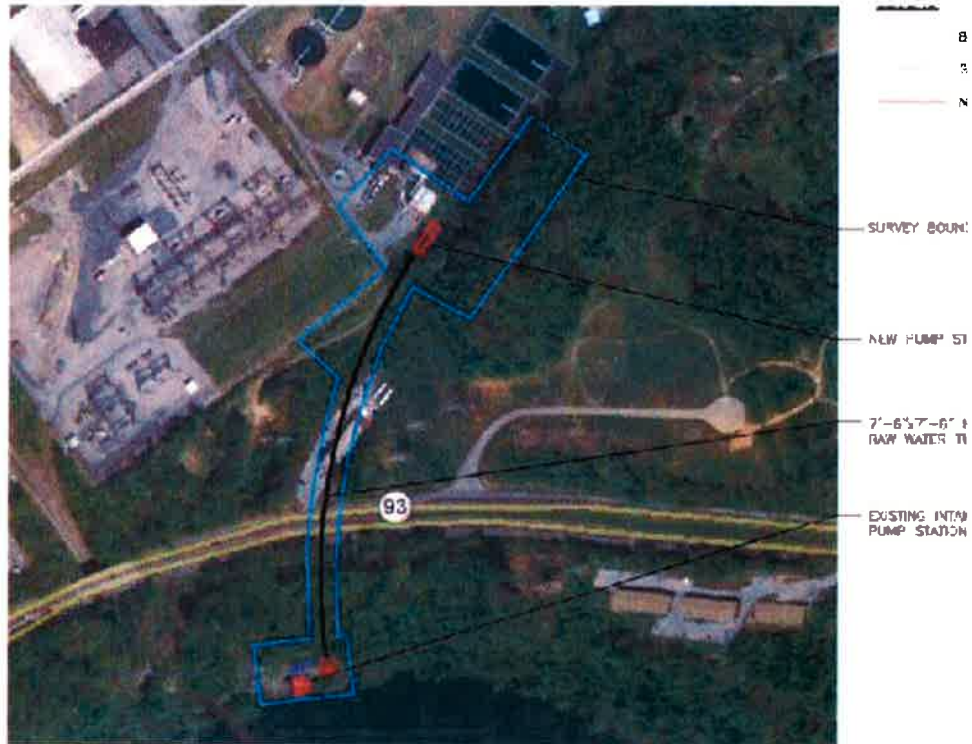
Engineer: CDMSmith  
Schedule: May 2013 – May 2014

#### **Project Update:**

Project design is 90% complete. SRF loan package has been sent to State Revolving Loan Department for review and approval. Staff and City Attorney are providing additional requested information for EDA grant.

WTP Raw Water Transmission and Intake Replacement Design continued

Tunnel Alignment



**Lewis Lane Traffic Calming**

**Tim Elsea**

The Traffic Department has conducted speed studies along Lewis Lane based on a petition by residents requesting traffic calming. The criteria have been met that were adopted by the Kingsport Board of Mayor and Alderman on June 5, 2007 set forth in the Neighborhood Traffic Management Plan (NTMP). A public meeting was held June 5th in the Council Room from 11:30 to 1:00. Letters are schedule to be mailed to affected residents for voting the week of June 30th with the desire to have ballots returned by July 18th. Residents will be reviewing the plan below, which recommends the installation of 6 devices.



**JFJ Stadium Upgrade Project**

**David Mason**

The construction contract, reflecting the accepted value engineering options, in the amount of \$4,590,850 has been issued to GRC Construction. The contract project completion date is October 31, 2014. GRC's current schedule indicates substantial completion on August 22, 2014.

Structural steel erection is now focused on the west end of the structure with the final bleacher stringers scheduled for installation this week. The aluminum grandstand decking installation will then continue to the west end. The elevator is in transit and is scheduled to arrive this week. The interior plumbing and electrical rough-ins are continuing. Framing for the press box is underway and the structure is scheduled to be lifted into place on July 21<sup>st</sup>. GRC has coordinated temporary fencing locations and access pathways to ensure a successful Fun Fest with no loss in construction productivity.

J. Fred Johnson Stadium – Upper Concourse Walkway.



J. Fred Johnson Stadium –Lower Level Press Box Framing.



**Cooks Valley Road Improvements - Phase 2**

**Hank Clabaugh**

This project has been advertised and bids have been opened. Vic Davis Construction will be the contractor. We anticipate construction beginning sometime this August. The contractual completion date is December 6, 2014. The general scope of the project is below:

*Construction of approximately 1,530 LF (0.3 miles) of road improvements; including road widening/realignment, storm water collection infrastructure, water line relocation, asphalt paving, and other associated work.*

**Legal**

**Risk Management**

**Terri Evans**

**Kingsport Employee Wellness**

*Kingsport Employee Wellness has been opened since June 26, 2013. The statistics for the utilized appointments for January through July 1, 2014 are: 94.3% utilization with 58% active employees, 33.9% dependents, 0.6% workers comp, 3.2% retirees, and 4.3% no-shows. CareHere's goal for no-show appointments is 5% or less. Given the high utilization percentage, we have added clinic hours. Effective February 24, 2014, the hours are Monday, Noon to 6:00 p.m.; Tuesday, 7:00 – 11:00 a.m.; Wednesday, 7:00 a.m. to 4:00 p.m.; Thursday, Noon to 6:00 p.m.; and Friday, 7:00 a.m. to 4:00 p.m. Wednesday and Friday, the center will close for lunch from 11:00 – noon.*

**Worker's Compensation**

There were NO lost time injuries in the month of June 2014. We did have 4 injuries requiring medical treatment only and one injury with restricted duty.

**Budget Office**

**Judy Smith**

**Financial Comments**

Local Option Sales Tax revenue for the month of April was \$1,255,243 which was \$49,012 below budget and \$670 below last year's actual. The year-to-date total is \$217,930 under budget and \$313,561 over last year's actual (2.57%).

**PAVING SCHEDULE**

<b>PROJECT</b>	<b>AREA</b>	<b>FORECAST START</b>	<b>ACTUAL START</b>	<b>FORECAST FINISH</b>	<b>ACTUAL FINISH</b>	<b>NOTES</b>
Ambleside Rd.	Ridgefields		23APR14		14MAY14	
Boyd Path Ct.	Ridgefields		23APR14		14MAY14	
Cox Trail Place	Ridgefields		23APR14		14MAY14	
Harwich Ct.	Ridgefields		23APR14		14MAY14	
Patton St.	Fort Robinson		27MAY14		29MAY14	
Stoneview Ln.	Fort Robinson		27MAY14		29MAY14	
Clara Dr.	Hiara		19MAY14		21MAY14	
Greenway St.	Fort Robinson		27MAY14	07AUG14		Started will be completed w/ Lilac St.
Afton St./Stone to Greenway	Fort Robinson		27MAY14		29MAY14	
Glen Alpine Rd.	Glen Alpine		03JUN14		05JUN14	
Watauga St. Lamont to Linville	Downtown		05JUN14		07JUN14	
Shipleferry Rd.	Exit 63		13JUN14		13JUN14	
Rocky Branch	Exit 63		16JUN14		17JUN14	
Renaissance Center (Parking Lot)	Downtown		19JUN14		20JUN14	
Sumpter Rd.	Rock Springs		24JUN14			Binder down; waiting on contractor to start paving
Blackheath Rd.	Bays Cove	09JUL14	30JUN14	11JUL14		Milling complete
Canongate Rd.	Bays Cove	14JUL14	30JUN14	18JUL14		Milling complete
Dundee Cir.	Bays Cove	21JUL14	30JUN14	21JUL14		Milling complete
Lochwood Cir.	Bays Cove	22JUL14	30JUN14	22JUL14		Milling complete; Paving to start 07JUL14
Lochwood Rd.	Bays Cove	23JUL14	30JUN14	25JUL14		Milling complete
Old Castle Rd.	Bays Cove	28JUL14	30JUN14	31JUL14		Milling complete
Scotland Rd.	Bays Cove	01AUG14	30JUN14	01AUG14		Milling complete
Lilac St.	Fort Robinson	04AUG14		07AUG14		
Cooper St.	Lynn Garden	11AUG14		14AUG14		
Derwood Ct.	Lynn Garden	15AUG14		15AUG14		
Marcum Ave.	Lynn Garden	18AUG14		18AUG14		
Sunpoint Dr.	Lynn Garden	19AUG14		19AUG14		
Sunrise Ct.	Lynn Garden	20AUG14		20AUG14		
Tenneva Pl.	Lynn Garden	21AUG14		21AUG14		
Hall St.	Afton St.	22AUG14		22AUG14		
Oakland St.	Afton St.	25AUG14		27AUG14		
W. Gibson St.	Gibson Mill	28AUG14		29AUG14		
W. Millpond St.	Gibson Mill	02SEP14		03SEP14		
W. Ravine Rd.	Gibson Mill	08SEP14		12SEP14		
Pavilion Rd.	Brookside	15SEP14		18SEP14		
Cooks Valley Rd.	Cooks Valley	22SEP14		03OCT14		
Sterling Ln.	Cooks Valley	06OCT14		07OCT14		
Carolina Pottery Dr.	Carolina Pottery	08OCT14		10OCT14		

**PAVING SCHEDULE**

<b>PROJECT</b>	<b>AREA</b>	<b>FORECAST START</b>	<b>ACTUAL START</b>	<b>FORECAST FINISH</b>	<b>ACTUAL FINISH</b>	<b>NOTES</b>
Adams Ave.		TBD		TBD		FY 15 PAVING CASH
Clark Ave.		TBD		TBD		FY 15 PAVING CASH
Clark Circle		TBD		TBD		FY 15 PAVING CASH
Cooper St		TBD		TBD		FY 15 PAVING CASH
Akers Ave.		TBD		TBD		FY 15 PAVING CASH
Bloomington		TBD		TBD		FY 15 PAVING CASH
Cedar St.		TBD		TBD		FY 15 PAVING CASH
Denison Ave.		TBD		TBD		FY 15 PAVING CASH
Goal St.		TBD		TBD		FY 15 PAVING CASH
Kinsler Ave.		TBD		TBD		FY 15 PAVING CASH
Martin St		TBD		TBD		FY 15 PAVING CASH
Nelms Ln.		TBD		TBD		FY 15 PAVING CASH
Oak Glen Dr.		TBD		TBD		FY 15 PAVING CASH
Perry St		TBD		TBD		FY 15 PAVING CASH
Quillen St.		TBD		TBD		FY 15 PAVING CASH
Rosefield Dr.		TBD		TBD		FY 15 PAVING CASH
Tyson Ln.		TBD		TBD		FY 15 PAVING CASH
Algood Dr.		TBD		TBD		FY 15 PAVING CASH
Algood Ln.		TBD		TBD		FY 15 PAVING CASH
Algood St.		TBD		TBD		FY 15 PAVING CASH
Echo Ct.		TBD		TBD		FY 15 PAVING CASH
Fairway Ave.		TBD		TBD		FY 15 PAVING CASH
Gilmer St.		TBD		TBD		FY 15 PAVING CASH
Glen Ave.		TBD		TBD		FY 15 PAVING CASH
Highpoint Ave		TBD		TBD		FY 15 PAVING CASH
Highpoint Cir.		TBD		TBD		FY 15 PAVING CASH
Kerns St.		TBD		TBD		FY 15 PAVING CASH
Luray Pl.		TBD		TBD		FY 15 PAVING CASH
Lynn Ave.		TBD		TBD		FY 15 PAVING CASH
Marcum Ave.		TBD		TBD		FY 15 PAVING CASH
Roan St.		TBD		TBD		FY 15 PAVING CASH
Roan Ct.		TBD		TBD		FY 15 PAVING CASH
Stonewall St		TBD		TBD		FY 15 PAVING CASH
Suncrest Dr		TBD		TBD		FY 15 PAVING CASH
Sunpoint Dr.		TBD		TBD		FY 15 PAVING CASH
Sunrise Ct.		TBD		TBD		FY 15 PAVING CASH
Teneva Pl.		TBD		TBD		FY 15 PAVING CASH
TenevaSt.		TBD		TBD		FY 15 PAVING CASH







## **AGENDA**

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

#### **REGULAR BUSINESS MEETING**

**Tuesday, July 15, 2014**

**Large Courtroom – 2<sup>nd</sup> Floor, City Hall**

**7:00 p.m.**

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

Mayor Dennis R. Phillips, Presiding  
Vice Mayor Mike McIntire  
Alderman John Clark  
Alderman Colette George

Alderman Tom C. Parham  
Alderman Tom Segelhorst

#### **City Administration**

Jeff Fleming, City Manager  
Chris McCartt, Assistant City Manager for Administration  
Ryan McReynolds, Assistant City Manager for Operations  
J. Michael Billingsley, City Attorney  
James Demming, City Recorder/Chief Financial Officer  
David Quillin, Police Chief  
Craig Dye, Fire Chief  
Morris Baker, Community Services Director  
Lynn Tully, Development Services Director  
Tim Whaley, Community & Government Relations Director

#### **I. CALL TO ORDER**

#### **II.A. PLEDGE OF ALLEGIANCE TO THE FLAG**

Revised →

#### **II.B. INVOCATION – Mr. Paul Becker, Concordia Lutheran**

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

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

1. Keep Kingsport Beautiful Beautification Awards

#### **V. APPROVAL OF MINUTES**

1. Regular Work Session – June 30, 2014
2. Regular Business Meeting – July 1, 2014

#### **VI. COMMUNITY INTEREST ITEMS**

**A. ALDERMAN VACANCY**

1. Declaration by the Mayor of a Vacancy on the Board of Mayor and Aldermen and Consideration of the Appointment of Andy Hall as Alderman to Serve Until the First Meeting in July 2015 (AF: 206-2014) (Mayor Phillips)

Revised →

- Declaration of Vacancy
- Consideration of Appointment of Andy Hall
- Swearing in of Alderman Andy Hall

**AA. PUBLIC HEARINGS**

1. Public Hearing and Consideration of Ordinance to Amend Zoning of Parcel 1, Tax Map 46H, Located off Lynn Garden Drive in the 11th Civil District of Sullivan County (AF: 185-2014) (Ken Weems)
  - Public Hearing
  - Ordinance – First Reading
2. Public Hearing for Annexation Annual Plan of Services Report (AF: 196-2014) (Corey Shepherd)
  - Public Hearing

**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. Consideration of a Budget Ordinance Regarding MPO11A Resurfacing of Lincoln Street; and a Resolution Awarding the Bid for the Resurfacing of Lincoln Street to Summers-Taylor, Inc. and Authorize the Mayor to Sign All Applicable Documents (AF: 200-2014) (Ryan McReynolds)
  - Ordinance – First Reading
  - Resolution
2. Consideration of a Budget Ordinance Appropriating Available Funds to GP1301; and a Resolution Authorizing a Change Order to the GRC Construction Services Contract to Include Power System Upgrades and Structural Modifications for the Johnson Stadium Improvements Project and Authorize the Mayor to Sign All Applicable Documents (AF: 201-2014) (Ryan McReynolds)
  - Ordinance – First Reading
  - Resolution

Res. Revised →

3. Consideration of a Resolution to Express the Official Intent of the City of Kingsport that Certain Expenditures to be Incurred in Connection with the Expenditure of Funds in the Construction of the Centennial Ball Fields be Reimbursed from the Proceeds of Notes, Bonds, or Other Indebtedness to be Issued by the City and Consideration of an Ordinance to Appropriate the Funds (AF: 197-2014) (Jim Demming / Jeff Fleming)
  - Resolution
  - Ordinance – First Reading

**C. BUSINESS MATTERS REQUIRING FINAL ADOPTION**

1. Consideration of a Budget Ordinance Appropriating Available Funds to GP1401, WA1500, and SW1500 for the Cooks Valley Road Improvements Phase 2 Project to Vic Davis Construction Company, Inc. and Authorize the Mayor to Sign all Applicable Documents (AF: 181-2014) (Ryan McReynolds)
  - Ordinance – Second Reading and Final Adoption
2. Consideration of a Budget Ordinance Appropriating Available Funds to SW1501 for Funding of Colonial Heights Annexation Phase 2 Sewer Extension Project and Authorize the Mayor to Sign All Applicable Documents (AF: 186-2014) (Chad Austin / Ryan McReynolds)
  - Ordinance – Second Reading and Final Adoption
3. Consideration of a Budget Ordinance Authorizing the City Manager to Issue a Purchase Order to Motorola Solutions to Purchase Replacement Radios for the City of Kingsport (AF: 190-2014) (Chief Quillin)
  - Ordinance – Second Reading and Final Adoption
4. Consideration of a Budget Ordinance Appropriating Available Funds to GP1301 Authorizing a Change Order to the GRC Construction Services Contract to Include Emergency Generator Work for the Johnson Stadium Improvements Project and Authorize the Mayor to Sign All Applicable Documents (AF: 192-2014) (Ryan McReynolds)
  - Ordinance – Second Reading and Final Adoption

**D. OTHER BUSINESS**

1. Consideration of a Resolution Authorizing the Kingsport Fire Department's Fire Marshal's Office to Apply and Receive a Funding Grant for Equipment from FM Global (AF: 191-2014) (Chief Dye / Chris Vandagriff)
  - Resolution
2. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary and Proper to Enter Into an Agreement with Denark Construction for the Construction of the Centennial Ball Park Baseball/Softball Complex (AF: 184-2014) (Chris McCartt)
  - Resolution

3. Consideration of a Resolution Authorizing the Mayor to Sign a Grant Application with the U.S. Department of Agriculture for a Partnership with the City of Kingsport Related to Stream Quality Improvements (AF: 204-2014) (Steve Robbins)
  - Resolution
4. Consideration of a Resolution Authorizing the Mayor to Execute Agreements with Various Agencies and Organizations [NETWORKS, KPT Convention and Visitors Bureau & Healthy KPT Program] for Services in Fiscal Year 2014-2015 Benefiting the General Welfare of Kingsport Residents (AF: 188-2014) (Jeff Fleming)
  - Resolution
5. Consideration of a Resolution Authorizing the Mayor to Sign All Documents Necessary and Proper to Enter into a Lease Agreement with Sleepy Owl Brewery for the Use of City Owned Property Located at 151 East Main Street (AF: 199-2014) (Chris McCartt)
  - Resolution
6. Consideration of a Resolution Approving an Adult Education Grant Contract with the State of Tennessee Department of Labor and Workforce Development for Kingsport City Schools (AF: 207-2014) (David Frye)
  - Resolution
7. Consideration of a Resolution to Donate Funds to KEDB for Economic Development Purposes (AF: 202-2014) (Jeff Fleming)
  - Resolution
8. Consideration of a Resolution Repealing Resolution No. 2014-158 and Adopting a Resolution Approving an Agreement with the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) for a Contribution for Economic or Industrial Development (AF: 205-2014) (Chris McCartt)
  - Resolution

**E. APPOINTMENTS**

None

**VII. CONSENT AGENDA**

None

**VIII. COMMUNICATIONS**

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

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

**IX. ADJOURN**

Minutes of the Regular Work Session of the  
Board of Mayor and Aldermen, City of Kingsport, Tennessee  
Monday, June 30, 2014, 4:30 PM  
Council Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor Dennis Phillips  
Alderman Colette George  
(arrived after roll call)

Vice-Mayor Mike McIntire  
Alderman Tom Segelhorst  
Alderman Tom C. Parham

City Administration

Jeff Fleming, City Manager  
Joseph E. May, Interim City Attorney  
James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:30 p.m. by Mayor Phillips.
2. **ROLL CALL:** By Deputy City Recorder Marshall. Absent: Alderman John Clark and Alderman Jantry Shupe.
3. **SEEKING DESIGNATION OF KINGSFORT BRIDGES IN HONOR OF VIETNAM WAR VETERANS.** Mr. Earl Carter and Mr. Sam Jones presented this item and asked the board to name two local bridges after David Lee Hann and James Eddie Reed who were killed in action while serving in the Army in Vietnam. Attorney May stated he would prepare a short resolution for the BMA to approve at the meeting tomorrow.
4. **DISCUSS JUDGE MONTGOMERY'S OFFICE SPACE.** City Manager Fleming gave information on this item, noting the judge would like to move forward as soon as possible.
5. **WORK SESSION TICKLER.** Mayor Phillips commented on additions to the original stadium cost. He stated the current generator will not provide backup to the elevator if the power goes as was originally believed. The mayor pointed out the fire marshal will not approve the current plan without a new generator. He confirmed it would be no more than the bid price.
6. **REVIEW OF AGENDA ITEMS ON THE JULY 1, 2014 REGULAR BUSINESS MEETING AGENDA.** City Manager Campbell, members of staff and community members gave a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:  
  
**VI.B.3 Consideration of a Resolution and Approve a Budget Ordinance Authorizing the City Manager to Issue a Purchase Order to Motorola Solutions to Purchase Replacement Radios for the City of Kingsport (AF: 190-2014).** City Manager Fleming stated the special offer from Motorola expires on June 30 and the city will save \$160,000 in incentives to act now. He noted the radios are part of a previous presentation to the BMA. Alderman Segelhorst questioned the number of radios being purchased and Chief Quillin confirmed he would provide a detailed list to him for review.

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of Kingsport, Tennessee, Monday, June 30, 2014**

**VI.D.1 Consideration of a Resolution Approving the Public Official Bond for Tilden J. Fleming as City Manager (AF: 189-2014).** Attorney May stated the bond amount of \$5,000 has been the same since the first city manager and complies with the charter. He stated the position now plays a greater role than in the past, but it may be covered under another policy for a greater amount. There was some discussion. Attorney May stated he would do some further research before the meeting tomorrow night.

**VI.D.2 Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Apply and Receive an Appalachian Regional Commission Grant for Sewer Upgrades to Ensure Capacity for the Eastman Corporate Business Center (AF: 180-2014).** Water/Waste Water Distribution and Collection Manager Chad Austin provided details on this item, noting there have been issues over the years. He stated because of the Eastman Project the city can now get grant money to fix the problems.

**VI.D.3 Consideration of a Resolution Authorizing the Mayor to Execute an Amendment to the Contract Between the City of Kingsport and the Tennessee Department of Environment and Conservation (AF: 178-2014).** Assistant City Manager for Operations Ryan McReynolds discussed this item, stating the in lieu of escrow account payment gives TDEC the assurance the city can cover post closure costs.

**VI.D.5 Consideration of a Resolution Accepting a Contract Amendment with the Tennessee Department of Transportation to Extend the Roadscapes Interchange Beautification Project Deadline (AF: 164-2014).** City Manager Fleming noted that neither of the two bids submitted were qualified and TDOT has given the city an extension in order to rebid in July.

**VI.D.8 Consideration of a Resolution to Authorize the Mayor to Execute Documents to Apply for and Receive a Drinking Water Revolving Loan from the State of Tennessee for the Water Treatment Plant Raw Water Transmission and Pump Station Improvements (AF: 182-2014).** Ryan McReynolds provided information on this item, noting this was the most cost effective solution to get water from the river to the plant. He noted the current intake is pushing 100 years old and if it fails, it would take days and maybe weeks to restore water to Kingsport customers. Water/Waste Water Manager Niki Ensor gave further details, stating construction will begin in September. Discussion ensued.

**VI.D.10 Consideration of a Resolution Awarding the Bid for the Purchase of 8.5" x 11" 20-Lb. Copier Paper to Janpak, Inc. (AF: 153-2014).** City Manager Fleming stated this item was pulled last time but is now moving forward. He noted staff will continue to look at options to buy locally.

**BOARD COMMENT.** None.

**PUBLIC COMMENT.** None.

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of  
Kingsport, Tennessee, Monday, June 30, 2014**

7. **ADJOURN.** Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 5:30 p.m.

---

ANGELA MARSHALL  
Deputy City Recorder

---

DENNIS R. PHILLIPS  
Mayor



Minutes of the Regular Business Meeting of the  
Board of Mayor and Aldermen of the City of Kingsport, Tennessee  
Tuesday, July 1, 2014, 7:00 PM  
Large Court Room – City Hall

PRESENT: Board of Mayor and Aldermen  
Mayor Dennis R. Phillips, Presiding  
Vice-Mayor Mike McIntire  
Alderman Colette George  
Alderman Tom C. Parham  
Alderman Tom Segelhorst

City Administration  
Jeff Fleming, City Manager  
Chris McCart, Assistant City Manager for Administration  
Ryan McReynolds, Assistant City Manager for Operations  
Joseph E. May, Interim 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  
Tim Whaley, Community & Government Relations Director

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor Dennis R. Phillips.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Hunter Wright.
- II.B. **INVOCATION:** Pastor David Salley, Gravelly Baptist Church.
- III.A. **ROLL CALL:** By City Recorder Demming. Absent: Alderman John Clark and Alderman Jantry Shupe.
- III.B. **SWEARING IN OF NEW CITY MANAGER.**
- IV. **RECOGNITIONS AND PRESENTATIONS.**
  1. 2014 Governor's Environmental Stewardship Award for Clean Air to City of Kingsport Alternative Fuels Initiative (Steve Hightower) – Chris McCart.
- V. **APPROVAL OF MINUTES.**

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

- A. June 16, 2014 Regular Work Session
- B. June 17, 2014 Regular Business Meeting

Approved: All present voting "aye."

- VI. **COMMUNITY INTEREST ITEMS.**

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, July 1, 2014**

**AA. PUBLIC HEARINGS.** None.

**A. PUBLIC COMMENT.** Mayor Phillips 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. Consideration of a Budget Ordinance Appropriating Available Funds to GP1401, WA1500 and SW1500 and a Resolution Awarding the Bid for the Cooks Valley Road Improvements Phase 2 Project to Vic Davis Construction Company, Inc. and Authorize the Mayor to Sign All Applicable Documents (AF: 181-2014).**

Motion/Second: Segelhorst/McIntire, to pass:

AN ORDINANCE TO AMEND THE WATER PROJECT, SEWER PROJECT AND GENERAL PROJECT FUND BUDGETS BY TRANSFERRING FUNDS FOR COOKS VALLEY ROAD IMPROVEMENT PHASE 2 FOR THE YEAR ENDING JUNE 30, 2015; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Motion/Second: McIntire/Segelhorst, to pass:

**Resolution No. 2014-232, A RESOLUTION AWARDING THE BID FOR THE COOKS VALLEY ROAD IMPROVEMENTS PHASE 2 PROJECT TO VIC DAVIS CONSTRUCTION COMPANY, INC. AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT**

Passed: All present voting "aye."

**2. Consideration of a Budget Ordinance Appropriating Available Funds to SW1501 for Funding of Colonial Heights Annexation Phase 2 Sewer Extension Project and Authorize the Mayor to Sign All Applicable Documents (AF: 186-2014).**

Motion/Second: McIntire/Segelhorst, to pass:

AN ORDINANCE TO AMEND THE SEWER PROJECT FUND BY TRANSFERRING FUNDS FOR THE COLONIAL HEIGHTS PHASE 2 SEWER LINE EXTENSION THE FISCAL YEAR ENDING JUNE 30, 2015; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

**3. Consideration of a Resolution and Approve a Budget Ordinance Authorizing the City Manager to Issue a Purchase Order to Motorola Solutions to Purchase Replacement Radios for the City of Kingsport (AF: 190-2014).** Chief Quillin provided information on this item.

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, Tuesday, July 1, 2014**

Motion/Second: Segelhorst/McIntire, to pass:

**Resolution No. 2014-246**, A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR REPLACEMENT RADIOS FROM MOTOROLA SOLUTIONS NT

Passed: All present voting "aye."

Motion/Second: Segelhorst/McIntire, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET FOR THE YEAR ENDING JUNE 30, 2014; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

**4. Consideration of a Budget Ordinance Appropriating Available Funds to GP1301 and a Resolution Authorizing a Change Order to the GRC Construction Services Contract to Include Emergency Generator Work for the Johnson Stadium Improvements Project and Authorize the Mayor to Sign All Applicable Documents (AF: 192-2014).** Mayor Phillips pointed out the current generator is not sufficient and this is a necessity for the approval of the fire marshall.

Motion/Second: Parham/Segelhorst, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET BY TRANSFERRING FUNDS TO THE J. FRED JOHNSON STADIUM IMPROVEMENTS PROJECT FOR THE YEAR ENDING JUNE 30, 2014; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

Motion/Second: Segelhorst/McIntire, to pass:

**Resolution No. 2014-247**, A RESOLUTION APPROVING CHANGE ORDER #1 TO THE CONTRACT WITH GOINSRASHCAIN, INC. FOR EMERGENCY GENERATOR WORK FOR THE JOHNSON STADIUM IMPROVEMENTS PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

Passed: All present voting "aye."

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

**1. Consideration of an Ordinance to Amend the General Fund, General Project Fund and Fleet Fund Budgets (AF: 162-2014).**

Motion/Second: McIntire/Parham, to pass:

**ORDINANCE NO. 6417**, AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND, GENERAL FUND AND FLEET FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2014; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, July 1, 2014**

**D. OTHER BUSINESS.**

**1. Consideration of a Resolution Approving the Public Official Bond for Tilden J. Fleming as City Manager (AF: 189-2014).** Attorney May stated this is a formality required by the charter. He noted the position is covered under other policies for \$500,000.

Motion/Second: Segelhorst/McIntire, to pass:

**Resolution No. 2014-233, A RESOLUTION APPROVING THE PUBLIC OFFICIAL BOND FOR TILDEN J. FLEMING AS CITY MANAGER WITH CNA SURETY**

Passed: All present voting "aye."

**2. Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Apply and Receive an Appalachian Regional Commission Grant for Sewer Upgrades to Ensure Capacity for the Eastman Corporate Business Center (AF: 180-2014).** Chad Austin discussed this item, noting staff was asked by Eastman if the water and sewer could handle the new project. He stated issues were found and this pre-approved grant will help assure capacity.

Motion/Second: McIntire/Parham, to pass:

**Resolution No. 2014-234, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE AN APPALACHIAN REGIONAL COMMISSION GRANT FOR SEWER UPGRADES FOR THE EASTMAN BUSINESS CENTER PROJECT**

Passed: All present voting "aye."

**3. Consideration of a Resolution Authorizing the Mayor to Execute an Amendment to the Contract Between the City of Kingsport and the Tennessee Department of Environment and Conservation (AF: 178-2014).**

Motion/Second: McIntire/Segelhorst, to pass:

**Resolution No. 2014-235, A RESOLUTION APPROVING AN AMENDMENT TO THE "CONTRACT IN LIEU OF A PERFORMANCE BOND" WITH THE TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION INCREASING THE AMOUNT OF FINANCIAL ASSURANCE FOR THE LANDFILL; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT OR THIS RESOLUTION**

Passed: All present voting "aye."

**4. Consideration of a Resolution Authorizing the Mayor to Execute a Contract Between the City of Kingsport and the Tennessee Department of Transportation for Maintenance Activities Performed on Designated State Highways and for Mowing and Litter on J. B. Dennis (AF: 179-2014).**

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, Tuesday, July 1, 2014**

Motion/Second: Segelhorst/George, to pass:

**Resolution No. 2014-236**, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR FISCAL YEAR 2015 BETWEEN THE CITY OF KINGSFORT AND THE STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION FOR REIMBURSEMENT OF MAINTENANCE ACTIVITIES PERFORMED ON DESIGNATED STATE HIGHWAY ROUTES LOCATED IN THE KINGSFORT CITY LIMITS AND A CONTRACT WITH THE STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION FOR MOWING AND LITTER ON JOHN B. DENNIS

Passed: All present voting "aye."

**5. Consideration of a Resolution Accepting a Contract Amendment with the Tennessee Department of Transportation to Extend the Roadscapes Interchange Beautification Project Deadline (AF: 164-2014).**

Motion/Second: Parham/McIntire, to pass:

**Resolution No. 2014-237**, A RESOLUTION APPROVING AN AMENDMENT TO THE AGREEMENT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

Passed: All present voting "aye."

**6. Consideration of a Resolution Authorizing the Mayor to Sign a Contract with the Virginia Department of Transportation Accepting Federal and State Transportation Planning Funds on Behalf of the Kingsport MTPO (AF: 172-2014).**

Motion/Second: George/Parham, to pass:

**Resolution No. 2014-238**, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LETTER OF AUTHORIZATION BETWEEN THE CITY OF KINGSFORT AND THE VIRGINIA DEPARTMENT OF TRANSPORTATION TO RECEIVE FEDERAL HIGHWAY ADMINISTRATION PLANNING FUNDS FOR USE BY THE KINGSFORT AREA METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION FOR THE FISCAL YEAR 2015 AND ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE LETTER OF AUTHORIZATION

Passed: All present voting "aye."

**7. Consideration of a Resolution Authorizing a Change Order to the Contract with Thomas Construction Co. for the Project Inspire Ball Fields – Site Preparation and Authorizing the Mayor to Execute All Documents Necessary for the Change Order (AF: 183-2014).** Assistant City Manager McCartt gave details on this item, noting the \$245,000 would go towards grading the fifth field at the site for future use.

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, Tuesday, July 1, 2014**

Motion/Second: George/McIntire, to pass:

**Resolution No. 2014-239**, A RESOLUTION APPROVING CHANGE ORDER #2 TO THE CONTRACT WITH THOMAS CONSTRUCTION CO. FOR THE PROJECT INSPIRE BALL FIELDS – SITE PREPARATION AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

Passed: All present voting “aye.”

**8. Consideration of a Resolution to Authorize the Mayor to Execute Documents to Apply for and Receive a Drinking Water Revolving Loan from the State of Tennessee for the Water Treatment Plant Raw Water Transmission and Pump Station Improvements (AF: 182-2014).** Assistant City Manager McReynolds gave a presentation on this item and stated the project has been around since the mid 1990’s and pointed out the focus is moving water from the river to the plant. He noted it was the most cost-effective option and construction is expected to start in September.

Motion/Second: McIntire/George, to pass:

**Resolution No. 2014-240**, RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING

Passed: All present voting “aye.”

**9. Consideration of a Resolution Awarding the Bid for the Purchase of One (1) Automated Refuse Truck to Municipal Equipment, Inc. (AF: 187-2014).** City Manager Fleming stated this vehicle would replace the truck that caught on fire. Alderman Segelhorst noted this was covered by insurance.

Motion/Second: Parham/Segelhorst, to pass:

**Resolution No. 2014-241**, A RESOLUTION AWARDING THE BID FOR THE PURCHASE OF ONE AUTOMATED REFUSE TRUCK TO MUNICIPAL EQUIPMENT, INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

Passed: All present voting “aye.”

**10. Consideration of a Resolution Awarding the Bid for the Purchase of 8.5” x 11” 20-Lb. Copier Paper to Janpak, Inc. (AF: 153-2014).**

Motion/Second: Parham/George, to pass:

**Resolution No. 2014-242**, A RESOLUTION AWARDING THE BID FOR PURCHASE OF LETTER SIZE, 20 POUND COPIER PAPER FOR FISCAL YEAR 2015 FOR USE BY THE CITY, INCLUDING THE CITY SCHOOLS, TO JANPAK, INC. AND

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, July 1, 2014**

**AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR THE  
SAME**

Passed: All present voting "aye."

**11. Consideration of Resolutions Designating Bridges on  
Clinchfield Street and Gibson Mill Road in Honor of Kingsport Residents Captain  
James "Eddie" Reed and Specialist Fourth Class David Lee Hann (AF: 193-2014).**

Motion/Second: Parham/McIntire, to pass:

**Resolution No. 2014-243, A RESOLUTION DESIGNATING THE UNNAMED  
CLINCHFIELD ROAD BRIDGE OVER REEDY CREEK AS THE CAPTAIN JAMES  
"EDDIE" REED MEMORIAL BRIDGE**

Passed: All present voting "aye."

Motion/Second: Parham/McIntire, to pass:

**Resolution No. 2014-244, A RESOLUTION DESIGNATING THE UNNAMED GIBSON  
MILL ROAD BRIDGE OVER REEDY CREEK AS THE SPECIALIST FOURTH CLASS  
DAVID LEE HANN MEMORIAL BRIDGE**

Passed: All present voting "aye."

**12. Consideration of a Resolution Approving the Use of Unit 210 in  
400 Clinchfield Condominium Association (AF: 194-2014).** Assistant City Manager  
McCartt stated the city can move forward with the process to turn over the space to the  
judge so they can build out the office.

Motion/Second: McIntire/Segelhorst, to pass:

**Resolution No. 2014-245, A RESOLUTION APPROVING THE TRANSACTION  
ALLOWING COURT OF CRIMINAL APPEALS JUDGE ROBERT H. MONTGOMERY,  
JR. TO USE UNIT 210 IN THE 400 CLINCHFIELD CONDOMINIUM ASSOCIATION  
BUILDING; AUTHORIZING THE MAYOR TO EXECUTE THE ANY AND ALL  
DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF  
THIS RESOLUTION**

Passed: All present voting "aye."

**E. APPOINTMENTS/REAPPOINTMENTS.**

**1. Consideration of Reappointments to the Parks and Recreation  
Advisory Committee (AF: 160-2014).**

Motion/Second: Segelhorst/McIntire, to approve:

**REAPPOINTMENTS OF MRS. LONI GARCIA, MR. JEFF WALKER AND MR. PETE  
LODAL TO SERVE ANOTHER THREE-YEAR TERM ON THE *PARKS AND  
RECREATION ADVISORY COMMITTEE* EFFECTIVE IMMEDIATELY AND EXPIRING  
ON JULY 31, 2017.**

Passed: All present voting "aye."

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, Tuesday, July 1, 2014**

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

Motion/Second: McIntire/Parham, to adopt:

**1. Consideration of Approval of Offers for Easements and Right-of-Ways for the Reedy Creek Trunk Line Improvements Project (AF: 176-2014).**

Approve:

OFFERS FOR EASEMENTS AND RIGHTS-OF-WAY FOR THE REEDY CREEK TRUNK LINE IMPROVEMENTS PROJECT

Passed in a roll call vote: George, McIntire, Parham, Segelhorst, and Phillips voting "aye."

**2. Consideration of Approval of Offers for Additional Easements and Right-of-Ways for the Rock Springs/Westfield Drive Area Sewer Extension Project (AF: 177-2014).**

Approve:

OFFERS FOR ADDITIONAL EASEMENTS AND RIGHTS-OF-WAY FOR THE ROCK SPRINGS/WESTFIELD DRIVE AREA SEWER EXTENSION PROJECT

Passed in a roll call vote: George, McIntire, Parham, Segelhorst, and Phillips voting "aye."

**VIII. COMMUNICATIONS.**

- A. CITY MANAGER.** Mr. Fleming highlighted the professionalism in Kingsport and stated the IT department has been revamped to comply with audit requirements. He also recognized employees who recently received certifications as well as those who retired.
- B. MAYOR AND BOARD MEMBERS.** All of the aldermen congratulated Jeff Fleming on his start as city manager. Alderman George commented on tragedy in the death of Mike Locke, noting she hoped some good might come out of it if it causes the community to change their behavior and drink responsibly. Alderman Segelhorst also congratulated John Campbell on his retirement and wished everyone a good Independence Day. Alderman Parham commented on Mike Locke's service to the community, as well as Ailsie Straley who passed away in an accident in Atlanta. Vice-Mayor McIntire gave details on the promotions of Ryan McReynolds, Chris McCartt and Lynn Tully. He also commented on the 4<sup>th</sup> of July and encouraged citizens to reflect on the importance of living in freedom. Mayor Phillips recognized Ian and William Steppetoe in the audience, representing Boy Scout Troop #253. He also commented on the loss of Mr. Locke and Ms. Straley, noting both were great donors to the city. He reminded everyone FunFest was coming up as well as the 50<sup>th</sup> anniversary of The Huggle Shop in downtown Kingsport.



**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, July 1, 2014**

**C. VISITORS.** Mr. Tommy Hulse, Mr. Shelburne Ferguson, Ms. Mary McNabb and Ms. Barbara Brown made comments.

**IX. ADJOURN.** Seeing no other business for consideration at this meeting, Mayor Phillips adjourned the meeting at 8:20 p.m.

---

ANGELA MARSHALL  
Deputy City Recorder

---

DENNIS R. PHILLIPS  
Mayor



**AGENDA ACTION FORM**

**Declaration by the Mayor of a Vacancy on the Board of Mayor and Aldermen and Consideration of the Appointment of an Individual as Aldermen to Serve Until the First Meeting in July, 2015**

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

Action Form No.: AF-206-2014  
 Work Session: July 14, 2014  
 First Reading: N/A

Final Adoption: N/A  
 Staff Work By: Jeff Fleming  
 Presentation By: Mayor Phillips

**Recommendation:**

Declaration by the mayor of vacancy and consideration of an appointment.

**Executive Summary:**

As you know, Mr. Jantry Shupe resigned from the office of aldermen on July 7, 2014. In accordance with the requirements of Article III, section 10 of the Charter of the City of Kingsport, the mayor must declare the office of aldermen, previously held by Mr. Shupe, vacant at the next business meeting of the board following the resignation. The position must be filled by the remaining board members within thirty 30 days. The appointment must be made by an affirmative vote of the majority of the remaining members of the board. There are six remaining board members so the majority would be four. The vote appointing an individual must be a roll call vote. The term of the appointment will be from the date the appointee is sworn into office until the first regular meeting in July, 2015.

The board can choose any method it deems appropriate to determine who to appoint. The only criterion that must be followed is that the individual must be eligible to hold office. This means the individual must be a legal resident of the city, 18 years of age or older and not an employee of the city, including the city school system. When the board is ready to make the appointment it approved by a motion, a second and a roll call vote.

For your convenience I have attached a copy of Article III, section 10 of the Charter of the City of Kingsport.

**Attachments**

- Article III, section 10 Charter of the City of Kingsport

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Phillips	—	—	—

**Article III, Sec. 10. Vacancies.**

- (a) *Causes of vacancies.* The office of mayor, vice-mayor or alderman is vacated:
- (1) By the death of the incumbent;
  - (2) By the resignation of the incumbent;
  - (3) By the incumbent ceasing to be a resident of the city; or
  - (4) By the incumbent's violation of the Charter.
- (b) *Declaration of vacancies to board.* The mayor or vice-mayor shall declare to the board, at each session thereof, all offices to be filled by that body, which have become vacant.
- (c) *Appointment of successors.* After any office becomes vacant, such vacancy in said board shall be filled by appointment within thirty (30) days by an affirmative vote of a majority of the remaining members thereof; provided however, that no member shall be appointed under this section at any time when the said board already has as many as two (2) members so appointed, but in case of any additional vacancy the said board shall forthwith by ordinance or resolution call upon the election commissioners for Sullivan County and Hawkins County to call a special election for the purpose of filling such additional vacancy, whereupon said election commissioners shall immediately call such special election and appoint the necessary officers therefor, and said special election shall be held in the same manner as and subject to the regulations in this Charter respecting general city elections.
- (d) *Vote.* All such appointments by the board shall be made viva voce, on the calling of the roll.
- (e) *Term of office of successors.* The successors so appointed to hold office until the first regular meeting in July following the next general city election held after his appointment.



## AGENDA ACTION FORM

### Public Hearing and Consideration of Ordinance to Amend Zoning of Parcel 1, Tax Map 46H, Located off Lynn Garden Drive in the 11<sup>th</sup> Civil District of Sullivan County

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

A handwritten signature in black ink, appearing to read "Jeff Fleming", is written over the printed name "Jeff Fleming, City Manager".

Action Form No.: AF-185-2014  
 Work Session: July 14, 2014  
 First Reading: July 15, 2014

Final Adoption: August 5, 2014  
 Staff Work By: Ken Weems  
 Presentation By: Ken Weems

#### **Recommendation:**

Hold public hearing.

Approve ordinance amending the zoning ordinance to rezone parcel from B-1, Neighborhood Business District to B-3, Highway Oriented Business District.

#### **Executive Summary:**

This is an owner-requested rezoning of approximately 9.9 acres/ 1 parcel located at the intersection of Lynn Garden Drive and West Sullivan Street (the former Fairway Ford property) from B-1 to B-3. The rezoning will allow commercial use of the property consistent with the capacity of the street network it fronts. Staff has received 3 separate calls from adjacent property owners, all in support of the rezoning request. During their June 2014 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 June 30, 2014.

#### **Attachments:**

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

Funding source appropriate and funds are available: \_\_\_\_\_

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

## 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 July 15, 2014 to consider the rezoning for parcel 1 on tax map 46H located along Lynn Garden Drive from B-1 District to B-3 District. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

BEGINNING at a point, said point being the southwest corner of parcel 1.00 of Tax Map 46H, Group A of the Sullivan County Tax Maps for 2012 and on the western right-of-way of Lynn Garden Drive; thence go North 38°48' East a distance of 103.64 feet to a point; thence in an arc go North 24°55' East a distance of 670.63 feet to a point; thence in an arc go North 40°18' East a distance of 74.30 feet to a point; thence go North 68°41' East a distance of 24.51 feet to a point, said point being on the southern right-of-way line of West Sullivan Street; thence in an arc go North 74°32' East a distance of 55.70 feet to a point; thence go North 80°23' East a distance of 115.06 feet to a point; thence go North 80°23' East a distance of 176.06 feet to a point; thence go South 37°25' East a distance of 304.39 feet to a point; thence go South 85°22' West a distance of 23.32 feet to a point; thence go South 21°17' East a distance of 15.56 feet to a point; thence go South 84°05' West a distance of 170.57 feet to a point; thence go North 73°19' West a distance of 31.09 feet to a point; thence go South 39°18' East a distance of 49.75' feet to a point; thence go South 37°25' East a distance of 287.75 feet to a point; thence go South 38°08' West a distance of 132.31 feet to a point; thence go North 76°23' West a distance of 41.61 feet to a point; thence go North 55°17' West a distance of 100.13 feet to a point; thence go North 71°00' West a distance of 143.96 feet to a point; thence go North 59°48' West a distance of 66.44 feet to a point; thence in an arc go South 65°25' West a distance of 232.60 feet to a point; thence go South 18°32' West a distance of 199.75 feet to a point; thence go North 52°04' West a distance of 56.22 feet; thence go South 53°32' West a distance of 104.79 feet to a point; thence go South 30°38' West a distance of 140.02 feet to a point; thence go North 51°04' West a distance of 137.19 feet to the point of BEGINNING, and being a total of 8.003 acres as per the plat of survey completed by Danny Carr of Carter, Carr & Associates dated May 22, 2014 and also identified as all of parcel 1.00 on the Sullivan County Tax Map 46H, Group A dated April 2012.

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: 6/30/14

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

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY ADJACENT TO LYNN GARDEN DRIVE AND WEST SULLIVAN STREET FROM B-1, NEIGHBORHOOD BUSINESS DISTRICT TO B-3, HIGHWAY ORIENTED BUSINESS DISTRICT IN THE 11<sup>TH</sup> CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property adjacent to Lynn Garden Drive and West Sullivan Street from B-1, Neighborhood Business District to B-3, Highway Oriented Business District in the 11<sup>th</sup> Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

BEGINNING at a point, said point being the southwest corner of parcel 1.00 of Tax Map 46H, Group A of the Sullivan County Tax Maps for 2012 and on the western right-of-way of Lynn Garden Drive; thence go North 38°48' East a distance of 103.64 feet to a point; thence in an arc go North 24°55' East a distance of 670.63 feet to a point; thence in an arc go North 40°18' East a distance of 74.30 feet to a point; thence go North 68°41' East a distance of 24.51 feet to a point, said point being on the southern right-of-way line of West Sullivan Street; thence in an arc go North 74°32' East a distance of 55.70 feet to a point; thence go North 80°23' East a distance of 115.06 feet to a point; thence go North 80° 23' East a distance of 176.06 feet to a point; thence go South 37°25' East a distance of 304.39 feet to a point; thence go South 85°22' West a distance of 23.32 feet to a point; thence go South 21°17' East a distance of 15.56 feet to a point; thence go South 84°05' West a distance of 170.57 feet to a point; thence go North 73°19' West a distance of 31.09 feet to a point; thence go South 39°18' East a distance of 49.75' feet to a point; thence go South 37°25' East a distance of 287.75 feet to a point; thence go South 38°08' West a distance of 132.31 feet to a point; thence go North 76°23' West a distance of 41.61 feet to a point; thence go North 55°17' West a distance of 100.13 feet to a point; thence go North 71°00' West a distance of 143.96 feet to a point; thence go North 59°48' West a distance of 66.44 feet to a point; thence in an arc go South 65°25' West a distance of 232.60 feet to a point; thence go South 18°32' West a distance of 199.75 feet to a point; thence go North 52°04' West a distance of 56.22 feet; thence go South 53°32' West a distance of 104.79 feet to a point; thence go South 30°38' West a distance of 140.02 feet to a point; thence go North 51°04' West a

distance of 137.19 feet to the point of BEGINNING, and being a total of 8.003 acres as per the plat of survey completed by Danny Carr of Carter, Carr & Associates dated May 22, 2014 and also identified as all of parcel 1.00 on the Sullivan County Tax Map 46H, Group A dated April 2012.

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.

---

DENNIS R. PHILLIPS  
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 14-101-00008

425 Lynn Garden Drive Rezoning

<b>Property Information</b>			
<b>Address</b>		425 Lynn Garden Drive	
<b>Tax Map, Group, Parcel</b>		46H, A, 001.00	
<b>Civil District</b>		11	
<b>Overlay District</b>		Not applicable	
<b>Land Use Designation</b>		Retail	
<b>Acres</b>		9.9 acres +/-	
<b>Existing Use</b>		<b>Existing Zoning</b>	B-1
<b>Proposed Use</b>		<b>Proposed Zoning</b>	B-3
<b>Owner /Applicant Information</b>			
<b>Name:</b> John King, S.H. Anderson, C.M. Gatton <b>Address:</b> 1000 W. State St. <b>City:</b> Bristol <b>State:</b> TN <b>Zip Code:</b> 37620 <b>Email:</b> n/a <b>Phone Number:</b> (423) 723-0400		<b>Intent:</b> To rezone from B-1 to B-3 to allow for highway oriented business uses.	
<b>Planning Department Recommendation</b>			
The Kingsport Planning Division recommends approval for the following reasons: <ul style="list-style-type: none"> <li>• The rezoning request is compliant with the Future Land Use Plan 2030 .</li> <li>• The rezoning request is compliant with the site characteristics as a highway-oriented business location</li> </ul>			
<b>Staff Field Notes and General Comments:</b>			
<ul style="list-style-type: none"> <li>• The rezoning area consists of property located on the south side of the intersection of Lynn Garden Drive and West Sullivan Street.</li> <li>• Commercial uses are suitable for both the existing principal arterial street classification of Lynn Garden Drive and existing buildings of the property as contained in the B-3, Highway Oriented Business Zone.</li> <li>• There are no new buildings proposed for the rezoning site. The accompanying zoning development plan only shows existing buildings. The entire site is inside the flood fringe, with a large portion of Reedy Creek Floodway contained on the property as well.</li> </ul>			
<b>Planner:</b>		Ken Weems	<b>Date:</b> 2 June 2014
<b>Planning Commission Action</b>		<b>Meeting Date:</b>	19 June 2014
<b>Approval:</b>			
<b>Denial:</b>		<b>Reason for Denial:</b>	
<b>Deferred:</b>		<b>Reason for Deferral:</b>	



**PROPERTY INFORMATION**

<b>ADDRESS</b>	425 Lynn Garden Drive
<b>DISTRICT</b>	11
<b>OVERLAY DISTRICT</b>	Not Applicable
<b>EXISTING ZONING</b>	B-1 (Neighborhood Business District)
<b>PROPOSED ZONING</b>	B-3 (Highway Oriented Business District)
<b>ACRES</b>	9.9 +/-
<b>EXISTING USE</b>	vacant with existing buildings
<b>PROPOSED USE</b>	B-3, highway oriented business uses

**PETITIONER**

**ADDRESS** 1000 West State Street, Bristol, TN 37620

**REPRESENTATIVE**

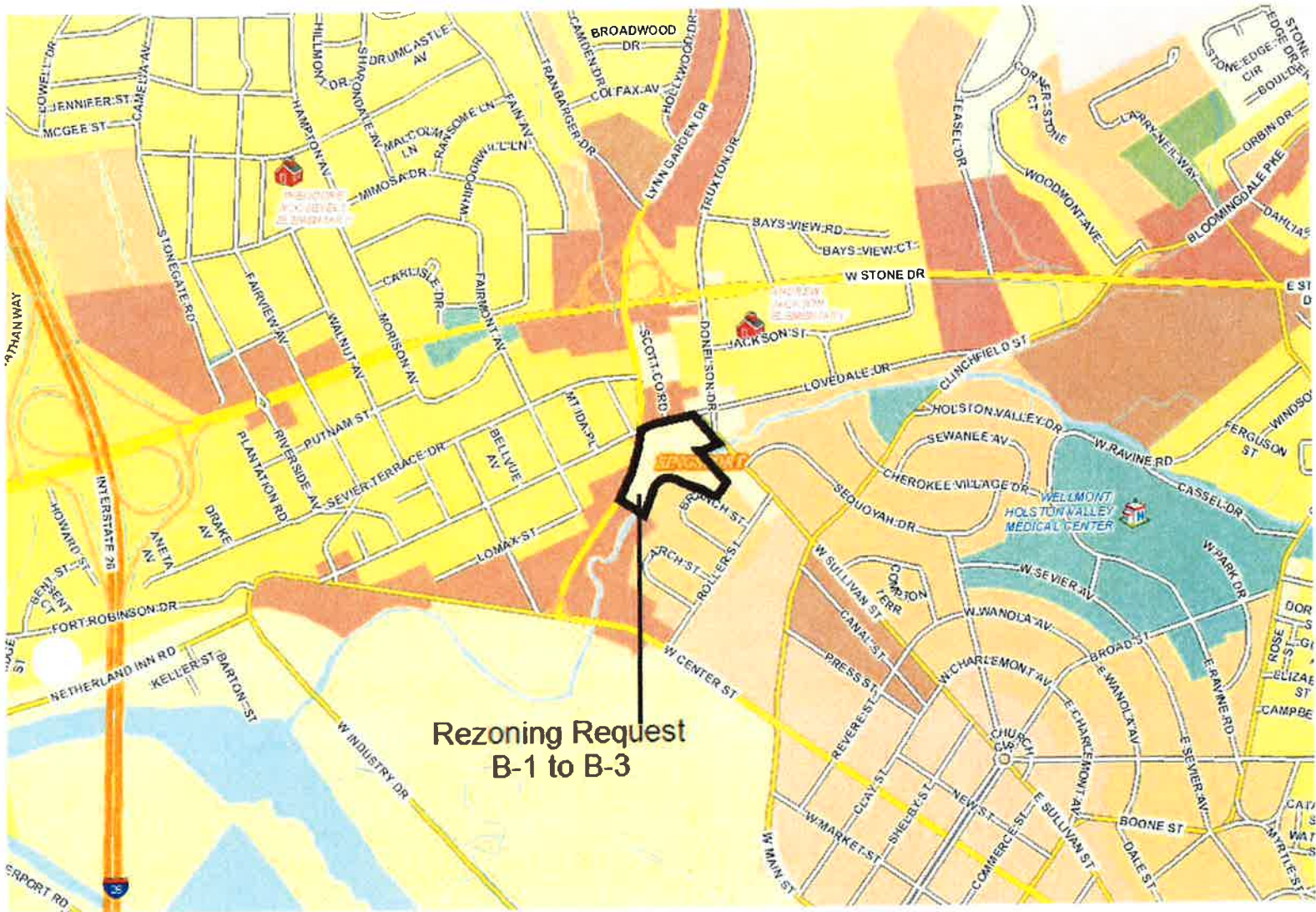
**PHONE** (423) 723-0400

**INTENT**

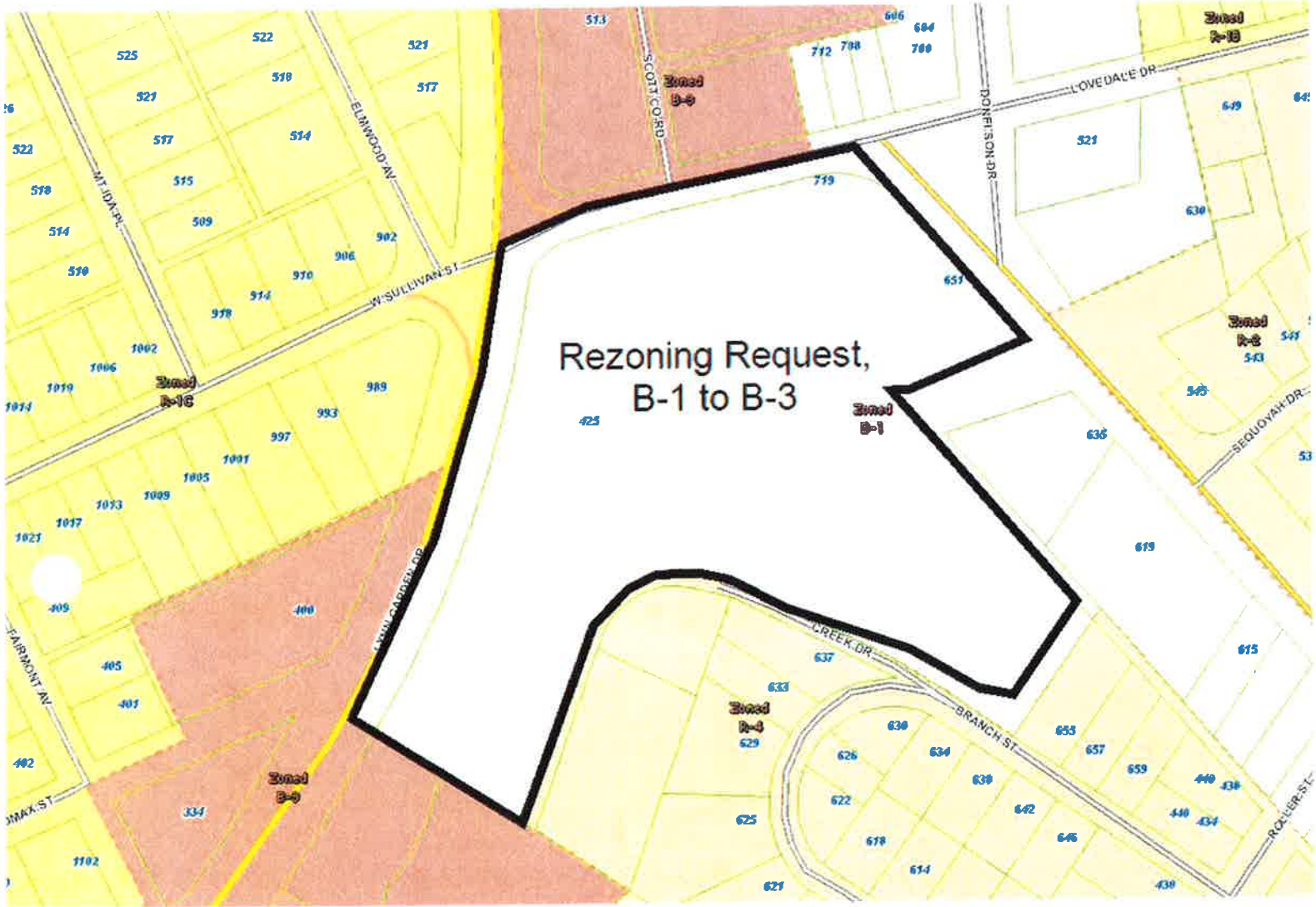
*To rezone from B-1 to B-3 to allow for highway oriented business uses*

Rezoning Report

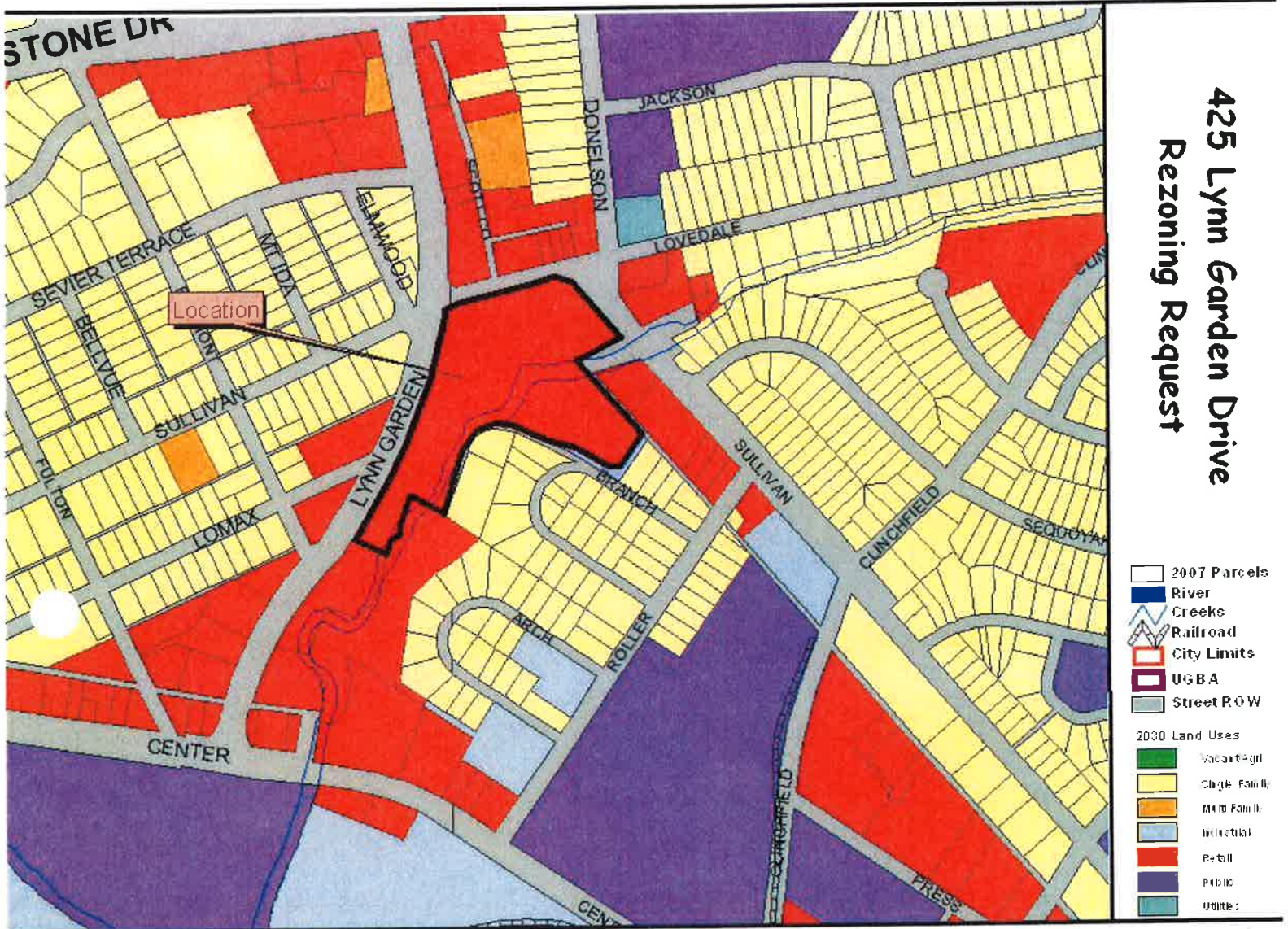
Vicinity Map



Surrounding Zoning Map



Future Land Use Plan 2030



2030 Land Use Map



Rezoning Report

Aerial



Utilities and Flood Map



North View



East View



**West View**



**South View**





Kingsport Regional Planning Commission

Rezoning Report

File Number 14-101-00008

Location	Parcel / Zoning Petition	Zoning / Name	History Zoning Action Variance Action
North, East, Northwest	1	<u>Zone: City B-3</u> Use: vacant building/ former car lot	n/a
Further North and Northwest	2	<u>Zone: City R-1C</u> Use: single family	n/a
East	3	<u>Zone: City B-1</u> Use: flooring store	n/a
Further East	4	<u>Zone: City R-2</u> Use: single family	n/a
Southeast and South	5	<u>Zone: City B-1</u> Use: vacant commercial space	n/a
Further South	6	<u>Zone: City R-4</u> Use: single family	n/a
West	7	<u>Zone: City B-3</u> Use: Pizza Plus	n/a

Rezoning Report

EXISTING USES LOCATION MAP



Zoning Development Plan (Existing Buildings)

GENERAL NOTES

1. THIS SURVEY IS SUBJECT TO ANY AND ALL EASEMENTS, WRITTEN OR UNWRITTEN.
2. ALL BORING DATA, HAS BEEN REFERENCED, AS SHOWN HEREON, ARE BASED UPON COUNTY TAX RECORDS AND ARE SUBJECT TO THE ACCURACY THEREOF.
3. UTILITIES AND UNDERGROUND FEATURES HAVE NOT BEEN LOCATED AS A PART OF THIS SURVEY AND NO CERTIFICATION IS MADE THEREOF.
4. THIS SURVEY HAS BEEN MADE IN THE BEST INTEREST OF A TITLE EXAMINER AND IS SUBJECT TO ANY LEGAL DOCUMENTATION THAT MAY AFFECT PROPERTY SHOWN HEREON.
5. THIS SURVEY IS SUBJECT TO ANY ZONING REGULATIONS WHICH MAY BE IN EFFECT AS OF THE DATE HEREON.
6. NO WARRANTY IS EXPRESSED OR IMPLIED AS TO THE EXISTENCE OR NON-EXISTENCE OF SURFACE, SUBSURFACE, OR OTHER RIGHTS OR CLAIMS OR OTHER RIGHTS OR CLAIMS OF ANY KIND OR CHARACTER WHICH COULD AFFECT THE USE AND VALUE OF THIS PROPERTY.

FLOOD CERTIFICATION

THIS IS TO CERTIFY THAT I HAVE CONSULTED THE FEDERAL ADMINISTRATION FLOOD HAZARD BOUNDARY MAPS AND FOUND THAT THIS PROPERTY IS LOCATED IN SPECIAL FLOOD HAZARD ZONES AS FOLLOWS:

FLOOD INSURANCE RATE MAP #171000004D  
SULLIVAN COUNTY AND INCORPORATED AREAS  
EFFECTIVE DATE: SEPTEMBER 29, 2006

ABBREVIATIONS

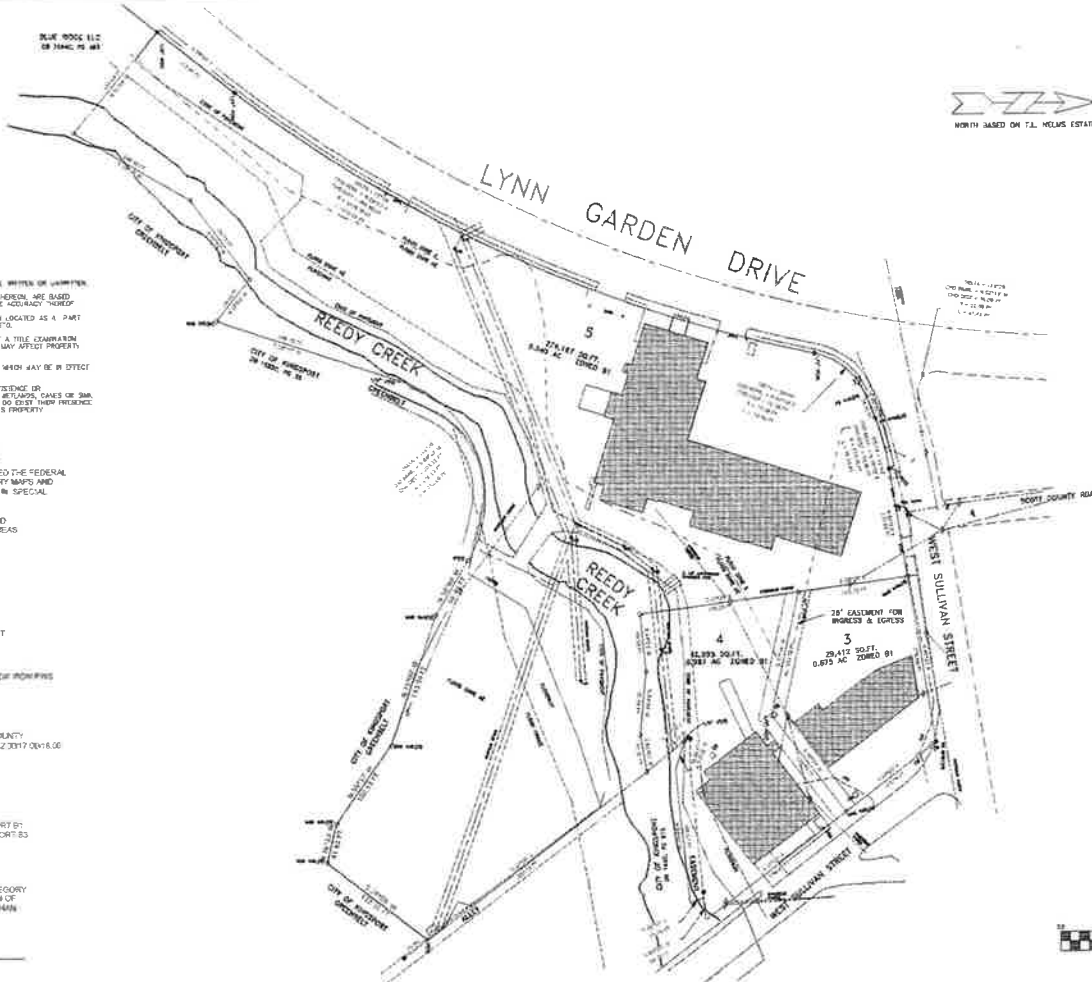
- SP10 = IRON PIPE OLD & FOUND
- SP11 = IRON PIPE NEW & SET
- MEAN = CONCRETE CURB MEASUREMENT
- 1/8" = 1/8" SCALE
- ATCH BASIN
- MANHOLE COVER MANHOLE
- ... CORNERS NOT DESCRIBED ARE FROM PINS

RECORDING DATA

PROPERTY IS LOCATED ON SULLIVAN COUNTY  
TAX MAP #24 "GROUP A" PARCELS 1-2012-2017-2018-00  
INCORPORATED IN  
DEED BOOK 1835C - PAGE 528  
DEED BOOK 1195C - PAGE 349  
DEED BOOK 1835C - PAGE 384  
TOTAL ACRES = 0.600  
ZONING = CURRENTLY CITY OF KINGSPORT BY  
REQUESTING CITY OF KINGSPORT 83

THIS IS TO CERTIFY THAT THIS IS A CATEGORY 1 SURVEY AND THE RATIO OF PRECISION OF THE UNCLASSIFIED SURVEY IS HIGHER THAN 1:10,000

DANNY L. CARL, PL281528



ZONING DEVELOPMENT PLAN

LOTS 3, 4, & 5 ANDERSON, GATTON, & KING PROPERTY  
11th CIVIL DISTRICT SULLIVAN, CO., TN.

CARTER, CARR & ASSOCIATES  
SURVEYORS & PLANNERS  
3618 LDNE STAR RD., KINGSFORT, TN. 37660  
PHONE: 423-348-8800 FAX: 423-348-0157 EMAIL: CARTER@CARTER.CARR.COM

Conceptual ZDP ANALYSIS

Based on the applicant's site plan submitted to the Planning Department on May 14, 2014, Staff offers the following considerations:

### Property Features

The existing conditions of the site yield an appropriate setting for highway oriented commercial uses. The site has many former uses to include the Fairway Ford Dealership, warehouse storage, and the old Coca-Cola bottling plant.

**General notes:** the site has a unique configuration in that it is bisected by Reedy Creek. Currently, the southernmost portion of the site consists of a vacant parking lot.

### 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 be suitable to the adjacent property. The site has been used for both commercial and industrial uses for decades. The geographical disposition of the site isolates it from adjacent residential uses.
- 2. Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** The adjacent and nearby property will not be adversely affected by the proposal. Adjacent commercial uses are principal uses in B-3 zones already, and are zoned as such.
- 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 a more reasonable economic use for the proposed zone, due to the proximity of Lynn Garden Drive and existing building infrastructure.
- 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 add additional burden to the use of existing streets and transportation facilities, but only in the sense that the majority of the property is currently vacant of use. Future uses should be similar in burden to former commercial and industrial uses of the past.
- 5. Whether the proposal is in conformity with the policies and intent of the land use plan?**

**Future Land Use Plan Map:** proposed as appropriate for retail use

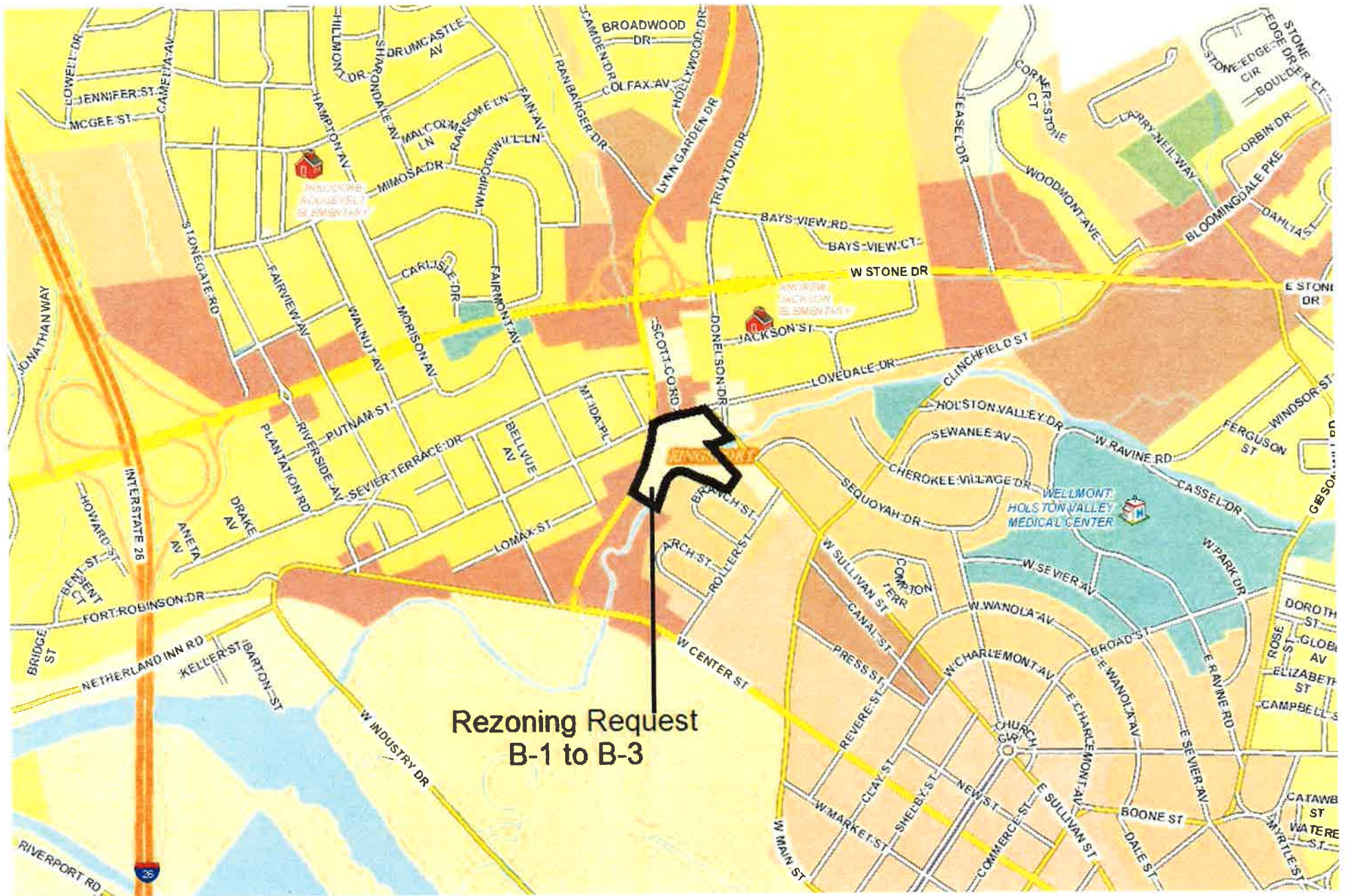
**Proposed use/density:** The proposal of B-3 uses is appropriate for the rezoning site.

**The Future Land Use Plan Map recommends** retail use.

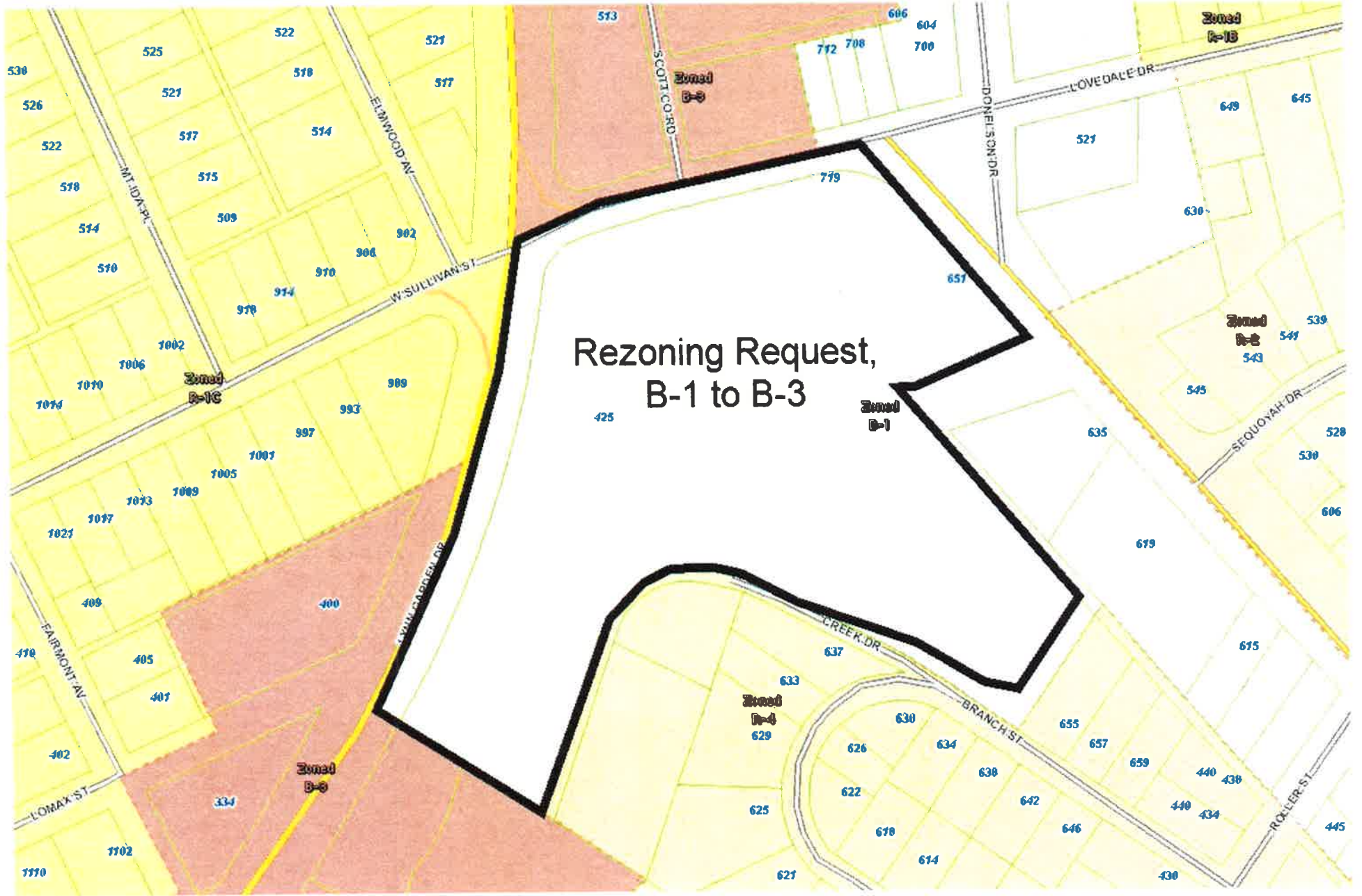
6. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** The existing conditions support approval of the proposal as general commercial use appropriate.
7. **Whether 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. Special sensitivity in regard to the existing floodplain will be exercised with any new development.
8. **Whether the change will create an isolated district unrelated to similar districts:** The proposal will not create an isolated district, in that the same B-3 zoning is present on either side of the property along Lynn Garden Drive.
9. **Whether the present district boundaries are illogically drawn in relation to existing conditions?** The present district boundaries are illogically drawn. The current zoning of B-1 is most appropriate for neighborhood business uses consisting of smaller lots, smaller/ less robust buildings, and street networks of lesser capacity than the existing abutting streets.
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. A rezoning to a B-3 commercial zone will afford the same opportunities for the property enjoyed by the other commercial-zoned parcels along Lynn Garden Drive.

**CONCLUSION**

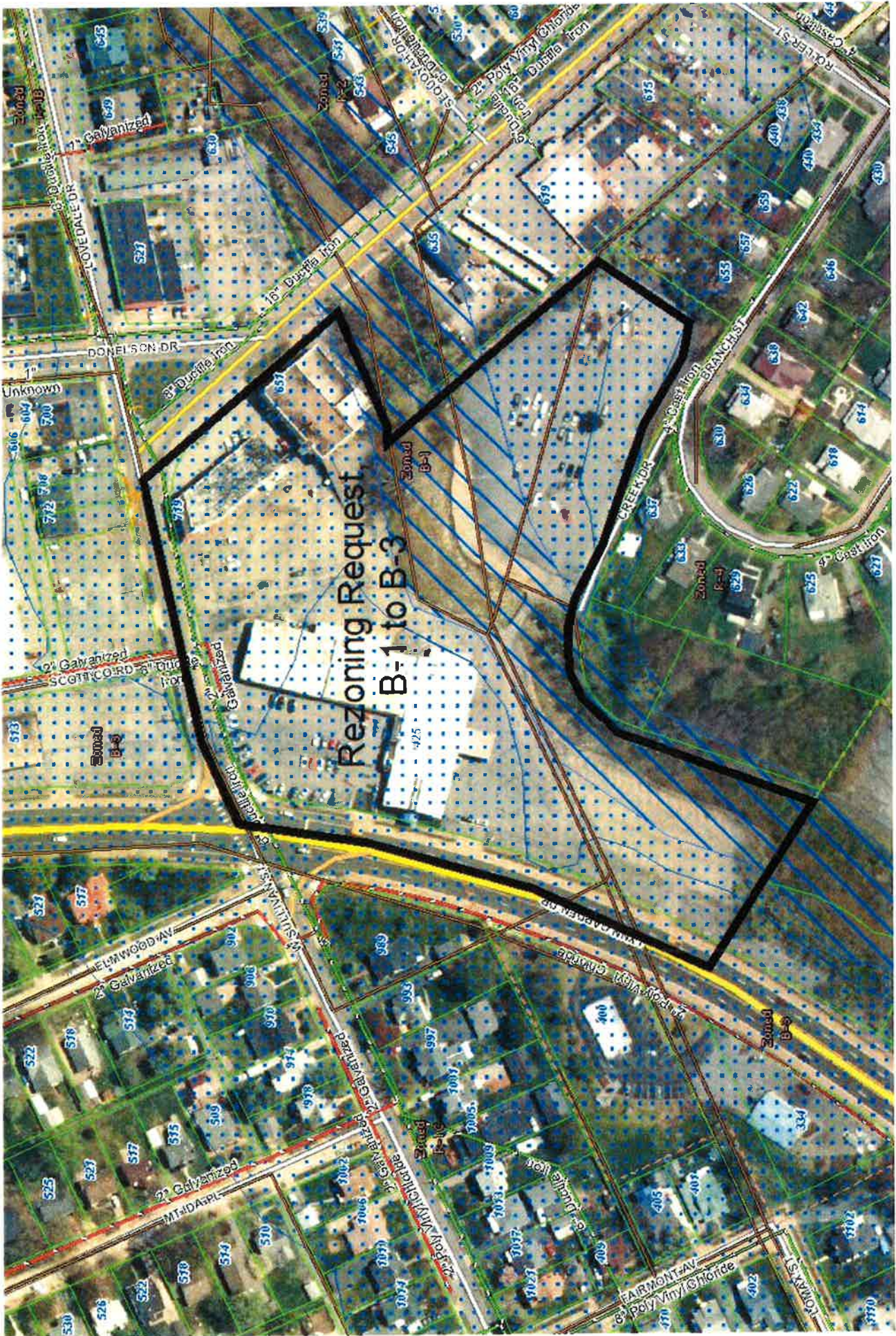
Staff recommends APPROVAL to rezone from B-1 to B-3 to accommodate highway oriented business uses. The rezoning is in compliance with the 2030 Land Use Plan and the existing buildings and transportation network support the land use intensity permitted in a B-3 zone.



Rezoning Request  
B-1 to B-3







BLVA HDGA, LLC  
80 284C, PG 481



**GENERAL NOTES**

1. THIS SURVEY IS SUBMITTED SUBJECT TO ALL SURVEYING METHODS OR INSTRUMENTS.
2. ADJOINING OWNERS AND DEED REFERENCES, AS SHOWN HEREON, ARE BASED UPON COUNTY TAX RECORDS AND ARE SUBJECT TO THE ACCURACY THEREOF.
3. UTILITIES AND UNDERGROUND FEATURES HAVE NOT BEEN LOCATED AS A PART OF THIS SURVEY AND NO IDENTIFICATION IS MADE THEREOF.
4. THIS SURVEY HAS BEEN MADE WITHOUT THE BENEFIT OF A TITLE EXAMINATION AND IS SUBJECT TO ANY LEGAL DOCUMENTATION THAT MAY AFFECT PROPERTY RIGHTS HEREON.
5. THIS SURVEY IS SUBJECT TO ANY ZONING REGULATIONS WHICH MAY BE IN EFFECT AS OF THE DATE HEREON.
6. NO WARRANTY IS EXPRESSED OR IMPLIED AS TO THE EXISTENCE OR NON-EXISTENCE OF BURIAL SITES, TOAD WASTE SITES, BETA-LACTAM, OXIDES OR SOIL POLLUTED AND FILL MATERIALS, HOWEVER IF ANY OF THESE CO EXIST, THEIR PRESENCE SHOULD BE DETERMINED IN FIELD THE USE AND VALUE OF THIS PROPERTY.

**FLOOD CERTIFICATION**

THIS IS TO CERTIFY THAT I HAVE CONSULTED THE FEDERAL ADMINISTRATION FLOOD HAZARD BOUNDARY MAPS AND FOUND THAT THIS PROPERTY IS LOCATED IN SPECIAL FLOOD HAZARD ZONES AE AND X.

FLOOD INSURANCE RATE MAPS 4143200000  
SULLIVAN COUNTY AND INCORPORATED AREAS  
EFFECTIVE DATE: SEPTEMBER 29, 2006

**ABBREVIATIONS**

- IP(O) - IRON PIN OLD & FOUND
  - IP(N) - IRON PIN NEW & SET
  - HP(Y) MON - CONCRETE HP(Y) MONUMENT
  - OP - ELECTRIC POWER POLE
  - CB - CATCH BASIN
  - MS - SANITARY SEWER MANHOLE
- \*ALL CORNERS NOT DESCRIBED ARE IRON PINS

**RECORDING DATA**

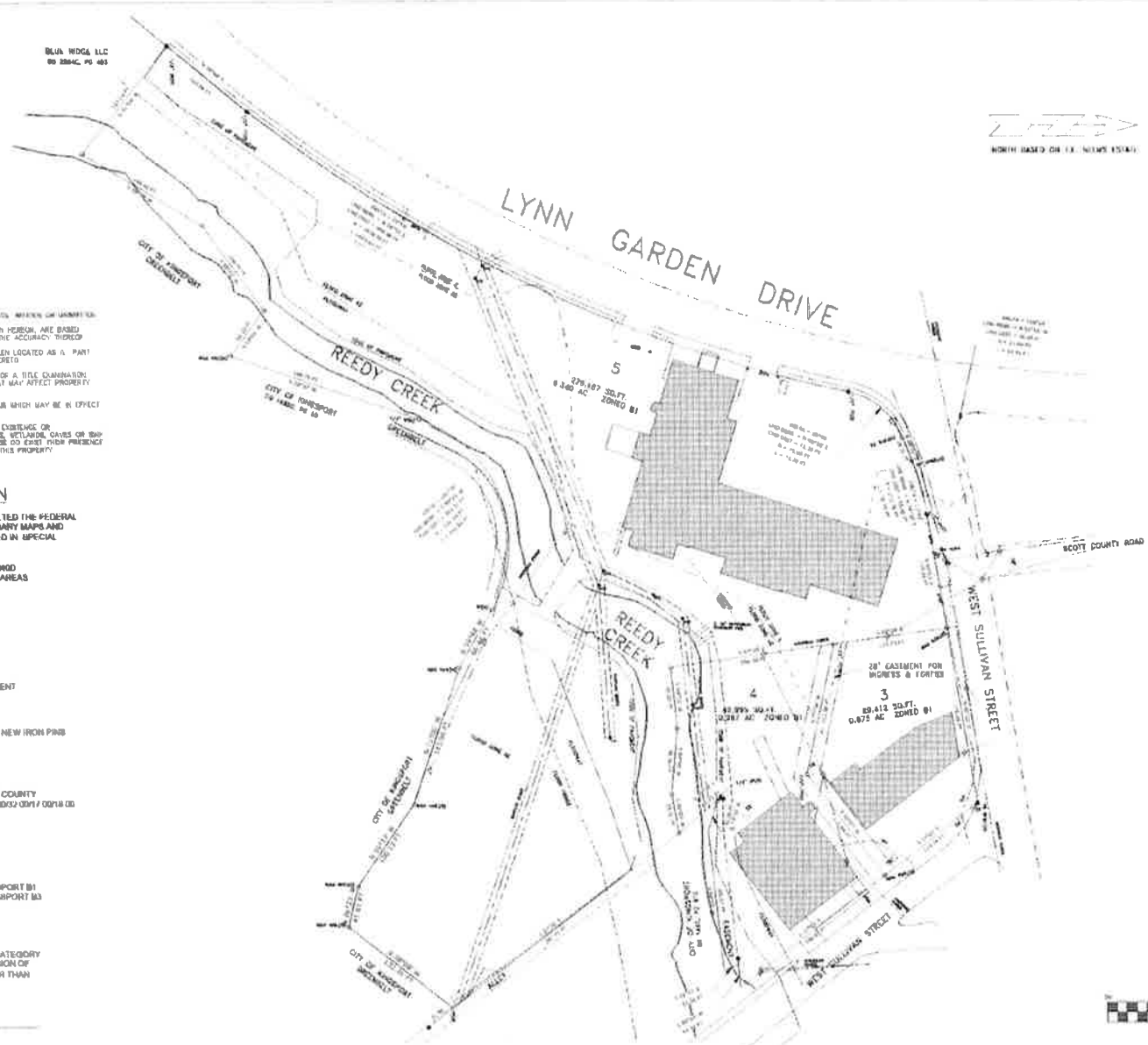
PROPERTY IS LOCATED ON SULLIVAN COUNTY  
TAX MAP 484 GROUP A PARCELS 1 50032 0017 0018 00  
PROPERTY IS RECORDED IN:  
DEED BOOK 1822C PAGE 308  
DEED BOOK 1181C PAGE 389  
DEED BOOK 502C PAGE 084

TOTAL ACRES = 9.900

ZONING = CURRENTLY CITY OF KINGSPORT B1  
REQUESTING CITY OF KINGSPORT BA

THIS IS TO CERTIFY THAT THIS IS A CATEGORY  
1 SURVEY AND THE RATIO OF PRECISION OF  
THE UNADJUSTED SURVEY IS HIGHER THAN  
1/10,000

DANNY L. CARR, LICENSED



**ZONING DEVELOPMENT PLAN**

**LOTS 3, 4, & 5 ANDERSON, GATTON, & KING PROPERTY**  
11th CIVIL DISTRICT SULLIVAN, CO., TN.

CARTER, CARR & ASSOCIATES  
SURVEYORS PLANNERS  
5615 LONE STAR RD. KINGSPORT, TN, 37660  
PHONE: 423-349-8820 FAX: 423-349-5107 EMAIL: CARTERCARR@CARTER.NET

DATE	APPROVED BY	REVISION
08/11/11	DANNY L. CARR	



## AGENDA ACTION FORM

### Public Hearing for Annexation Annual Plan of Services Report

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

Action Form No.: AF-196-2014  
 Work Session: July 14, 2014  
 First Reading: N/A

Final Adoption: July 15, 2014  
 Staff Work By: C. Shepherd  
 Presentation By: C. Shepherd

#### Recommendation:

Conduct a Public Hearing and receive comment concerning the Annual Plan of Services Report for unfulfilled Annexation commitments for July 2014.

- Osborne Annexation – Ordinance 5739 – Annual Update
- Cherry Knoll Annexation – Ordinance 5784 – Annual Update
- Cleek Road Annexation – Ordinance 5795 – Annual Update
- Colonial Heights 2, Part A – Ordinance 6041 – Annual Update
- Colonial Heights 2, Part B – Ordinance 6043 – Annual Update
- Colonial Heights 2, Part C – Ordinance 6045 – Annual Update
- North Kingsport– Area 1 – Ordinance 6272 – Annual Update

#### Executive Summary:

Tennessee Code Annotated 6-51-108 states in part "...upon expiration of six (6) months from the date any annexed territory for which a Plan of Service has been adopted becomes a part of the annexing of the municipality, and annually thereafter until such services have been extended according to such plan, there shall be prepared and published in the newspaper of general circulation in the municipality a report of the progress made in the preceding year... the governing body by municipality shall publish notice of the public hearing on such progress reports and changes, and hold such hearings thereon..." As a result of this statute, and the need to conduct annual public hearings concerning unfulfilled Plan of Service commitments, it is required that the Board of Mayor and Aldermen conduct a public hearing to receive comments concerning the Annual Plan of Service Reports. The Notice of Public Hearing was published June 30, 2014.

#### Attachments:

1. Annual Plan of Services Report
2. Notice of Public Hearing
3. Map
4. Plan of Services Spreadsheet

Funding source appropriate and funds are available: \_\_\_\_\_

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

**JULY 2014 ANNUAL PLAN OF SERVICE REPORT  
FOR ORDINANCE NUMBERS: 5739, 5784, 5795, 6041, 6043, 6045, 6272**

<u>Annexation Area</u>	<u>Effective Date</u>	<u>Services</u>	<u>Req. Completion Date</u>	<u>Status</u>
Osborn Annexation Cox Hollow Rd. Ordinance No. 5739	10/16/2008	Water Service	Oct. 16, 2013	Completed
Cherry Knoll Annexation Off Childress Ferry Rd. Ordinance No. 5784	12/04/2008	Sewer Service Street Lights	Dec. 4, 2016 Dec. 4, 2016	Rescheduled for 2016 Scheduled for FY 2014
Cleek Road Annexation Cleek Road Ordinance No. 5795	01/16/2009	Street Lights	Jan 16, 2014	Completed
Colonial Heights 2 Part A South of Ft. Henry Drive Ordinance No. 6041	01/07/2011	Water Service Street Lighting	Jan. 7, 2016 Jan. 7, 2016	To be completed by end of 2014 Installed FY 2015
Colonial Heights 2 Part B South of Ft. Henry Drive Ordinance No. 6043	01/07/2011	Water Service Street Lighting	Jan. 7, 2016 Jan. 7, 2016	To be completed by end of 2014 Installed FY 2014
Colonial Heights 2 Part C South of Ft. Henry Drive Ordinance No. 6045	01/07/2011	Water Service Street Lighting	Jan. 7, 2016 Jan. 7, 2016	To be completed by end of 2014 Installed FY 2015
North Kingsport – Area 1 West Carter’s Valley Ordinance No. 6272	12/18/2013	Street Lighting	Jan. 18, 2018	Installed FY 2018

## NOTICE OF PUBLIC HEARING

The Kingsport Board of Mayor and Aldermen will conduct a public hearing concerning the ANNUAL PLAN OF SERVICE (POS) REPORT—July, on the following annexation area at its July 15, 2014 regular business meeting at 7:00 P.M. in the courtroom of the City Hall Building, 225 W. Center Street, Kingsport Tennessee.

Annexation Area: Osborne Annexation, Ord. No. 5739  
Effective Date: 10/16/2008  
POS, deadline: Water Service

Annexation Area: Cherry Knoll Annexation, Ord. No. 5784  
Effective Date: 12/04/2008  
POS, deadline: Sewer Service & Street Lights

Annexation Area: Cleek Road Annexation, Ord. No. 5795  
Effective Date: 01/16/2009  
POS, deadline: Street Lights

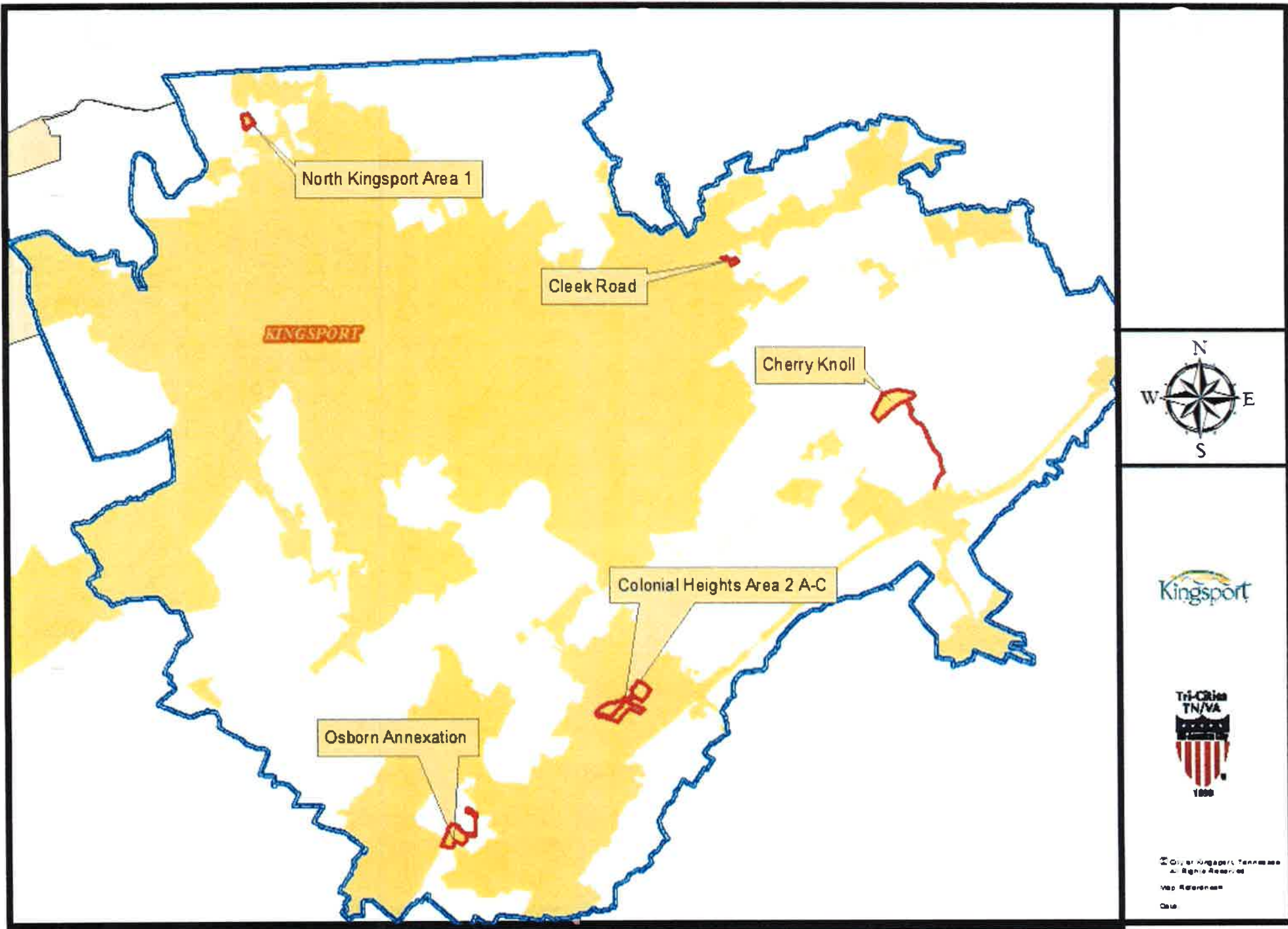
Annexation Area: Colonial Heights 2, Part A, Ord. No. 6041  
Effective Date: 01/07/2011  
POS, deadline: Water Service & Street Lights

Annexation Area: Colonial Heights 2, Part B, Ord. No. 6043  
Effective Date: 01/07/2011  
POS, deadline: Water Service & Street Lights

Annexation Area: Colonial Heights 2, Part C, Ord. No. 6045  
Effective Date: 01/07/2011  
POS, deadline: Water Service & Street Lights

Annexation Area: North Kingsport– Area 1, Ord. No. 6272  
Effective Date: 12/18/2013  
POS, deadline: Street Lights

City of Kingsport  
Angie Marshall, Finance Dept.  
P1T: 6/30/2014  
Map Attached




# July 2014 POS Update





**AGENDA ACTION FORM**

**Consideration of a Budget Ordinance Regarding MPO11A Resurfacing of Lincoln Street; and a Resolution Awarding the Bid for the Resurfacing of Lincoln Street to Summers-Taylor, Inc. and Authorize the Mayor to Sign All Applicable Documents**

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

Action Form No.: AF-200-2014  
 Work Session: July 14, 2014  
 First Reading: July 15, 2014

Final Adoption: August 5, 2014  
 Staff Work By: M. Thompson, J. Smith  
 Presentation By: Ryan McReynolds

**Recommendation:**

Approve the ordinance and resolution.

**Executive Summary:**

Bids were opened June 17, 2014, for the Resurfacing of Lincoln Street. This project consists of resurfacing Lincoln Street from SR 126 (Wilcox Drive) to SR 93 (John B. Dennis Highway). Completion time for this project – on or before: sixty (60) calendar days from Notice to Proceed.

City staff reviewed the bids and recommends awarding the contract to the apparent low bidder, Summers-Taylor, Inc. in the amount of \$1,014,472.90 –

Base Bid	\$1,014,472.90
CEI	27,664.96
Contingency 6%	<u>62,528.27</u>
Total Project Cost	\$1,104,666.13

A budget ordinance appropriating available grant funds to MPO11A in the amount of \$278,262.00 is requested. Also included in this budget ordinance request is the transfer of the local match from GP1208 in the amount of \$69,566.00.

**Attachments:**

1. Ordinance
2. Resolution
3. Bid Tabulation
4. TDOT Email of Concurrence

Funding source appropriate and funds are available: \_\_\_\_\_

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



# PRE-FILED CITY RECORDER

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

AN ORDINANCE TO AMEND THE MPO PROJECT FUND BUDGET BY APPROPRIATING GRANT FUNDS TO FOR RESURFACING LINCOLN STREET FOR THE YEAR ENDING JUNE 30, 2015; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the MPO Project Fund budget be amended by appropriating grant funds received from the Federal Highway Administration in the amount of \$278,262 to the MPO11A Resurfacing Lincoln/Cooks Valley project (MPO11A) and by transferring funds in the amount of \$69,566 from the 2011 GO Road Design project (GP1209) to the Lincoln Street Resurfacing project (GP1501) for the local match.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b><u>Fund 311: General Project Fund</u></b>			
<b><u>Resurf Lincoln/Cooks Villy. (MPO11A)</u></b>			
<b><u>Revenues:</u></b>			
122-0000-337-5210 FHWA/TN FHWA 80%	\$ 695,452	\$ 278,262	\$ 973,714
122-0000-391-0100 From General Fund	139,090	0	139,090
<b>Totals:</b>	<b>834,542</b>	<b>278,262</b>	<b>1,112,804</b>
<b><u>Expenditures:</u></b>			
122-0000-601-2010 Salaries & Wages	\$ 301	\$ 0	\$ 301
122-0000-609-2022 Construction Contracts	717,441	278,262	995,703
122-0000-609-2023 Arch/Eng/Landscaping	116,800	0	116,800
<b>Totals:</b>	<b>834,542</b>	<b>278,262</b>	<b>1,112,804</b>
<b><u>Fund 311: General Project Fund</u></b>			
<b><u>2011 GO Road Design (GP1208)</u></b>			
<b><u>Revenues:</u></b>			
311-0000-368-1040 Series 2011 GO Pub Imp	\$ 765,365	\$ (69,566)	\$ 695,799
311-0000-368-2101 Bond Premium	12,238	0	12,238
<b>Totals:</b>	<b>777,603</b>	<b>(69,566)</b>	<b>708,037</b>
<b><u>Expenditures:</u></b>			
311-0000-601-2023 Arch/Eng./Landscaping	\$ 756,655	\$ (69,566)	\$ 687,089
311-0000-601-4041 Bond Sale Expense	20,948	0	20,948
<b>Totals:</b>	<b>777,603</b>	<b>(69,566)</b>	<b>708,037</b>

**Fund 311: General Project Fund**  
**Lincoln Street Resurfacing (GP1501)**

<b>Revenues:</b>	\$		\$		\$
311-0000-368-1040 Series 2011 GO Pub Imp	0		69,566		69,566
<b>Totals:</b>	<b>0</b>		<b>69,566</b>		<b>69,566</b>

<b>Expenditures:</b>	\$		\$		\$
311-0000-601-2022 Construction Contracts	0		69,566		69,566
<b>Totals:</b>	<b>0</b>		<b>69,566</b>		<b>69,566</b>

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

\_\_\_\_\_  
 DENNIS R. PHILLIPS, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
 JAMES H. DEMMING  
 City Recorder

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

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

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

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

A RESOLUTION AWARDING THE BID FOR RESURFACING OF LINCOLN STREET TO SUMMERS-TAYLOR, INC. AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, bids were opened June 17, 2014 for the resurfacing of Lincoln Street; and

WHEREAS, the project will consist of resurfacing Lincoln Street from SR126 (Wilcox Drive) to SR93 (John B. Dennis Highway), with a allotted time for construction of 60 calendar days from the Notice to Proceed; and

WHEREAS, upon review of the bids, the board finds Summers-Taylor, Inc. is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into an agreement with Summers-Taylor, Inc. at an estimated cost of \$1,014,472.90; and

WHEREAS, funding will be available once the budget ordinance has been approved, and identified in MPO11A (80% TDOT Grant Funds-STP) and GP1208 (20% city match);

Now therefore,

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

SECTION I. That the bid for the resurfacing of Summers-Taylor, Inc., at an estimated cost of \$1,014,472.90, is awarded to Summers-Taylor, Inc. and the mayor is authorized to execute an agreement for same and all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 15th day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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


Lincoln Street Resurfacing  
6/19/14

Estimated Quantities

ITEM NO.	DESCRIPTION	QUANTITY	UNIT
5, 1	202-03.01	REMOVAL OF ASPHALT PAVEMENT	3760 S.Y.
1	203-05	UNDERCUTTING	142 C.Y.
	303-01	MINERAL AGGREGATE, TYPE A BASE, GRADING D	835 TON
2, 1	303-10.02	MINERAL AGGREGATE (SIZE 2)	248 TON
	307-01.01	ASPHALT CONCRETE MIX (PG64-22) (BPMB-HM) GRADING A	414 TON
	307-01.08	ASPHALT CONCRETE MIX (PG64-22) (BPMB-HM) GRADING B-M2	419 TON
	307-01.15	ASC MIX (PG64-22) (BPMLC-HM) GRADING CS	1424 TON
	403-01	BITUMINOUS MATERIAL FOR TACK COAT (TC)	5 TON
10, 1	407-10.02	CLEANING & CRACK REPAIR	3000 L.F.
	411-01.10	ACS MIX(PG64-22) GRADING D	3527 TON
3	415-01.01	COLD PLANING BITUMINOUS PAVEMENT	5460 TON
13	415-01.02	COLD PLANING BITUMINOUS PAVEMENT	1334 S.Y.
11, 1	501-01.01	PORTLAND CEMENT CONCRETE PAVEMENT (PLAIN) B"	850 S.Y.
	701-02.03	CONCRETE HANDICAP RAMP	680 S.F.
1	702-01	CONCRETE CURB	2 C.Y.
1	702-03	CONCRETE COMBINED CURB & GUTTER	12 C.Y.
	712-01	TRAFFIC CONTROL	1 L.S.
4	712-04.01	FLEXIBLE DRUMS (CHANNELIZING)	305 EACH
7	712-06	SIGNS (CONSTRUCTION)	122 S.F.
12	713-13.02	FLAT SHEET ALUMINUM SIGNS (0.080" THICK)	13 S.F.
12	716-01.21	SNOWPLOWABLE PAVEMENT MARKERS (BI-DIRECTIONAL) (1 COLOR)	24 EACH
6	716-02.01	PLASTIC PAVEMENT MARKING (4" LINE)	5.0 L.M.
	716-02.04	PLASTIC PAVEMENT MARKING(CHANNELIZATION STRIPING)	55 S.Y.
	716-02.05	PLASTIC PAVEMENT MARKING (STOP LINE)	360 L.F.
	716-02.06	PLASTIC PAVEMENT MARKING (TURN LANE ARROW)	12 EACH
	716-03.01	PLASTIC WORD PAVEMENT MARKING (ONLY)	4 EACH
	716-03.02	PLASTIC WORD PAVEMENT MARKING (RXR)	4 EACH
	716-04.01	PLASTIC PAVEMENT MARKING (STRAIGHT-TURN ARROW)	3 EACH
	716-04.02	PLASTIC PAVEMENT MARKING(DOUBLE TURNING ARROW)	5 EACH
9	716-05.01	PAINTED PAVEMENT MARKING (4" LINE)	5.0 L.M.
	717-01	MOBILIZATION	1 LS
8	730-14.02	SAW SLOT	3180 L.F.
8	730-14.03	LOOP WIRE	5052 L.F.
2, 1	740-06.01	GEOMEMBRANE	850 S.Y.

Engineer's Estimate		Summer's Taylor		W&L Const. & Paving	
Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
\$ 3.10	\$ 11,656.00	\$ 7.50	\$ 28,200.00	\$ 26.00	\$ 97,760.00
\$ 50.00	\$ 7,100.00	\$ 34.00	\$ 4,828.00	\$ 31.90	\$ 4,529.80
\$ 33.00	\$ 27,555.00	\$ 39.75	\$ 33,191.25	\$ 31.45	\$ 26,260.75
\$ 35.00	\$ 8,680.00	\$ 39.00	\$ 9,672.00	\$ 35.00	\$ 8,680.00
\$ 105.00	\$ 43,470.00	\$ 122.00	\$ 50,508.00	\$ 92.52	\$ 38,303.28
\$ 120.00	\$ 50,280.00	\$ 129.80	\$ 54,386.20	\$ 93.96	\$ 39,201.64
\$ 118.00	\$ 168,032.00	\$ 112.00	\$ 159,488.00	\$ 98.12	\$ 189,722.88
\$ 800.00	\$ 4,000.00	\$ 550.00	\$ 2,750.00	\$ 651.00	\$ 3,255.00
\$ 2.00	\$ 6,000.00	\$ 4.50	\$ 13,500.00	\$ 0.38	\$ 1,140.00
\$ 120.00	\$ 423,240.00	\$ 109.25	\$ 385,324.75	\$ 98.60	\$ 347,762.20
\$ 25.00	\$ 136,500.00	\$ 12.50	\$ 68,250.00	\$ 17.20	\$ 99,912.00
\$ 3.00	\$ 4,002.00	\$ 7.25	\$ 9,671.50	\$ 3.40	\$ 4,335.60
\$ 132.00	\$ 112,200.00	\$ 71.00	\$ 60,350.00	\$ 72.00	\$ 61,200.00
\$ 45.00	\$ 30,600.00	\$ 29.00	\$ 19,720.00	\$ 30.00	\$ 20,400.00
\$ 500.00	\$ 1,000.00	\$ 1,600.00	\$ 3,200.00	\$ 1,000.00	\$ 2,000.00
\$ 252.00	\$ 3,024.00	\$ 895.00	\$ 10,740.00	\$ 800.00	\$ 9,600.00
\$ 51,000.00	\$ 51,000.00	\$ 24,930.00	\$ 24,930.00	\$ 33,395.00	\$ 33,395.00
\$ 30.00	\$ 9,150.00	\$ 15.00	\$ 4,575.00	\$ 15.00	\$ 4,575.00
\$ 9.00	\$ 1,098.00	\$ 8.00	\$ 976.00	\$ 6.00	\$ 732.00
\$ 12.00	\$ 156.00	\$ 15.00	\$ 195.00	\$ 15.50	\$ 201.50
\$ 27.00	\$ 648.00	\$ 25.00	\$ 600.00	\$ 50.00	\$ 1,200.00
\$ 3,100.00	\$ 15,500.00	\$ 3,500.00	\$ 17,500.00	\$ 3,500.00	\$ 17,500.00
\$ 19.00	\$ 1,045.00	\$ 15.00	\$ 825.00	\$ 18.75	\$ 1,031.25
\$ 14.00	\$ 5,040.00	\$ 14.00	\$ 5,040.00	\$ 12.00	\$ 4,320.00
\$ 160.00	\$ 1,920.00	\$ 155.00	\$ 1,860.00	\$ 130.00	\$ 1,800.00
\$ 350.00	\$ 1,400.00	\$ 265.00	\$ 1,060.00	\$ 225.00	\$ 900.00
\$ 350.00	\$ 1,400.00	\$ 425.00	\$ 1,700.00	\$ 400.00	\$ 1,600.00
\$ 160.00	\$ 480.00	\$ 150.00	\$ 450.00	\$ 150.00	\$ 450.00
\$ 160.00	\$ 800.00	\$ 225.00	\$ 1,125.00	\$ 225.00	\$ 1,125.00
\$ 975.00	\$ 4,875.00	\$ 795.00	\$ 3,975.00	\$ 675.00	\$ 3,375.00
\$ 57,000.00	\$ 57,000.00	\$ 19,660.00	\$ 19,660.00	\$ 32,095.00	\$ 32,095.00
\$ 5.00	\$ 15,900.00	\$ 3.35	\$ 10,653.00	\$ 4.50	\$ 14,310.00
\$ 0.70	\$ 3,536.40	\$ 0.85	\$ 4,294.20	\$ 0.50	\$ 2,526.00
\$ 5.00	\$ 4,250.00	\$ 1.50	\$ 1,275.00	\$ 2.00	\$ 1,700.00
CDM Smith's Calculations		\$ 1,212,537.40		\$ 1,014,472.90	
Actual Bid				\$ 1,014,472.90	
Difference				\$ 0.00	

BID TABULATION  
BIDS RECEIVED ON JUNE 17, 2014  
Lincoln Street from SR 126 (Wilcox Dr) to SR 93 (John B. Dennis Highway)  
City of Kingsport, Tennessee - (Rebid) TDOT PIN 114300.00

Approved by:   
Jeff Mize, PE  
Principal, Project Manager  
CDM Smith

## Catron, Sheila

---

**From:** Kimery Smith <Kimery.Smith@tn.gov>  
**Sent:** Thursday, July 10, 2014 12:51 PM  
**To:** Thompson, Michael  
**Cc:** 'Mize, Jeff (mizerj@cdmsmith.com)'; Clabaugh, Hank; Catron, Sheila  
**Subject:** PIN: 114300.00 Bid Award

Good Afternoon,

I'd like to report that TDOT concurs in awarding the subject project to the apparent low bidder, Summers-Taylor, Inc. (\$1,014,472.90) as the city recommended in their letter.

Please be sure to invite the TDOT Regional Construction Supervisor and the TDOT Regional Materials and Tests Supervisor, or their representatives to the pre-construction meeting.

Please let me know if you have any questions.

Thank you.

*Kimery Smith*

Transportation Planner, Local Program Development Office  
**TENNESSEE DEPARTMENT OF TRANSPORTATION**

Suite 600 James K Polk Building, 505 Deaderick Street  
Nashville, TN 37243-0349  
[P] 615.741.5323  
[kimery.smith@tn.gov](mailto:kimery.smith@tn.gov)



AGENDA ACTION FORM

Consideration of a Budget Ordinance Appropriating Available Funds to GP1301; and a Resolution Authorizing a Change Order to the GRC Construction Services Contract to Include Power System Upgrades and Structural Modifications for the J. Fred Johnson Stadium Improvements Project and Authorize the Mayor to Sign all Applicable Documents

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

[Handwritten signature]

Action Form No.: AF-201-2014
Work Session: July 14, 2014
First Reading: July 15, 2014

Final Adoption: August 5, 2014
Staff Work By: M. Thompson, J. Smith
Presentation By: Ryan McReynolds

Recommendation: Approve the ordinance and resolution.

Executive Summary:

Due to issues surrounding the original design of the elevator, yard piping, and structural steel details; adjustments to the scope of work are required to ensure accessibility and a safe environment for all citizens during events held at J. Fred Johnson Stadium. It is recommended to amend GRC's scope of work to include the following components necessary to ensure a successful project completion:

- Structural Steel Modification: During the Value Engineering process, certain structural steel supports were added to the scope after the contract documents were finalized. Therefore, the additions that are necessary to ensure a safe stadium structure are recommended to be added to GRC's scope of service in the amount of \$28,853.00.
Electrical Work related to Elevator: The original design included an elevator motor that was too small to operate the elevator. Therefore, the correct motor size required an upgrade to the electrical service including wiring and panel size in the amount of \$22,844.00.
Yard Piping: The original design depicted a public water line as private yard piping. In order to utilize this waterline, adjustments were necessary including the installation of a new 8" meter. Therefore, it is recommended to amend GRC's scope of service in the amount \$7,793.

We request approval for a change order to the contract with GRC Construction Services in the amount of \$59,400.00. The total amount of change orders related to this project is \$117,790.00 or 2.6% of the original contract amount. A typical City of Kingsport construction contract includes a standard 6% contingency that the 2.4% would fall well within. Considering the nature of the work, modifications to an existing structure, this amount appears favorable.

Additionally, the City plans on pursuing a cost recovery related to the design issues with the design engineer.

A budget ordinance appropriating available funds is requested transferring the amount of \$59,400.00 from GP1412 to J. Fred Johnson Stadium Improvements (GP1301).

Attachments:

- 1. Ordinance
2. Resolution

King source appropriate and funds are available: \_\_\_\_\_

Table with 3 columns: Name, Y, N, O. Rows include Clark, George, McIntire, Parham, Segelhorst, Phillips.

# PRE-FILED CITY RECORDER

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

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET BY TRANSFERRING FUNDS TO THE J. FRED JOHNSON STADIUM IMPROVEMENTS PROJECT FOR THE YEAR ENDING JUNE 30, 2015; 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 funds in the amount of \$59,400 from the ST Prof Housing Incentive project (GP1412) to the J. Fred Johnson Stadium Improvement project (GP1301) for power system upgrades and structural modifications.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b>Fund 311: General Project Fund</b>			
<b>ST Prof Housing Incentive (GP1412)</b>			
<b>Revenues:</b>			
311-0000-391-0100 From General Fund	\$ 541,700	\$ (59,400)	\$ 482,300
<b>Totals:</b>	<b>541,700</b>	<b>(59,400)</b>	<b>482,300</b>

<b>Expenditures:</b>			
311-0000-601-9003 Improvements	\$ 541,700	\$ (59,400)	\$ 482,300
<b>Totals:</b>	<b>541,700</b>	<b>(59,400)</b>	<b>482,300</b>

<b>Fund 311: General Project Fund</b>			
<b>J Fred Johnson Stadium Improv. (GP1301)</b>			
<b>Revenues:</b>			
311-0000-368-1035 Series 2009A GO Pub Imp.	\$ 130,000	\$ 0	\$ 130,000
311-0000-368-1037 Series 2009 D (BABS) GO	200,000	0	200,000
311-0000-368-1046 2013 B GO Pubic Imp.	4,650,000	0	4,650,000
311-0000-391-0100 From General Fund	58,300	59,400	117,700
<b>Totals:</b>	<b>5,038,300</b>	<b>59,400</b>	<b>5,097,700</b>

<b>Expenditures:</b>			
311-0000-601-2022 Construction Contracts	\$ 80,000	\$ 0	\$ 80,000
311-0000-601-2023 Arch/Eng./Landscaping	309,150	0	309,150
311-0000-601-4041 Bond Sale Expense	0	0	0
311-0000-601-9003 Improvements	4,649,150	59,400	4,708,550
<b>Totals:</b>	<b>5,038,300</b>	<b>59,400</b>	<b>5,097,700</b>

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

\_\_\_\_\_  
DENNIS R. PHILLIPS, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
JAMES H. DEMMING  
City Recorder

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

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

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



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

A RESOLUTION APPROVING CHANGE ORDER #2 TO THE CONTRACT WITH GOINSRASHCAIN, INC. FOR POWER SYSTEM UPGRADES AND STRUCTURAL MODIFICATIONS FOR THE J. FRED JOHNSON STADIUM IMPROVEMENTS PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

WHEREAS, the city entered a contract with GOINSRASHCAIN, Inc. on October 4, 2013, for the J. Fred Johnson Stadium Upgrade Project; and

WHEREAS, in order to provide all citizens access and a safe environment city needs to increase the scope of the contract to provide for structural steel supports that were necessary to ensure a safe stadium structure, upgrades to the electrical service wiring for the service elevator, and adjustments in the yard piping including installation of a new 8 inch meter; and

WHEREAS, the amount of the change order is \$59,400.00; and

WHEREAS, funds for this change order will be available in project GP1301 by budget ordinance.

Now therefore,

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

SECTION I. That Change Order #2 to the contract with GOINSRASHCAIN, Inc. for the J. Fred Johnson Stadium Upgrade Project, to provide for structural steel supports that were necessary to ensure a safe stadium structure, upgrades to the electrical service wiring for the service elevator, and adjustments in the yard piping including installation of a new 8 inch meter, in the amount of \$59,400.00, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to effectuate Change Order #2 to the contract with GOINSRASHCAIN, Inc. for the J. Fred Johnson Stadium Upgrade Project.

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

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

ADOPTED this the 15th day of July, 2014.

---

DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



## AGENDA ACTION FORM

**Consideration of a Resolution to Express the Official Intent of the City of Kingsport that Certain Expenditures to be Incurred in Connection with the Expenditure of Funds in the Construction of the Centennial Ball Fields be Reimbursed from the Proceeds of Notes, Bonds, or Other Indebtedness to be Issued by the City and Consideration of an Ordinance to Appropriate the Funds**

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

Action Form No.: AF-197-2014  
 Work Session: July 14, 2014  
 First Reading: July 15, 2014

Final Adoption: August 5, 2014  
 Staff Work By: Jim Demming  
 Presentation By: J. Demming/J. Fleming

**Recommendation:**

Request Board of Mayor and Aldermen approve resolution and ordinance.

**Executive Summary:**

During the June 16, 2014 work session the BMA agreed to support moving forward with staff's recommendation for construction of four softball/baseball fields as well as the grading for a fifth field that would be built out at a future date. In order to continue moving this project forward to meet an April 2015 timeline it is necessary to use up to \$3,000,000 of funds on hand, on a temporary basis, for the purpose of providing additional funding to the project.

Final funding for these additional funds for the project is to come from future debt issuances. The adoption of the attached resolution, which complies with IRS requirements, will permit the City to reimburse these temporary funds from the proceeds of new debt instruments when they are issued. It is anticipated that the new debt planned for in the FY2015 budget will be presented to the BMA within the next few months.

The Ordinance will appropriate \$2,800,000 from Fund Balance in the General Fund as a temporary funding source to be repaid by bond money after the bonds are issued and the budget for the KEDB loan of \$1,200,000 is also included in the ordinance.

**Attachments:**

1. Resolution
2. Ordinance

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Phillips	—	—	—

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

RESOLUTION EXPRESSING OFFICIAL INTENT THAT CERTAIN EXPENDITURES TO BE INCURRED IN CONNECTION WITH CERTAIN PUBLIC WORKS PROJECTS BE REIMBURSED FROM PROCEEDS OF NOTES, BONDS, OR OTHER INDEBTEDNESS TO BE ISSUED BY THE CITY OF KINGSPORT, TENNESSEE

WHEREAS, the City of Kingsport, Tennessee (the "Municipality") is in the process of causing certain capital expenditures to be made with respect to certain public works projects, including the acquisition of public art; the acquisition, construction and improvement of public recreational facilities, including development and construction of a soft and baseball complex, and including, but not necessarily limited to, planning, design, and architectural expenses, and the acquisition of all other property real and personal appurtenant thereto and connected with such work (collectively, the "Project"); and,

WHEREAS, the Board of Mayor and Aldermen (the "Board") desires to establish its official intent that certain of the expenditures related to the Project and certain other related expenditures be reimbursed out of notes, bonds, or other indebtedness to be issued in the future by the Municipality.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF KINGSPORT, TENNESSEE, AS FOLLOWS:

Section 1. The Board hereby finds and determines, as follows:

(a) that it is in the best interest of the Municipality to proceed immediately with the Project, thereby incurring certain capital expenditures;

(b) that the Municipality has certain funds available which may be used temporarily for this purpose, pending the issuance of bonds, notes, or other indebtedness of the Municipality;

(c) that the Board anticipates that the Municipality will issue its bonds, notes, or other indebtedness for the purpose of financing the Project;

(d) that the Board reasonably expects to reimburse such amounts to such fund or source from which such expenditures may be made on a temporary basis as soon as proceeds from the issuance of such bonds, notes, or other indebtedness are available; and,

(e) that this declaration of official intent is consistent with the budgetary and financial circumstances of the Municipality.

Section 2. The Board of the Municipality hereby establishes its official intent to issue bonds, notes, or other indebtedness to finance the costs of the Project and other related expenditures in an amount not to exceed Three Million Dollars (\$3,000,000). Pending the issuance of such bonds, notes, or other indebtedness, funds necessary to finance such costs shall be advanced from such source of funds on hand and available for such purpose, and any amounts so advanced shall be reimbursed from the proceeds of the tax-exempt bonds, notes, or other

indebtedness when issued.

Section 3. The Municipality will comply with the applicable State or local law governing the public availability of records relating to its official acts with respect to this Resolution.

Section 4. This Resolution shall be in full force and effect immediately upon its adoption.

Adopted and approved this 15th day of July, 2014.

---

MAYOR

ATTEST:

APPROVED AS TO FORM:

---

CITY RECORDER

---

CITY ATTORNEY

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

AN ORDINANCE TO AMEND THE GENERAL FUND AND GENERAL PROJECT FUND BUDGETS BY APPROPRIATING FUNDS TO THE SOFTBALL BASEBALL COMPLEX PROJECT FOR THE YEAR ENDING JUNE 30, 2015; 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 and General Project Fund budgets be amended by appropriating funds in the amount of \$2,800,000 from the General Fund-Fund Balance and by appropriating loan funds in the amount of \$1,200,000 from KEDB to the Softball Baseball Complex (GP1409). The General Fund - Fund Balance will be reimbursed when the bonds are issued for FY15.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b>Fund 110: General Project Fund</b>			
<b>Revenues:</b>			
110-0000-392-0100 Fund Balance Appropriation	\$ 0	\$ 2,800,000	\$ 2,800,000
<b>Totals:</b>	<b>0</b>	<b>2,800,000</b>	<b>2,800,000</b>
<b>Expenditures:</b>			
110-4804-481-7036 Transfer to Gen. Proj. Fund	\$ 0	\$ 2,800,000	\$ 2,800,000
<b>Totals:</b>	<b>0</b>	<b>2,800,000</b>	<b>2,800,000</b>
<b>Fund 311: General Project Fund</b>			
<b>Softball Baseball Complex (GP1409)</b>			
<b>Revenues:</b>			
311-0000-368-1046 2013 B GO Pubic Imp.	\$ 2,900,000	\$ (178,101)	\$ 2,721,899
311-0000-368-2101 Bond Prem.	0	178,101	178,101
311-0000-368-0945 IDBK First TN Bank	0	1,200,000	1,200,000
311-0000-391-0100 From General Fund	0	2,800,000	2,800,000
<b>Totals:</b>	<b>2,900,000</b>	<b>4,000,000</b>	<b>6,900,000</b>
<b>Expenditures:</b>			
311-0000-601-2023 Arch/Eng./Landscaping	\$ 230,000	\$ (34,109)	\$ 195,891
311-0000-601-4041 Bond Sale Expense	0	34,109	34,109
311-0000-601-9001 Land	1,000,000	0	1,000,000
311-0000-601-9003 Improvements	1,670,000	4,000,000	5,670,000
<b>Totals:</b>	<b>2,900,000</b>	<b>4,000,000</b>	<b>6,900,000</b>

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

\_\_\_\_\_  
DENNIS R. PHILLIPS, 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**

**Consideration of a Budget Ordinance Appropriating Available Funds to GP1401, WA1500, and SW1500 for the Cooks Valley Road Improvements Phase 2 Project to Vic Davis Construction Company, Inc. and Authorize the Mayor to Sign all Applicable Documents**

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

Action Form No.: AF-181-2014  
 Work Session: June 30, 2014  
 First Reading: July 1, 2014

Final Adeption: July 15, 2014  
 Staff Work By: M. Thompson, J. Smith  
 Presentation By: Ryan McReynolds

**Recommendation:**

Approve the ordinance ~~and resolution~~.

**Executive Summary:**

Bids were opened June 17, 2014, for the Cooks Valley Road Improvements Phase 2 project. The project consists of construction of approximately 1,530 LF (0.3 miles) of road improvements; including road widening/realignment, storm water collection infrastructure, waterline relocation, sanitary sewer, asphalt paving, and other associated work. The anticipated final completion date is December 06, 2014.

City staff reviewed the bids and recommends awarding the contract to the apparent low bidder, Vic Davis Construction Company, Inc. in the amount of \$1,348,500.09 –

Base Bid	\$1,348,500.09
Engineering Fees 6%	85,764.60
Contingency 6%	<u>80,910.00</u>
<b>Total Project Cost</b>	<b>\$1,515,174.69</b>

Budget ordinances appropriating available funds are requested from the following projects:

Transfer from GP1208 the amount of \$50,000.00 to Cooks Valley Road Improvements Phase 2 (GP1401); transfer from WA1300 the amount of \$92,400.00 to Cooks Valley Rd. Phase 2 WL Upgrade (WA1500); and transfer from SW1003 the amount of \$3,800.00 to Cooks Valley Rd. Phase 2 Sewer (SW1500).

Engineering estimate for referenced project \$1,787,773.75.

**Attachments:**

1. Ordinance
2. ~~Resolution~~
3. Bid Tabulation
4. Location Map

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Phillips	—	—	—





## AGENDA ACTION FORM

**Consideration of a Budget Ordinance Appropriating Available Funds to GP1401, WA1500, and SW1500; and a Resolution Awarding the Bid for the Cooks Valley Road Improvements Phase 2 Project to Vic Davis Construction Company, Inc. and Authorize the Mayor to Sign all Applicable Documents**

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

Action Form No.: AF-181-2014  
 Work Session: June 30, 2014  
 First Reading: July 1, 2014

Final Adoption: July 15, 2014  
 Staff Work By: M. Thompson, J. Smith  
 Presentation By: Ryan McReynolds

**Recommendation:**

Approve the ordinance and resolution.

**Executive Summary:**

Bids were opened June 17, 2014, for the Cooks Valley Road Improvements Phase 2 project. The project consists of construction of approximately 1,530 LF (0.3 miles) of road improvements; including road widening/realignment, storm water collection infrastructure, waterline relocation, sanitary sewer, asphalt paving, and other associated work. The anticipated final completion date is December 06, 2014.

City staff reviewed the bids and recommends awarding the contract to the apparent low bidder, Vic Davis Construction Company, Inc. in the amount of \$1,348,500.09 –

Base Bid	\$1,348,500.09
Engineering Fees 6%	85,764.60
Contingency 6%	<u>80,910.00</u>
<b>Total Project Cost</b>	<b>\$1,515,174.69</b>

Budget ordinances appropriating available funds are requested from the following projects:  
 Transfer from GP1208 the amount of \$50,000.00 to Cooks Valley Road Improvements Phase 2 (GP1401);  
 transfer from WA1300 the amount of \$92,400.00 to Cooks Valley Rd. Phase 2 WL Upgrade (WA1500); and  
 transfer from SW1003 the amount of \$3,800.00 to Cooks Valley Rd. Phase 2 Sewer (SW1500).

Engineering estimate for referenced project \$1,787,773.75.

**Attachments:**

1. Ordinance
2. Resolution
3. Bid Tabulation
4. Location Map

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Shupe	—	—	—
Phillips	—	—	—

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

AN ORDINANCE TO AMEND THE WATER PROJECT, SEWER PROJECT AND GENERAL PROJECT FUND BUDGETS BY TRANSFERRING FUNDS FOR COOKS VALLEY ROAD IMPROVEMENT PHASE 2 FOR THE YEAR ENDING JUNE 30, 2015; 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 funds from the 2011 GO Road Design project (GP1208) in the amount of \$50,000 to the Cooks Valley Rd. project (GP1401) and that the Water Project Fund budgets be amended by transferring funds from the Konnarock-Truxton WL Upgrade project (WA1300) in the amount of \$92,400 to the Cooks Valley Rd Phase 2-Water project (WA1500) and that the Sewer Project Fund budget be amended by transferring funds from the Gibson Mill Rd SL Upgrade project (SW1003) in the amount of \$3,800 to the Cooks Valley Rd Phase 2-Sewer project (SW1500).

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b><u>Fund 311: General Project Fund</u></b>			
<b><u>2011 GO Road Design</u></b>			
<b><u>Revenues:</u></b>			
311-0000-368-1046 Series 2011 GO Pub Imp	\$ 765,365	\$ (50,000)	\$ 715,365
311-0000-368-2101 Prem. From Bond Sale	12,238	0	12,238
<b>Totals:</b>	<b>777,603</b>	<b>(50,000)</b>	<b>727,603</b>
<b><u>Expenditures:</u></b>			
311-0000-601-2023 Arch/Eng/Landscaping	756,655	(50,000)	706,655
311-0000-601-9001 Land	20,948	0	20,948
<b>Totals:</b>	<b>777,603</b>	<b>(50,000)</b>	<b>727,603</b>
 <b><u>Fund 311: General Project Fund</u></b>			
<b><u>Cooks Valley Rd (GP1401)</u></b>			
<b><u>Revenues:</u></b>			
311-0000-368-1040 Series 2011 GO Pub Imp	\$ 409,694	\$ 50,000	\$ 459,694
311-0000-368-1046 Series 2013B GO Pub Imp	1,000,000	(61,414)	938,586
311-0000-368-2101 Prem. From Bond Sale	0	61,414	61,414
<b>Totals:</b>	<b>1,409,694</b>	<b>50,000</b>	<b>1,459,694</b>
 <b><u>Expenditures:</u></b>			
311-0000-601-2023 Arch/Eng/Landscaping	160,000	0	160,000
311-0000-601-2097 State Reviews & Permits	2,000	0	2,000
311-0000-601-4041 Bond Sale Expense	11,762	0	11,762
311-0000-601-9001 Land	6,238	0	6,238
311-0000-601-9003 Improvements	1,229,694	50,000	1,279,694
<b>Totals:</b>	<b>1,409,694</b>	<b>50,000</b>	<b>1,459,694</b>
 <b><u>Fund 451: Water Project Fund</u></b>			
<b><u>Konnarock-Truxton SL Upg. (WA1300)</u></b>			
<b><u>Revenues:</u></b>			
451-0000-391-0526 Series 2011 GO Bonds	\$ 158,663	\$ 0	\$ 158,663
451-0000-391-0527 Series 2012 C GO Bonds	1,000,000	(92,400)	907,600
<b>Totals:</b>	<b>1,158,663</b>	<b>(92,400)</b>	<b>1,066,263</b>

**Expenditures:**

451-0000-605-2023 Arch/Eng/Landscaping  
451-0000-605-9003 Improvements

**Totals:**

147,300	(21,085)	126,215
1,011,363	(71,315)	940,048
<b>1,158,663</b>	<b>(92,400)</b>	<b>1,066,263</b>

**Fund 451: Water Project Fund**

**Cooks Valley Rd PH2 Water (WA1500)**

**Revenues:**

451-0000-391-0527 Series 2012 C GO Bonds

**Totals:**

\$ 0	\$ 92,400	\$ 92,400
<b>0</b>	<b>92,400</b>	<b>92,400</b>

**Expenditures:**

451-0000-605-2023 Arch/Eng/Landscaping  
451-0000-605-9003 Improvements

**Totals:**

0	5,400	5,400
0	87,000	87,000
<b>0</b>	<b>92,400</b>	<b>92,400</b>

**Fund 452: Sewer Project Fund**

**Gibson Mill Rd. SL Upgrade(SW1003)**

**Revenues:**

452-0000-391-0519 2005 Water & Sewer RT  
452-0000-391-4200 From Sewer Fund

**Totals:**

\$ 126,384	\$ 0	\$ 126,384
599,112	(3,800)	595,312
<b>725,496</b>	<b>(3,800)</b>	<b>721,696</b>

**Expenditures:**

452-0000-606-2022 Construction Contracts  
452-0000-606-2023 Arch/Eng/Landscaping

**Totals:**

686,519	(3,800)	682,719
38,977	0	38,977
<b>725,496</b>	<b>(3,800)</b>	<b>721,696</b>

**Fund 452: Sewer Project Fund**

**Cooks Valley Rd. PH2 Sewer (SW1500)**

**Revenues:**

452-0000-391-4200 From Sewer Fund

**Totals:**

\$ 0	\$ 3,800	\$ 3,800
<b>0</b>	<b>3,800</b>	<b>3,800</b>

**Expenditures:**

451-0000-605-2023 Arch/Eng/Landscaping  
451-0000-605-9003 Improvements

**Total**

0	300	300
0	3,500	3,500
<b>0</b>	<b>3,800</b>	<b>3,800</b>

5:

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.

\_\_\_\_\_  
DENNIS R. PHILLIPS, 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: \_\_\_\_\_

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

A RESOLUTION AWARDING THE BID FOR THE COOKS VALLEY ROAD IMPROVEMENTS PHASE 2 PROJECT TO VIC DAVIS CONSTRUCTION COMPANY, INC. AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, bids were opened June 17, 2014 for the Cooks Valley Road Improvements Phase 2 project; and

WHEREAS, upon review of the bids, the board finds Vic Davis Construction Company, Inc. is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into a contract consisting of construction of approximately 1,530 linear feet (0.3 miles) of road improvements, including road widening/realignment, storm water collection infrastructure, waterline relocation, sanitary sewer, asphalt paving, and other associated work from Vic Davis Construction Company, Inc. at an estimated construction cost of \$1,348,500.09; and

WHEREAS, funding will be in the accounts of Cooks Valley Road Improvements Phase 2 (GP1401), Cooks Valley Road Phase 2 WL Upgrade (WA1500), Cooks Valley Road Phase 2 Sewer (SW1500,) once the budget ordinance has been approved.

Now therefore,

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

SECTION I. That the bid for the Cooks Valley Road Improvements Phase 2 project, contingent on appropriation of the funding, consisting of construction of approximately 1,530 linear feet (0.3 miles) of road improvements, including road widening/realignment, storm water collection infrastructure, waterline relocation, sanitary sewer, asphalt paving, and other associated work at an estimated cost of \$1,348,500.09 is awarded to Vic Davis Construction Company, Inc., and the mayor is authorized to execute an agreement for same and all documents necessary and proper to effectuate the purpose of the agreement.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an agreement with Vic Davis Construction Company for the Cooks Valley Road Improvements Phase 2 project, contingent on appropriation of the funding, and all other documents necessary and proper to effectuate the purpose of the agreement 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 July, 2014.

---

DENNIS R. PHILLIPS, MAYOR

ATTEST:

---

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES  
BID OPENING  
June 17, 2014  
4:00 P.M.

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

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

The Procurement Manager opened with the following bids:

COOKS VALEY ROAD IMPROVEMENTS – PHASE II		
Vendors:	Total Cost:	Comments:
Baker's Construction & Excavation Co.	\$1,987,913.89	Whiteout used and initialed.
Vic Davis Construction	\$1,348,500.29	Whiteout used and initialed.
Thomas Construction	\$1,595,654.75	N/A
Baker's Construction Services	\$1,692,797.92	Mark overs present and initialed.

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



**FIGURE 1 – MAP LOCATION  
PHASE II  
COOKS VALLEY ROAD IMPROVEMENTS**

**CITY OF KINGSPORT, TENNESSEE**

**NO SCALE**

**14 DECEMBER 2011**





AGENDA ACTION FORM

**Consideration of a Budget Ordinance Appropriating Available Funds to SW1501 for Funding of Colonial Heights Annexation Phase 2 Sewer Extension Project and Authorize the Mayor to Sign All Applicable Documents**

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

Action Form No.: AF-186-2014  
Work Session: June 30, 2014  
First Reading: July 1, 2014

Final Adoption: July 15, 2014  
Staff Work By: C. Austin, J. Smith  
Presentation By: C. Austin/R. McReynolds

**Recommendation:**

Approve the ordinance.

**Executive Summary:**

Funding has been identified and allocated to a project in the Sewer Fund for the Colonial Heights Annexation sewer extensions. To more accurately track expenses for individual projects, new project accounts need to be opened for each specific project. This reallocation will provide funds for the acquisition of easements for Colonial Heights Annexation Phase 2 Sewer Extension and provide better project cost tracking.

Funds are available in SW1307.

**Attachments:**

1. Ordinance
2. Reallocation Worksheet
3. Location Map


Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Phillips	—	—	—



AGENDA ACTION FORM

**Consideration of a Budget Ordinance Appropriating Available Funds to SW1501 for Funding of Colonial Heights Annexation Phase 2 Sewer Extension Project and Authorize the Mayor to Sign All Applicable Documents**

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

Action Form No.: AF-186-2014  
Work Session: June 30, 2014  
First Reading: July 1, 2014  
Final Adoption: July 15, 2014  
Staff Work By: C. Austin, J. Smith  
Presentation By: C. Austin/R. McReynolds

**Recommendation:**  
Approve the ordinance.

**Executive Summary:**  
Funding has been identified and allocated to a project in the Sewer Fund for the Colonial Heights Annexation sewer extensions. To more accurately track expenses for individual projects, new project accounts need to be opened for each specific project. This reallocation will provide funds for the acquisition of easements for Colonial Heights Annexation Phase 2 Sewer Extension and provide better project cost tracking.

Funds are available in SW1307.

- Attachments:**
- 1. Ordinance
  - 2. Reallocation Worksheet
  - 3. Location Map

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Shupe	—	—	—
Phillips	—	—	—

# PRE-FILED CITY RECORDER

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

AN ORDINANCE TO AMEND THE SEWER PROJECT FUND BY TRANSFERRING FUNDS FOR THE COLONIAL HEIGHTS PHASE 2 SEWER LINE EXTENSION THE FISCAL YEAR ENDING JUNE 30, 2015; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the Sewer Project Fund budgets be amended by transferring funds from the Colonial Heights EF13-05 (SW1307) in the amount of \$100,000 to the Colonial Heights Ph2 Sewer project (SW1501).

	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b>Fund 452: Sewer Project Fund</b>			
<b>Colonial Heights EF12-05</b>			
<b>Revenues:</b>			
452-0000-391-0529 2013B GO Pub Imp.	\$ 3,450,000	\$ 0	\$ 3,450,000
452-0000-391-4200 From Sewer Fund	119,000	(100,000)	19,000
<b>Totals:</b>	<b>3,569,000</b>	<b>(100,000)</b>	<b>3,469,000</b>

<b>Expenditures:</b>			
452-0000-606-2023 Arch/Eng/Landscaping	119,000	(100,000)	19,000
452-0000-606-9001 Land	50,000	0	50,000
452-0000-606-9003 Improvements	3,400,000	0	3,400,000
<b>Totals:</b>	<b>3,569,000</b>	<b>(100,000)</b>	<b>3,469,000</b>

<b>Fund 452: Sewer Project Fund</b>			
<b>Colonial Height Ph2 Sewer (SW1501)</b>			
<b>Revenues:</b>			
452-0000-391-4200 From Sewer Fund	\$ 0	\$ 100,000	\$ 100,000
<b>Totals:</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>

<b>Expenditures:</b>			
452-0000-606-2023 Arch/Eng/Landscaping	0	500	500
452-0000-606-9001 Land	0	99,500	99,500
<b>Totals:</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>

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

\_\_\_\_\_  
DENNIS R. PHILLIPS, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
JAMES H. DEMMING  
City Recorder

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

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

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

**To pay for easement acquisition for Colonial Heights Phase 2 sewer extension**

<b>Move From</b>			<b>\$ 100,000.00</b>
<b>SW1307</b>	<b>Colonial Heights EF12-05</b>	<b>keep project open</b>	<b>\$ 100,000.00</b>
	452-0000-606.90-01	Improvements	\$ 100,000.00
		Balance	\$ -
<b>Move To</b>			<b>\$ 100,000.00</b>
<b>SW1501</b>	<b>Colonial Heights Ph2 Sewer</b>	<b>new project</b>	<b>\$ 100,000.00</b>
	452-0000-606.20-23	Arch/Eng/Lanscaping Services	\$ 500.00
	452-0000-606.90-01	Land	\$ 99,500.00



Google earth





**AGENDA ACTION FORM**

**Consideration of a Budget Ordinance Authorizing the City Manager to Issue a Purchase Order to Motorola Solutions to Purchase Replacement Radios for the City of Kingsport**

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

Action Form No.: AF-190-2014  
 Work Session: June 30, 2014  
 First Reading: July 1, 2014

Final Adoption: July 15, 2014  
 Staff Work By: D/C Phipps  
 Presentation By: Chief Quillin

**Recommendation:**

Approve the ~~resolution and~~ ordinance

**Executive Summary:**

The City of Kingsport currently operates over 500+ portable/mobile 800 MHz radios within the communications structure. These radios are utilized by the Police Department, Fire Department, Public Works, KATS, and KC Schools. The current radios have exceeded their life span by several years and *Motorola* no longer manufactures replacement parts or offers technical support for these particular models. In addition, the 800 MHz radio system being shared between Kingsport, Bristol, and Sullivan County is in need of an upgrade and has been recommended by the Sullivan County 800 MHz Radio Oversight Committee for replacement, as well. The current radios being utilized by city departments are not P25 Digital compliant, therefore; will not be compatible with a new system. Without the purchase of P25 Digital compliant radios, communications within the city will virtually be impossible or at least highly ineffective.

With the approval of this resolution and budget ordinance, the City of Kingsport will be able to purchase 459 state of the art radios for city departments and a number of P25 Flash "Upgrade Kits" that will make some recently purchased radios P25 compliant.

The radios are being purchased from the TN. State Contract SWC420/421. The total cost of this project is \$1,997,000.00.

**Attachments:**

1. ~~Resolution~~
2. Ordinance


Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Phillips	—	—	—



**AGENDA ACTION FORM**

**Consideration of a Resolution and Approve a Budget Ordinance Authorizing the City Manager to Issue a Purchase Order to Motorola Solutions to Purchase Replacement Radios for the City of Kingsport**

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

Action Form No.: AF-190-2014  
 Work Session: June 30, 2014  
 First Reading: July 1, 2014  
 Final Adoption: July 15, 2014  
 Staff Work By: D/C Phipps  
 Presentation By: Chief Quillin

**Recommendation:**

Approve the resolution and ordinance

**Executive Summary:**

The City of Kingsport currently operates over 500+ portable/mobile 800 MHz radios within the communications structure. These radios are utilized by the Police Department, Fire Department, Public Works, KATS, and KC Schools. The current radios have exceeded their life span by several years and *Motorola* no longer manufactures replacement parts or offers technical support for these particular models. In addition, the 800 MHz radio system being shared between Kingsport, Bristol, and Sullivan County is in need of an upgrade and has been recommended by the Sullivan County 800 MHz Radio Oversight Committee for replacement, as well. The current radios being utilized by city departments are not P25 Digital compliant, therefore; will not be compatible with a new system. Without the purchase of P25 Digital compliant radios, communications within the city will virtually be impossible or at least highly ineffective.

With the approval of this resolution and budget ordinance, the City of Kingsport will be able to purchase 459 state of the art radios for city departments and a number of P25 Flash "Upgrade Kits" that will make some recently purchased radios P25 compliant.

The radios are being purchased from the TN. State Contract SWC420/421. The total cost of this project is \$1,997,000.00.

**Attachments:**

1. Resolution
2. Ordinance

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Shupe	—	—	—
Phillips	—	—	—



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

A RESOLUTION AUTHORIZING THE CITY MANAGER TO  
EXECUTE A PURCHASE ORDER FOR REPLACEMENT RADIOS  
FROM MOTOROLA SOLUTIONS NT

WHEREAS, over 500 radios used by the Police Department, Fire Department, Public Works, KATS, and the school system have exceeded their lifespan and Motorola no longer manufactures replacement parts or offers technical support for these particular models; and

WHEREAS, additionally, the 800 MHz radio system being shared between Kingsport, Bristol, and Sullivan County is in need of an upgrade and has been recommended by the Sullivan County 800 MHz Radio Oversight Committee for replacement; and

WHEREAS, the purchase of 459 new radios and a number of P25 Flash "Upgrade Kits" will allow the city to be compatible with the new system once in place; and

WHEREAS, without the purchase of P25 Digital compliant radios, communications within the city will virtually be impossible or at least highly ineffective; and

WHEREAS, the city can purchase these radios through the state Contract; and

WHEREAS, the total cost of this project is \$1,997,000.00, which will be appropriated by budget ordinance.

Now therefore,

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

SECTION I. That the city manager is authorized to execute a purchase order to Motorola Solutions for replacement radios for the Police Department, Fire Department, Public Works, KATS, and school system at a cost of \$1,997,000.00.

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

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

ADOPTED this the 1<sup>st</sup> day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

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

# PRE-FILED CITY RECORDER

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

AN ORDINANCE TO AMEND THE GENERAL PROJECT  
FUND BUDGET FOR THE YEAR ENDING JUNE 30, 2014;  
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 budgets be amended by transferring funds from the Fire Truck & Equipment project (GP1410) in the amount of \$480,000, from the Local Roads/Sidewalks (GP1403) in the amount of \$300,000, from the Border Regions project (GP1228) in the amount of \$200,000, from the Centennial Hill project (GP1215) in the amount of \$348,650 and from the Sullivan Street Improvement project (GP1226) in the amount of \$671,660 to the Police 911 Radios project (GP1418) in the amount of \$2,00,310 to purchase radios for police, fire, schools and public works.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b><u>Fund 311: General Project Fund</u></b>			
<b><u>Fire Truck &amp; Equip. (GP1410)</u></b>			
<b><u>Revenues:</u></b>			
311-0000-368-1046 Series 2013 B GO Improv.	\$ 480,000	\$ (480,000)	\$ 0
<b>Totals:</b>	<b>480,000</b>	<b>(480,000)</b>	<b>0</b>
<hr/>			
<b><u>Expenditures:</u></b>			
311-0000-601-9006 Purchases Over \$5,000	\$ 480,000	\$ (480,000)	\$ 0
<b>Totals:</b>	<b>480,000</b>	<b>(480,000)</b>	<b>0</b>
<hr/>			
<b><u>Fund 311: General Project Fund</u></b>			
<b><u>Local Roads Sidewalks (GP1403)</u></b>			
<b><u>Revenues:</u></b>			
311-0000-368-1046 Series 2013 B GO Improv.	\$ 300,000	\$ (300,000)	\$ 0
<b>Totals:</b>	<b>300,000</b>	<b>(300,000)</b>	<b>0</b>
<hr/>			
<b><u>Expenditures:</u></b>			
311-0000-601-9003 Improvements	\$ 300,000	\$ (300,000)	\$ 0
<b>Totals:</b>	<b>300,000</b>	<b>(300,000)</b>	<b>0</b>
<hr/>			
<b><u>Fund 311: General Project Fund</u></b>			
<b><u>Border Regions Rd. Improvements (GP1228)</u></b>			
<b><u>Revenues:</u></b>			
311-0000-368-1041 Series 2012 C GO Improv.	\$ 492,234	\$ (200,000)	\$ 292,234
311-0000-368-2101 Bond Premium	17,138	0	17,138
<b>Totals:</b>	<b>509,372</b>	<b>(200,000)</b>	<b>309,372</b>

**Expenditures:**

	\$	\$	\$
311-0000-601-2020 Professional Consultant	60,258	0	60,258
311-0000-601-2023 Arch/Eng/Landscaping	204,066	(100,000)	104,066
311-0000-601-4041 Bond Sale Expense	9,372	0	9,372
311-0000-601-9001 Land	110,000	0	110,000
311-0000-601-9003 Improvements	125,676	(100,000)	25,676
<b>Totals:</b>	<b>509,372</b>	<b>(200,000)</b>	<b>309,372</b>

**Fund 311: General Project Fund****Centennial Hill (GP1215)****Revenues:**

	\$	\$	\$
311-0000-368-1040 Series 2011 GO Improv.	353,049	(348,650)	4,399
311-0000-368-2101 Bond Premium	4,283	0	4,283
<b>Totals:</b>	<b>357,332</b>	<b>(348,650)</b>	<b>8,682</b>

**Expenditures:**

	\$	\$	\$
311-0000-601-2020 Professional Consultant	0	1,350	1,350
311-0000-601-2023 Arch/Eng/Landscaping	100,000	(100,000)	0
311-0000-601-4041 Bond Sale Expense	7,332	0	7,332
311-0000-601-9003 Improvements	250,000	(250,000)	0
<b>Totals:</b>	<b>357,332</b>	<b>(348,650)</b>	<b>8,682</b>

**Fund 311: General Project Fund****Sullivan St. Improvements (GP1226)****Revenues:**

	\$	\$	\$
311-0000-368-1037 Series 2009 D BABS	135,000	0	135,000
311-0000-368-1040 Series 2011 GO Improv.	85,827	0	85,827
311-0000-368-1041 Series 2012 C GO Pub. Impr.	480,464	(71,660)	408,804
311-0000-368-1046 Series 2013B GO Pub. Impr.	650,000	(600,000)	50,000
311-0000-368-2101 Bond Premium	24,416	0	24,416
<b>Totals:</b>	<b>1,375,707</b>	<b>(671,660)</b>	<b>704,047</b>

**Expenditures:**

	\$	\$	\$
311-0000-601-2023 Arch/Eng/Landscaping	131,028	(31,660)	99,368
311-0000-601-4041 Bond Sale Expense	20,997	0	20,997
311-0000-601-9001 Land	50,000	(40,000)	10,000
311-0000-601-9003 Improvements	1,173,682	(600,000)	573,682
<b>Totals:</b>	<b>1,375,707</b>	<b>(671,660)</b>	<b>704,047</b>

**Fund 311: General Project Fund**  
**Police 911 Radios (GP1418)**

**Revenue**

311-0000-368-1040 Series 2011 GO Improv.	0	348,650	348,650
311-0000-368-1041 Series 2012 C GO Pub. Impr.	0	271,660	271,660
311-0000-368-1046 Series 2013B GO Pub. Impr.	0	1,380,000	1,380,000
<b>Totals:</b>	<b>0</b>	<b>2,000,310</b>	<b>2,000,310</b>

**Expenditures:**

311-0000-601-9004 Equipment	0	2,000,310	2,000,310
<b>Totals:</b>	<b>0</b>	<b>2,000,310</b>	<b>2,000,310</b>

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

\_\_\_\_\_  
DENNIS PHILLIPS, 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

**Consideration of a Budget Ordinance Appropriating Available Funds to GP1301 Authorizing a Change Order to the GRC Construction Services Contract to Include Emergency Generator Work for the Johnson Stadium Improvements Project and Authorize the Mayor to Sign All Applicable Documents**

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

Action Form No.: AF-192-2014  
Work Session: June 30, 2014  
First Reading: July 01, 2014  
Final Adoption: July 15, 2014  
Staff Work By: M. Thompson, J. Smith  
Presentation By: Ryan McReynolds

**Recommendation:**  
Approve the ordinance **and resolution.**

**Executive Summary:**  
In order to provide all citizens access and a safe environment during events, it is recommended to amend GRC's scope of work to include an adequately sized generator for the elevator used to access the concourse level. Individuals with physical limitations have the opportunity to view events from the concourse level and need a means to emergency exit in the event of potential danger. This request for a change order to the original contract would allow for GRC to move forward with an adequately sized emergency generator making possible the emergency evacuation of those individuals if the need arises.

Therefore we request approval for a change order to the contract with GRC Construction Services in the amount of \$58,300.00.

A budget ordinance appropriating available funds is requested transferring the amount of \$58,300.00 from GP1412 to Johnson Stadium Improvements (GP1301).

**Attachments:**  
1. Ordinance  
2. ~~Resolution~~

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Phillips	—	—	—



AGENDA ACTION FORM

**Consideration of a Budget Ordinance Appropriating Available Funds to GP1301; and a Resolution Authorizing a Change Order to the GRC Construction Services Contract to Include Emergency Generator Work for the Johnson Stadium Improvements Project and Authorize the Mayor to Sign All Applicable Documents**

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

Action Form No.: AF-192-2014  
Work Session: June 30, 2014  
First Reading: July 01, 2014

Final Adoption: July 15, 2014  
Staff Work By: M. Thompson, J. Smith  
Presentation By: Ryan McReynolds

**Recommendation:**

Approve the ordinance and resolution.

**Executive Summary:**

In order to provide all citizens access and a safe environment during events, it is recommended to amend GRC's scope of work to include an adequately sized generator for the elevator used to access the concourse level. Individuals with physical limitations have the opportunity to view events from the concourse level and need a means to emergency exit in the event of potential danger. This request for a change order to the original contract would allow for GRC to move forward with an adequately sized emergency generator making possible the emergency evacuation of those individuals if the need arises.

Therefore we request approval for a change order to the contract with GRC Construction Services in the amount of \$58,300.00.

A budget ordinance appropriating available funds is requested transferring the amount of \$58,300.00 from GP1412 to Johnson Stadium Improvements (GP1301).

**Attachments:**

- 1. Ordinance
- 2. Resolution

Funding source appropriate and funds are available: \_\_\_\_\_

	<u>Y</u>	<u>N</u>	<u>O</u>
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Shupe	—	—	—
Phillips	—	—	—

# PRE-FILED CITY RECORDER

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

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET BY TRANSFERRING FUNDS TO THE J. FRED JOHNSON STADIUM IMPROVEMENTS PROJECT FOR THE YEAR ENDING JUNE 30, 2014; 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 funds in the amount of \$58,300 from the ST Prof Housing Incentive project (GP1412) to the J. Fred Johnson Stadium Improvement project (GP1301) to purchase a generator for the elevator used to access the concourse level.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b>Fund 311: General Project Fund</b>			
<b>ST Prof Housing Incentive (GP1412)</b>			
<b>Revenues:</b>			
311-0000-391-0100 From General Fund	\$ 600,000	\$ (58,300)	\$ 541,700
<b>Totals:</b>	<b>600,000</b>	<b>(58,300)</b>	<b>541,700</b>

<b>Expenditures:</b>			
311-0000-601-9003 Improvements	\$ 600,000	\$ (58,300)	\$ 541,700
<b>Totals:</b>	<b>600,000</b>	<b>(58,300)</b>	<b>541,700</b>

<b>Fund 311: General Project Fund</b>			
<b>J Fred Johnson Stadium Improv. (GP1301)</b>			
<b>Revenues:</b>			
311-0000-368-1035 Series 2009A GO Pub Imp.	\$ 130,000	\$ 0	\$ 130,000
311-0000-368-1037 Series 2009 D (BABS) GO	200,000	0	200,000
311-0000-368-1046 2013 B GO Pubic Imp.	4,650,000	0	4,650,000
311-0000-391-0100 From General Fund	0	58,300	58,300
<b>Totals:</b>	<b>4,980,000</b>	<b>58,300</b>	<b>5,038,300</b>

<b>Expenditures:</b>			
311-0000-601-2022 Construction Contracts	\$ 80,000	\$ 0	\$ 80,000
311-0000-601-2023 Arch/Eng./Landscaping	309,150	0	309,150
311-0000-601-4041 Bond Sale Expense	0	0	0
311-0000-601-9003 Improvements	4,590,850	58,300	4,649,150
<b>Totals:</b>	<b>4,980,000</b>	<b>58,300</b>	<b>5,038,300</b>

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

\_\_\_\_\_  
DENNIS R. PHILLIPS, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
JAMES H. DEMMING  
City Recorder

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

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

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



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

A RESOLUTION APPROVING CHANGE ORDER #1 TO THE CONTRACT WITH GOINSRASHCAIN, INC. FOR EMERGENCY GENERATOR WORK FOR THE JOHNSON STADIUM IMPROVEMENTS PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

WHEREAS, the City of Kingsport entered a contract with GOINSRASHCAIN, Inc. on October 4, 2013, for the J. Fred Johnson Stadium Upgrade Project; and

WHEREAS, in order to provide all citizens access and a safe environment the City of Kingsport desires to increase the scope of the contract to provide an adequately sized emergency generator making possible the emergency evacuation of individuals if the need arises; and

WHEREAS, the amount of the change order is \$58,300.00; and

WHEREAS, funds for this change order will be available in project GP1301 by budget ordinance.

Now therefore,

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

SECTION I. That Change Order #1 to the contract with GOINSRASHCAIN, Inc. for the J. Fred Johnson Stadium Upgrade Project, to provide for an adequately sized emergency generator making possible the emergency evacuation of individuals if the need arises, in the amount of \$58,300.00, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, all documents necessary and proper to effectuate Change Order #1 to the contract with GOINSRASHCAIN, Inc. for the J. Fred Johnson Stadium Upgrade Project.

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

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

ADOPTED this the 1st day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



**AGENDA ACTION FORM**

**Consideration of a Resolution Authorizing the Kingsport Fire Department's Fire Marshal's Office to Apply and Receive a Funding Grant for Equipment from FM Global**

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

Action Form No.: AF-191-2014  
 Work Session: July 14, 2014  
 First Reading: N/A

Final Adoption: July 15, 2014  
 Staff Work By: Chief Dye, C. Vandagriff  
 Presentation By: Chief Dye, C. Vandagriff

**Recommendation:**

Approve the resolution.

**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 and safely on a fire scene. Also this grant will help with evidence collection due to lighting and a better quality of picture. 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. Nikon SB 700 Speedlight External Flash (1) \$329.99
2. Nikon D3200 DLSR (2) \$1059.98
3. Nikon SB 300 Speedlight External Flash (2) \$299.98
4. Stanley FatMax Tripod Light (1) \$199 .98

The total amount for funding would be \$1889.93 and with your permission we would like to apply and submit the application for approval of the grant.

**Attachments:**

1. Resolution

Funding source appropriate and funds are available: \_\_\_\_\_

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

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

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A GRANT FROM FM GLOBAL FOR THE KINGSPORT FIRE DEPARTMENT

WHEREAS, the city, through the fire department, would like to apply for a grant from FM Global, an insurance company that awards grants only for fire prevention/education, pre-planning/inspection and for fire/arson investigations; and

WHEREAS, the items purchased with the grant funds would allow the Fire Marshal to work more effectively and safely on a fire scene, and would help with evidence collection due to lighting and a better quality of picture; and

WHEREAS, the items that the Fire Marshal's office would like to apply for with the grant funds are one (1) Nikon SB 700 Speedlight External Flash at a cost of \$329.99, two (2) Nikon D3200 DLSR for a cost of \$1,059.98 for both, two (2) Nikon SB 300 Speedlight External Flash at a cost of \$299.98 for both and one (1) Stanley FatMax Tripod Light at a cost of \$199.98, for a total amount of \$1,889.93; and

WHEREAS, the total amount of the grant would be \$1,889.93, and there is no local match required.

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 \$1,889.93 for the Kingsport Fire Department.

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

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

ADOPTED this the 15<sup>th</sup> day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

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



## AGENDA ACTION FORM

### Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary and Proper to Enter Into an Agreement with Denark Construction for the Construction of the Centennial Ball Park Baseball/Softball Complex

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

Action Form No.: AF-184-2014  
 Work Session: July 14, 2014  
 First Reading: N/A

Final Adoption: July 15, 2014  
 Staff Work By: C. McCartt  
 Presentation By: C. McCartt

#### **Recommendation:**

Approve the resolution.

#### **Executive Summary:**

Following the bid opening on Tuesday June 10, 2014, Denark Construction, Inc. was the successful low bidder for the construction of the Centennial Ball Park baseball/softball complex to be built on the former General Shale site.

It is staff's recommendation to award the base bid, plus bid alternates number 2 for the concessions brick accent, and number 3 for the maintenance area, for a total contract amount of \$3,699,500.00. The contract will not include the construction of the proposed 5<sup>th</sup> field at this time.

Funding for this project will come from GP1409.

#### **Attachments:**

1. Resolution
2. Bid Minutes

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Segelhorst	—	—	—
Parham	—	—	—
Phillips	—	—	—

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

A RESOLUTION AWARDDING THE BID FOR THE PROJECT INSPIRE - CENTENNIAL BALL PARK CONSTRUCTION PROJECT TO DENARK CONSTRUCTION COMPANY INC. AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, bids were opened June 10, 2014 for the Centennial Ball Park Construction; and

WHEREAS, upon review of the bids, the board finds Denark Construction is the lowest responsible compliant bidder meeting specifications for the particular work desired and is in the best interest and advantage to the city; and

WHEREAS, the City of Kingsport desires to enter into a contract for the construction of the Centennial Ball Park project to include the base bid, alternate 2 for concession brick accent, and alternate 3 for the maintenance area, for a total construction cost of \$3,699,500.00; and

WHEREAS, funding for this project is available in project GP1409.

Now therefore,

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

SECTION I. That the bid for the Project Inspire – Centennial Ball Park Construction Project, including alternate 2 for concession brick accent, and alternate 3 for the maintenance area for a total cost of \$3,699,500.00 is awarded to Denark Construction.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an agreement with Denark Construction for the construction of the Centennial Ball Park project to include the base bid, alternate 2 for concession brick accent, and alternate 3 for the maintenance area, for a total construction cost of \$3,699,500.00 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 board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

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

ADOPTED this the 15<sup>th</sup> day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:  
  
\_\_\_\_\_

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES  
 BID OPENING  
 June 10, 2014  
 4:00 P.M.

Present: Sandy Crawford, Procurement Manager; Brent Morelock, Assistant Procurement Manager; Lisa Tallman, Assistant Procurement Manager, Schools; Jeff Joyce, Parks & Recreation; Andy Sigwalt, Parks & Recreation; Chris McCartt, Assistant to the City Manager; David Mason, Project Manager for the City; and Jennifer Salyer, Barge Waggoner Sumner & Cannon

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

The Procurement Manager opened with the following bids:

CENTENNIAL BALLPARK						
Vendor:	Sports Field Contractor:	Base Bid:	Add Alt. #1 Field #5/Add Parking:	Add Alt. #2 Concession Bid Brick Accent:	Add Alt. #3 Maintenance Area:	Comments:
Armstrong Construction	East TN Turf & Landscape	\$4,272,000.00	\$780,000.00	\$4,600.00	\$52,250.00	Deduct \$4,000.00 from Base Bid noted on envelope. Bid alternates submitted.
GRC Construction	Carolina Crech Corp.	\$3,687,200.00	\$699,600.00	\$7,000.00	\$68,860.00	N/A
Denark Construciton	East TN Turf & Landscape	\$3,629,000.00	\$586,000.00	\$6,500.00	\$64,000.00	N/A
Merit Construction, Inc.	East TN Turf & Landscape	\$3,750,000.00	\$560,000.00	\$6,100.00	\$76,000.00	No Drug Free Affidavit included.

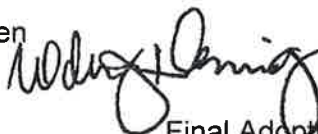
The submitted bids will be evaluated and a recommendation made at a later date.



## AGENDA ACTION FORM

### Consideration of a Resolution Authorizing the Mayor to Sign a Grant Application with the U.S. Department of Agriculture for a Partnership with the City of Kingsport Related to Stream Quality Improvements

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



Action Form No.: AF-204-2014  
 Work Session: July 14, 2014  
 First Reading: N/A

Final Adoption: July 15, 2014  
 Staff Work By: Steve Robbins  
 Presentation By: Steve Robbins

#### Recommendation:

Approve the resolution.

#### Executive Summary:

The Federal USDA (Department of Agriculture) has initiated a new grant program to improve water quality in streams impacted by agricultural use. Most, if not all, streams entering the City have been negatively impacted by agricultural practices.

'The Regional Conservation Partnership Program (RCPP) promotes coordination between Natural Resources Conservation Services (NRCS) and its partners to deliver conservation assistance to producers and landowners. NRCS provides assistance to producers through partnership agreements and through program contracts or easement agreements.

'Through RCPP, NRCS and its partners help producers install and maintain conservation activities in selected project areas. Partners leverage RCPP funding in project areas and report on the benefits achieved.

The program will include stream bank stabilization, providing well water or spring water for cattle in lieu of wading in the stream, and establishing vegetative buffers along waterways and around springs.

In this program the Partner (Kingsport Stormwater Utility) will provide up to 25% of the project cost with the remaining 75% coming from USDA through the local NRCS office. The maximum The Stormwater Utility has designated would be \$100,000/ year with a five year commitment. The money would come from the stormwater utility infrastructure project account.

#### Attachments:

1. Resolution
2. USDA Grant information

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Phillips	—	—	—



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

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A UNITED STATES DEPARTMENT OF AGRICULTURE NATURAL RESOURCES CONSERVATION SERVICE REGIONAL CONSERVATION PARTNERSHIP PROGRAM GRANT

WHEREAS, the city would like to apply for a Regional Conservation Partnership Program (RCPP) grant through the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) which will assist with stream bank stabilization, provide well water or spring water for cattle in lieu of wading in the stream, and establish vegetative buffers along waterways and around springs; and

WHEREAS, the city will provide up to twenty-five percent (25%) of the project cost with the remaining seventy-five percent (75%) coming from USDA through the local NRCS office; and

WHEREAS, the twenty-five percent (25%) is up to \$100,000.00 a year for up to five years; and

WHEREAS, funds are available in the stormwater utility infrastructure project account;

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 Regional Conservation Partnership Program (RCPP) grant through the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) which will require a twenty-five percent (25%) match.

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

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

ADOPTED this the 15th day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

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



**RCCP - 2014 Farm Bill**



The Regional Conservation Partnership Program (RCCP) promotes coordination between NRCS and its partners to deliver conservation assistance to producers and landowners. NRCS provides assistance to producers through partnership agreements and through program contracts or easement agreements.

RCCP combines the authorities of four former conservation programs – the Agricultural Water Enhancement Program, the Chesapeake Bay Watershed Program, the Cooperative Conservation Partnership Initiative and the Great Lakes Basin Program. Assistance is delivered in accordance with the rules of EQIP, CSP, ACEP and HFRP; and in certain areas the Watershed Operations and Flood Prevention Program.

**Latest Information**

- [Download announcement for program](#)
- [Read testimonials from NRCS partners on forming healthy partnerships](#)
- [See answers to frequently asked questions](#)
- [RCCP on the NRCS National website.](#)

**Benefits**

RCCP encourages partners to join in efforts with producers to increase the restoration and sustainable use of soil, water, wildlife and related natural resources on regional or watershed scales.

Through RCCP, NRCS and its partners help producers install and maintain conservation activities in selected project areas. Partners leverage RCCP funding in project areas and report on the benefits achieved. The Secretary of Agriculture may also designate up to eight critical conservation areas to focus RCCP assistance.

**Funding**

Funding for RCCP is allocated to projects in three different categories.

<p><b>Critical Conservation Areas</b></p> <p>For projects in eight geographic areas chosen by Secretary. These receive 35 percent of</p>	<p><b>National</b></p> <p>For nationwide and multistate projects. These receive 40 percent of funding. <a href="#">Learn more.</a></p>	<p><b>State</b></p> <p>For projects in a single state. These receive 25 percent of funding. <a href="#">Learn more.</a></p>

funding. Learn more.

### Mississippi River Basin

- > **Overall Goal:** Reduce nitrogen, phosphorus, and sediment loads from private lands.
- > **Resource Concern Priorities:**
- > **Water Quality Degradation:** Excess nutrients and pesticides in surface and ground waters; excessive sediment in surface waters
- > **Insufficient Water:** Inefficient use of irrigation water (associated with Water Quality Degradation)
- > **Inadequate Habitat for Fish and Wildlife:** Habitat degradation

### National Priorities

- > Water quantity;
- > Water quality;
- > Soil health;
- > At-risk species habitat; and
- > Air quality.

### Arkansas Priorities

- > Energy
- > Plant Health
- > Soil Health
- > Water Quality
- > Water Quantity
- > Wildlife

Conservation program contracts and easement agreements are implemented through the Agricultural Conservation Easement Program (ACEP), Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP) or the Healthy Forests Reserve Program (HFRP). NRCS may also utilize the authorities under the Watershed and Flood Prevention Program, other than the Watershed Rehabilitation Program, in the designated critical conservation areas.

### Eligibility

**Eligible Partners** - Agricultural or silvicultural producer associations, farmer cooperatives or other groups of producers, state or local governments, American Indian tribes, municipal water treatment entities, water and irrigation districts, conservation-driven nongovernmental organizations and institutions of higher education.

**Eligible Participants** - Under RCCP, eligible producers and landowners of agricultural land and non-industrial private forestland may enter into conservation program contracts or easement agreements under the framework of a partnership agreement. RCCP assistance is also available independent of a partner if the land is located either in a partner project area or in a critical conservation area designated by the Secretary.

### How to Apply

NRCS will release an announcement for program funding, that will outline requirements for proposal submissions for funding. NRCS will review partnership proposals according to the priorities identified in the announcement and make project selections. Upon selection of a partnership proposal, NRCS and the partner will enter into a partnership agreement through which they will coordinate to provide producers in the project area assistance. Partnership agreements may be for a period of up to five years. NRCS may extend an agreement one time for an additional 12 months if needed to meet the objectives of the program.

Full Announcement for Program Funding (PDF, 12 MB) May 27, 2014

Producers may apply for RCCP assistance in several ways:

1. At the producer's request, a partner may submit the application for participation in a selected project area
2. Directly at their local USDA Service Center in a selected project area

### Partnership Agreements

The partnership agreement defines the scope of the project, including:


1. Eligible activities to be implemented
2. Potential agricultural or nonindustrial private forest operation affected
3. Local, state, multi-state or other geographic area covered
4. Planning, outreach, implementation, and assessment to be conducted. Partners are responsible for contributing to the cost of the project, conducting outreach and education to eligible producers for potential participation in the project and for conducting an assessment of the project's effects. In addition, partners may act on behalf of the eligible landowner or producer in applying for assistance and for leveraging financial or technical assistance provided by NRCS with additional funds to help achieve the project objectives.

Before closing the agreement the partner must provide an assessment of the project costs and



**AGENDA ACTION FORM**

**Consideration of a Resolution Authorizing the Mayor to Execute Agreements with Various Agencies and Organizations for Services in Fiscal Year 2014-2015 Benefiting the General Welfare of Kingsport Residents**

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

Action Form No.: AF-188-2014  
 Work Session: July 14, 2014  
 First Reading: N/A  
 Final Adoption: July 15, 2014  
 Staff Work By: Judy Smith  
 Presentation By: Jeff Fleming

**Recommendation:**

Approve the resolution.

**Executive Summary:**

The City of Kingsport wants to enter into agreements with various agencies and organizations for services in fiscal year 2014-2015 benefiting the general welfare of Kingsport residents. They are as follows:

- Sullivan County Economic Development Partnership (NETWORKS)
- Greater Kingsport Area Chamber of Commerce, Inc. for the Kingsport Convention and Visitors Bureau
- Greater Kingsport Area Chamber of Commerce, Inc. for the Healthy Kingsport Program.

**Attachments:**

1. Resolution

Funding source appropriate and funds are available: \_\_\_\_\_

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

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

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AGREEMENTS WITH THE SULLIVAN COUNTY ECONOMIC DEVELOPMENT PARTNERSHIP (NETWORKS), THE GREATER KINGSPORT AREA CHAMBER OF COMMERCE, INC. FOR THE KINGSPORT CONVENTION AND VISITORS BUREAU AND THE GREATER KINGSPORT AREA CHAMBER OF COMMERCE, INC. FOR THE HEALTHY KINGSPORT PROGRAM FOR SERVICES IN FISCAL YEAR 2014-2015 BENEFITING THE GENERAL WELFARE OF KINGSPORT RESIDENTS

WHEREAS, the City of Kingsport desires to enter into agreements for services in fiscal year 2014-2015 benefiting the general welfare of city residents with the Sullivan County Economic Development Partnership (NETWORKS), the Greater Kingsport Area Chamber of Commerce, Inc. for the Kingsport Convention and Visitors Bureau and the Greater Kingsport Area Chamber of Commerce, Inc. for the Healthy Kingsport Program.

Now therefore,

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

SECTION I. That an agreement for services in fiscal year 2014-2015 benefiting the general welfare of City of Kingsport residents with Sullivan County Economic Development Partnership (NETWORKS), is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the agreement with Sullivan County Economic Development Partnership (NETWORKS) 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**  
**Between**  
**THE CITY OF KINGSPORT, TENNESSEE,**  
**And**  
**SULLIVAN COUNTY ECONOMIC DEVELOPMENT**  
**PARTNERSHIP (NETWORKS)**

THIS AGREEMENT made and entered into as of the 1st day of July, 2014, by the City of Kingsport, hereinafter called "CITY" and Sullivan County Economic Development Partnership (NETWORKS), hereinafter called "NETWORKS".

**W I T N E S S E T H:**

WHEREAS, NETWORKS is a creation of the CITY and other local governments and is a governmental organization and is eligible to receive funds for the purpose contained herein; and

WHEREAS, NETWORKS is created to implement an overall economic development strategic plan for all of Sullivan County with the overall goal to create value added jobs, expand and diversify the economic base and generate increased local tax revenues for the local governments in part by the development of industrial parks; and

WHEREAS, the parties desire to set forth the responsibilities and obligations of the parties in this effort and the terms and conditions with respect to the use of funds provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

**I. TERM.**

This Agreement will be for a term of twelve months commencing July 1, 2014 through June 30, 2015, subject to other termination provisions in this Agreement. The funds allocated by

CITY to NETWORKS can be used to reimburse NETWORKS for eligible project expenses beginning on July 1, 2014. In no event will CITY participate in project expenses incurred after June 30, 2015 without its written consent.

**II. SCOPE OF WORK.**

A. The scope of work for this Agreement will include implementation by the NETWORKS of an overall economic development strategic plan for all of Sullivan County with the overall goal to create value added jobs, expand and diversify the economic base and generate increased local tax revenues for the local governments, and the acquisition of land for and the development of industrial parks in Sullivan County, Tennessee.

B. This Agreement will be implemented in cooperation with the contribution by other members of the NETWORKS currently identified as Sullivan County, Tennessee, City of Bluff City, Tennessee and City of Bristol, Tennessee for the best interest of the citizens of the respective local governments.

C. Except as otherwise specified in this Agreement, the specific strategies, plans and efforts to provide such services will be determined and implemented by NETWORKS with input from CITY and other members of the NETWORKS.

D. The parties may make changes as mutually agreed upon in the scope of the work of this Agreement. Such changes will be incorporated in written amendments to this Agreement, and will be consistent with the agreements NETWORKS and the other members of the NETWORKS.

E. NETWORKS agrees to use its best effort to fulfill the purposes of this agreement and may hire and maintain such qualified personnel as approved in the operating budget to fulfill the responsibilities set forth in this agreement.

**III. MONITORING AND REPORTING REQUIREMENTS.**

NETWORKS will provide CITY with quarterly written reports due on or before the third Monday of September, December, March and June regarding its progress in the fulfillment of this agreement, and qualified representatives of NETWORKS will appear twice a year, if requested, at the regularly scheduled work session of the Board of Mayor and Aldermen to review the reports and present an update. The report will detail the efforts taken by NETWORKS toward accomplishment of the scope of the work outlined in Section II herein, as well as a statement of other efforts and accomplishments within the scope of the Agreement not specifically included within that section. In the same report NETWORKS assess the impact their efforts have had on the economic development efforts in Sullivan County, Tennessee.

**IV. COMPENSATION.**

A. CITY will pay NETWORKS up to Two Hundred Fifteen Thousand Two Hundred Dollars (\$215,200) annually for services provided under this agreement as described in Section II Scope of Work.

B. CITY will pay the NETWORKS one quarter of CITY's annual budgeted amount at the beginning of each quarter.

C. NETWORKS will send CITY reports of the actual net operating cost on a quarterly basis at the same time the reports required in Section III are issued. The reports will be provided in a format that is generally compatible with quarterly budget line item reports used by city departments.

D. CITY will review all quarterly reports, however, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

E. The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. NETWORKS will permit CITY or its representatives at all times to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of NETWORKS. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of NETWORKS's fiscal year for which operating assistance is provided, NETWORKS will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for NETWORKS's fiscal year.

F. NETWORKS will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. NETWORKS further agrees to submit to CITY a copy of any audited report that is submitted to the State, if any.

**V. ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.**

NETWORKS will not assign or subcontract any portion of this agreement without the prior written approval of CITY. NETWORKS will not assign any rights to funds provided herein without the prior written approval of CITY.

**VI. CHANGED CONDITIONS AFFECTING PERFORMANCE.**

NETWORKS will immediately notify CITY of any change in conditions or of any other event that may significantly affect its ability to perform the project in accordance with the provisions of this agreement.

**VII. STAFFING.**

NETWORKS will pay its employees under this Agreement at least the Federal Minimum Wage.

A. In carrying out the work of this agreement, NETWORKS will not discriminate against any employee or applicant for employment because of race, color, religion, creed, gender, national origin, age, disability or any other legally protected status.

**VIII. TERMINATION OF AGREEMENT FOR CAUSE.**

If, through any cause, NETWORKS fails to fulfill in a timely and proper manner the obligations of this agreement, or if NETWORKS violates any of the covenants, agreements, or stipulations of this agreement, CITY will thereupon have the right to terminate this agreement. If CITY is entitled to terminate this agreement for cause, as a condition precedent to the exercise of such right the CITY will give NETWORKS written notice specifying such default and NETWORKS will have right to cure the specified default within thirty (30) calendar days after service of such notice. If the default is not cured within that time CITY may upon three (3) days written notice to the other parties terminate this agreement on a date certain. All payments by CITY to NETWORKS will be suspended until the default is cured if the default is in part caused by NETWORKS, and NETWORKS will not be entitled to further payment if the agreement is terminated pursuant to this paragraph, if the default is in part caused by NETWORKS.

**IX. EXTENSION OF AGREEMENT.**

The parties may extend this agreement for subsequent years subject to any applicable negotiated changes.

**X. OPERATING INFORMATION.**

The parties agree to respond to inquiries made by designated representatives of the parties or their designees in a timely fashion. CITY designates the City Manager as its representative for this Agreement. NETWORKS designates its CEO as its representative for this Agreement. NETWORKS will provide any relevant information requested by CITY concerning the economic development program of NETWORKS, including, but not limited to contracts for third party financial arrangements, annual financial statements, and audit reports, schedules and fees.

**XI. ASSURANCES.**

NETWORKS hereby assures CITY that NETWORKS is legally entitled to funds from CITY.

**XII. REPORTING.**

NETWORKS will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to NETWORKS assist in carrying out the scope of work and purpose of the project as described under the terms of this Agreement.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

SECTION IV. That an agreement for services in fiscal year 2014-2015 benefiting the general welfare of City of Kingsport residents with Greater Kingsport Area Chamber of Commerce, Inc. for the Kingsport Convention and Visitors Bureau, is approved.

SECTION V. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the agreement with Greater Kingsport Area Chamber of Commerce, Inc. for the Kingsport Convention and Visitors Bureau 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  
BETWEEN  
THE CITY OF KINGSFORT, TENNESSEE**

**AND**  
**THE GREATER KINGSPORT AREA CHAMBER OF COMMERCE, INC.**  
**"KINGSPORT CONVENTION AND VISITORS BUREAU"**

THIS AGREEMENT made and entered into as of this 1st day of July, 2014, by and between the City of Kingsport, hereafter called "CITY" and the Greater Kingsport Area Chamber of Commerce, Inc., hereafter called "CHAMBER".

**WITNESSETH:**

WHEREAS, CHAMBER is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, CHAMBER has requested financial assistance pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

**SECTION 1. PURPOSE OF THE AGREEMENT.** CITY, through its duly elected officials, desires to contract for services with CHAMBER for the purpose of planning and conducting programs of information and publicity designed to attract to Kingsport and the surrounding area conventions, visitors, commercial travelers, tour groups, tourists, and other persons from outside the area, to promote the regional tourism industry, and to encourage, assist, and coordinate the efforts of public and private organizations of groups of citizens to publicize the facilities, attractions, historical points of interest of Kingsport and the surrounding area. This will be accomplished through the Kingsport Convention and Visitors Bureau (KCVB).

**SECTION 2. DESCRIPTION OF THE PROJECT.**

A. Increasing tourism revenue through the continued promotion of Kingsport as a destination site for conventions, motorcoach tours, amateur athletics, business and leisure travelers.

- Actively recruit in the above markets. Additionally, CHAMBER through KCVB will develop on or before October 1, 2014 that illustrates how it will recruit and increase the number of events held annually in the City Kingsport, and present it to the City Manager.
- Produce direct mail pieces aimed at target markets to keep Kingsport "top of mind".
- Host meeting planners and tour operators for site inspections of Kingsport's meeting facilities, attractions and recreational offerings.

B. B. Provide support and services to visitors and the local community.

- Produce collateral material to assist visitors (i.e. visitors guide, two events calendars and quick reference sheet map).
- Provide bureau services for conventions, motorcoach tours and athletic events to encourage new and repeat business.
- Increase attendance and length of stay for conventions and events by offering/encouraging pre and post conference tours, spousal tours and children's tour options.
- Continue to maintain Kingsport Ambassador Program to provide registration assistance, welcoming committee, tour escorts, etc. (tie in with citizen involvement).

C. Increase the visibility of Kingsport to encourage the traveling public to visit the City.

- Provide visitor information services (i.e. maintain/operate two visitor information centers, maintain/update internet web site, brochure distribution at statewide welcome centers and strategic brochure distribution services locally and regionally).

D. Encourage and assist local citizens, area businesses and the tourism industry in promoting Kingsport's facilities and events.

- Support marketing thrusts of Kingsport properties (i.e. through direct marketing efforts and advertising to generate leads in the areas of conventions, motorcoach tours, athletic events and leisure travel).

E. Develop programs to help area business capitalize on tourism (familiarization tours, cooperative advertising, events calendar, etc.).

F. Develop a communications plan designed to inform target customers markets about Kingsport and increase awareness of Kingsport's appeal and the benefits of tourism.

- Advertise in travel and trade publications to increase awareness and to generate leads.
- Increase Kingsport's exposure by producing a master editorial calendar and by implementing a media solicitation program requiring regular personal, telephone and written contact with national, state, regional and local media.



- Maintain photo library and develop media kits designed to communicate Kingsport's appeal to each market.

- Ensure that Kingsport is fully and accurately represented in all free listings via state, regional and national publications or collateral materials (i.e. Tennessee Tour Operators annual, Meeting Planners Guide, Vacation Guide, etc.).

F. Support tourism development efforts in Northeast Tennessee, Southwest Virginia and throughout the State of Tennessee.

- Participate in tourism development efforts with local, regional, state and national agencies to maximize KCVB's physical and financial resources.

- Leverage advertising budget through cooperative advertising programs with local travel industry to secure Tennessee Department of Tourism advertising grant.

- Encourage and support area tourism agencies to jointly produce collateral materials that are designed to attract special interest audiences (i.e., hiking/biking trails, festivals brochure, arts and entertainment, etc.).

G. Ensure the continued growth of Kingsport's tourism industry.

- Actively participate in the ongoing development of the MeadowView Convention Center.

- Screen new events for potential KCVB physical and financial support.

- Encourage, support and assist in the development of new and existing hotel/motel properties, attractions, restaurants, tearooms and tourism development efforts in Kingsport.

H. CHAMBER, through KCVB, will provide funding and support to the Downtown Concert series for FY 15 (July 1–June 30) as well as funding and support for a portion of FY 16. Through this agreement both the CITY and CHAMBER through KCVB agree to review and recommend a long-term strategy to support the Downtown Concert Series no later than May 1, 2015.

I. The CITY and CHAMBER through KCVB will annually evaluate capital projects that support tourism and when applicable explore opportunities for ways the KCVB can make a financial contribution to those projects.

**SECTION 3. MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to CHAMBER is 62.5% of the total hotel/motel tax received by CITY but the amount under this Agreement will not exceed said 62.5%. CHAMBER will submit to the City Manager no later than March 1 of each year the proposed annual budget for the Visitation Program. The budget will be reviewed by the City Manager and approved by the Board of Mayor and Aldermen as a part of the normal annual budget process. Proposed Amendments to the annual budget which would propose to increase or decrease the total budget will be submitted to the City Manager and approved by the Board of Mayor and Aldermen.

**SECTION 4. REQUEST FOR REIMBURSEMENT.** CITY will pay the amount set out in Section 3 in monthly payments. Funds not spent or encumbered at the end of the fiscal year will remain with the Visitors' Council until such time as this Agreement is not renewed, whereupon the remaining funds will be returned to the General Fund of the City and reappropriated at the discretion of the Board of Mayor and Aldermen for tourism promotional activities or capital projects related to tourism. These monies shall be accounted for separately from the other monies of the KCVB and shall be restricted to their use solely for tourism activity as described in Section 2 of this Agreement. CHAMBER is to send to CITY reports of the actual net operating cost on a semi-annual basis.

**SECTION 5. REIMBURSEMENT BY CITY.** CITY will review all semi-annual reports, however, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

**SECTION 6. SPECIAL PROVISIONS.** Due to the unique nature and structure of the services rendered to the CITY under this agreement the parties agree to the following special provisions:

A. The parties shall create a committee to oversee and generally regulate the activities of the KCVB, which committee shall be known as the oversight committee. The members of the oversight committee shall be nominated by the mayor and approved by the board of mayor and aldermen. This committee shall have the authority and responsibility to resolve any dispute that may arise between the CHAMBER and the KCVB. The committee's shall have sole authority on all personnel matters relating to the KCVB executive director.

B. The budget for the KCVB shall be developed by the KCVB executive director. It shall be reviewed by the CHAMBER's chief executive officer. The KCVB executive director and the CHAMBER's chief executive officer shall negotiate any changes in the budget. It shall be reviewed and recommended by the KCVB Council, and then sent to the CHAMBER's board for approval or denial. The CHAMBER's board shall have thirty days from the date of submission of the same to it to consider the budget. If the CHAMBER's board fails or refuses to act within thirty days of submission of the budget to it the matter shall be referred to the oversight committee, and

its decision shall be final. In the event the budget is declined by the CHAMBER's board and a dispute arises the matter shall be referred to the oversight committee for final decision. The CHAMBER board shall approve the decision of the oversight committee.

C. The KCVB executive director shall comply with the personnel policies, pay policies, travel policies, and other policies applicable to all other personnel of the CHAMBER, provided, however, the KCVB executive director shall exercise initial hiring, firing, and disciplinary action over KCVB employees in consultation with the CHAMBER's chief executive officer. In the event of a dispute the matter shall be referred to the oversight committee for final decision.

D. Since the CHAMBER retains responsibility to the CITY for the proper expenditure of funds provided by the CITY to the CHAMBER matters involving expenditures of funds by KCVB shall continue to be reviewed by the CHAMBER's chief executive officer, and then by the KCVB Council Chairperson. If the KCVB Council Chairperson denies the payment the matter shall be considered completed. If the KCVB Council Chairperson approves the payment, the matter shall be sent to the CHAMBER's president for approval or denial. In the event the payment of the item is denied by the CHAMBER's president and a dispute arises the matter shall be referred to the oversight committee for final decision.

E. The selection process of the KCVB council shall follow the by-laws of the KCVB, except as provided herein. The oversight committee shall appoint all designated positions on the council, whether voting or non-voting. The CHAMBER's chief executive officer, the KCVB executive director, and the representative of the board of mayor and aldermen on the oversight committee shall have the right to submit candidates for positions on the KCVB council that are not designated to come from a certain group. The KCVB council shall approve the members to fill these positions.

F. The CHAMBER board and the KCVB council shall amend their by-laws, if necessary, to comply with the provisions contained in this section 6.

**SECTION 7. AUDITS.** The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. CHAMBER will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of CHAMBER with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of CHAMBER'S fiscal year for which operating assistance is provided, CHAMBER will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for CHAMBER'S fiscal year.

**SECTION 8. ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.** CHAMBER will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. CHAMBER further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.

**SECTION 9. CHANGES.** No changes shall be made to this Agreement except upon a written amendment executed by all parties hereto. No changes regarding KCVB's Executive Director will be made without conferring with the CITY representative on the Visitor's Council.

**SECTION 10. ASSIGNMENT AND SUBLETTING.** CHAMBER will not assign any rights to funds without prior written authorization from CITY.

**SECTION 11. TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, CHAMBER will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date.

**SECTION 12. CHANGED CONDITIONS AFFECTING PERFORMANCE.** CHAMBER will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.

**SECTION 13. ASSURANCES.** CHAMBER hereby assures CITY that CHAMBER is legally entitled to funds from CITY.

**SECTION 14. OPERATING INFORMATION.** CHAMBER will provide any relevant information requested by CITY concerning CHAMBER'S Visitor's Council including, but not limited to contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

**SECTION 15. CITY-DESIGNATED REPRESENTATIVES.** A member of the Board of Mayor and Aldermen will serve as the CITY representative on CHAMBER'S Visitor's Council, and participate on all issues before the Council.

**SECTION 16. PROJECT TERM.** CITY and CHAMBER have previously agreed that the project term for this contract is from July 1, 2014 to June 30, 2015. Accordingly, funds allocated by CITY to CHAMBER can be used to reimburse CHAMBER for eligible project expenses beginning on July 1, 2014. In no event will CITY participate in project expenses incurred after June 30, 2015.

**SECTION 17. REPORTING.** CHAMBER will submit to the Board of Mayor and Aldermen a bi-annual report setting out how funds allocated by CITY to CHAMBER assist in carrying out the purpose of the project as described under the terms of this Agreement.

**SECTION 18. INDEPENDENT CONTRACTOR.** CHAMBER'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. CHAMBER is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither CHAMBER nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by CHAMBER, or its employees or agents.

**SECTION 19. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.**

CHAMBER will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with CHAMBER'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of CHAMBER and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CHAMBER and its officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the signatures of the parties hereto as of the date and year first written in duplicate original form.

[Acknowledgements Deleted for Inclusion in this Resolution]

**SECTION VI.** That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the 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 VII.** That an agreement for services in fiscal year 2014-2015 benefiting the general welfare of City of Kingsport residents with Greater Kingsport Area Chamber of Commerce, Inc. for the Healthy Kingsport Program, is approved.

**SECTION VIII.** That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the agreement with Greater Kingsport Area Chamber of Commerce, Inc. for the Healthy Kingsport 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, said agreement being as follows:

**AGREEMENT  
BETWEEN  
THE CITY OF KINGSFORT, TENNESSEE  
AND  
THE GREATER KINGSFORT AREA CHAMBER OF COMMERCE, INC.  
"HEALTHY KINGSFORT"**

THIS AGREEMENT made and entered into as of the 1st day of July, 2014, by the City of Kingsport, hereinafter called "CITY", and the Greater Kingsport Area Chamber of Commerce, Inc., hereinafter called "CHAMBER".

**WITNESSETH:**

WHEREAS, CHAMBER is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for the purpose contained herein; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq., and the official compilation of the Rules and Regulations of the State of Tennessee, Rules of the Comptroller of the Treasury, Division of Special Audit, chapter 0380-3-7, relating to Standard Procedures for Appropriating and Disbursing Municipal Funds to Non-Profit Charitable Organizations, to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, the parties desire to work together in the common effort to enhance current efforts and to create healthy and active residents in Kingsport; and

WHEREAS, CITY has decided to contract with and provide financial resources to an outside entity for healthy living support and CITY has requested that CHAMBER be that outside entity pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the responsibilities and obligations of the parties in this effort and the terms and conditions with respect to the use of funds provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

**I. TERM.** The term for this Agreement is from July 1, 2014 to June 30, 2015. Accordingly, funds allocated by CITY to CHAMBER can be used to reimburse CHAMBER for eligible project expenses beginning on July 1, 2014. In no event will CITY participate in project expenses incurred after June 30, 2015.

**II. PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to assist CHAMBER with funds and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by CHAMBER.

**III. DESCRIPTION OF THE PROJECT.** CHAMBER will work to develop and promote programs designed to promote positive health outcomes and provide information to improve the health for the citizens of Kingsport, which is part of the initiative of Governor Bill Haslam and the State of Tennessee called "Healthier Tennessee". CHAMBER will provide reports on its implementation and progress of the project when and in the format requested by the city.

**IV. COMPENSATION.** It is expressly understood and agreed that the total amount to be paid by CITY to CHAMBER under this Agreement will not exceed FIFTY FOUR THOUSAND DOLLARS (\$54,000).

A. CITY will review all quarterly reports; however, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

B. The final determination of the amount subject to reimbursement under the terms of this Agreement will be based on an audit conducted by or acceptable to CITY. CHAMBER will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of CHAMBER with regard to the project. Such records will be retained for this purpose for a period of not less than three years. Subsequent to the close of CHAMBER's fiscal year for which operating assistance is provided, CHAMBER will furnish a final audit report prepared by a governmental audit agency, or an independent public accountant, which will include at minimum a statement of revenue, expense and any changes in financial position for CHAMBER's fiscal year.

C. CHAMBER will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. CHAMBER further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State.

**V. ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.** The CHAMBER will not assign or subcontract any portion of this Agreement without the prior written approval of the CITY. CHAMBER will not assign any rights to funds provided herein without the prior written authorization of the CITY.

**VI. CHANGED CONDITIONS AFFECTING PERFORMANCE.** CHAMBER will immediately notify CITY of any change in conditions or of any other event that may significantly affect its ability

to perform the project in accordance with the provisions of this Agreement.

**VII. STAFFING.**

A. CHAMBER will pay its employees under this Agreement at least the Federal Minimum Wage.

B. In carrying out the work of this Agreement, CHAMBER will not discriminate against any employee or applicant for employment because of race, color, religion, creed, gender, national origin, age, disability or any other legally protected status.

**VIII. TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, CHAMBER will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed FIFTY FOUR THOUSAND DOLLARS (\$54,000).

**IX. EXTENSION OF AGREEMENT.** The parties may extend this Agreement for subsequent years subject to any applicable negotiated changes.

**X. OPERATING INFORMATION.** The parties agree to respond to inquiries made by designated representatives of the parties or their designees in a timely fashion. CITY designates the City Manager as its representative for this Agreement. CHAMBER designates the Corporate Secretary as its representative for this Agreement. CHAMBER will provide any relevant information requested by CITY concerning the small business program of CHAMBER, including, but not limited to contracts for third party financial arrangements, annual financial statements, and audit reports, schedules and fees.

**XI. CITY-DESIGNATED REPRESENTATIVES.** The City Manager will serve as the CITY representative on the Board of CHAMBER, and will be entitled to attend all meetings of CHAMBER, and participate on all issues before the Board.

**XII. ASSURANCES.** CHAMBER hereby assures CITY that CHAMBER is legally entitled to funds from CITY.

**XIII. INDEPENDENT CONTRACTOR.** CHAMBER'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. CHAMBER is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither CHAMBER nor their employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by CHAMBER, or their employees or agents.

**XIV. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** CHAMBER will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees and volunteers from and against:

A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with CHAMBER'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of CHAMBER and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CHAMBER and their officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the parties have set their hand to this Agreement in duplicate originals effective the date first above written.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

ADOPTED this the 15th day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

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


APPROVED AS TO FORM:

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



AGENDA ACTION FORM

**Consideration of a Resolution Authorizing the Mayor to Sign All Documents Necessary and Proper to Enter into a Lease Agreement with Sleepy Owl Brewery for the Use of City Owned Property Located at 151 East Main Street**

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

Action Form No.: AF-199-2014  
Work Session: July 14, 2014  
First Reading: N/A  
Final Adoption: July 15, 2014  
Staff Work By: C. McCart/ M. Billingsley  
Presentation By: Chris McCart

**Recommendation:**  
Approve the resolution.

**Executive Summary**  
The owners of Sleepy Owl Brewery, located at 151 East Main Street, have requested to lease the remainder of the loading dock (former train depot) in order to expand the outdoor seating area for their customers. The owners of Sleepy Owl Brewery intend to make improvements to the loading dock totaling approximately \$6,000. In return City staff recommends leasing the loading dock for \$120/year for one year with the option for nine one year renewals.

**Attachments:**  
1. Resolution

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Phillips	—	—	—

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

A RESOLUTION APPROVING A LEASE WITH SLEEPY OWL BREWERY, 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 Sleepy Owl Brewery is located at 151 East Main Street; and

WHEREAS, it has requested to lease the loading dock attached to the building, which was formerly the train depot, in order to expand the outdoor seating area for its customers; and

WHEREAS, the Sleepy Owl Brewery, LLC intends to make certain improvements to the loading dock, which its estimate to be approximately \$6,000.00; and

WHEREAS, in consideration of the improvements, the lease will have a rent of \$120.00 per year for one year, with an option of nine one year renewals.

Now therefore,

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

SECTION I. That a lease agreement with Sleepy Owl Brewery, LLC, is approved.

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

LEASE

This Lease (hereinafter called "Lease") is made effective as of the \_\_\_ day of July, 2014 by and between the City of Kingsport, Tennessee, a municipal corporation organized under the laws of state of Tennessee (hereinafter called "Landlord") and Sleepy Owl Brewery, LLC, (hereinafter called "Tenant").

WITNESSETH:

In consideration of the mutual covenants, promises and rents contained herein the parties agree as follows:

**SECTION 1.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed and observed by Tenant, a parcel of land (hereinafter called "Leased Premises") located at 151 East Main Street, Kingsport, Tennessee and described as follows:

**SECTION 2.**

**2.1** As part of its rent Tenant shall make and maintain in good condition certain improvements to the Leased Premises, subject to the requirements of Section 7 herein below. The improvement shall include \_\_\_\_\_, which shall be permanently affixed to the Leased Premises. The improvements must be fully and properly completed to the satisfaction of Landlord within \_\_\_ days of the effective date of this Lease. Tenant shall not allow the Leased Premises to be open to the public until the improvements are fully completed to the satisfaction of Landlord. Landlord may, in its sole discretion and for any reason, including esthetics, reject to proposed improvements and Tenant shall be obligated to installed improvement satisfactory to Landlord. In addition to the improvements listed in this paragraph 2.1, Tenant shall pay to Landlord, without



previous demand therefor and without any setoff or deduction whatsoever, except as may be specifically provided herein, rent for the Leased Premises at the rate of One Hundred Twenty Dollars (\$120.00) per annum payable in advance in equal monthly installments of Ten Dollars (\$10.00) each on the first day of each month during the term hereof.

**2.2** All rentals payable by Tenant to Landlord under this Lease shall be paid to Landlord at the office of Landlord herein designated by it for notices or to such other place as Landlord may designate in writing to Tenant at least ten (10) days before such rental payment.

**2.3** Tenant shall promptly pay all rentals herein prescribed when and as the same shall become due and payable.

**2.4** If Landlord shall pay any monies or incur any expenses to cure any default of Tenant hereunder, the amounts so paid or incurred shall, at Landlord's option, and on notice to Tenant, be considered additional rentals, payable by Tenant with the first installment of rental thereafter becoming due and payable, and may be collected or enforced as by law provided in respect of rentals.

### **SECTION 3.**

**3.1.** The Leased Premises shall be used by Tenant only for the retail sale of beverages produced at its adjacent facility, and provided the beverages are offered for retail sale Tenant may sale other items that are not produced by Tenant, and for no other purpose or use.

**3.2.** Tenant shall comply in all respects with all applicable federal, state and local laws, rules, regulations and orders, including, without limitation, those relating to pollution, reclamation or protection of the environment, including laws relating to emissions, discharges, releases or threatened releases of pollutants, contaminants, or hazardous or toxic materials or wastes into the air, water, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants or hazardous or toxic materials or wastes. No part of the Leased Premises or improvements thereon shall be used in any manner whatsoever for any purposes in violation of the laws, ordinances, regulations or orders of the United States, or of the State, County and/or City where the Leased Premises are located, or of any duly constituted subdivision, department or board thereof.

**3.3** Tenant shall not knowingly use or occupy the Leased Premises or any part thereof, or suffer or permit the same to be used or occupied for any business or purpose deemed extra hazardous on account of fire or otherwise; and if, by reason of the use and occupancy of the Leased Premises, the policy covering the Leased Premises (Fire Insurance, Extended Coverage or Liability) is to be cancelled or the rate of said insurance shall be increased, the Landlord shall have the option of terminating this Lease, or, on demand, Tenant shall pay to Landlord the amount of such increase (but such increase in the rate of insurance shall not be deemed a breach of this covenant by Tenant).

**3.4** Tenant covenants and agrees that Tenant shall not create or maintain, or permit others to create or maintain, any nuisance, public or private, including, without limiting the foregoing, language, loud noises, sound effects, offensive odors, smoke or dust in or about the Leased Premises or do any act or fail to do any act which constitutes waste, and Tenant, at its own expense, shall keep the Leased Premises clean, neat and free from all trash and rubbish.

**3.5** Tenant agrees that it shall not use, occupy or permit the Leased Premises to be used or occupied for any unlawful purposes or for purposes not specified in this Lease.

**3.6** Tenant agrees that it shall not use, occupy or permit the Leased Premises or any part of the Leased Premises to be used or occupied, or do or permit anything to be done in or on the Leased Premises in any manner which shall cause or be likely to cause structural damage to the Leased Premises or any part thereof.

**3.7.** Tenant shall indemnify, defend and hold Landlord harmless from and against any loss, cost, damage or expense, including, without limitation, attorneys' fees and costs of site investigation and clean up, incurred by or imposed upon Landlord as a result of the breach by Tenant of its obligations in this Section 3.

### **SECTION 4.**

**4.1** The term of this Lease shall begin on the \_\_\_\_ day of \_\_\_\_\_, 2014 and end on the \_\_\_\_\_ day of \_\_\_\_\_, 2015. It is expressly understood and agreed that this Lease shall be binding upon both parties from the date first written above until the termination or expiration of the term of the Lease. By written mutual agreement of the parties the term of this Lease may be renewed for a one year term for a maximum of nine renewals following the initial term of this Lease.

**4.2** After the initial term of the Lease either party may at any time terminate this Lease without cause and for such party's convenience and such termination shall not be deemed a breach of this Lease. The party exercising this termination for convenience shall give the other party thirty (30) days written notice prior to the effective date of the termination. As a result of a termination

of the Lease under this paragraph 4.2 the nonterminating party shall have no right to any damages however characterized or incurred, including actual, general, special, incidental, consequential, or other damages.

**4.3** If Tenant, for any reason and without exception, ceases or fails to operate a brewery on the adjacent property this Lease shall immediately and automatically terminate, and Tenant shall not be entitled to any damages from Landlord for such termination.

**SECTION 5.** Upon occupying the Leased Premises, Tenant thereby accepts the same as is and acknowledges that the improvements on the Leased Premises are in a habitable condition. Tenant has examined the Leased Premises and acknowledges the Lease Premises and the building thereon is in a condition and state of repair for Tenant's intended use and that the utilities available to the Leased Premises and the capacity of the mechanical equipment, including electrical, plumbing, heating and air conditioning are of adequate capacity for Tenant's use, and Landlord does not warrant their condition in any respect. All improvements to the Leased Premises by Tenant shall be in accordance with the provisions contained in Section 8 herein.

**SECTION 6.** Tenant shall repair and maintain the Leased Premises, inside and out, in good order, condition, and repair (including any such replacement and restoration as is required for that purpose) without limitation, interior and exterior painting, all plate glass, windows, doors, hardware, plumbing lines and fixtures, gas pipes, electric wiring, electric fixtures and equipment, light fixtures, bulbs & ballasts, heating, ventilating, and air conditioning systems, walls, floors, floor coverings, ceilings and all machinery, equipment and facilities forming a part of the Leased Premises. Should Tenant fail to make any repairs or restoration for which Tenant is responsible under this Lease, Landlord may, but shall not be obligated to, make same at Tenant's expense, and the cost thereof shall be considered additional rent due hereunder payable immediately.

**SECTION 7.** Tenant shall not make any alterations or additions to the Leased Premises without Landlord's prior written consent, which consent may be withheld by the Landlord in its sole discretion for any reason. Landlord shall not be liable for the cost of any alterations or additions, all of which are hereinafter referred to in this Section 7 as "alterations" made by Tenant, and Tenant shall indemnify and save Landlord harmless on account of claim for mechanics', materialmen's or other liens in connection with any alterations made by Tenant, and any such liens shall exist only against Tenant's leasehold interest, and not against Landlord's interest, whether in fee or otherwise. Upon Landlord's request, Tenant shall provide Landlord a waiver of lien from any contractor performing work to the Leased Premises. All alterations made by Tenant shall be in full compliance with all applicable building laws, ordinances and regulations. All alterations made by either party shall inure to Landlord's benefit and shall become a part of the Leased Premises and shall belong to Landlord absolutely as soon as made.

**SECTION 8.** Tenant recognizes that the Leased Premises owned by the Landlord is not currently subject to real property taxes, but may become taxable due to this Lease. Tenant agrees to pay any real property taxes levied with respect to the Leased Premises due to the leasing of the Leased Premises to Tenant or because of its use, whether such real property tax is levied by the United States of America, the state of Tennessee, Sullivan County, Tennessee or the City of Kingsport, Tennessee. Tenant shall pay and be liable for all taxes levied against personal property and trade fixtures placed by Tenant in or on the Leased Premises. Taxes may be paid as additional rent, but in any event Tenant shall be liable for the payment of real property taxes or personal property taxes levied as a result of its use of the Leased Premises, whenever it is due and payable.

**SECTION 9.**

**9.1.** This Lease and the tenancy hereby created shall cease and terminate at the end of the Term, as the same may be extended as permitted in Section 4 hereof, without the necessity of any notice from either Landlord or Tenant to terminate the same, and Tenant hereby waives notice to vacate the Leased Premises and agrees that Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of Leased Premises from a Tenant holding over to the same extent as if statutory notice had been given.

**9.2.** At the expiration or earlier termination of this Lease, Tenant shall, at Tenant's expense, remove all of Tenant's personal property, and repair all injury done by or in connection with the installation or removal of said property, and surrender the Leased Premises, broom clean and in as good condition as it was at the beginning of the Term, reasonable wear and damage excepted. All property of Tenant remaining on the Leased Premises after the expiration or earlier termination of this Lease shall be conclusively deemed abandoned and at Landlord's option, may be retained by Landlord, or may be removed and disposed of by Landlord in any manner it sees fit in its sole discretion, and Tenant shall reimburse Landlord for the cost of such removal and disposal. Landlord may have any such property stored at Tenant's risk and expense.

**9.3.** Tenant may terminate this Lease upon the breach of any of the terms of this Lease by

Landlord that is not adequately remedied within twenty (20) consecutive calendar days of the mailing of written notices thereof to Landlord, provided that if the nature of Landlord's default is such that more than twenty (20) consecutive calendar days are reasonably required for its cure, then Landlord shall not be deemed to be in default if the Landlord commences to cure within the twenty (20) day period and thereafter diligently prosecutes such cure to completion.

**9.4.** Landlord may in its sole discretion terminate this Lease and take possession of the Leased Premises if Tenant fails to observe or perform any of the express covenants or provisions of this Lease where such failure shall continue for a period of twenty (20) consecutive calendar days after written notice thereof from Landlord to Tenant, provided that if the nature of Tenant's default is such that more than twenty (20) consecutive calendar days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences to cure within the twenty (20) day period and thereafter diligently prosecutes such cure to completion.

**SECTION 10.** Tenant shall pay for all utilities needed or used on the Leased Premises, including gas, electric, light, and water and sewer charges, along with private garbage service incurred during the term of this Lease or for any holdover period.

**SECTION 11.** No signs shall be constructed or painted on the windows, doors, outside walls, roof or exterior of the building on the Leased Premises or in or around the grounds of the Leased Premises, without the prior written consent of Landlord, which consent may be withheld by the Landlord in its sole discretion for any reason, and Landlord reserves the right to require Tenant to remove any such signs not previously consented to by Landlord from said roof, windows, doors, outside walls or exterior of the building on the Leased Premises. In the event Tenant does not promptly remove any such sign or signs upon notice from Landlord to do so Landlord shall have the right to remove such sign or signs at Tenant's expense, and Tenant shall promptly reimburse Landlord therefor.

**SECTION 12.**

**12.1.** Tenant shall keep in force at its own expense so long as this Lease remains in effect, public liability insurance covering the Leased Premises with a company or companies acceptable to Landlord and licensed to do business in Tennessee under a policy or policies in a form acceptable Landlord naming the Landlord as an additional insured with minimum limits of \$1,000,000.00 on account of bodily injuries to or death of one person; \$5,000,000.00 on account of bodily injuries to or death of more than one person as the result of any one accident or disaster; and property damage insurance with minimum limits of \$100,000.00. Tenant shall deposit a certified copy of the policy or policies of such insurance, with Landlord not less than five (5) days prior to the effective date of such policy or policies. The policy or policies of insurance shall contain a provision that they may not be cancelled, changed or non-renewed without first giving thirty (30) days notice to Landlord of any change, cancellation, or non-renewal.

**12.2** If the insurance policy or policies expire during the term of this Lease, a renewal certificate or binder shall be filed with Landlord fifteen (15) days prior to the renewal date. If Tenant shall not comply with its covenants made in this Section 13, Landlord may, at its option, cause insurance as aforesaid to be issued, and in such event Tenant agrees to pay the premiums for such insurance promptly upon Landlord's demand.

**12.3.** To the extent possible, Tenant shall obtain, for each policy of insurance secured by it, provisions permitting waiver of any claim against Landlord for loss or damage within the scope of the insurance, and Tenant, for itself and its insurers, waives all claims against the Landlord as to such claims covered by such insurance. Nothing herein shall be construed to vary the force and effect of paragraph 12.1 of this Section 12, and nothing contained in this Section 13 shall be deemed to excuse Landlord from its own negligence.

**12.4** It shall be Tenant's sole responsibility to insure and keep insured, at Tenant's expense, all personal property which is owned by the Tenant, or any other authorized occupant of the Leased Premises, and which is placed or stored in or on the Leased Premises, and it is agreed that Landlord shall have no responsibility to effect such insurance.

**SECTION 13.** Tenant shall indemnify Landlord and save it harmless from and against any and all claims, actions, damages, liability, and expense in connection with loss of life, personal injury and/or damage to property arising from or out of the occupancy or use by Tenant of the Leased Premises or any part thereof, occasioned wholly or in part by any act or omission of Tenant, its agents, employees, invitees, or licensees.

**SECTION 14.** Landlord shall not be liable for loss of or damage to any property at any time located in or about the Leased Premises, whether or not Tenant is the owner thereof, including but not limited to any loss, damage or injury resulting from steam, gas, or electricity, or from water, rain, snow, ice, or other substance which may leak into, or issue or flow from any part of the Leased Premises, or from the pipes or plumbing work of the Leased Premises, or from or into any other place. Landlord shall be under no liability to Tenant on account of any discontinuance of heat,

electricity, sewer, water, air-conditioning, sprinkler, gas, and/or other utility, convenience, service, or facility, however such discontinuance may be caused, and no such discontinuance shall constitute constructive eviction or any ground for termination of this Lease by Tenant.

**SECTION 15.** If at any time the Leased Premises become totally untenantable by reason of damage or loss by fire or other casualty and such fire or other casualty shall not have been caused by the negligence or wrongful act or omission of Tenant, Tenant's servants, agents, licensees, or invitees, the rent shall abate until the Leased Premises shall have been restored to tenantable condition, but nothing herein is to be construed as requiring Landlord to restore or rebuild the Leased Premises. If the Leased Premises are so damaged, but not to the extent that they are totally untenantable, Tenant shall continue to occupy the tenantable portion thereof, and the rent shall abate in proportion to the untenantable portion of the Leased Premises. In the event of a loss from fire or other casualty, Landlord shall have an election not to rebuild or recondition the Leased Premises, which such election may be exercised by written notice thereof to Tenant, given within thirty (30) days from the date of such casualty. If Landlord exercises such election, this Lease shall cease and terminate, effective on the date of such loss, and Tenant shall pay the accrued rent up to the date of such loss, or Landlord, if the rent has been paid beyond such date, shall refund to Tenant the proportionate part of any such rent prepaid, and thereupon this Lease shall terminate, with no further obligation on the part of either party hereto for matters thereafter accruing, even though the building may at a later date be rebuilt, restored or reconditioned. No damage or destruction shall allow Tenant to surrender possession of the Leased Premises, nor affect Tenant's liability for the payment of rent, except as may be specifically provided in this Lease, and, as amended or recodified, shall have no application to this Lease or to the parties hereto.

**SECTION 16.** If the Leased Premises or any part thereof shall be taken by eminent domain or by negotiated purchase under threat thereof, this Lease shall terminate on the date when title vests pursuant to such taking, and the rent shall be apportioned as of said date. Tenant shall not be entitled to any part of the award or any payment in lieu thereof; excepting that Tenant shall be entitled to any separate award rendered for trade fixtures installed by Tenant at its own cost and expense and which are not part of the realty, and for Tenant's moving expenses.

**SECTION 17.** Tenant shall permit Landlord, its agents, and employees, upon reasonable notice to enter the Leased Premises and all parts thereof during business hours to inspect the same and to enforce or carry out any provision of this Lease, or to show it to prospective purchasers or tenants; provided that, in the case of emergency, Landlord may enter without notice. No compensation shall be asked or claim made by Tenant by reason of any inconvenience or annoyance arising from anything that may be done in repairing, altering, working on or protecting the Leased Premises or building, however the necessity may arise, but this Section 18 shall not be construed as imposing any duty on Landlord to make any repairs, alterations or additions.

**SECTION 18.** Tenant shall not assign, or transfer this Lease in whole or in part, nor sublet all or any part of the Leased Premises nor permit the use of any part of the Leased Premises by any other person, firm, affiliate, or entity without first obtaining the written consent of Landlord. Consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. The consent of Landlord referred to herein may be withheld for any reason in Landlord's sole discretion.

**SECTION 19.** Tenant covenants and agrees that it shall perform all agreements herein expressed on its part to be performed, and that it shall promptly, upon receipt of written notice specifying Tenant's failure to comply with the terms hereof, commence to comply with such notice. If Tenant shall not commence and proceed diligently to comply with such notice to the reasonable satisfaction of Landlord within five (5) days after delivery thereof, then Landlord may, at its option, enter upon the Leased Premises, and do the things specified in said notice, and Landlord shall have no liability to Tenant for any loss or damage resulting in any way from such action by Landlord, and Tenant agrees to pay promptly upon demand, any reasonable expense incurred by Landlord in taking such action, including Landlord's administrative expenses.

**SECTION 20.** Except for the right to cure set out in Section 10 if Tenant defaults in the payment of rent or additional rent or defaults in the performance of any of the covenants or conditions hereof, if the Tenant shall compound its debts, or make an assignment for the benefit of creditors, or if a receiver or trustee is applied for or appointed for the Tenant, or if there be filed a petition in bankruptcy or insolvency, or for an arrangement for reorganization by or against the Tenant, or if the Tenant is adjudicated a bankrupt or is adjudged to be insolvent, or if there is advertised any sale of Tenant's property under process of law, or if the assets or property of the Tenant in the Leased Premises shall be attached or levied upon, then Landlord may terminate this Lease

without further notice to Tenant, which notice is hereby expressly waived, and this Lease shall expire as fully and completely as if that day were the date herein originally fixed for the expiration of the term, and Tenant shall quit and surrender the Leased Premises to Landlord, but Tenant shall nevertheless continue to remain liable hereunder. Landlord may at any time thereafter re-enter the Leased Premises and remove all persons and property therefrom by any suitable action or proceeding at law or in equity or by force or otherwise, without being liable for any prosecution thereof or any damages arising therefrom and repossess and enjoy the Leased Premises. Such reentry shall not relieve Tenant of the obligation to make the rental payments required by this Lease at the time and in the manner provided herein. Upon such re-entry, Landlord may, but shall not be required to, repair, alter, remodel and/or change the character of the Leased Premises as Landlord may see fit and/or at any time relet the Leased Premises in whole or in part for any period of time that Landlord elects, whether longer or shorter than the unexpired portion of the term of this Lease, as agent of Tenant, or otherwise, in the name of Landlord or of Tenant, as Landlord shall see fit, and Landlord may receive the rents therefor, applying the same first to the payment of such reasonable expenses as Landlord may have incurred in entering, dispossessing, retelling, repairing or altering the Leased Premises, and then to the fulfillment of the covenants of Tenant herein, including but not limited to the rental payments required hereunder, retaining any balances until the date the term of this Lease would otherwise have expired as security for the payment of all obligations of Tenant which may arise and be unpaid during such period. In attempting to relet the Leased Premises, Landlord shall be the sole judge as to whether or not a proposed tenant is suitable and acceptable. Landlord shall not, by receiving partial payments of rents in arrears, be deemed to have waived any rights herein for nonpayment of rent or for any other default on the part of Tenant.

**SECTION 21.** In any case where Landlord has recovered possession of the Leased Premises by reason of Tenant's default, Landlord may at Landlord's option occupy the Leased Premises or cause the Leased Premises to be redecorated, altered, divided, consolidated with other adjoining premises, or otherwise changed or prepared for reletting, and may relet the Leased Premises or any part thereof as agent of Tenant or otherwise, for a term or terms to expire prior to, at the same time as or subsequent to, the original expiration date of this Lease, at Landlord's option, and receive the rent therefor, applying the same first to the payment of such reasonable expense as Landlord may have incurred in connection with the recovery of possession, redecorating, altering, dividing, consolidating with other adjoining premises, or otherwise changing or preparing for reletting and the reletting, including reasonable brokerage and reasonable attorney's fees, and then to the payment of damages in amounts equal to the rent hereunder and to the cost and expense of performance of the other covenants of Tenant as herein provided; and Tenant agrees, whether or not Landlord has relet, to pay the Landlord damages equal to the rent and other sums herein agreed to be paid by Tenant, less the net proceeds of the reletting, if any, as ascertained from time to time, and the same shall be payable by Tenant on the several rent days above specified. In reletting the Leased Premises as aforesaid, Landlord may grant rent concessions, and Tenant shall not be credited therewith. No such reletting shall constitute a surrender and acceptance or be deemed evidence thereof. Tenant shall not be entitled to any surplus accruing as a result of any reletting. If Landlord elects pursuant hereto to occupy and use the Leased Premises or any part thereof during any part of the balance of the Term as originally fixed or since extended, there shall be allowed against Tenant's obligation for rent or damages as herein defined, during the period of Landlord's occupancy, the reasonable value of such occupancy, not to exceed in any event the rent herein reserved and such occupancy shall not be construed as a release of Tenant's liability hereunder.

**SECTION 22.** If for any reason Tenant shall refuse or decline to surrender the Leased Premises upon default or expiration or termination of the Lease, then Tenant's occupancy subsequent to such expiration or termination shall be deemed to be that of a tenant at will, and in no event from month to month, or from year to year, subject to all of the terms, covenants and conditions of this Lease applicable thereto, and no extension or renewal of this Lease shall be deemed to have occurred by such holding over.

**SECTION 23.** No mention in this Lease of any specific right or remedy shall preclude Landlord from exercising any other right or from having any other remedy, or from maintaining any action to which it may otherwise be entitled either at law or equity; and the failure of Landlord to insist in any one or more instances upon a strict performance of any covenant of this Lease or to exercise any option or right herein contained shall not be construed as a waiver or relinquishment for the future of such covenant, right or option, but the same shall remain in full force and effect unless the contrary is expressed in writing by Landlord.

**SECTION 24.** This Lease and the covenants and conditions herein contained shall inure to the benefit of and are binding upon Landlord, its successors and assigns, and shall be binding upon

Tenant, its permitted successors and assigns, and shall inure to the benefit of Tenant and its permitted assigns.

**SECTION 25.** Landlord and Tenant shall be excused for the period of any delay in the performance of any obligation hereunder when prevented from so doing by cause or causes beyond its control which shall include, without limitation, all labor disputes, civil commotion, war, war-like operations, invasion, rebellion, hostilities, military or usurped power sabotage, governmental regulations or controls, fire or other casualty, inability to obtain any material, services or financing or through Acts of God.

**SECTION 26.** If Landlord, in Landlord's sole discretion, shall deem it necessary to employ an attorney to assert any right of Landlord or enforce any obligation of Tenant hereunder, Landlord shall be entitled to recover, in addition to the other costs and expenses herein provided for, the reasonable costs and charges of such attorney.

**SECTION 27.** Tenant waives any and all notice required by law, other than such notice as may be specifically required in this Lease. All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed as follows:

To the Landlord at:

City Manager  
City of Kingsport  
225 West Center Street  
Kingsport, TN 37660

To the Tennant at:

With a copy to:

City Attorney  
City of Kingsport  
225 West Center Street  
Kingsport, TN 37660

Either party may, at any time or from time to time, designate in writing a substitute address for that above set forth, or thereafter notices shall be directed to such substitute address.

**SECTION 28.** This Lease shall be governed by and construed in accordance with the laws of the state of Tennessee without regard to its conflict of laws rules. All legal proceedings relating to the subject matter of this Lease shall be maintained in the state courts for Kingsport, Sullivan County, Tennessee, and the parties agree that jurisdiction and venue for any such legal proceeding shall lie exclusively with such courts.

**SECTION 29.** The captions and headings throughout this Lease are for convenience and reference only, and the words contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision or the scope or intent of this Lease nor in any way affect this Lease.

**SECTION 30.** In the event that two (2) or more individuals, corporations, partnerships or other business associations (or any combination of two (2) or more thereof) shall sign this Lease as Tenant, the liability of each such individual, corporation, partnership or other business association to pay rent and perform all other obligations hereunder shall be deemed to be joint and several. In like manner, in the event that Tenant shall be a partnership or other business association, the members of which are, by virtue of statute or general law, subject to personal liability, then the liability of each such member shall be deemed to be joint and several.

**SECTION 31.** Tenant shall be responsible for its own telephone service and installation of telephone equipment in the Leased Premises.

**SECTION 32.** Except for Hazardous Materials brought, kept, or used in the Leased Premises in commercial quantities similar to those quantities usually kept on similar premises by others in the same business, and which are used and kept in compliance with applicable public health, safety, and environmental laws, Tenant shall not allow any Hazardous Material to be located in, on, or under the Leased Premises or allow the Leased Premises to be used for the manufacturing, handling, storage, distribution, or disposal of any Hazardous Material. Tenant shall comply with all federal, state, or local laws, ordinances, regulations, and orders applicable to the Leased Premises or the use thereof relating to environmental protection, or the use, analysis, generation, manufacture, storage, disposal, or transportation of any Hazardous Material. Tenant shall, at its sole cost and expense, arrange for the removal and disposal of all Hazardous Materials generated or stored in the Leased Premises, which removal and disposal shall comply with all applicable federal, state, and local laws, rules, regulations, ordinances, and orders. If Tenant becomes aware of the presence of any Hazardous Material in the Leased Premises (except for those Hazardous Materials permitted above) or if Tenant or the Leased Premises become subject to any order to repair, close, or otherwise cleanup the Leased Premises, Tenant shall, at its own

cost and expense, carry out and complete any repair, closure, or other cleanup of the Leased Premises. If Tenant fails to implement and diligently pursue any such repair, closure, or other cleanup, Landlord may, but shall not be obligated to, carry out such action and recover all of the costs and expenses from Tenant. As used herein, the term "Hazardous Materials" means any hazardous or toxic substance, material, or waste regulated or listed pursuant to any federal, state, or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act, and the Occupational Safety and Health Act, or any other toxic substance.

**SECTION 33.**

**33.1.** If any term or provision of this Lease is declared invalid or unenforceable, the remainder of this Lease shall not be affected by such determination and shall continue to be valid and enforceable.

**33.2.** The parties executing this Lease warrant that this Lease is being executed with full corporate authority and that the officers whose signatures appear hereon are duly authorized and empowered to make and execute this Lease in the name of the corporation by appropriate and legal resolution.

**33.3.** Wherever in this Lease either Tenant or Landlord shall have agreed or promised to perform certain acts or otherwise where the context of this Lease would require such performance to occur after the termination or expiration of the Lease, then those agreements and covenants shall survive the termination or expiration of the Lease and continue to bind Tenant and Landlord.

**33.4.** This written Lease constitutes the entire and complete agreement between the parties hereto and supersedes any prior oral or written agreements between the parties with respect to the Leased Premises. It is expressly agreed that there are no verbal understandings or agreements which in any way change the terms, covenants and conditions herein set forth, and that no modification of this Lease and no waiver of any of its terms and conditions shall be effective unless in writing and duly executed by the parties hereto.

**33.5.** This Lease may be executed in one or more counterparts, each of which shall be an original, and all of which when taken together shall constitute one and the same document.

**IN WITNESS WHEREOF**, the parties hereto have executed this Lease as of the day and year first above written.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 15th day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



AGENDA ACTION FORM

Consideration of a Resolution Approving an Adult Education Grant Contract with the State of Tennessee Department of Labor and Workforce Development for Kingsport City Schools

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

Action Form No.: AF-207-2014  
Work Session: July 14, 2014  
First Reading: N/A

Final Adoption: July 15, 2014  
Staff Work By: Debi Tabor  
Presentation By: David Frye

**Recommendation:**  
Approve the resolution.

**Executive Summary:**  
The State of Tennessee Department of Labor and Workforce Development has awarded a 2014-2015 Adult Education Grant Contract in the amount of \$231,370.00. The contract reflects the adoption of the ETS/HiSet from the GED test. All other language in the 2014-2015 Adult Education Grant Contract remains aligned with the 2013-2014 Adult Education Grant Contract. The Grant Contract will provide Adult Education to program participants. The contract does not have a Grantee Match Requirement; however, a 10% In-Kind Expense (donation of classroom space for the purpose of General Education Development (GED) classes) is included in the Grant Budget. The Adult Education program is housed at the RCAT building, located at 222 West Main Street.

- Attachments:**  
1. Resolution  
2. Contract

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Clark	—	—	—
George	—	—	—
McIntire	—	—	—
Parham	—	—	—
Segelhorst	—	—	—
Phillips	—	—	—



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

A RESOLUTION AUTHORIZING THE MAYOR OR SUPERINTENDENT OF SCHOOLS TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO RECEIVE AN ADULT EDUCATION GRANT FROM THE STATE OF TENNESSEE DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT FOR 2014-2015 AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE CONTRACT OR THIS RESOLUTION

WHEREAS, the city school department has been awarded an adult education grant from the State of Tennessee Department of Labor and Workforce Development; and

WHEREAS, the board of education has approved the grant; and

WHEREAS, the grant assists in providing adult education, including the adoption of ETS/HiSet from the GED test, which is located in the RCAT building at 222 West Main Street; and

WHEREAS, the amount of the grant is \$231,370.00, and does not have a grantee match requirement but does have a 10% in-kind expense, which is the donation of classroom space for the purpose of General Education Development (GED) classes and is included in the grant budget.

Now therefore,

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

SECTION I. That the mayor, or the superintendent of schools, 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 accept and receive adult education grant from the State of Tennessee Department of Labor and Workforce Development in the amount of \$231,370.00, which requires a 10% in kind expense, such as the donation of classroom space.

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

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

ADOPTED this the 15th day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

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



# GRANT CONTRACT

(cost reimbursement grant contract with a federal or Tennessee local or quasi-governmental entity)

<b>Begin Date</b> July 1, 2014	<b>End Date</b> June 30, 2015	<b>Agency Tracking #</b> LWT03F141AESD15	<b>Edison ID</b>		
<b>Contractor Legal Entity Name</b> KINGSPORT CITY SCHOOLS			<b>Edison Vendor ID</b> 1562		
<b>Subrecipient or Vendor</b> <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Vendor		<b>CFDA #</b> 84.002			
<b>Service Caption (one line only)</b> TO PROVIDE ADULT EDUCATION TO PROGRAM PARTICIPANTS					
<b>Funding</b>					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
15	\$38,569.38	\$192,800.62			\$231,370.00
<b>TOTAL:</b>	\$38,569.38	\$192,800.62			\$231,370.00
<b>American Recovery and Reinvestment Act (ARRA) Funding:</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO					
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.			OCR USE - GG		
<b>Speed Chart (optional)</b>		<b>Account Code (optional)</b>			

**GRANT CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT  
AND  
KINGSPORT CITY SCHOOLS**

This Grant Contract, by and between the State of Tennessee, Department of Labor and Workforce Development, hereinafter referred to as the "State" and Kingsport City Schools, hereinafter referred to as the "Grantee," is for the provision of Adult Education Services, as further defined in the "SCOPE OF SERVICES."

Grantee Edison Vendor ID: 1562

**A. SCOPE OF SERVICES:**

A.1. The Grantee shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Grant Contract.

A.2. The Grantee agrees to provide the program indicated and described below:

An Adult Education (AE) Program and other related services according to the provisions of the Workforce Investment of 1998 (Title II Adult Education and Family Literacy Act), to include basic skills instruction in reading, writing and math, GED preparation, English for Speakers of Other Languages (ESOL), Family Literacy, Workplace Education including problem-solving, teamwork, and critical thinking skills needed for the workplace.

The Division of Adult Education has targeted for services the least educated and most in need. Within this group are several target populations:

- those lacking a high school diploma;
- disadvantaged students, including individuals with multiple barriers to educational enhancement, employment and self-sufficiency; such as those who are or have been low income, incarcerated, single parents and displaced homemakers;
- individuals with limited English language proficiency; and individuals with disabilities

The number and kind of classes offered by the Grantee will be determined by the needs of the service area. Some areas will have large numbers of ESOL populations to serve: Others may only have enough for one class to be established. Classes will be scheduled and designed based on the needs of the grantee's community, each of which is unique in the demographic make-up of those who qualify for AE services in the areas of:

- Basic skills upgrades – for those individuals who lack mastery of reading, writing, and/or math under a 12.9 grade level equivalency;
- GED preparation classes for those who lack a high school diploma – these classes will concentrate on the content areas of the GED exam including Language Arts Reading, Language Arts Writing (includes essay writing), Mathematics, Science and Social Studies;
- English for Speakers of Other Languages (ESOL) (for those individuals whose native language is a language other than English) classes for the purpose of increasing reading, writing and speaking skills in English;
- Basic computer instruction in order for individuals to become proficient in the use of educational software to enhance direct instruction in any of the classes listed above;
- Any employability skill that can be integrated into one of the classes listed above at the request of a specific employer.

A.3. The Grantee agrees to adhere to the following guidelines while providing the aforementioned program:

- a. The Grantee must have access to copies of the Workforce Investment Act, State Plan, Policy, Manual, and other documents and publications referencing state laws, regulations, policies, and guidelines. Lack of access to pertinent documents does not constitute grounds for deviation from established, rules, regulations or requirements.
- b. The Grantee shall comply with applicable federal and state laws, regulations, policies and guidelines in accordance with the federal Workforce Investment Act.
- c. The Grantee shall ensure that auditable and adequate records are maintained which support the expenditure of all funds received through the contract with the Division of Adult Education.
- d. The Grantee shall maintain its books of account in accordance with Adult Education guidelines and sound accounting practices according to EDGAR (Education Department General Administrative Regulations).
- e. All paid teaching personnel must have a minimum of a Bachelor's Degree. Any exceptions must be cleared through the Division of Adult Education. Approval must be kept on file. Full-time instructors are reimbursed according to the 2011-2012 Division of Adult Education Salary Schedule for a teaching position. Local funding supplements the remaining salary package.
- f. The Grantee will employ a Supervisor/Coordinator/Director to coordinate the Adult Education Program. The minimum education requirement for an AE Supervisor is a Bachelor's Degree. Additional job qualifications for the supervisor's position, are available in the current Tennessee Adult Education Administrator's Handbook. For Local Education Agencies (LEA), this position must be paid according to the 2011-2012 Division of Adult Education Salary Schedule for Teachers. Supervisors who have a Master's Degree in Administration and Supervision, or a related field approved by the Division of Adult Education, with permission from the local system, may be paid according to the 2011-2012 Division of Adult Education Salary Schedule for Supervisors. Local funding supplements the remaining salary package. For those outside LEA, i.e. community colleges, technology centers, community or private organizations, the state portion of the salary for the position must not exceed the 2011-2012 Division of Adult Education Salary Schedule for Teachers or, if qualified, the Salary Schedule for Supervisors. Local funding supplements the remaining salary package if applicable.
- g. All duties and responsibilities of state-funded Adult Education positions must be dedicated to Adult Education and Literacy activities. (*The Workforce Investment Act precludes AE funds from being used for any other activities such as, but not limited to, GED Option, Adult High School, K-12, etc. If duties other than Adult Education are assigned, the salary will be pro-rated with AE paying only for the portion of time actually spent carrying out Adult Education activities.*)
- h. Paraprofessional/clerical staff shall be paid at the same rate as other paraprofessional/clerical staff in the system with similar duties, education, and years of experience. Under no circumstances shall the rate of pay exceed the hourly rate for Adult Education instructors and/or the state portion of a beginning teachers' salary as listed in the 2011-2012 Division of Adult Education Salary Schedule.
- i. Funds for grants will be used to supplement, and not supplant, the amount of state and local funds available for uses specified in the Workforce Investment Act.
- j. Reimbursement for Staff Development activities are determined by the approved Staff Development Worksheet.
- k. The Grantee shall submit all reports, surveys, forms, requests for information, and online data for the Consolidated Management Activity Tracking System (CMATS) on or before the established due date, or as requested by the Division of Adult Education.
- l. The Grantee agrees to abide by all security measures for CMATS as outlined in the Tennessee Adult Education Administrator's Handbook and acceptable use policy network access rights and obligations.
- m. The Grantee agrees to provide suitable space and/or facilities for the local Adult Education program. If the space and/or facilities provided by the local Adult Education program are not deemed suitable by the Division of Adult Education, the Grantee will be responsible for securing alternative space and/or facilities. Suitable space is defined as

- no less than what is required for a high school or TBR setting. If facilities are not suitable, a letter will be sent to the Director/President. The Grantee will then be given 6 months to secure suitable space.
- n. Programs will not be established for religious or sectarian instruction.
  - o. The local AE Program will provide classes year round. Small programs (tiers 1 & 2) must have at least one class during summer months. Larger programs must have multiple classes to serve the needs in the community.
  - p. Information will be sent from the Division of Adult Education via email. It is the Grantee's responsibility to notify the AE Division when technology problems interfere with the receipt of email. Information will then be faxed until the technology problem is corrected.
  - q. The grantee agrees to attend state-sponsored supervisor/teacher training as appropriate and/or required, including, but not limited to: Supervisors' Leadership Summit, regional meetings and/or teleconferences, and the Academy for Instructional Excellence. If attendance at meetings is not possible, the individual is responsible for all information present.
  - r. All staff will attend training as appropriate and necessary to meet technology and reporting needs including, but not limited to CMATS.
  - s. The grantee will develop and/or strengthen coordinating linkages with the following:
    - Business and Industry – Ongoing and new partnerships with Business and Industry will be established to meet the needs of the workforce through Quality Management (using Baldrige and Tennessee Center for Performance Excellence TNCPE), ESOL, basic skills upgrades, and GED test preparation.
    - Advisory Council – A volunteer organization will be established, or will continue, to involve the community with AE activities, to provide support for all literacy activities, and to raise community awareness of local AE program activities.
    - Career Centers – Partnerships with existing or new affiliate Career Centers will be established based on the needs of the local community.
    - Others – To assure the maximum use of funds and to avoid duplication of services, the Grantee will partner with other education programs, community services and human resource agencies.
  - t. Professional development activities for all local program managers and instructional personnel coordinated with the University of Tennessee Center for Literacy Studies and meeting all state and federal requirements. These activities are designed to enhance the local program management and instructional components in order to keep current with national trends and standards;
  - u. Participation in a lay-advisory adult literacy council to provide support for the local Adult Education program;
  - v. The Grantee will comply with all applicable accountability and reporting requirements specified by the State and under all applicable laws, rules, regulations and instructions;
  - w. The Grantee agrees to provide a final report of activities including information indicated below for the purpose of determining adequate and successful performance in compliance with program goals and objectives. This data will be used to develop and in comparison with a statewide baseline of acceptable performance standards.
    - the percentage of participants demonstrating improvements in literacy skill levels in reading, writing, and speaking the English language, numeracy problem-solving, English language acquisition, and other literacy skills.;
    - the percentage of participants placement in, retention in, or completion of post-secondary education, training, unsubsidized employment or career advancement;
    - the percentage of participants receiving a secondary school diploma or its recognized equivalent;
    - the percentage of participants who start, but do not complete the program
 Performance standards will be expressed in objective, quantifiable and measurable forms that are tied to state goals and National Reporting System (NRS) guidelines and measure progress toward achievement of the participant's stated goal(s).

The Grantee agrees to a separate approved budget for each program and further agrees all funds budgeted and expended for the different programs shall be accounted for separately and not commingled.

- A.4. Program Assurances: The Grantee agrees to comply with all of the Program Assurances detailed in Attachment C of this Contract. The State reserves the right to cancel the Contract within thirty (30) days written notice if any of the attached Program Assurances are not followed.

**B. CONTRACT PERIOD:**

This Grant Contract shall be effective for the period beginning July 1, 2014, and ending on June 30, 2015. The Grantee hereby acknowledges and affirms that the State shall have no obligation for Grantee services or expenditures that were not completed within this specified contract period.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Two Hundred Thirty-One Thousand Three Hundred Seventy Dollars (\$231,370.00). The Grant Budget, attached and incorporated hereto as Attachment A and B, shall constitute the maximum amount due the Grantee for all service and Grantee obligations hereunder. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.
- C.2. Compensation Firm. The maximum liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in section C.6.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. Upon progress toward the completion of the work, as described in section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

220 French Landing Drive, 4-A, Nashville, TN 37243-1002

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).
- (1) Invoice/Reference Number (assigned by the Grantee).
  - (2) Invoice Date.
  - (3) Invoice Period (to which the reimbursement request is applicable).
  - (4) Grant Contract Number (assigned by the State).
  - (5) Grantor: Labor and Workforce Development, Adult Education Division.
  - (6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).
  - (7) Grantee Name.

- (8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.
- (9) Grantee Remittance Address.
- (10) Grantee Contact for Invoice Questions (name, phone, and/or fax).
- (11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:
  - i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).
  - ii. The amount reimbursed by Grant Budget line-item to date.
  - iii. The total amount reimbursed under the Grant Contract to date.
  - iv. The total amount requested (all line-items) for the Invoice Period.

b. The Grantee understands and agrees to all of the following.

- (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.
- (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
- (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.

C.6. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may vary from a Grant Budget line-item amount by up to twenty percent (20%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant Contract amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Contract.

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

- a. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet said requirement.
  - i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant contract with the state of Tennessee.
  - ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the Grant Budget column "Grant Contract," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted
- b. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract

(including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund the difference to the State. The Grantee shall submit said refund with the final grant disbursement reconciliation report.

- c. The State shall not be responsible for the payment of any invoice submitted to the state after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
  - d. The Grantee's failure to provide a final grant disbursement reconciliation report to the state as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the state pursuant to this Grant Contract.
  - e. The Grantee must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.
- C.8. Indirect Cost. Should the Grantee request reimbursement for indirect cost, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency and the State. The Grantee will be reimbursed for indirect cost in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the contract period. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency and the State. If the indirect cost rate is provisional during the period of this agreement, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.
- C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the contract period.
- C.10. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any reimbursement, invoice, or matter in relation thereto. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.
- C.11. Unallowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment theretofore made, which are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, not to constitute allowable costs.
- C.12. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Grantee under this or any contract between the Grantee and the State of Tennessee any amounts, which are or shall become due and payable to the State of Tennessee by the Grantee.
- C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following documentation properly completed.
- a. The Grantee shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Grantee acknowledges and agrees that, once said form is received by the State, all



payments to the Grantee, under this or any other contract the Grantee has with the State of Tennessee shall be made by Automated Clearing House (ACH).

- b. The Grantee shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The taxpayer identification number detailed by said form must agree with the Federal Employer Identification Number or Social Security Number referenced in this Grant Contract or the Grantee's Tennessee Edison Registration.

**D. STANDARD TERMS AND CONDITIONS:**

- D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Chief Procurement Officer, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.2. Modification and Amendment. Except as specifically provided herein, this Grant Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Chief Procurement Officer, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.3. Termination for Convenience. The State may terminate this Grant Contract without cause for any reason. Said termination shall not be deemed a breach of contract by the State. The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service which has not been rendered. The final decision as to the amount, for which the State is liable, shall be determined by the State. Should the State exercise this provision, the Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract in a timely or proper manner, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate the Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Grant Contract by the Grantee.
- D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Grantee in connection with any work contemplated or performed relative to this Grant Contract.
- D.7. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:

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

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, *U.S. Code*.

- D.8. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Grantee shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.9. Public Accountability. If the Grantee is subject to *Tennessee Code Annotated*, Title 8, Chapter 4, Part 4, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program, and the Grantee shall display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least twelve inches (12") in height and eighteen inches (18") in width stating:  
  
NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454
- D.10. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee shall include the statement, "This project is funded under an agreement with the State of Tennessee." Any such notices by the Grantee shall be approved by the State.
- D.11. Licensure. The Grantee and its employees and all sub-grantees shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.

- D.12. Records. The Grantee (and any approved subcontractor) shall maintain documentation for all charges under this Contract. The books, records, and documents of the Grantee (and any approved subcontractor), insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the state agency, the Comptroller of the Treasury, or duly appointed representatives. The records of not-for-profit entities shall be maintained in accordance with the *Accounting and Financial Reporting for Not-for-Profit Recipients of Grant Funds in Tennessee*, published by the Tennessee Comptroller of the Treasury and found at <http://www.comptroller1.state.tn.us/ma/finreptmanual.asp>. The records for local governments shall be maintained in accordance with the *Internal Control and Compliance Manual for Tennessee Municipalities*, published by the Tennessee Comptroller of the Treasury and found at <http://www.comptroller1.state.tn.us/ma/citymanual.asp> and in accordance with GFOA's publication, *Governmental Accounting, Auditing and Financial Reporting*.
- D.13. Prevailing Wage Rates. All grants and contracts for construction, erection, or demolition or to install goods or materials that involve the expenditure of any funds derived from the State require compliance with the prevailing wage laws as provided in *Tennessee Code Annotated*, Section 12-4-401 *et seq.*
- D.14. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.15. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.16. Annual Report and Audit. The Grantee shall prepare and submit, within nine (9) months after the close of the reporting period, an annual report of its activities funded under this Grant Contract to the commissioner or head of the Granting agency, the Tennessee Comptroller of the Treasury, and the Commissioner of Finance and Administration. The annual report for any Grantee that receives five hundred thousand dollars (\$500,000) or more in aggregate federal and state funding for all its programs shall include audited financial statements. 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 Grantee may, with the prior approval of the Comptroller, engage a licensed independent public accountant to perform the audit. The audit contract between the Grantee and the licensed independent public accountant shall be on a contract 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. The Grantee 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 Grantee shall be subject to the provisions relating to such fees contained in the prescribed contract form noted above. Copies of such audits shall be provided to the designated cognizant state agency, the State Granting Department, the Tennessee Comptroller of the Treasury, and the Department of Finance and Administration and shall be made available to the public.
- D.17. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, and/or contracted services, such procurement(s) shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall

include a written justification for such decision and non-competitive procurement. Further, and notwithstanding the foregoing, if such reimbursement is to be made with funds derived wholly or partially from federal sources, the determination of cost shall be governed by and reimbursement shall be subject to the Grantee's compliance with applicable federal procurement requirements.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

D.18. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

D.19. Independent Contractor. The parties hereto, in the performance of this Grant Contract, shall not act as employees, partners, joint venturers, 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 Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Grantee, 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.*, for causes of action sounding in tort. Further, no contract provision requiring a Tennessee political entity to indemnify or hold harmless the State beyond the liability imposed by law is enforceable because it appropriates public money and nullifies governmental immunity without the authorization of the General Assembly.

D.20. State Liability. The State shall have no liability except as specifically provided in this Grant Contract.

D.21. Force Majeure. The obligations of the parties to this Grant Contract 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, natural disasters, riots, wars, epidemics, or any other similar cause.

D.22. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract.

D.23. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.

D.24. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

D.25. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected

thereby and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.

- D.26. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Marva Doremus, Adult Education Administrator  
Tennessee Department of Labor and Workforce Development  
220 French Landing Drive  
Nashville, TN 37243-1002  
Email: marva.doremus@tn.gov  
Telephone number: 615/741-7056

The Grantee:

Dr. Lyle Ailshie, Superintendent  
Kingsport City Schools  
222 West Main Street  
Kingsport, TN 37660-3771  
Email: lailshie@k12k.com  
Telephone # 423-378-2102

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- E.3. Subject to Funds Availability. The Grant Contract 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 State reserves the right to terminate the Grant Contract upon written notice to the Grantee. Said termination shall not be deemed a breach of contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4. Charges to Service Recipients Prohibited. The Grantee shall not collect any amount in the form of fees or reimbursements from the recipients of any service provided pursuant to this Grant Contract.

- E.5. State Interest in Equipment. The Grantee shall take legal title to all equipment and to all motor vehicles, hereinafter referred to as "equipment," purchased totally or in part with funds provided under this Grant Contract, subject to the State's equitable interest therein, to the extent of its *pro rata* share, based upon the State's contribution to the purchase price. "Equipment" shall be defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds \$100.00.

As authorized by the provisions of the terms of the Tennessee Uniform Commercial Code — Secured Transaction, found at Title 47, Chapter 9 of the *Tennessee Code Annotated*, and the provisions of the Tennessee Motor Vehicle Title and Registration Law, found at Title 55, Chapter 1 of the *Tennessee Code Annotated*, an intent of this Grant document and the parties hereto is to create and acknowledge a security interest in favor of the State in the equipment and/or motor vehicles acquired by the Grantee pursuant to the provisions of this Grant document. A further intent of this Grant document is to acknowledge and continue the security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this program's prior year Grants between the State and the Grantee.

The Grantee hereto grants the State a security interest in said equipment. This agreement is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the State a security interest in said equipment. The Grantee agrees that the State may file this Grant Contract or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, the Grantee agrees to execute and deliver to the State, upon the State's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproduction of this Grant Contract in such form as the State may require to perfect a security interest with respect to said equipment. The Grantee shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the State may reasonably require. Without the prior written consent of the State, the Grantee shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment, including replacements and additions thereto. Upon the Grantee's breach of any covenant or agreement contained in this Grant Contract, including the covenants to pay when due all sums secured by this Grant Contract, the State shall have the remedies of a secured party under the Uniform Commercial Code and, at the State's option, may also invoke the remedies herein provided.

The Grantee agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Contract. The Grantee shall maintain a perpetual inventory system for all equipment purchased with funds provided under this Grant Contract and shall submit an inventory control report which must include, at a minimum, the following:

- a. Description of the equipment;
- b. Manufacturer's serial number or other identification number, when applicable;
- c. Consecutive inventory equipment tag identification;
- d. Acquisition date, cost, and check number;
- e. Fund source, State grant number, or other applicable fund source identification;
- f. Percentage of state funds applied to the purchase;
- g. Location within the Grantee's operations where the equipment is used;
- h. Condition of the property or disposition date if Grantee no longer has possession;
- i. Depreciation method, if applicable; and
- j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment with an identification number which is cross referenced to the

equipment item on the inventory control report. The Grantee shall inventory equipment annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment purchased with funding through this contract within thirty (30) days of the Grant Contract end date and in form and substance acceptable to the State. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the State, in writing, of any equipment loss describing reason(s) for the loss. Should the equipment be destroyed, lost, or stolen, the Grantee shall be responsible to the State for the *pro rata* amount of the residual value at the time of loss based upon the State's original contribution to the purchase price.

Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant Contract, the Grantee shall request written approval from the State for any proposed disposition of equipment purchased with Grant funds. All equipment shall be disposed of in such a manner as parties may agree from among alternatives approved by Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

- E.6. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Grantee by the State or acquired by the Grantee on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Grantee to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Grantee's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Grantee of this Grant Contract; previously possessed by the Grantee without written obligations to the State to protect it; acquired by the Grantee without written restrictions against disclosure from a third party which, to the Grantee's knowledge, is free to disclose the information; independently developed by the Grantee without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Grantee to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Grant Contract.

- E.7. Printing Authorization. The Grantee agrees that no publication coming within the jurisdiction of *Tennessee Code Annotated*, Section 12-7-101, *et seq.*, shall be printed pursuant to this contract unless a printing authorization number has been obtained and affixed as required by *Tennessee Code Annotated*, Section 12-7-103 (d).

- E.8. State Furnished Property. The Grantee shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible, personal property furnished by the State for the Grantee's temporary use under this Grant Contract. Upon termination of this Grant Contract, all property furnished shall be returned to the State in good order and condition as when received, reasonable use and wear thereof excepted. Should the property be destroyed, lost, or

stolen, the Grantee shall be responsible to the State for the residual value of the property at the time of loss.

- E.9. Work Papers Subject to Review. The Grantee shall make all audit, accounting, or financial analysis work papers, notes, and other documents available for review by the Comptroller of the Treasury or his representatives, upon request, during normal working hours either while the analysis is in progress or subsequent to the completion of this Grant Contract.
- E.10. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract.
- E.11. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Grantee shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

- E.12. Disclosure of Personal Identity Information. The Grantee shall report to the State any instances of unauthorized disclosure of confidential information that come to the attention of the Grantee. Any such report shall be made by the Grantee within twenty-four (24) hours after the instance has come to the attention of the Grantee. The Grantee, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals that are deemed to be part of a potential disclosure. The Grantee shall bear the cost of notification to individuals having personal identity information involved in a potential disclosure event, including individual letters and/or public notice.
- E.13. Federal Funding Accountability and Transparency Act (FFATA). This Grant requires the Grantee to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Grantee is responsible for ensuring that all applicable requirements,



including but not limited to those set forth herein, of FFATA are met and that the Grantee provides information to the State as required.

The Grantee shall comply with the following:

a. Reporting of Total Compensation of the Grantee's Executives.

- (1) The Grantee shall report the names and total compensation of each of its five most highly compensated executives for the Grantee's preceding completed fiscal year, if in the Grantee's preceding fiscal year it received:
  - i. 80 percent or more of the Grantee's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and sub awards); and
  - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and sub awards); and
  - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>).

Executive means officers, managing partners, or any other employees in management positions.

- (2) Total compensation means the cash and noncash dollar value earned by the executive during the Grantee's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
  - i. Salary and bonus.
  - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
  - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
  - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
  - v. Above-market earnings on deferred compensation which is not tax qualified.
  - vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

- b. The Grantee must report executive total compensation described above to the State by the end of the month during which this Grant is awarded.
- c. If this Grant is amended to extend its term, the Grantee must submit an executive total compensation report to the State by the end of the month in which the amendment to this Grant becomes effective.

- d. The Grantee will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this Grant. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>

The Grantee's failure to comply with the above requirements is a material breach of this Grant for which the State may terminate this Grant for cause. The State will not be obligated to pay any outstanding invoice received from the Grantee unless and until the Grantee is in full compliance with the above requirements.

**IN WITNESS WHEREOF,**

**KINGSPORT CITY SCHOOLS:**

   
\_\_\_\_\_  
**GRANTEE SIGNATURE** **DATE**

**Dr. Lyle Ailshie, Superintendent**

**PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)**

**DUNS- 100073030**

**DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT:**

\_\_\_\_\_  
**Burns P. Phillips III, Commissioner**

**DATE**

**ATTACHMENT A**

<b>GRANT BUDGET</b>				
<b>Adult Education Services for KINGSPORT CITY SCHOOLS - 626000323</b>				
<b>The grant budget line-item amounts below shall be applicable only to expense incurred during the following</b>				
<b>Applicable Period:</b>		<b>BEGIN: 7/1/2014</b>	<b>END: 06/30/2015</b>	
<b>POLICY 03 Object Line-Item Reference</b>	<b>EXPENSE OBJECT LINE-ITEM CATEGORY <sup>1</sup></b>	<b>GRANT CONTRACT</b>	<b>GRANTEE MATCH</b>	<b>TOTAL PROJECT</b>
1. 2	Salaries, Benefits & Taxes	205119.00	0.00	205119.00
4. 15	Professional Fee, Grant & Award <sup>2</sup>	0.00	0.00	0.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	16242.00	0.00	16242.00
11. 12	Travel, Conferences & Meetings	2595.00	0.00	2595.00
13	Interest <sup>2</sup>	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation <sup>2</sup>	0.00	0.00	0.00
18	Other Non-Personnel <sup>2</sup>	0.00	0.00	0.00
20	Capital Purchase <sup>2</sup>	100.00	0.00	100.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
n/a	Grantee Match Requirement (for any amount of the required Grantee Match that is <u>not</u> specifically delineated by budget line-items above)	0.00	22,405.60	22,405.60
25	<b>GRAND TOTAL</b>	<b>224,056.00</b>	<b>22,405.60</b>	<b>246,461.60</b>

<sup>1</sup> Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A*. (posted on the Internet at: <http://www.state.tn.us/finance/act/documents/policy3.pdf>).

<sup>2</sup> Applicable detail follows this page if line-item is funded.

<sup>3</sup> A Grantee Match Requirement is detailed by this Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the "Grant Contract" column above, shall be reduced by the amount of any Grantee failure to meet the Match Requirement.

**Program Name: Kingsport City Schools**

**Budget Line Item Detail**

Capital Purchase		Amount
Printer and Supplies		\$100.00
Total		\$100.00

**ATTACHMENT B**

<b>GRANT BUDGET</b>				
<b>Staff Development for KINGSPORT CITY SCHOOLS - 626000323</b>				
<b>The grant budget line-item amounts below shall be applicable only to expense incurred during the following</b>				
<b>Applicable Period:</b>		<b>BEGIN: 7/1/2014</b>	<b>END: 06/30/2015</b>	
<b>POLICY 03 Object Line-Item Reference</b>	<b>EXPENSE OBJECT LINE-ITEM CATEGORY <sup>1</sup></b>	<b>GRANT CONTRACT</b>	<b>GRANTEE MATCH</b>	<b>TOTAL PROJECT</b>
1, 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4, 15	Professional Fee, Grant & Award <sup>2</sup>	0.00	0.00	0.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
11, 12	Travel, Conferences & Meetings	7,314.00	0.00	7,314.00
13	Interest <sup>2</sup>	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation <sup>2</sup>	0.00	0.00	0.00
18	Other Non-Personnel <sup>2</sup>	0.00	0.00	0.00
20	Capital Purchase <sup>2</sup>	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
n/a	Grantee Match Requirement (for any amount of the required Grantee Match that is <u>not</u> specifically delineated by budget line-items above)	0.00	731.40	731.40
25	<b>GRAND TOTAL</b>	<b>7,314.00</b>	<b>731.40</b>	<b>8,045.40</b>

<sup>1</sup> Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A*. (posted on the Internet at: <http://www.state.tn.us/finance/act/documents/policy3.pdf>).

<sup>2</sup> Applicable detail follows this page if line-item is funded.

<sup>3</sup> A Grantee Match Requirement is detailed by this Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the "Grant Contract" column above, shall be reduced by the amount of any Grantee failure to meet the Match Requirement.

**2014-2015  
Program Assurances  
Division of Adult Education**

**The State reserves the right to cancel the contract within 30 days with written notice if any of the following program assurances are not followed:**

1. The Grantee must have access to copies of and comply with all policies and procedures in the Workforce Investment Act, State Plan, Division of Adult Education Administrator's Handbook, and other documents and publications referencing state laws, regulations, policies, and guidelines. Lack of access to pertinent documents does not constitute grounds for deviation from established, rules, regulations or requirements.
2. The person signing and executing all cooperative agreements with the Division of Adult Education warrants and guarantees that he/she has been fully authorized to execute cooperative agreements to bind the contractor to all terms, conditions, performance, and provisions.
3. Funds received as a result of cooperative agreements with the Division of Adult Education may be expended only for purposes permitted under the provisions outlined in the current version of the Tennessee Adult Education Administrator's Handbook. A cash or in-kind match of 10 % is required. Reimbursement is made for services rendered.
4. All paid teaching personnel must have a minimum of a Bachelor's Degree with a Tennessee Teacher's License. Any exceptions to the licensure requirement must be approved by the Division of Adult Education and approval must be kept on file. Full-time instructors are reimbursed according to the 2012-2013 Division of Adult Education Salary Schedule for a teaching position. Local funding supplements the remaining salary package. Teachers paid hourly will be reimbursed \$20/hour, not to exceed the salary of a full-time teaching position with similar educational credentials, years of service and assigned duties.
5. The Grantee will employ a Supervisor/Coordinator/Director to coordinate the Adult Education Program. The minimum education requirement for an AE Supervisor is a Bachelor's Degree. Additional job qualifications for the supervisor's position are available in the current Tennessee Adult Education Administrator's Handbook.
6. The Division of Adult Education reserves the right to request a change in supervisory personnel due to a lack of performance, failure to meet program needs, nonprofessional conduct, not meeting contractual obligations or other reasons deemed relevant and appropriate by the Division. A failure to comply with such request on the part of the grantee could result in termination of the contract.

7. The local program manager/coordinator/supervisor position will be paid according to the local salary schedule based on degree and years of experience. Eligible organizations that do not have an established salary schedule based on degree and years of experience will be paid at the agency's rate or at a rate comparable with other supervisory staff in the agency with similar duties, education, and years of experience.
8. Paraprofessional/clerical staff shall be paid at the same rate as other paraprofessional/clerical staff in the system with similar duties, education, and years of experience. The rate of pay should not exceed the hourly rate for Adult Education instructors. Any exceptions must be approved by the Division of Adult Education. Documentation must be provided and approval must be kept on file by the local program.
9. The Grantee shall submit reimbursement requests monthly to the Division of Adult Education by the 15th of the following month for prior month's expenses. The amount claimed must be documented by actual paid receipts, timesheets, travel sheets, or other appropriate documentation. The grantee will receive reimbursement for actual allowable and reasonable expenditures incurred not to exceed the amount of the approved budget.
10. The Grantee shall submit quarterly reports for the prior quarter by October 15, January 15, April 15, and June 30 as part of the contract close-out package.
12. Falsification of any required documentation or report may be grounds for immediate termination of the grant contract and/or return of grant funds.
13. The Grantee will comply with all Tennessee Adult Education Program Standards.

**The Grantee realizes that failure to comply fully with the items in Program Assurances may result in a loss of funding.**



AGENDA ACTION FORM

**Consideration of a Resolution to Donate Funds to KEDB for Economic Development Purposes**

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

Action Form No.: AF-202-2014  
Work Session: July 14, 2014  
First Reading: N/A

Final Adeption: July 15, 2014  
Staff Work By: J. Smith  
Presentation By: Jeff Fleming

**Recommendation:**

Approve the resolution.

**Executive Summary:**

During the FY15 budget process, the BMA approved a \$25,000 contribution for Kingsport Deals. The contribution will be paid to KEDB as a donation for Kingsport Deals.

Kingsport Deals promotes shopping in Kingsport throughout the region.

**Attachments:**

- 1. Resolution

Funding source appropriate and funds are available: \_\_\_\_\_

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



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

A RESOLUTION APPROVING A CONTRIBUTION TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT, TENNESSEE FOR ECONOMIC DEVELOPMENT (KEDB) AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, the city manager has requested approval of a potential contribution to the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) for economic development, industrial development, or both of up to twenty-five thousand dollars (\$25,000.00); and

WHEREAS, the funds will be used to assist KEDB for economic development, industrial development, or both; and

WHEREAS, Tenn. Code Ann. § 6-54-118 authorizes a municipality to make such a contribution to an industrial development corporation, such as KEDB; and

Now therefore,

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

SECTION I. That the board finds that the contribution of twenty-five thousand (\$25,000.00) pursuant to this resolution to the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) is for the purpose of economic development, industrial development, or both, is for a public purpose, and is in the public interest and will promote the health, safety and prosperity of the citizens of the city and accordingly, the contribution is approved.

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

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

ADOPTED this the 15th day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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



**AGENDA ACTION FORM**

**Consideration of a Resolution Repealing Resolution No. 2014-158 and Adopting a Resolution Approving an Agreement with the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) for a Contribution for Economic or Industrial Development**

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

Action Form No.: AF-205-2014  
 Work Session: July 14, 2014  
 First Reading: N/A

Final Adoption: July 15, 2014  
 Staff Work By: Chris McCartt  
 Presentation By: Jeff Fleming

**Recommendation:**

Approve the resolution.

**Executive Summary**

The board adopted Resolution No. 2014-158 on April 1, 2014, approving a contribution agreement with KEDB for economic or industrial development. Since that time additional terms need to be included in the agreement. So, it is recommended to repeal Resolution No. 2014-158 and adopt a new resolution with the terms of the agreement included.

The Industrial Development Board of the City of Kingsport, Tennessee (KEDB) would like to purchase the former National Guard Amory property from the State of Tennessee, which is approximately 14.5 acres, for economic or industrial development.

KEDB has requested assistance from the city in the form of contributions for the purchase and development of the property. Accordingly, the city will enter into an agreement, the form of which is set out in the attached resolution, for the purpose of contributing to KEDB for economic or industrial development purposes for up to ten years beginning in 2014. This will enable KEDB, if needed, to pay its debt service for the purchase of the property for economic or industrial development use. KEDB will obtain a low interest loan for the property, which will be fixed rate of 2.85% for five years and thereafter at a rate equal to the Federal Home Loan Bank 5 year Fixed Rate Advance plus 160 basis points for the last five years. For the first five years the interest due will be \$17,100 per year, payable in quarter-annual payments of \$4,275 each.

The total contribution could amount to up to approximately \$650,000 dollars plus the interest and closing costs on the loan. The contribution will be reduced by the proceeds received by KEDB for any lease or sale of any part of the property, which proceeds will be applied to the principal and interest of the loan.

**Attachments:**

- Resolution

Funding source appropriate and funds are available: \_\_\_\_\_

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

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

A RESOLUTION TO REPEAL RESOLUTION NO. 2014-158 AND TO ADOPT IN ITS PLACE A RESOLUTION TO APPROVE AN AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT, TENNESSEE (KEDB) FOR A CONTRIBUTION FOR ECONOMIC DEVELOPMENT; TO AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT; TO AUTHORIZE THE MAYOR TO MAKE CERTAIN CHANGES TO THE AGREEMENT, IF NECESSARY; TO AUTHORIZE THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; TO EXPRESS THE INTENT OF THE BOARD TO ESTABLISH ONE OR MORE PROJECT ACCOUNTS IN AN ORDINANCE APPROPRIATING FUNDS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION, AND TO FIX THE EFFECTIVE DATE OF THIS RESOLUTION

WHEREAS, the board adopted Resolution No. 2014-158 on April 1, 2014 approving a contribution agreement with the Industrial Development Board of the City of Kingsport, Tennessee (KEDB); and

WHEREAS, since that time additional terms need to be included in the contribution agreement; and

WHEREAS, repealing Resolution No. 2014-158 and adopting in its place this resolution is the simplest method to include the additional terms; and

WHEREAS, the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) is acquiring certain real property owned by the State of Tennessee, on West Stone Drive, which is the site of the former National Guard Amory, consisting of approximately 14.5 acres designated on the Hawkins County Tax Assessor's Tax Maps as Tax Parcel 066.00 on Map 022, City of Kingsport, 7th Civil District of Hawkins County, Tennessee (the "Property"), and to hold and develop the Property for economic or industrial development, or both, (the "Project"); and

WHEREAS, the development of the property will provide the city with increased tax receipts and will enhance the public welfare, health and safety of its citizens; and

WHEREAS, *Tenn. Code Ann.* § 6-54-118 permits a municipality to make a contribution to an industrial development corporation, such as KEDB; and

WHEREAS, KEDB represents that it has the statutory authority to borrow funds to purchase the property; and

WHEREAS, KEDB has negotiated a loan (the "Loan") with Bank of Tennessee in the principal amount of up to six hundred thousand (\$650,000) dollars, accruing interest at the rate of 2.85 percent for five years and thereafter at a rate equal to the Federal Home Loan Bank 5 year Fixed Rate Advance plus 160 basis points for the last five years on the unpaid principal balance with accrued interest being due and payable quarterly with the outstanding principal and interest being due ten years after the closing date of the loan; and

WHEREAS, if any portion of the property is sold or leased, the proceeds from such sale or lease will be applied to the principal balance owed on the Loan, and the contribution of the city will be reduced by such amount paid; and

WHEREAS, the payment of any contribution by the city to KEDB is contingent on the need of KEDB to repay the indebtedness that will be incurred by KEDB as described herein;

Now therefore,

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

SECTION I. That Resolution No. 2014-158 adopted on April 1, 2014 is repealed and this resolution is adopted in its place.

SECTION II. That the board finds that the expenditure of any funds pursuant to this resolution is for the purpose of economic development, industrial development or both, is for a public purpose, and is in the public interest and will promote the health, safety and prosperity of the citizens of the city.

SECTION III. That an agreement, generally in the form set out below, with the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) for the city to provide an annual contribution to KEDB for economic development or industrial development up to the amount required to pay interest on the Loan, which for the first five years of the Loan the interest payments will be \$17,100 per year, payable in quarterly payments of \$4,275 each, with the maximum term of ten years with a final payment on the outstanding principal and interest of up to six hundred thousand (\$650,000) dollars, is approved.

SECTION IV. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a Contribution 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, said draft of the Contribution Agreement being as follows:

#### CONTRIBUTION AGREEMENT

THIS AGREEMENT, dated as of July \_\_, 2014, is made by and between THE CITY OF KINGSPORT, TENNESSEE, a municipal corporation of the State of Tennessee ("City"), and THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT, TENNESSEE, a corporation organized under T.C.A. § 7-53-101 et seq., commonly known as the "Kingsport Economic Development Board" ("KEDB").

#### RECITALS:

- A. KEDB is acquiring certain real property owned by the State of Tennessee, which is the site of the former National Guard Amory consisting of approximately 14.5 acres designated on the Hawkins County Tax Assessor's Tax Maps as Tax Parcel 066.00 on Map 022, City of Kingsport, 7th Civil District of Hawkins County, Tennessee (the "Property"), and to hold and develop the Property for economic or industrial development, or both, (the "Project").
- B. KEDB has received a commitment from Bank of Tennessee for a loan in the principal amount of up to \$650,000 (the "Loan"), the proceeds of which will be used by KEDB to acquire the Property, with the making of the Loan conditioned upon KEDB's demonstrated ability to make the payments of interest and principal as due from time to time under the Loan.

C. To assist KEDB in economic development or industrial development the Board of Mayor and Aldermen of the City has adopted Resolution No. 20\_\_-\_\_\_\_ whereby the City will, if needed, make certain payments for up to ten years as economic development or industrial development contributions to KEDB, as set out herein.

D. The parties desire to execute this Contribution Agreement to satisfy the conditions of the Resolution and to document the terms and conditions upon which the City will perform its economic development or industrial development contribution commitments for the benefit of KEDB.

NOW, THEREFORE, in consideration of the foregoing premises, and in consideration of the parties' mutual covenants and undertakings set forth herein below, the City and KEDB do hereby mutually agree and contract with each other as follows:

1. Acquisition of Property. KEDB will acquire fee simple marketable title to the Property from the State of Tennessee.

2. Financing of Acquisition and Development of Property. KEDB will obtain a Loan from Bank of Tennessee and use the proceeds of the Loan to acquire the Property for economic or industrial purposes in Kingsport.

3. Contribution Commitments by the City of Kingsport. To support KEDB's acquisition of the Property and its ability to pay the debt service due under the Loan, the City hereby agrees to provide economic development or industrial development contributions to KEDB, for a period of up to ten (10) years beginning with the City's 2014-2015 fiscal year, such contributions to be in the form of quarterly contributions equal to the interest due on Loan, which interest payments for the first five years will be \$17,100 per year, payable in quarterly payments of \$4,275 each, and the interest rate will float for the remaining five years. The first such contribution to be made on or before \_\_\_\_\_, 2014 and subsequent contributions to be made on or before each succeeding quarter through \_\_\_\_\_ 1, 2024, if needed. KEDB agrees to use such economic development or industrial development contributions to pay the interest and principal payments due under the Loan from time to time. KEDB shall use all net proceeds realized from the sale of all or any portion of the Property to repay principal due under the Loan, and KEDB shall use all net proceeds realized from the lease of all or any portion of the Property to pay the interest and principal payments due under the Loan from time to time. In the event a principal balance remains outstanding under the Loan at maturity, the City shall either: (i) purchase the Property (or the balance of the Property) from KEDB for a purchase price equal to the outstanding principal balance and any accrued interest then owing on the Loan, or (ii) provide an economic development or industrial development contribution to KEDB in an amount sufficient to pay the outstanding principal balance and any remaining accrued interest then owed on the Loan. In either event, KEDB shall use such funds to retire the remaining balance of the Loan in full.

4. Security Interest and Pledge. The City acknowledges and agrees that KEDB is entitled to assign, pledge and grant a security interest in its rights under this Agreement to Bank of Tennessee as collateral for the Loan, and the City further agrees that Bank of Tennessee, as the assignee, pledgee and holder of such security interest, shall be entitled to enforce KEDB's rights under this Agreement and to apply the monies payable by the City under this Agreement toward the monies due under the Loan from time to time. In the event there is a default under the Loan, and upon written notice by Bank of Tennessee to the City that such default has occurred, the City is authorized and directed to make the payments due under this Agreement directly to Bank of Tennessee Bank. KEDB and the City each agree that Bank of Tennessee is an intended third party beneficiary of this Agreement and, upon its exercise of its rights, shall be entitled to enforce all of KEDB's rights under this Agreement and to apply the proceeds so realized to satisfy the indebtedness under the Loan.

5. Property Development. From and after the date of this Agreement, KEDB will use its best efforts to promote the development of the Property for economic or industrial development purposes.

6. No Personal Liability. No member, director, officer, commissioner, elected representative, or employee, past, present or future, of the City, or KEDB, or any successor body, shall have any personal liability for the performance of any obligations of the City or KEDB, respectively, under this Agreement.

7. Applicable Law. This Agreement is made as a Tennessee contract and shall be construed and applied according to the laws of the State of Tennessee.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their respective duly authorized representatives as of the date first written hereinabove.

[Acknowledgements deleted for purposes of inclusion in 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 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 VI. That to carry out the funding of this agreement it is the intent of the board to establish one or more project accounts and to fund such project account(s) the city manager is directed to authorize and establish such project account(s) and proposed funds for such account or accounts.

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

ADOPTED this the 15th day of July, 2014.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

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

APPROVED AS TO FORM:

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