



BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING AGENDA

Tuesday, August 05, 2025 at 7:00 PM

City Hall, 415 Broad Street, Montgomery-Watterson Boardroom

Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding
Vice Mayor Darrell Duncan
Alderman Morris Baker
Alderman Betsy Cooper

Alderman Colette George
Alderman Gary Mayes
Alderman James Phillips

Leadership Team

Chris McCartt, City Manager
Michael Borders, Assistant City Manager
Bart Rowlett, City Attorney
Travis Bishop, City Recorder
John Morris, Budget Director
Jerry DeBerry, Fire Chief

Ryan McReynolds, Deputy City Manager
Jessica Harmon, Assistant City Manager
Tyra Copas, Human Resources Director
Jason Bellamy, Police Chief
Adrienne Batara, Public Relations Director
Floyd Bailey, Chief Information Officer

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE TO THE FLAG

III. INVOCATION

1. Pastor Jason Mullins, Pactolus & St. Mark United Methodist Churches

IV. ROLL CALL

V. RECOGNITIONS AND PRESENTATIONS

VI. COMMENT

Citizens may speak on agenda items and 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. A total of thirty minutes is allocated for public comment.

VII. APPOINTMENTS

1. Consideration of Appointment to the Parks and Recreation Advisory Committee (AF-217-2025)
(Mayor Montgomery)

VIII. APPROVAL OF MINUTES

1. July 14, 2025 - Work Session
2. July 15, 2025 - Business Meeting

IX. BUSINESS MATTERS REQUIRING FIRST READING AND/ OR PUBLIC HEARINGS

1. Consideration of a Budget Adjustment Ordinance for Various Funds in FY25 (AF-222-2025)
(Chris McCartt)
2. Consideration of a Budget Adjustment Ordinance for Various Funds in FY26 (AF-223-2025)
(Chris McCartt)

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Consideration of a Budget Adjustment Ordinance for Various Funds in FY2025 (AF-176-2025)
(Chris McCartt)
2. Consideration of an Ordinance to Amend Zoning of Tax Map 046B, Parcel 013.00 and a Portion of Parcel 012.00 Located along Tyson Lane from the R-1B, Residential District to P1, Professional Offices District (AF-177-2025) (Jessica McMurray)
3. Consideration of an Ordinance to Amend Zoning Text as it Pertains to the Membership of the Board of Zoning Appeals (AF-180-2025) (Ken Weems)

XI. OTHER BUSINESS

1. Consideration of a Resolution to Amend Professional Service Agreement with CDM Smith Agreement for Forcemain Surge Analysis (AF-213-2025) (Ryan McReynolds)
2. Consideration of a Resolution to Purchase One (1) 2023 AutoCar ACX64 with New Way Body Utilizing Sourcewell Cooperative Purchasing Agreement (AF-214-2025) (Ryan McReynolds)
3. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Accept Federal and State Planning Funds from TDOT on Behalf of the Kingsport MTPO (AF-208-2025) (Ryan McReynolds)

- [4.](#) Consideration of a Resolution to Award Bid to Thomas Construction Company Inc. for 2025 Area 17 Contracted Concrete Phase 4 (AF-192-2025) (Ryan McReynolds)
- [5.](#) Consideration of a Resolution to Enter into an Agreement with Tennessee Department of Transportation for Resurfacing of Meadowview Parkway Project Pin 129800.01 and Authorizing the Mayor to Sign All Applicable Documents (AF-209-2025) (Ryan McReynolds)
- [6.](#) Consideration of a Resolution for Amendment Number 1 to Tennessee Department of Transportation Agreement for Resurfacing of Various Roads Project Pin 136057.00 and Authorizing the Mayor to Sign all Applicable Documents (AF-189-2025) (Ryan McReynolds)
- [7.](#) Consideration of a Resolution to Authorize a 3-Year Renewal of the Urban SDK Platform (AF-207-2025) (Ryan McReynolds)
- [8.](#) Consideration of a Resolution to Approve a Memorandum of Understanding with the Bays Mountain Park Resident Caretaker (AF-212-2025) (Michael T. Borders)
- [9.](#) Consideration of a Resolution to Award the Bid for Repairs and Renovations for the Kingsport Public Library to BurWil Construction, Inc. (AF-218-2025) (Michael T. Borders)
- [10.](#) Consideration of a Resolution to Award the Bid for the Purchase of Rock Salt for FY26 (AF-219-2025) (Ryan McReynolds)
- [11.](#) Consideration of a Resolution to Apply for and Accept Funding from the Tennessee Tourism Enhancement Grant (AF-210-2025) (Michael Price)
- [12.](#) Consideration of a Resolution to Enter into a Lease with the Kingsport Theatre Guild (AF-211-2025) (Michael T. Borders)

XII. CONSENT AGENDA

XIII. COMMUNICATIONS

1. City Manager
2. Mayor and Board Members

XIV. ADJOURN



AGENDA ACTION FORM

Consideration of Appointment to the Parks and Recreation Advisory Committee

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-217-2025
 Work Session: August 5, 2025
 First Reading: N/A

Final Adoption: August 5, 2025
 Staff Work By: Tyler Wicks
 Presentation By: Mayor Montgomery

Strategic Focus Area: Efficient & Responsive Government

Recommendation:

Approve the appointment

Executive Summary:

It is recommended to appoint Bryant Rutledge to the Parks and Recreation Advisory Committee due to a resignation.

If approved by the Board of Mayor and Aldermen, the recommended table reflects term dates. The committee is comprised of nine at-large members. It has been the practice to appoint members who are residents of Kingsport who represent a geographical cross section of the city. Members serve on subcommittees for various parks and recreation programs. Terms are three years with no term limit.

Current Committee:			
Member	Term Expires	No. of Terms	Eligibility
Stella Robinette	10/31/25	Fulfilling unexpired term	At-large
Bob Jack	10/31/25	5	At-large
Madison Tinch	10/31/25	Fulfilling unexpired term	At-large
Tony Williams	10/31/26	2	At-large
Patrick Potter	10/31/26	1	At-large
Carlos Carvajal	10/31/26	1	At-large
Tony Ponzio	10/31/27	1	At-large
Alan Meade	10/31/27	5	At-large
Bob Grygotis	10/31/27	1	At-large

Recommended Committee:			
Member	Term Expires	No. of Terms	Eligibility
Stella Robinette	10/31/25	Fulfilling unexpired term	At-large
Bob Jack	10/31/25	5	At-large
Madison Tinch	10/31/25	Fulfilling unexpired term	At-large
Tony Williams	10/31/26	2	At-large
Patrick Potter	10/31/26	1	At-large
Bryant Rutledge	10/31/26	Fulfilling unexpired term	At-large
Tony Ponzio	10/31/27	1	At-large
Alan Meade	10/31/27	5	At-large
Bob Grygotis	10/31/27	1	At-large

Attachments:

1. Rutledge Bio

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

Bryant Rutledge

Birthday: [REDACTED]

Innovation Project Leader and CoE Manager
Eastman Chemical
200 S Wilcox Dr,
Kingsport, TN 37662
Bryant.rutledge@eastman.com
<https://www.eastman.com>

[REDACTED]

[REDACTED]



Bryant Rutledge is a seasoned professional with a rich background in military service and manufacturing. As a Senior Circular Solutions Project Leader, he is a Certified Six Sigma Black Belt and Project Management Professional, bringing a wealth of experience to his role at Eastman.

His journey began in the United States Air Force, serving as a military police officer and achieving the rank of Staff Sergeant Select (E-5 select). His career at Kennametal was marked by continuous growth, taking on roles such as CNC Operator, Group Leader, Engineering Technician, Area Supervisor, Lead Pressing Engineer, and various interim positions. His hands-on experience in manufacturing plants has given him a comprehensive understanding of the industry.

Bryant obtained an Associate of Science in Engineering Technology from Northeast State Community College and a Bachelor of Science in Industrial Technology Engineering from East Tennessee State University. He has also attended Villanova to meet the requirements for testing for his PMP Certification, further demonstrating his commitment to professional development.

Contact Info & Biographies – Class of 2025

Bryant is married to Lindsay, a compassionate Licensed Practical Nurse (LPN) who takes great pride in caring for her patients. They have three children: Jasmine (22), Bryant Jr. (13), and Ava (9). His active involvement as a small group youth counselor and member of the praise team speaks to his commitment to service and faith.

Bryant's philosophy on life emphasizes the importance of focusing on what we can control and responding positively to the challenges we face. He believes in being the best version of ourselves every day, regardless of external perceptions. His approach to leadership and personal growth is grounded in this mindset, making him a respected figure both professionally and personally.

Community Involvement

Bryant Rutledge is actively involved in his community, contributing his time and expertise to various organizations and initiatives. He serves on the **UW Children and Youth Vision Council**, where he helps shape the future for young individuals. As the **EVETs Transition Assistant Lead**, Bryant provides guidance and support to veterans transitioning to civilian life.

His leadership skills are further showcased as the **Fun Fest Allandale Family Picnic Committee Chair** and the **Fun Fest Event Committee Chair**, where he plays a pivotal role in organizing and executing community events that bring joy and entertainment to families.

Bryant's passion for mentorship and youth development is evident in his roles as a **Small Group Leader** and **Worship Leader** at Christ Fellowship. He also dedicates his time to coaching various sports, including softball, baseball, basketball for **Kingsport Parks and Rec**, soccer for **Tri-Cities United**, and serving as an advisor for **Kingsport Tribe Football and Cheer** and the **Lynn Garden Pee Wee Football League**.

His commitment to fostering a sense of community and encouraging active participation in sports and faith-based activities makes a significant impact on the lives of many in the Kingsport area. Bryant's involvement is a testament to his belief in the power of community service and the positive influence it can have on both individuals and society as a whole.



BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, July 14, 2025 at 4:30 PM

City Hall, 415 Broad Street, Montgomery - Watterson Boardroom

Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding

Vice Mayor Darrell Duncan

Alderman Morris Baker

Alderman Betsy Cooper

Alderman Colette George

Alderman Gary Mayes

Alderman James Phillips

I. CALL TO ORDER 4:30 pm by Mayor Montgomery.

II. ROLL CALL by City Recorder Travis Bishop.

III. DISCUSSION ITEMS

1. Facade Grants - Robin Cleary

Robin Cleary gave a presentation on this item, noting it was the first time Kingsport has received the downtown improvement grant. She highlighted each of the businesses that were awarded these funds and provided details on the timeline for these projects. She also mentioned the grant money will provide wayfinding signs for parking lots in downtown.

2. Fun Fest - Emily Thompson

Emily Thompson provided information on upcoming Funfest activities, pointing out this year will be the 45th anniversary of this festival. She pointed out there are 24 new events this year and expressed appreciation for the support of the board as well as the city. She also mentioned the success of Red, White and Boom this past weekend, stating it was the most successful and well attended event so far.

IV. REVIEW OF BUSINESS MEETING AGENDA

City staff gave a summary for each item on the July 15, 2025 proposed agenda. The following items were discussed at greater length or received specific questions or concerns.

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, July 14, 2025, at 4:30 PM

Kingsport City Hall, 415 Broad Street, Boardroom

XI.5. Consideration of a Resolution to Award the Bid to GRC Civil Services for the Waterline Extension on Lynn Road (AF-202-2025) Chad Austin provided details and answered questions from Alderman George regarding construction costs and assumed water usage for this area.

XI.8. Consideration of a Resolution to Award the Bid to East Tennessee Turf and Landscape for the Gravity Sanitary Sewer Extension and Authorize the Mayor to Sign All Applicable Documents (AF-175-2025) Chad Austin provided information on the legal requirement to hook to sanitary sewer within a certain distance.

Alderman George reminded everyone to wear funfest shirts tomorrow night.

V. ITEMS OF INTEREST

1. Projects Status Report

VI. ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 5:23 p.m.

ANGELA MARSHALL
Deputy City Recorder

PAUL W. MONTGOMERY
Mayor



BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, July 15, 2025 at 7:00 PM

City Hall, 415 Broad Street, Montgomery-Watterson Boardroom

Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding

Vice Mayor Darrell Duncan

Alderman Morris Baker

Alderman Betsy Cooper

Alderman Colette George

Alderman Gary Mayes

Alderman James Phillips

City Administration

Chris McCartt, City Manager

Bart Rowlett, City Attorney

Travis Bishop, City Recorder

Angie Marshall, City Clerk/Deputy City Recorder

I. CALL TO ORDER 7:00 pm by Mayor Montgomery.

II. PLEDGE OF ALLEGIANCE TO THE FLAG led by Fire Chief DeBerry.

III. INVOCATION led by Alderman Betsy Cooper

IV. ROLL CALL by City Recorder Travis Bishop.

V. RECOGNITIONS AND PRESENTATIONS

1. Keep Kingsport Beautiful Beautification Awards - Sharon Hayes

VI. COMMENT Mayor Montgomery invited citizens in attendance to speak. The following individuals came forward and then the mayor closed the public comment section.

Brad Shaffer and Ron Atkinson commented on the rezoning of Tyson Lane and the resulting traffic issues if passed.

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, July 15, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

VII. APPOINTMENTS

1. **Consideration of Appointment to the Regional Planning Commission** (AF-188-2025)
(Mayor Montgomery)

Motion made by Alderman Phillips, Seconded by Alderman Cooper.

APPOINT BJ WALSH TO THE REGIONAL PLANNING COMMISSION FOR A FOUR YEAR TERM EFFECTIVE IMMEDIATELY AND EXPIRING APRIL 30, 2029

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

2. **Consideration of Appointment to the Regional Planning Commission** (AF-204-2025)
(Mayor Montgomery)

Motion made by Alderman George, Seconded by Alderman Phillips.

APPOINT SHARON DUNCAN TO THE REGIONAL PLANNING COMMISSION FOR A THIRD FOUR YEAR TERM EFFECTIVE IMMEDIATELY AND EXPIRING APRIL 30, 2029

Passed: All present voting "aye" except Vice Mayor Duncan who abstained.

3. **Consideration of Appointment to Regional Planning Commission** (AF-205-2025) (Mayor Montgomery)

Motion made by Alderman Baker, Seconded by Alderman George.

APPOINT TIM LORIMER TO THE REGIONAL PLANNING COMMISSION TO FULFILL AN UNEXPIRED TERM EFFECTIVE IMMEDIATELY AND EXPIRING APRIL 30, 2029

Passed: All present voting "aye."

4. **Consideration of Appointment to the Regional Planning Commission** (AF-203-2025)
(Mayor Montgomery)

Motion made by Alderman George, Seconded by Alderman Phillips.

APPOINT CURTIS MONTGOMERY TO THE REGIONAL PLANNING COMMISSION FOR A FOUR YEAR TERM EFFECTIVE IMMEDIATELY AND EXPIRING APRIL 30, 2029

Passed: All present voting "aye" except Mayor Montgomery who abstained.

VIII. APPROVAL OF MINUTES *(These items are considered under one motion.)*

Motion made by Vice Mayor Duncan, Seconded by Alderman Baker.

Passed: All present voting "aye."

1. **June 16, 2025 - Work Session**
2. **June 17, 2025 - Business Meeting**

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, July 15, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

IX. BUSINESS MATTERS REQUIRING FIRST READING AND/ OR PUBLIC HEARINGS

1. **Conduct a Public Hearing and Consideration of an Ordinance to Amend Zoning of Tax Map 046B, Parcel 013.00 and a Portion of Parcel 012.00 Located along Tyson Lane from the R-1B, Residential District to P1, Professional Offices District (AF-177-2025) (Jessica McMurray)**

PUBLIC HEARING: Brad Shaffer asked who would be doing the study and when. Deputy City Manager McReynolds provided further details. There was considerable discussion.

Motion made by Alderman Phillips, Seconded by Alderman George.

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG TYSON LANE FROM THE R-1B, RESIDENTIAL DISTRICT TO P-1, PROFESSIONAL OFFICES DISTRICT IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

2. **Conduct a Public Hearing and Consideration of an Ordinance to Amend Zoning Text as it Pertains to the Amount of Members and the Span of Membership Terms of the Board of Zoning Appeals (AF-180-2025) (Ken Weems)**

Motion made by Vice Mayor Duncan, Seconded by Alderman Phillips.

AN ORDINANCE AMENDING SECTION 114-65 OF THE CODE OF ORDINANCES, CITY OF KINGSFORT, TENNESSEE, PERTAINING TO THE COMPOSITION AND THE DURATION OF TERMS FOR MEMBERS OF THE BOARD OF ZONING APPEALS; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

3. **Consideration of a Budget Adjustment Ordinance for Various Funds in FY25 (AF-176-2025) (Chris McCartt)**

Motion made by Alderman George, Seconded by Alderman Phillips.

AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, July 15, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. **Consideration of an Ordinance to Set the Property Tax Rates for FY 2025-2026** (AF-168-2025) (Chris McCartt)

Motion made by Vice Mayor Duncan, Seconded by Alderman Cooper.

AN ORDINANCE PROVIDING FOR AND FIXING THE TAX RATE ON ALL REAL, PERSONAL, AND MIXED PROPERTY WITHIN THE CITY OF KINGSFORT, SULLIVAN COUNTY AND THE CITY OF KINGSFORT, HAWKINS COUNTY WHICH IS TAXABLE ON THE BASIS OF ASSESSMENTS MADE BY THE COUNTY PROPERTY ASSESSORS AND THE DIVISION OF PROPERTY ASSESSMENTS OF THE STATE OF TENNESSEE FOR THE YEAR 2025; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading with a roll call vote: Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery

Voting Nay: Alderman Baker

2. **Consideration of a Budget Adjustment Ordinance for Various Funds in FY25** (AF-169-2025) (Chris McCartt)

Motion made by Alderman George, Seconded by Alderman Cooper.

AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading with a roll call vote: Alderman Baker, Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery

XI. OTHER BUSINESS

1. **Consideration of a Resolution Approving Change Order One to the DBHS Band Room HVAC Replacement Project and Ratifying the Mayor's Execution of the Same** (AF-184-2025) (David Frye)

Motion made by Vice Mayor Duncan, Seconded by Alderman Baker.

RESOLUTION NO. 2026-001 A RESOLUTION APPROVING CHANGE ORDER ONE TO THE DOBYNS-BENNETT HIGH SCHOOL BAND ROOM HVAC REPLACEMENT PROJECT AND RATIFYING THE MAYOR'S EXECUTION OF THE SAME

Passed: All present voting "aye."

2. **Consideration of a Resolution to Accept a Donation from Kingsport Citizen Debbie Waggoner** (AF-182-2025) (Chief DeBerry)

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

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Kingsport City Hall, 415 Broad Street, Boardroom

Motion made by Vice Mayor Duncan, Seconded by Alderman Cooper.

RESOLUTION NO. 2026-002 A RESOLUTION ACCEPTING A DONATION OF FUNDS TO PURCHASE FOUR BICYCLES FOR THE KINGSFORT FIRE DEPARTMENT'S BIKE MEDIC TEAM

Passed: All present voting "aye."

- 3. Consideration of a Resolution to Award Bid to Summers-Taylor, Inc. for 2025 Contracted Paving Airport Parkway Authorizing the Mayor to Sign All Applicable Documents (AF-197-2025) (Ryan McReynolds)**

Motion made by Alderman Phillips, Seconded by Alderman Baker.

RESOLUTION NO. 2026-003 A RESOLUTION AWARDED THE BID FOR RESURFACING OF AIRPORT PARKWAY PROJECT 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

Passed: All present voting "aye."

- 4. Consideration of a Resolution to Amend Agreement with CDM Smith for Professional Consulting Services to Perform a Stormwater Utility Cost of Service Analysis (AF-183-2025) (Ryan McReynolds)**

Motion made by Alderman Mayes, Seconded by Vice Mayor Duncan.

RESOLUTION NO. 2026-004 A RESOLUTION APPROVING AN AMENDMENT TO THE AGREEMENT WITH CDM SMITH FOR THE STORMWATER MASTER PLAN; 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."

- 5. Consideration of a Resolution to Award the Bid to GRC Civil Services for the Waterline Extension on Lynn Road (AF-202-2025) (Ryan McReynolds)**

Motion made by Alderman Phillips, Seconded by Alderman George.

RESOLUTION NO. 2026-005 A RESOLUTION AWARDED THE BID FOR LYNN ROAD WATERLINE EXTENSION PROJECT TO GRC CIVIL SERVICES, 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."

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, July 15, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

- 6. Consideration of a Resolution to Purchase One (1) Vogele Super 2003-3i Utilizing Sourcewell Cooperative Purchasing Agreement (AF-198-2025) (Ryan McReynolds)**

Motion made by Vice Mayor Duncan, Seconded by Alderman George.

RESOLUTION NO. 2026-006 A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER TO POWER EQUIPMENT, INC. UTILIZING SOURCEWELL COOPERATIVE PURCHASING AGREEMENT NO. 060122-WAI FOR ONE VOGELE SUPER 2003- 3I PAVER FOR USE BY PUBLIC WORKS

Passed: All present voting "aye."

- 7. Consideration of a Resolution Authorizing the Mayor to Execute Agreements with Various Agencies and Organizations for Services in Fiscal Year 2025-2026 Benefiting the General Welfare of Kingsport Residents (AF-200-2025) (Chris McCartt)**

Motion made by Alderman Mayes, Seconded by Vice Mayor Duncan.

RESOLUTION NO. 2026-007 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AGREEMENTS WITH VARIOUS AGENCIES AND ORGANIZATIONS FOR SERVICES IN FISCAL YEAR 2025-2026 BENEFITING THE GENERAL WELFARE OF KINGSFORT RESIDENTS

Passed: All present voting "aye" except Alderman George who voted "nay."

- 8. Consideration of a Resolution to Award the Bid to East Tennessee Turf and Landscape for the Gravity Sanitary Sewer Extension and Authorize the Mayor to Sign All Applicable Documents (AF-175-2025) (Ryan McReynolds)**

Motion made by Alderman George, Seconded by Alderman Baker.

RESOLUTION NO. 2026-008 A RESOLUTION AWARDING THE BID FOR THE FIELDCREST ANNEXATION SANITARY SEWER EXTENSION PROJECT TO EAST TENNESSEE TURF AND LANDSCAPE 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."

- 9. Consideration of a Resolution Authorizing Change Orders to the Contract with Summers-Taylor, Inc. for the Kingsport Resurfacing Project (PIN: 129800.00) and Authorize the Mayor to Sign All Applicable Documents (AF-181-2025) (Ryan McReynolds)**

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

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Motion made by Vice Mayor Duncan, Seconded by Alderman Phillips.

RESOLUTION NO. 2026-009 A RESOLUTION APPROVING CHANGE ORDER NUMBERS 3 AND 4 TO THE CONTRACT WITH SUMMERS-TAYLOR, INC FOR THE KINGSFORT RESURFACING PROJECT CONTRACT AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDERS

Passed: All present voting "aye."

- 10. Consideration of a Resolution Approving an Amendment to the Current Contract with Doxim, LLC to Expand the Current Scope of Services to Include Billing for the Construction and Demolition Landfill (AF-190-2025) (Floyd Bailey)**

Motion made by Alderman Mayes, Seconded by Alderman Cooper.

RESOLUTION NO. 2026-010 A RESOLUTION APPROVING A CHANGE REQUEST FORM WITH DOXIM LLC TO EXPAND THE SCOPE OF UTILITY BILLING SERVICES AND AUTHORIZING THE MAYOR TO EXECUTE THE CHANGE REQUEST FORM AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

Passed: All present voting "aye."

- 11. Consideration of a Resolution Approving the Renewal of the Naviline Financial Software Subscription from CentralSquare and Authorizing the Issuance of a Purchase Order and Execution of All Necessary and Proper Documents (AF-191-2025) (Floyd Bailey)**

Motion made by Alderman George, Seconded by Alderman Baker.

RESOLUTION NO. 2026-011 A RESOLUTION APPROVING THE RENEWAL OF THE NAVILINE FINANCIAL SOFTWARE FROM CENTRALSQUARE; AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER; AND AUTHORIZING THE MAYOR TO EXECUTE ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

Passed: All present voting "aye."

- 12. Consideration of a Resolution to Authorize the Mayor to Execute a Submitter Merchant Agreement with J.P. Morgan Chase Bank (AF-193-2025) (Floyd Bailey)**

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Motion made by Vice Mayor Duncan, Seconded by Alderman Mayes.

RESOLUTION NO. 2026-012 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A SUBMITTER MERCHANT AGREEMENT WITH J. P. MORGAN CHASE BANK FOR THE PAYMENTUS PAYMENT PROCESSING SERVICE AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

Passed: All present voting "aye."

13. Consideration of a Resolution to Authorize the City Recorder to Reconcile and Adjust Uncollectible Property Tax for Tax Year 2014 (AF-150-2025) (Travis Bishop)

Motion made by Alderman George, Seconded by Alderman Phillips.

RESOLUTION NO. 2026-013 A RESOLUTION AUTHORIZING THE CITY RECORDER TO RECONCILE AND ADJUST DELINQUENT PROPERTY TAX RECEIVABLES IN FISCAL YEAR 2025 FOR THE TAX YEAR 2014 AND AUTHORIZING AND DIRECTING THE MAYOR AND THE CITY RECORDER TO EXECUTE ANY PLEADINGS NECESSARY AND PROPER FOR THE DELINQUENT TAX COLLECTION LAWSUIT

Passed: All present voting "aye."

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

Motion made by Vice Mayor Duncan, Seconded by Alderman George.

Passed as presented with a roll call vote: Alderman Baker, Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery

1. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary and Proper to Apply for and Receive a Grant from the State of Tennessee School Resource Officer (SRO) Grant Program for FY 2026 (AF-185-2025) (Chief Bellamy)

RESOLUTION NO. 2026-014 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A SCHOOL RESOURCE OFFICER GRANT FROM THE STATE OF TENNESSEE SCHOOL RESOURCE OFFICER GRANT PROGRAM

2. Consideration of a Resolution Authorizing the Mayor to Execute a Signature Authority Form Allowing the Chief of Police or His Designee to Complete Grant Reports as Required by the State of Tennessee School Resource Officer (SRO) Grant Program for FY 2026 (AF-186-2025) (Chief Bellamy)

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, July 15, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

RESOLUTION NO. 2026-015 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A SIGNATURE AUTHORITY CONSENT FORM AND OTHER DOCUMENTS NECESSARY AND PROPER DESIGNATING THE CHIEF OF POLICE AS THE MAYOR'S DESIGNEE TO EXECUTE GRANT REPORTS AND OTHER DOCUMENTS REQUIRED BY GRANTS FROM THE STATE OF TENNESSEE SCHOOL RESOURCE OFFICER PROGRAM

- 3. Consideration of a Resolution Approving a Memorandum of Understanding with Kingsport City Schools as Required by the State of Tennessee School Resource Officer (SRO) Program Grant (AF-187-2025) (Chief Bellamy)**

RESOLUTION NO. 2026-016 A RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH KINGSFORT CITY SCHOOLS AS REQUIRED BY THE STATE OF TENNESSEE SCHOOL RESOURCE OFFICER (SRO) PROGRAM GRANT

- 4. Consideration of a Resolution Authorizing the Mayor to Execute a Memorandum of Understanding to Receive a Sotoxa Oral Fluid Mobile Test Kit for use in DUI investigations. (AF-201-2025) (Chief Bellamy)**

RESOLUTION NO. 2026-017 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING AND OTHER DOCUMENTS REQUIRED FROM THE TENNESSEE BUREAU OF INVESTIGATION AND THE TENNESSEE DEPARTMENT OF SAFETY AND HOMELAND SECURITY'S TENNESSEE HIGHWAY SAFETY OFFICE

- 5. Consideration of a Resolution to Extend the CDBG Contract for Holston Habitat for Humanity (AF-194-2025) (Michael Price)**

RESOLUTION NO. 2026-018 A RESOLUTION AMENDING THE FY 2024/2025 CDBG SUBRECIPIENT AGREEMENT WITH HOLSTON HABITAT FOR HUMANITY

- 6. Consideration of a Resolution for the FTAAAD Annual Senior Center Grant (AF-196-20925) (Michael Borders)**

RESOLUTION NO. 2026-019 A RESOLUTION APPROVING AN AMENDMENT TO THE FIRST TENNESSEE DEVELOPMENT DISTRICT'S AREA AGENCY ON AGING AND DISABILITY GRANT FOR FISCAL YEAR 2023-2024 FOR THE KINGSFORT SENIOR CENTER; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, July 15, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

- 7. Consideration of a Resolution Approving the Renewal of the Service Agreement with Cannon Cochran Management Services, Inc. for Workers Compensation Third Party Administration Services for the City and Ratifying the Mayor's Execution of the Agreement (AF-178-2025) (Bart Rowlett)**

RESOLUTION NO. 2026-020 A RESOLUTION APPROVING A SERVICE AGREEMENT BETWEEN THE CITY AND CANNON COCHRAN MANAGEMENT SERVICES, INC. FOR WORKERS' COMPENSATION THIRD PARTY ADMINISTRATION SERVICES FOR ALL CITY DEPARTMENTS; RATIFYING THE MAYOR'S EXECUTION OF THE SAME AND AUTHORIZING THE MAYOR TO SIGN ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

- 8. Consideration of a Resolution to renew the General Liability, Personal Injury Liability, Errors or Omissions Liability, Automobile Liability and Automobile Physical Damage Policy, with Public Entity Partners (AF-179-2025) (Bart Rowlett)**

RESOLUTION NO. 2026-021 A RESOLUTION APPROVING THE RENEWAL OF THE GENERAL LIABILITY, PERSONAL INJURY LIABILITY, ERRORS OR OMISSIONS LIABILITY, AUTOMOBILE LIABILITY AND AUTOMOBILE PHYSICAL DAMAGE POLICY WITH PUBLIC ENTITY PARTNERS AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE POLICIES

- 9. Consideration of a Resolution Authorizing the Mayor to Execute a Renewal Agreement with Frontier Health for Counseling Services at Kingsport City Schools (AF-172-2025) (David Frye)**

RESOLUTION NO. 2026-022 A RESOLUTION APPROVING AN AGREEMENT WITH FRONTIER HEALTH TO CONTINUE COUSELING SERVICES AT KINGSFORT CITY SCHOOLS AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ANY AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

- 10. Consideration of a Resolution Authorizing the Mayor to Execute Renewal of the MOU with Clarvida for Counseling Services for Kingsport City Schools (AF-173-2025) (David Frye)**

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, July 15, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

RESOLUTION NO. 2026-023 A RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH CLARVIDA FOR BEHAVIORAL HEALTH AND COUSELING SERVICES AT KINGSFORT CITY SCHOOLS AND AUTHORIZING THE MAYOR TO EXECUTE THE MEMORANDUM OF UNDERSTANDING AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE MEMORANDUM OF UNDERSTANDING AND THIS RESOLUTION

- 11. Consideration of a Resolution Authorizing the Mayor to Execute Addendum 12 of the Substitute Staffing Services Agreement with ESS South Central LLC for Kingsport City Schools** (AF-174-2025) (David Frye)

RESOLUTION NO. 2026-024 A RESOLUTION APPROVING ADDENDUM 12 TO THE ESS SOUTH CENTRAL LLC AGREEMENT TO EXTEND THE AGREEMENT THROUGH JUNE 30, 2026 AND AUTHORIZING THE MAYOR TO EXECUTE THE ADDENDUM AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE ADDENDUM

- 12. Consideration of a Resolution to Move the Monday, August 4, 2025 Work Session to Tuesday, August 5, 2025 at 4:00 PM** (AF-199-2025) (Bart Rowlett)

RESOLUTION NO. 2026-025 A RESOLUTION CHANGING THE AUGUST 4, 2025 WORK SESSION OF THE BOARD OF MAYOR AND ALDERMEN IN IN ACCORDANCE WITH ARTICLE III, SECTION 7 OF THE CHARTER OF THE CITY OF KINGSFORT, TENNESSEE

XIII. COMMUNICATIONS

1. City Manager

Mr. McCartt thanked the city employees that have already been working on and will be working on Funfest for events which usually extends beyond their regular workday.

2. Mayor and Board Members

Alderman Mayes mentioned Healthy Kingsport launched a new website last week and encouraged citizens to view the activities and resources there. He also stated the Friday night concerts were a success with great attendance. He thanked city employees for funfest efforts, noting its shaping up to be the biggest since the pandemic. Alderman Cooper commented on the presentation yesterday by Robin Cleary and the grants that were awarded downtown. She also stated DKA has partnered with MeadowView and Christmas trees have already gone on sale with half already sold. Lastly she mentioned that school will be in session by the next BMA

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, July 15, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

meeting, remarking summer is almost over and encouraged citizens to go out and enjoy Funfest. Alderman George said she was excited to talk about Christman again. She also mentioned the celebration for the carousel, noting it's hard to believe it has been around for ten years and pointing out the number of volunteers that made it happen. She commented on the great Funfest presentation at the work session yesterday, noting the new events and 20 balloonists that will be coming in. Alderman Baker thanked the City Manager for adding the strategic focus area to the action form. He also commented that funfest has been around 45 years, and he remembers the first one. He recognized city staff's involvement and thanked the city manager. Alderman Phillips also commented on the carousel with a birthday party and free rides on Saturday. They will also be unveiling a new animal. He also talked about funfest. Vice Mayor Duncan recognized Mayor Montgomery for being accepted to Leadership Tennessee. He also mentioned Funfest, noting 35 states are represented and the economic impact it provides. He stated the Carousel is a legacy project and a crown jewel of Kingsport. Mayor Montgomery reminded everyone of the international pageant this weekend. He also stated he attended the graduation at the Northeast Tennessee recovery center and the community support represented. Lastly the mayor recognized newly appointed Police Chief Bellamy.

XIV.ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 8:16 p.m.

ANGELA MARSHALL
Deputy City Recorder

PAUL W. MONTGOMERY
Mayor



AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2025

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-222-2025

Work Session: August 5, 2025

First Reading: August 5, 2025

Final Adoption: August 19, 2025

Staff Work By: Morris

Presentation By: McCartt

Strategic Focus Area: Efficient & Responsive Government

Recommendation:

Approve the Budget Ordinance

Executive Summary:

The General Fund is being amended by transferring a payment from USAA Insurance for repairs at Centennial Park in the amount of \$22,697 to the General Projects-Special Revenue fund for use in the Parks ADA project.

The General Projects-Special Revenue Fund is being amended by accepting \$22,697 from the General Fund to the Parks ADA project.

The Urban Mass Transit Fund is being amended by appropriating \$22,357 from State Farm and \$12,000 from the Department of Transportation to the annual operations project (FTA038).

The General Project Fund is being amended by cleaning up the Stone Drive Sidewalk projects for closure and transferring the remaining \$120,488 to the Main Street Improvements project.

The Sewer Project Fund is being amended by transferring \$22 from the WWTP Electric Upgrades project to the Sewer I&I Rehab project so it can be closed.

Attachments:

1. Budget Ordinance

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

CITY OF KINGSPORT
FISCAL YEAR 2024-2025
BUDGET AMENDMENT NUMBER 26

ITEM ONE & TWO: Centennial Park Insurance Payment

The General Fund is being amended by accepting a payment in the amount of \$22,697 from USAA Insurance for damages to Centennial Park and allocating the funds to be transferred to the General Projects-Special Revenue Fund for future park use.

ITEM THREE: Transit Insurance Payment and TDOT UTAP Grant

The Urban Mass Transit Fund is being amended by accepting a payment in the amount of \$22,357 from State Farm for damages to the Transit Center and by accepting a Urban Technical Assistance Program (UTAP) Grant in the amount of \$12,000 to the annual operations project (FTA038).

ITEM THREE: Main Street Sidewalk Extension Closure and Main Street Improvements

The General Project Fund is being amended by closing the two TDOT Funded Stone Drive Extension projects and moving the remaining \$120,488 to the Main Street Improvements project and by appropriating \$111,257 in Miscellaneous funds received to the Main Street Improvements project.

ITEM FOUR: Sewer Project Fund Cleanup

The Sewer Project Fund is being amended by transferring \$22 from the WWTP Electrical Upgrades project to the Sewer I&I Rehab project, so the I&I project can be closed.

ORDINANCE NO.

AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR
THE YEAR ENDING JUNE 30, 2025; 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 be amended by appropriating \$22,697 received from USAA Insurance to the Miscellaneous line (110-0000-368-99-00) and by allocating \$22,697 to the To Gen Proj-Special Rev line (110-4804-481.70-35).

SECTION II. That the General Projects-Special Revenue Fund be amended by accepting \$22,697 from the General Fund to the Parks ADA project (NC2207).

SECTION III. That the Urban Mass Transit Fund be amended by appropriating \$22,357 from State Farm to the 5307 Operations/Capital project (FTA038) and by accepting \$12,000 from the Department of Transportation to the 5307 Operations/Capital project (FTA038).

SECTION IV. That the General Project Fund be amended by reducing the allocation from the Department of Transportation to the Stone Dr Sidewalk Extension project (GP1623) by \$207,276, by appropriating \$16 in interest earned to the Stone Dr Sidewalk Extension project (GP1623), and by transferring \$55,087 from the Stone Dr Sidewalk Extension project (GP1623) to the Main Street Improvements project (GP1516), and by reducing the allocation from the Department of Transportation to the Stone Dr Sidewalk Extension project (GP1725) by \$42,134, by appropriating \$39 in interest earned to the Stone Dr Sidewalk Extension project (GP1725), by transferring \$65,401 from the Stone Dr Sidewalk Extension project (GP1725) to the Main Street Improvements project (GP1516) and by appropriating \$111,257 in Miscellaneous funds received to the Main Street Improvements project (GP1516). Close GP1623 and GP1725.

SECTION V. That the Sewer Project Fund be amended by transferring \$22 from the WWTP Electric Upgrades project (SW2206) to the Sewer I&I Rehab project (SW2203). Close SW2203.

Fund 110: General Fund

Account Number/Description:

Revenues:

110-0000-368.99-00 Miscellaneous

<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
\$	\$	\$
279,333	22,697	302,030
Total: 279,333	22,697	302,030

Expenditures:

110-4804-481.70-35 To Gen Proj-Special Rev

\$	\$	\$
2,330,426	22,697	2,353,123
Total: 2,330,426	22,697	2,353,123

Parks ADA (NC2207)**Account Number/Description:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<u>Revenues:</u>	\$	\$	\$
111-0000-364.30-00 Non-Profit Groups	574	0	574
111-0000-391.01-00 From General Fund	300,000	22,697	322,697
111-0000-391.69-00 Visitors Enhancement Fund	3,457	0	3,457
111-0000-391.62-00 Bays Mountain Commission	40	0	40
Total:	304,071	22,697	326,768

Expenditures:

	\$	\$	\$
111-0000-601.20-22 Construction Contracts	304,071	22,697	326,768
Total:	304,071	22,697	326,768

Fund 123: Urban Mass Transit Fund**FY25 Operating Grant (FTA038)****Account Number/Description:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<u>Revenues:</u>	\$	\$	\$
123-0000-331.20-00 UMTA Section 9	1,140,700	0	1,140,700
123-0000-332.90-00 Department of Transportation	1,207,149	12,000	1,219,149
123-0000-368.99-00 Miscellaneous	0	22,357	22,357
123-0000-391.01-00 From General Fund	496,639	0	496,639
Total:	2,844,488	34,357	2,878,845

Expenditures:

	\$	\$	\$
123-5901-602.10-10 Salaries & Wages	1,460,600	0	1,460,600
123-5901-602.10-11 Overtime	73,600	0	73,600
123-5901-602.10-20 Social Security	99,800	0	99,800
123-5901-602.10-30 Group Health Insurance	241,600	0	241,600
123-5901-602.10-41 TCRS Retirement	120,100	0	120,100
123-5901-602.10-42 TCRS Hybrid Retirement	4,500	0	4,500
123-5901-602.10-43 ICMA Retirement	49,100	0	49,100
123-5901-602.10-44 TCRS Stabilization %	200	0	200
123-5901-602.10-50 Life Insurance	2,400	0	2,400
123-5901-602.10-52 Long Term Disability Ins	2,100	0	2,100
123-5901-602.10-60 Workmen's Compensation	1,500	0	1,500
123-5901-602.10-61 Unemployment Insurance	3,000	0	3,000
123-5901-602.20-10 Advertising & Publication	1,400	0	1,400
123-5901-602.20-11 Printing & Binding	8,500	0	8,500
123-5901-602.20-20 Professional/Consultant	700	0	700
123-5901-602.20-30 Electric Service	30,000	0	30,000
123-5901-602.20-33 Water & Sewer	7,300	0	7,300
123-5901-602.20-34 Telephone	4,500	0	4,500
123-5901-602.20-36 Natural Gas	5,400	0	5,400
123-5901-602.20-40 Travel Expense	25,900	0	25,900
123-5901-602.20-41 Registration Fees/Tuition	7,100	0	7,100
123-5901-602.20-42 Personal Vehicle Reimburse	100	0	100
123-5901-602.20-43 Dues & Memberships	9,300	0	9,300
123-5901-602.20-44 Literature/Subscriptions	1,400	0	1,400
123-5901-602.20-45 Training	4,000	0	4,000
123-5901-602.20-52 Medical Services	1,100	0	1,100

123-5901-602.20-54 Equipment Rental	8,100	0	8,100
123-5901-602.20-55 Repairs & Maintenance	9,600	0	9,600
123-5901-602.20-56 Repairs & Maint-Vehicles	506,588	0	506,588
123-5901-602.20-57 Computer Repairs/Mainten	2,700	0	2,700
123-5901-602.20-68 Covid-19	6,900	0	6,900
123-5901-602.20-69 Stormwater Fee Expense	2,100	0	2,100
123-5901-602.20-75 Temporary Employees	12,400	0	12,400
123-5901-602.20-99 Miscellaneous	58,900	34,357	93,257
123-5901-602.30-10 Office Supplies	8,200	0	8,200
123-5901-602.30-11 Postage	700	0	700
123-5901-602.30-12 Food	4,200	0	4,200
123-5901-602.30-20 Operating Supplies & Tool	11,400	0	11,400
123-5901-602.30-22 Maintenance Supplies	26,900	0	26,900
123-5901-602.30-26 Sign Parts & Supplies	500	0	500
123-5901-602.30-29 Clothing & Uniforms	7,500	0	7,500
123-5901-602.30-68 Covid-19	3,200	0	3,200
123-5901-602.50-26 Vehicle Ins Chgd by FLM	9,400	0	9,400
Total:	2,844,488	34,357	2,878,845

General Project Fund: 311

Stone Drive Sidewalk Exten (GP1623)

Account Number/Description:

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-332.90-00 Dept of Transportation	962,601	(207,276)	755,325
311-0000-361.22-00 INT LGIP	0	16	16
311-0000-368.10-46 2013 B GO Pub Imp	100,500	(55,087)	45,413
Total:	1,063,101	(262,347)	800,754

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-601.20-22 Construction Contracts	826,210	(825,564)	646
311-0000-601.20-23 Arch/Eng/Landscaping Serv	231,391	(123,972)	107,419
311-0000-601.90-03 Improvements	5,500	687,189	692,689
Total:	1,063,101	(262,347)	800,754

Stone Drive Sidewalk Exten (GP1725)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-332.90-00 Dept of Transportation	613,083	(42,134)	570,949
311-0000-361.22-00 INT LGIP	0	39	39
311-0000-368.10-54 Series 2016 Go (Nov 4)	93,326	(65,401)	27,925
311-0000-368.21-01 Premium from Bond Sale	7,736	0	7,736
Total:	713,583	(107,496)	606,649

Expenditures:

	\$	\$	\$
311-0000-601.20-23 Arch/Eng/Landscaping Serv	141,748	(17,324)	124,424
311-0000-601.40-41 Bond Sale Expense	1,062	0	1,062
311-0000-601.90-03 Improvements	571,335	(90,172)	481,163
Total:	714,145	(107,496)	606,649

Main Street Improvements (GP1516)**Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-337.52-10 FHWA / TN FHWA 80%	16,189,238	0	16,189,238
311-0000-368.10-47 2014 A GO Bonds	93,361	0	93,361
311-0000-368.10-46 2013 B GO Pub Imp	0	55,087	55,087
311-0000-368.10-51 Series 2015 A (OCT) GO PI	398,526	0	398,526
311-0000-368.10-54 Series 2016 GO (Nov 4)	602,295	65,401	667,696
311-0000-368.10-55 Series 2017 A GO Bonds	1,432,666	0	1,432,666
311-0000-368.10-66 Series 2019 GO Improvment	192,321	0	192,321
311-0000-368.21-00 Premium from Bond Sale	111,732	0	111,732
311-0000-368.99-00 Miscellaneous	0	111,257	111,257
311-0000-391.01-00 From General Fund	548,898	0	548,898
Total:	19,569,037	231,745	19,800,782

Expenditures:

	\$	\$	\$
311-0000-601.10-10 Salaries & Wages	2,000	0	2,000
311-0000-601.20-22 Construction Contracts	15,750	231,745	247,495
311-0000-601.20-23 Arch/Eng/Landscaping Serv	1,043,689	0	1,043,689
311-0000-601.40-41 Bond Sale Expense	13,825	0	13,825
311-0000-601.90-01 Land	43,638	0	43,638
311-0000-601.90-03 Improvements	18,450,135	0	18,450,135
Total:	19,569,037	231,745	19,800,782

Sewer Project Fund: 452
WWTP Electric Upg (SW2206)

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-391.05-69 GO Bonds Series 2021	519,475	(22)	519,453
Total:	519,475	(22)	519,453

Expenditures:

	\$	\$	\$
452-0000-601.20-23 Arch/Eng/Landscaping Serv	519,475	(22)	519,453
Total:	519,475	(22)	519,453

Sewer I&I Rehab (SW2203)

Account Number/Description:

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-391.05-47 Series 2017 B GO Bonds	34	0	34
452-0000-391.05-69 GO Bonds Series 2021	298,249	22	298,271
452-0000-391.42-00 From Sewer Fund	206,004	0	206,004
Total:	504,287	22	504,309

Expenditures:

	\$	\$	\$
452-0000-606.20-23 Arch/Eng/Landscaping Serv	115	0	115
452-0000-606.90-01 Land	460,024	(426,309)	33,715
452-0000-606.90-03 Improvements	44,148	426,331	470,479
Total:	504,287	22	504,309

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

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT III, City Attorney

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



AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026

To: Board of Mayor and Aldermen
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-223-2025
Work Session: August 5, 2025
First Reading: August 5, 2025

Final Adoption: August 19, 2025
Staff Work By: Morris
Presentation By: McCartt

Strategic Focus Area: Efficient & Responsive Government

Recommendation:

Approve the Budget Ordinance.

Executive Summary:

The General Fund is being amended by accepting a check from Debbie Waggoner for the purchase of bikes for the Fire Technical Rescue Team and transfers \$23,195 from Police Salaries & Wages to the General Project Fund for use in the Emergency Solutions Grant (CD2517).

The State Street Aid is being amended by accepting a rebate check from Pittsburgh Paints in the amount of \$950.

The MPO Project Fund is being amended by transferring \$1,500,000 in MPO Street Resurfacing funding to a new MPO Street Resurfacing project for the resurfacing of Meadowview Parkway.

The Community Development Block Grant is being amended by transferring \$23,195 from the General Fund to the Emergency Solution Grant project to meet salary match requirements after a grant extension.

The General Project Fund is being amended by transferring \$240,000 from the Border Regions Sales Tax project to a new project for the Fire Department to upgrade four staff emergency service vehicles.

Attachments:

1. Ordinance Summary
2. Budget Ordinance

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

CITY OF KINGSPORT
FISCAL YEAR 2025-2026
BUDGET AMENDMENT NUMBER 1

ITEM ONE & FOUR: Allocate Donation for Bikes and Adjusts Match for Emergency Solution Grant

Accepts and allocates a check from Debbie Waggoner for the purchase of four bicycles for the Fire Technical Rescue Team.

The Emergency Solution Grant received in FY25 has been extended. This requires the city to provide matching dollars. The General Fund is being amended by transferring \$23,195 from Police Patrol Salaries to the Emergency Solutions project (CD2517). This grant has covered the cost of the Homeless Liaison (Erin Grey) since October 2024.

ITEM TWO: Accept Rebate Check from Pittsburgh Paints

The State Street Aid Fund is being amended by accepting a rebate check from Pittsburgh Paints. Funds are being allocated for Sign Parts and Supplies.

ITEM THREE: Splitting existing MPO Funds for Resurfacing of Orebank Rd and Meadowview Pkwy

The MPO Fund is being amended by transferring \$1,500,000 from the MPO Street Resurfacing project (MP025A) to the MPO Street Resurfacing project (MP026A) for the resurfacing of Meadowview Parkway. The remaining funds in MP025A will be used to resurface Orebank Road.

ITEM FIVE: Upgrading Fire Staff Vehicles

The General Project Fund is being amended by transferring \$240,000 from the Border Regions Sales Tax project to a new project for the purchase of 4 Kingsport Fire Department Staff Vehicles. These are vehicle replacements. Due to inflation, the Fleet Fund has struggled to make up depreciation shortfalls when purchasing new vehicles. These funds will allow the Fleet Fund to charge the project for the purchase of these vehicles, which will allow the fleet to allocate existing depreciation for the four vehicles to future Fleet replacements.

ORDINANCE NO.

AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR
THE YEAR ENDING JUNE 30, 2026; 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 be amended by transferring \$23,195 from the Police Patrol Salaries & Wages line (110-3030-443.10-10) to the To Community Development Fund line (110-4804.481.70-55) for use in the Emergency Solutions Grant project (CD2517) and by accepting a donation from Debbie Waggoner for \$6,928 to the Miscellaneous line (110-368.99-00) for the purchase of bicycles to the Fire Rescue Team Operating Supplies and Tool line (110-3505-451.30-20).

SECTION II. That the State Street Aid Fund be amended by accepting \$950 from Pittsburgh Paints to the Miscellaneous line (121-0000-368.99-00) and allocating the \$950 to the Sign Parts and Supplies line (121-4024-461.30-26),

SECTION III. That the Metropolitan Transportation Planning Fund be amended by transferring \$1,500,000 from the Street Resurfacing project (MP025A) to the Street Resurfacing Project (MPO26A).

SECTION IV. The Community Development Block Grant Fund is being amended by allocating \$23,195 from the General Fund to the Emergency Solution Grant project (CD2517).

SECTION V. That the General Project Fund be amended by transferring \$240,000 from the Border Regions ST project (GP2516) to the Fire Emergency Vehicles project (GP2600).

General Fund: 110

Account Number/Description:

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
110-0000-368.99-00 Miscellaneous	\$ 200,000	\$ 6,928	\$ 206,928
Total:	200,000	6,928	206,928

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
110-3030-443.10-10 Salaries & Wages	\$ 5,184,570	\$ (23,195)	\$ 5,161,375
110-3505-451.30-20 Operating Supplies & Tool	6,500	6,928	13,428
110-4804-481.70-55 Community Development Fun	0	23,195	23,195
Total:	5,191,070	6,928	5,197,998

State Street Aid Fund: 121**Account Number/Description:****Revenues:**

121-0000-368.99-00 Miscellaneous

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	0	950	950
Total:	0	950	950

Expenditures:

121-4024-461.30-26 Sign Parts & Supplies

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	60,000	950	60,950
Total:	60,000	950	60,950

MPO Project Fund: 122**Street Resurfacing (MP025A)****Account Number/Description:****Revenues:**

122-0000-337.90-10 FTA/TN Section 5303 80%

122-0000-391-01.00 From General Fund

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	3,212,000	(1,200,000)	2,012,000
	803,000	(300,000)	503,000
Total:	4,015,000	(1,500,000)	2,515,000

Expenditures:

122-0000-609.20-22 Construction Contracts

122-0000-609.20-23 Arch/Eng/Landscaping Serv

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	3,615,000	(1,300,000)	2,315,000
	400,000	(200,000)	200,000
Total:	4,015,000	(1,500,000)	2,515,000

Street Resurfacing (MP026A)**Account Number/Description:****Revenues:**

122-0000-337.90-10 FTA/TN Section 5303 80%

122-0000-391-01.00 From General Fund

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	0	1,200,000	1,200,000
	0	300,000	300,000
Total:	0	1,500,000	1,500,000

Expenditures:

122-0000-609.20-22 Construction Contracts

122-0000-609.20-23 Arch/Eng/Landscaping Serv

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	0	1,300,000	1,300,000
	0	200,000	200,000
Total:	0	1,500,000	1,500,000

CDBG Fund: 124**Emergency Solutions Grant (CD2517)****Account Number/Description:****Revenues:**

	Budget	Incr/(Decr)	New Budget
	\$	\$	\$
124-0000-337.49-00 Housing & Urban Dev	126,613	0	126,613
124-0000-391.01-00 From General Fund	69,585	23,195	92,780
Total:	196,198	23,195	219,393

Expenditures:

	\$	\$	\$
124-0000-603.10-10 Salaries & Wages	189,585	(43,927)	145,658
124-0000-603.10-11 Overtime	0	600	600
124-0000-603.10-20 Social Security	0	12,000	12,000
124-0000-603.10-30 Group Health Insurance	0	40,000	40,000
124-0000-603.10-42 TCRS Hybrid Retirement	0	4,000	4,000
124-0000-603.10-43 ICMA Retirement	0	8,500	8,500
124-0000-603.10-44 TCRS Stabilization Rate	0	1,500	1,500
124-0000-603.10-50 Life Insurance	0	300	300
124-0000-603.10-52 Long Term Disability Ins	0	5	5
124-0000-603.10-60 Workers Compensation	0	2,500	2,500
124-0000-603.10-61 Unemployment Insurance	0	200	200
124-0000-603.20-34 Telephone	0	700	700
124-0000-603.20-40 Travel	0	400	400
124-0000-603.30-10 Office Supplies	6,613	(6,613)	0
124-0000-603.40-23 Grants	0	3,030	3,030
Total:	196,198	69,585	219,393

General Project Fund: 311**Border Regions ST (GP2516)****Account Number/Description:****Revenues:**

	\$	\$	\$
311-0000-332.10-15 Border Regions Allocation	1,448,293	(240,000)	1,208,293
Total:	1,448,293	(240,000)	1,208,293

Expenditures:

	\$	\$	\$
311-0000-601.90-03 Improvements	1,448,293	(240,000)	1,208,293
Total:	1,448,293	(240,000)	1,208,293

Fire Emergency Vehicles (GP2600)**Account Number/Description:****Revenues:**

	\$	\$	\$
311-0000-332.10-15 Border Regions Allocation	0	240,000	240,000
Total:	0	240,000	240,000

Expenditures:

	\$	\$	\$
311-0000-601.90-04 Equipment	0	240,000	240,000
Total:	0	240,000	240,000

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

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING:



AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2025

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-169-2025
Work Session: July 14, 2025
First Reading: July 15, 2025

Final Adoption: August 5, 2025
Staff Work By: Morris
Presentation By: McCartt

Strategic Focus Area: Efficient & Responsive Government

Recommendation:

Approve the Budget Ordinance.

Executive Summary:

The General Projects-Special Revenue Fund is being amended by accepting a grant from the Tennessee Arts Commission in the amount of \$12,300 and \$9,000 from the Coca Cola Corporation.

The General Project Fund is being amended by appropriating \$1,436,699 in Border Regions Sales Tax to the Border Reg Rd Improvements project (GP1228), by transferring \$32,000 from the Border Reg Rd Improvements project (GP1228) to the Street Resurfacing project (GP2033), and by increasing the TDOT allocation by \$128,000 in the Street Resurfacing project (GP2033), by transferring \$73,529 from the Border Reg Rd Improvements project (GP1228) to the Hi Mast LED project (GP2514), by transferring \$19,000 from the Border Reg Rd Improvements project (GP1228) to the Rescue Dry Suits project (GP2515), and by transferring \$1,448,293 from the Border Reg Rd Improvements project (GP1228) to the Border Regions ST project (GP2516).

The Sewer Project Fund be amended by transferring \$10,350 from the System Improvements SLS project (SW2005), by transferring \$18,065 from the WWTP Equipment project (SW2305), and by transferring \$24,314 from the WWTP Electrical Improvement project (SW2407) for a total transfer of \$52,729 to the Pump Station Imp project (SW2400). Closes SW2005, SW2305, and SW2400.

The Solid Waste Project Fund is being amended by transferring \$99,498 from the Demolition Landfill project (DL2300) to the Carts/Carts Repair project (DL2500).

The Cattails and Cattails Golf Project Fund are being amended by transferring \$17,272 from the Cattails Equipment project (CG2000), \$23,287 from the Cattails Collars project (CG2200), \$350,000 from the Cattails Pump Station project (CG2400) for at total of \$390,559 to the Cattails Miscellaneous project (CG2401) and by allocating \$119,727 from the Cattails Miscellaneous project (CG2401).

Attachments:

1. Budget Ordinance

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

Item X1.

CITY OF KINGSPORT
FISCAL YEAR 2024-2025
BUDGET AMENDMENT NUMBER 25

ITEM ONE: Accept Arts Grant, Accept Coca Cola Funding, Transfer for Flag Football

The General Projects-Special Revenue Fund is being amended to accept a Creative Partnership grant from the Tennessee Arts Commission, accept \$9,000 from the Coca Cola Corporation for sales at our park concession stands, transfer \$14,123 from General Projects to Coca Cola project for the purchase of a Tinymobilerobot to paint lines for the Flag Football League.

ITEM TWO: Border Regions project cleanup, MPO Roadwork, LED Streetlights, Fire Rescue Suits

The General Project Fund is being amended to appropriate \$1,436,699 in Border Regions Sales Tax received. Those funds are being allocated to the following; \$32,000 (20%) to match TDOT funds in the amount of \$128,000 (80%) available for upcoming MPO roadwork, \$73,529 is being transferred for Hi Mast LED replacement by the Traffic Department as we upgrade our street lights to more cost efficient LED bulbs, \$19,000 is being transferred for the purchase of Rescue Dry Suits for the Fire Department and the remaining \$1,448,293 is being moved into a new project code.

ITEM THREE: Water Project Fund Cleanup and Fieldcrest Water Relocation

The Water Project Fund is being amended to clean up and close three projects: Plant Facility Improvements, Water Intake Screens, and Distribution System Upgrades. The remaining funds are being moved to create a Hydrant Maintenance project in the amount of \$94,000, to the Plant Facility Improvements project in the amount of \$108,518, and to the Pump Station Improvements project in the amount of \$42,966. Bond funds are being moved from the Distribution System Upgrades project, the Water Tank Rehab project, and Fieldcrest Annexation Sewer project in the amount of \$732,586 to the Fieldcrest annexation Water project.

ITEM FOUR: Sewer Project Fund Cleanup

The Sewer Project Fund is being amended to clean up and close three projects: Sewer Line System Improvements, WWTP Equipment, and WWTP Electrical Improvements. The remaining funds of \$52,729 are being reappropriated to the Pump Station Improvements Project.

ITEM FIVE: Setting up a project for Solid Waste Cart Maintenance

The Solid Waste Project Fund is being amended by transferring the remaining \$99,498 from the Demolition Landfill project to the Carts/Cart Repair project for the replacement of cart lids, cart washing and cart replacements as needed throughout the service area.

ITEM SIX: Cattails Golf Fund Transfer

The Cattails Golf Course Fund is being amended by transferring unused capital dollars to the project fund for much needed pump improvements.

ITEM SEVEN Cattails Pump Improvements

The Cattails Golf Course Project Fund is being amended by transferring \$17,272 from the Cattails Equipment project, \$23,287 from the Cattails Collars project, and \$350,000 from the Cattails Pump Station project (CG2400) for a total of \$390,559 to the Cattails Miscellaneous project and by allocating \$119,727 from the Cattails Miscellaneous project for a total of \$510,286. Any unused dollars will be available for future projects.

ORDINANCE NO.

AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR
THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE
EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Projects-Special Revenue Fund be amended by accepting a grant from the Tennessee Arts Commission in the amount of \$12,300 to the TAC Creative Partnership project (NC2519), by appropriating \$9,000 from the Coca Cola Corporation to the Coca Cola Appropriation project (NC1604), and by transferring \$14,123 from the General Projects project (NC2100) to the Coca Cola Appropriation project (NC1604).

SECTION II. That the General Project Fund be amended by appropriating \$1,436,699 in Border Regions Sales Tax to the Border Reg Rd Improvements project (GP1228), by transferring \$32,000 from the Border Reg Rd Improvements project (GP1228) to the Street Resurfacing project (GP2033), and by increasing the TDOT allocation by \$128,000 in the Street Resurfacing project (GP2033), by transferring \$73,529 from the Border Reg Rd Improvements project (GP1228) to the Hi Mast LED project (GP2514), by transferring \$19,000 from the Border Reg Rd Improvements project (GP1228) to the Rescue Dry Suits project (GP2515), and by transferring \$1,448,293 from the Border Reg Rd Improvements project (GP1228) to the Border Regions ST project (GP2516).

SECTION III. That the Water Project Fund be amended by transferring \$94,000 from the WTP High Service Improvements project (WA2007) to the Hydrant Maintenance project (WA2605), by transferring \$108,518 from the WTP Water Intake Screen Replacement project (WA2308) to the Plant Facility Improvements project (WA2402), by transferring \$107 from the Plant Facility Improvements project (WA2101) and \$42,899 from the Pump Station Improvements O&M project (WA2401) for a total of \$42,996 to be transferred to the WA Pump Station Improvements O&M project (WA2500) by transferring \$325,000 from the Distribution Systems Upgrades project (WA2403), \$205,000 from the Water Tank Rehab project (WA2407), and \$202,586 from the Fieldcrest Annexation project (SW2408) for a total of \$732,586 to be transferred to the Fieldcrest Annexation project (WA2408). Close WA2101, WA2401, and WA2403.

SECTION IV. That the Sewer Project Fund be amended by transferring \$10,350 from the System Improvements SLS project (SW2005), by transferring \$18,065 from the WWTP Equipment project (SW2305), and by transferring \$24,314 from the WWTP Electrical Improvement project (SW2407) for a total transfer of \$52,729 to the Pump Station Imp project (SW2400). Close SW2005, SW2305, and SW2400.

SECTION V. That the Solid Waste Project Fund be amended by transferring \$99,498 from the Demolition Landfill project (DL2300) to the Carts/Carts Repair project (DL2500). Close DL2300.

SECTION VI. That the Cattails Golf Fund be amended by transferring \$119,727 from the Miscellaneous line (421-5076-508.20-99) to the To Cattails Project Fund line (421-6996-696.76-06) to be used for pump improvements on the course.

SECTION VII. That the Cattails Golf Project Fund be amended by transferring \$17,272 from the Cattails Equipment project (CG2000), \$23,287 from the Cattails Collars project (CG2200), \$350,000 from the Cattails Pump Station project (CG2400) for a total of \$390,559 to the Cattails Miscellaneous project (CG2401) and by allocating \$119,727 from the Cattails Miscellaneous project (CG2401). Close CG2000, CG2200, and CG2400.

Gen Proj-Special Rev Fund: 111

TAC Creative Partnership Support (NC2519)

Account Number/Description:

Revenues:

111-0000-332.32-00 TN Arts Commission

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	0	12,300	12,300
Total:	0	12,300	12,300

Expenditures:

111-0000-601.20-20 Professional/Consultant

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	0	12,300	12,300
Total:	0	12,300	12,300

Coca Cola Appropriation (NC1604)

Account Number/Description:

Revenues:

111-0000-364.20-00 From Corporations

111-0000-391.01-00 From General Fund

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	105,295	9,000	114,295
	0	14,123	14,123
Total:	105,295	23,123	128,418

Expenditures:

111-0000-601.90-04 Equipment

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	105,295	23,123	128,418
Total:	105,295	23,123	128,418

General Projects (NC2100)

Account Number/Description:

Revenues:

111-0000-391.01-00 From General Fund

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	977,833	(14,123)	963,710
Total:	977,833	(14,123)	963,710

Expenditures:

111-0000-601.20-23 Arch/Eng/Landscaping Serv

111-0000-601.90-01 Land

111-0000-601.90-03 Improvements

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	127,277	0	127,277
	34,485	0	34,485
	816,071	(14,123)	801,948
Total:	977,833	(14,123)	963,710

General Project Fund: 311**Border Reg Rd Improvements (GP1228)****Account Number/Description:****Revenues:**

	Budget	Incr/(Decr)	New Budget
	\$	\$	\$
311-0000-332.10-15 Border Regions Allocation	1,608,692	1,436,699	3,045,391
311-0000-368.10-41 Series 2012 C GO Pub Imp	272,168	0	272,168
311-0000-368.21-01 Premium from Bond Sale	19,633	0	19,633
Total:	1,900,493	1,436,699	3,337,192

Expenditures:

	\$	\$	\$
311-0000-601.20-20 Professional/Consultant	63,760	19,540	83,300
311-0000-601.20-23 Arch/Eng/Landscaping Serv	221,073	11,789	232,862
311-0000-601.40-41 Bond Sale Expense	11,867	0	11,867
311-0000-601.90-01 Land	110,000	0	110,000
311-0000-601.90-03 Improvements	1,493,793	1,405,370	2,899,163
Total:	1,900,493	1,436,699	3,337,192

Border Reg Rd Improvements (GP1228)**Account Number/Description:****Revenues:**

	Budget	Incr/(Decr)	New Budget
	\$	\$	\$
311-0000-332.10-15 Border Regions Allocation	3,045,391	(1,572,822)	1,472,569
311-0000-368.10-41 Series 2012 C GO Pub Imp	272,168	0	272,168
311-0000-368.21-01 Premium from Bond Sale	19,633	0	19,633
Total:	3,337,192	(1,572,822)	1,764,370

Expenditures:

	\$	\$	\$
311-0000-601.20-20 Professional/Consultant	83,300	0	83,300
311-0000-601.20-23 Arch/Eng/Landscaping Serv	232,862	0	232,862
311-0000-601.40-41 Bond Sale Expense	11,867	0	11,867
311-0000-601.90-01 Land	110,000	0	110,000
311-0000-601.90-03 Improvements	2,899,163	(1,572,822)	1,326,341
Total:	3,337,192	(1,572,822)	1,764,370

Street Resurfacing (GP2033)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-332.10-15 Border Regions Allocation	0	32,000	32,000
311-0000-337.52-10 FHWA/TN FHWA 80%	2,000,000	128,000	2,128,000
311-0000-368.10-56 GO Bonds Series 2018 A	10,569	0	10,569
311-0000-368.10-66 Series 2019 GO Improvment	172,411	0	172,411
311-0000-368.21-01 Premium From Bond Sale	17,020	0	17,020
311-0000-391.01-00 From General Fund	300,000	0	300,000
Total:	2,500,000	160,000	2,660,000

Expenditures:

	\$	\$	\$
311-0000-601.20-23 Arch/Eng/Landscaping Serv	247,000	0	247,000
311-0000-601.90-01 Land	25,000	0	25,000
311-0000-601.90-03 Improvements	2,228,000	160,000	2,388,000
Total:	2,500,000	160,000	2,660,000

HI Mast LED (GP2514)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-332.10-15 Border Regions Allocation	0	73,529	73,529
Total:	0	73,529	73,529

Expenditures:

	\$	\$	\$
311-0000-601.90-03 Improvements	0	73,529	73,529
Total:	0	73,529	73,529

Rescue Dry Suits (GP2515)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-332.10-15 Border Regions Allocation	0	19,000	19,000
Total:	0	19,000	19,000

Expenditures:

	\$	\$	\$
311-0000-601.90-03 Improvements	0	19,000	19,000
Total:	0	19,000	19,000

Border Regions ST (GP2516)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-332.10-15 Border Regions Allocation	0	1,448,293	1,448,293
Total:	0	1,448,293	1,448,293

Expenditures:

	\$	\$	\$
311-0000-601.90-03 Improvements	0	1,448,293	1,448,293
Total:	0	1,448,293	1,448,293

Water Project Fund: 451**WTP High Service Improvements (WA2007)****Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-331.34-20 EDA Grant/High Service	1,500,000	0	1,500,000
451-0000-391.05-31 2014 B GO Bonds	310,000	0	310,000
451-0000-391.05-45 Series 2016 GO (Nov 4)	66,827	0	66,827
451-0000-391.05-48 GO Bonds Series 2018 B	142,704	0	142,704
451-0000-391.05-56 Series 2019 GO Improve	847,231	(94,000)	753,231
451-0000-391.05-71 DWF-2023-254 High Service	7,000,000	0	7,000,000
451-0000-391.45-00 From Water Fund	260,648	0	260,648
Total:	10,127,410	(94,000)	10,033,410

Expenditures:

	\$	\$	\$
451-0000-605.20-22 Construction Contracts	8,473,700	0	8,473,700
451-0000-605.20-23 Arch/Eng/Landscaping Serv	1,650,027	(94,000)	1,556,027
451-0000-605.90-03 Improvements	3,683	0	3,683
Total:	10,127,410	(94,000)	10,033,410

Hydrant Maintenance (WA2605)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-391.05-56 Series 2019 GO Improve	0	94,000	94,000
Total:	0	94,000	94,000

Expenditures:

	\$	\$	\$
451-0000-605.90-03 Improvements	0	94,000	94,000
Total:	0	94,000	94,000

WTP Intake Screen (WA2308)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-331.32-00 ARC	500,000	0	500,000
451-0000-337.16-23 American Rescue Plan	922,000	0	922,000
451-0000-391.05-56 Series 2019 GO Improve	126,000	(108,518)	17,482
Total:	1,548,000	(108,518)	1,439,482

Expenditures:

	\$	\$	\$
451-0000-605.20-20 Professional/Consultant	0	26,500	26,500
451-0000-605.20-22 Construction Contracts	1,507,320	(94,338)	1,412,982
451-0000-605.90-03 Improvements	40,680	(40,680)	0
Total:	1,548,000	(108,518)	1,439,482

Plant Facility Imp (WA2402)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-391.05-56 Series 2019 GO Improve	0	108,518	108,518
451-0000-391.45-00 From Water Fund	100,000	0	100,000
Total:	100,000	108,518	208,518

Expenditures:

	\$	\$	\$
451-0000-605.90-03 Improvements	100,000	108,518	208,518
Total:	100,000	108,518	208,518

Plant Facility Imp (WA2101)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-391.05-45 Series 2016 Go (Nov 4)	31,287	0	31,287
451-0000-391.05-56 Series 2019 GO Improvement	23,862	0	23,862
451-0000-391.45-00 From Water Fund	44,736	(107)	44,629
Total:	99,885	(107)	99,778

Expenditures:

	\$	\$	\$
451-0000-605.20-23 Arch/Eng/Landscaping Serv	99,600	(107)	99,493
451-0000-605.90-03 Improvements	285	0	285
Total:	99,885	(107)	99,778

Pump Station Imp O&M (WA2401)**Account Number/Description:****Revenues:**

451-0000-391.45-00 From Water Fund

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$ 173,826	\$ (42,889)	\$ 130,937
Total:	173,826	(42,889)	130,937

Expenditures:

451-0000-605.90-19 Pump Stations

	\$ 173,826	\$ (42,889)	\$ 130,937
Total:	173,826	(42,889)	130,937

Pump Station Imp O&M (WA2500)**Account Number/Description:****Revenues:**

451-0000-391.45-00 From Water Fund

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$ 165,000	\$ 42,996	\$ 207,996
Total:	165,000	42,996	207,996

Expenditures:

451-0000-605.90-19 Pump Stations

	\$ 165,000	\$ 42,996	\$ 207,996
Total:	165,000	42,996	207,996

Distribution System Upgrades (WA2403)**Account Number/Description:****Revenues:**

451-0000-391.05-72 GO Bonds Series 2023

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$ 325,000	\$ (325,000)	\$ 0
Total:	325,000	(325,000)	0

Expenditures:

451-0000-601.90-03 Improvements

	\$ 325,000	\$ (325,000)	\$ 0
Total:	325,000	(325,000)	0

Water Tank Rehab (WA2407)**Account Number/Description:****Revenues:**

451-0000-391.05-72 GO Bonds Series 2023

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$ 1,000,000	\$ (205,000)	\$ 795,000
Total:	1,000,000	(205,000)	795,000

Expenditures:

451-0000-601.90-03 Improvements

	\$ 1,000,000	\$ (205,000)	\$ 795,000
Total:	1,000,000	(205,000)	795,000

Fieldcrest Annexation (WA2408)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-391.05-72 GO Bonds Series 2023	1,200,000	732,586	1,932,586
Total:	1,200,000	732,586	1,932,586

Expenditures:

	\$	\$	\$
452-0000-391.05-72 GO Bonds Series 2023	0	17,872	17,872
451-0000-601.90-03 Improvements	1,200,000	714,714	1,914,714
Total:	1,200,000	732,586	1,932,586

Sewer Project Fund: 452**Fieldcrest Annexation (SW2408)****Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-391.05-72 GO Bonds Series 2023	2,500,000	(202,586)	2,297,414
Total:	2,500,000	(202,586)	2,297,414

Expenditures:

	\$	\$	\$
452-0000-606.20-23 Arch/Eng/Landscaping Serv	275,000	0	275,000
452-0000-601.90-01 Land	50,000	2,029	52,029
452-0000-601.90-03 Improvements	2,175,000	(204,615)	1,970,385
Total:	2,500,000	(202,586)	2,297,414

System Improvements SLS (SW2005)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-391.05-40 2015 A (OCT) GP PUB IMP	310,429	0	310,429
452-0000-391.05-45 Series 2016 GO (Nov 4)	23,812	0	23,812
452-0000-391.05-47 Series 2017 B GO Bonds	706,000	0	706,000
452-0000-391.05-56 Series 2019 GO Improvement	446,853	0	446,853
452-0000-391.05-69 GO Bonds Series 2021	95,000	0	95,000
452-0000-391.42-00 From Sewer Fund	102,000	(10,350)	91,650
Total:	1,684,094	(10,350)	1,673,744

Expenditures:

	\$	\$	\$
452-0000-606.20-22 Construction Contracts	1,348,716	0	1,348,716
452-0000-606.20-23 Arch/Eng/Landscaping Serv	257,232	(10,350)	246,882
452-0000-606.90-01 Land	2,686	0	2,686
452-0000-606.90-03 Improvements	75,460	0	75,460
Total:	1,684,094	(10,350)	1,673,744

WWTP Equipment (SW2305)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-391.05-56 Series 2019 GO Improvement	214,354	(17,350)	197,004
452-0000-391.05-69 GO Bonds Series 2021	715	(715)	0
Total:	215,069	(18,065)	197,004

Expenditures:

	\$	\$	\$
452-0000-606.90-04 Equipment	215,069	(18,065)	197,004
Total:	215,069	(18,065)	197,004

WWTP Electrical Improvements (SW2407)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-391.05-72 GO Bonds Series 2023	2,401,660	(24,314)	2,377,346
Total:	2,401,660	(24,314)	2,377,346

Expenditures:

	\$	\$	\$
452-0000-606.20-22 Construction Contracts	2,401,386	(24,314)	2,377,072
452-0000-601.90-03 Improvements	274	0	274
Total:	2,401,660	(24,314)	2,377,346

Pump Station Improvements (SW2400)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-391.05-56 Series 2019 GO Improvement	37,547	17,350	54,897
452-0000-391.05-69 GO Bonds Series 2021	80,525	715	81,240
452-0000-391.05-72 GO Bonds Series 2023	0	24,314	24,314
452-0000-391.42-00 From Sewer Fund	335,000	10,350	345,350
Total:	453,072	52,729	505,801

Expenditures:

	\$	\$	\$
452-0000-606.90-19 Pump Stations	453,072	52,729	505,801
Total:	453,072	52,729	505,801

Solid Waste Project Fund: 455**Demolition Landfill (DL2300)****Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
455-0000-391.13-00 From Solid Waste Fund	\$ 99,498	\$ (99,498)	\$ 0
Total:	99,498	(99,498)	0

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
455-0000-601.20-23 Arch/Eng/Landscaping Serv	\$ 99,498	\$ (99,498)	\$ 0
Total:	99,498	(99,498)	0

Carts/Cart Repair (DL2500)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
455-0000-391.13-00 From Solid Waste Fund	\$ 0	\$ 99,498	\$ 99,498
Total:	0	99,498	99,498

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
455-0000-601.90-04 Equipment	\$ 0	\$ 99,498	\$ 99,498
Total:	0	99,498	99,498

Cattails Fund: 421**Cattails Equipment (CG2000)****Account Number/Description:****Expenditures:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
421-5076-508.20-99 Miscellaneous	\$ 125,000	\$ (119,727)	\$ 5,273
421-6996-696.76-06 To Cattails Project Fund	0	119,727	119,727
Total:	125,000	0	125,000

Cattails Project Fund: 453**Cattails Equipment (CG2000)****Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
453-0000-391.05-56 Series 2019 GO Improvement	\$ 40,000	\$ (17,272)	\$ 22,728
Total:	40,000	(17,272)	22,728

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
453-0000-601.90-03 Improvements	\$ 40,000	\$ (17,272)	\$ 22,728
Total:	40,000	(17,272)	22,728

Cattails Collars (CG2200)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
453-0000-391.05-56 Series 2019 GO Improvement	150,000	(23,287)	126,713
Total:	150,000	(23,287)	126,713

Expenditures:

	\$	\$	\$
453-0000-601.20-23 Arch/Eng/Landscaping Serv	6,000	0	6,000
453-0000-601.90-03 Improvements	144,000	(23,287)	120,713
Total:	150,000	(23,287)	126,713

Cattails Pump Station (CG2400)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
453-0000-391.05-56 Series 2019 GO Improvement	28,580	(28,580)	0
453-0000-391.58-00 From Cattails Fund	321,420	(321,420)	0
Total:	350,000	(350,000)	0

Expenditures:

	\$	\$	\$
453-0000-601.20-10 Advertising & Publication	307	(307)	0
453-0000-601.90-03 Improvements	349,693	(349,693)	0
Total:	350,000	(350,000)	0

Cattails Miscellaneous (CG2401)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
453-0000-391.05-56 Series 2019 GO Improvement	0	69,139	69,139
453-0000-391.58-00 From Cattails Fund	144,539	441,147	585,686
Total:	144,539	510,286	654,825

Expenditures:

	\$	\$	\$
453-0000-601.90-03 Improvements	100,475	0	100,475
453-0000-601.90-04 Equipment	44,064	510,286	554,350
Total:	144,539	510,286	654,825

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

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING:



AGENDA ACTION FORM

Consideration of an Ordinance to Amend Zoning of Tax Map 046B, Parcel 013.00 and a Portion of Parcel 012.00 Located along Tyson Lane from the R-1B, Residential District to P1, Professional Offices District

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-177-2025

Work Session: July 14, 2025

First Reading: July 15, 2025

Final Adoption: August 5, 2025

Staff Work By: J. McMurray

Presentation By: J. McMurray

Strategic Focus Area: Thriving Local Economy

Recommendation:

- Hold Public Hearing
- Approve Ordinance

Executive Summary:

If approved, this owner-initiated request would rezone approximately .77 acres located at the corner of Tyson Lane/Stone Drive from the R-1B (Residential District) zone to the P-1 (Professional Office District) zone. The purpose of the rezoning is to facilitate construction of a new medical spa. The Future Land Use Plan calls for this site to be Retail/Commercial property. A portion of the property to be used for the medical spa is already zoned P-1 (Professional Office District).

One public comment was received, in which a citizen inquired about the location of the proposed driveway and the number of building levels planned for the site. The driveway location will be on the southern side of the property away from the adjoining residential parcels and the building will be a one-story structure. No opposition was received to this item.

During their June 2025 regular meeting, the Kingsport Regional Planning Commission voted to send a positive recommendation to the Board of Mayor and Aldermen in support of approving the rezoning request by a vote of 6-0.

The notice of public hearing was published on June 23, 2025.

Attachments:

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

Item X2.

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG TYSON LANE FROM THE R-1B, RESIDENTIAL DISTRICT TO P-1, PROFESSIONAL OFFICES DISTRICT IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property located along Tyson Lane from the R-1, Residential District to P-1, Professional Offices District in the 11th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

BEGINNING at a point on the northerly right of way margin of E. Stone Road (US Hwy 11W / TN 1) 120' north of the centerline of right of way, at its intersection with the easterly right of way margin of Tyson Lane, 25' east of the centerline of right of way, being the southwestern most corner of property now or formerly owned by McDavid, Trustee, and identified as Parcel 13.00; THENCE, along said Tyson Lane right of way margin and Parcel 13.00, now or formerly owned by McDavid, North 33 degrees 40 minutes 33 seconds East, 70.18 feet to a point; THENCE, departing Tyson Lane and crossing Parcel 13.00, now or formerly owned by McDavid, Trustee, along the former right of way margin of E. Stone Drive (US 11W / TN 1), 180' north of and parallel to centerline of right of way, North 87 degrees 34 minutes 21 seconds West, for a distance of 164.95 feet to a point on the westerly boundary of Parcel 12.00, now or formerly owned by McKamey; THENCE, turning northward along the westerly boundary of property now or formerly owned by McKamey and identified as Parcel 12.00, common with property now or formerly owned by McDavid, Trustee, and identified as Parcel 13.00, North 42 degrees 36 minutes 55 seconds East, 111.83 feet to a point on the rear boundary of Lot 21 of Block B in Bloomington Heights Subdivision as recorded in Plat Book 7 page 123-B, now or formerly owned by David W. Harper and Pamela L. Harper as recorded in Deed Book 1199C, page 562 et.seq.; THENCE, along the common boundary of McKamey with Bloomington Heights Subdivision, Block B, Lot 21, South 54 degrees 46 minutes, 21 seconds East, for a distance of 35.00 feet to the common corner with Lot 20 of Block B in Bloomington Heights Subdivision, now or formerly owned by Theodore D. Vaughn and Tracy Vaughn as recorded in Deed Book 3235, page 805 et.seq.; THENCE, continuing along the common boundary of McKamey with Bloomington Heights Subdivision, Block B, Lot 20, South 54 degrees 46 minutes 21 seconds East, for a distance of 122.71 feet to a point on the northerly right of way of E. Stone Drive (US 11W / TN 1), 180 feet from centerline of right of way; THENCE, departing the boundary with Bloomington Heights Subdivision, turning southward along property

now or formerly owned by McKamey and the right of way of E. Stone Drive (US 11W / TN 1), South 02 degrees 33 minutes 05 seconds East, for a distance of 60.23 feet to a point 120 feet from centerline of the right of way; THENCE, continuing along the northerly right of way margin of E. Stone Drive (US 11W / TN 1), and the properties of McKamey and McDavid, Trustee, North 87 degrees 34 minutes 21 seconds West, for a total distance of 411.31 feet to the POINT OF BEGINNING.

SECTION II. 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.

PAUL W. MONTGOMERY
Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III
City Attorney

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



AGENDA ACTION FORM

Consideration of an Ordinance to Amend Zoning Text as it Pertains to the Membership of the Board of Zoning Appeals

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-180-2025

Work Session: July 14, 2025

First Reading: July 15, 2025

Final Adoption: August 5, 2025

Staff Work By: Ken Weems

Presentation By: K. Weems

Strategic Focus Area: Efficient & Responsive Government

Recommendation:

- Hold Public Hearing
- Approve Ordinance

Executive Summary:

If approved, the Zoning Ordinance would be amended to increase the membership and shorten the terms for Board of Zoning Appeals members. This amendment aligns the zoning code with the existing configuration of the City's Board of Zoning Appeals as well as the new board appointment process.

The zoning code currently reflects the Board as comprised of five members that serve five-year terms. This amendment increases the total number of members to seven and shortens its terms to three years. City Code Section 2-330 stipulates the term length for any Board or Commission shall be no longer than three years (with exceptions for those prescribed by state statute). This action would align both sections of the City Code.

During their June 2025 regular meeting, the Kingsport Regional Planning Commission voted to send a positive recommendation to the Board of Mayor and Aldermen in support of approving the zoning text amendment by a vote of 6-0.

The notice of public hearing was published on June 24, 2025.

Attachments:

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

	<u>Y</u>	<u>N</u>	<u>O</u>
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 114-65 OF THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, PERTAINING TO THE COMPOSITION AND THE DURATION OF TERMS FOR MEMBERS OF THE BOARD OF ZONING APPEALS; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE.

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

SECTION I. That section 114-65 of the Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and substituting in its place the following:

Sec. 114-65. - Established; appointment; terms; vacancies.

A board of zoning appeals is established, to consist of seven members, who may be members of the planning commission. The members shall be appointed by the mayor and confirmed by a majority vote of the board of mayor and aldermen. The terms of membership shall be three years. Vacancies shall be filled for any unexpired term by appointment by the mayor and confirmation by the board of mayor and aldermen.

SECTION II. 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.

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT III, City Attorney

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



AGENDA ACTION FORM

Consideration of a Resolution to Amend Professional Service Agreement with CDM Smith to Perform Forcemain Surge Analysis for Cooks Valley Sewer Lift Station

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-213-2025

Work Session: August 5, 2025

First Reading: N/A

Final Adoption: August 5, 2025

Staff Work By: Niki Ensor

Presentation By: Ryan McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:

Approve the Resolution

Executive Summary:

If approved CDM Smith will perform a surge analysis on the Cooks Valley sewer lift station (#212) forcemain. There are no additional fees for this task.

On November 17, the City entered into a professional services agreement with CDM Smith to complete the South Fork Sewershed Capacity Study. This study analyzes sanitary sewer lift stations for condition and hydraulic capacity through the South Fork sewer basin to the City's wastewater treatment plant. During the course of this study, it was determined that transient water during start-up and shutdown may be reducing pump life. A surge model will be developed for the forcemain to assess operating and surge pressures to determine if surge mitigation is necessary.

The surge analysis and the overall South Fork Sewershed Study will be completed by December 31, 2025. No additional fees will be required outside of the existing budget. This project is funded with ARP grant funds. Funding is allocated to project SW2304.

Attachments:

1. Resolution
2. CDM Smith Proposal
3. Location Map

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT WITH CDM SMITH, INC., TO PERFORM FORCEMAIN SURGE ANALYSIS FOR COOKS VALLEY SEWER LIFT STATION; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, on November 7, 2023, the board approved Resolution No.: 2024-107 authorizing the mayor to sign a professional services agreement with CDM Smith, Inc., for the South Fork Holston Sewershed Capacity Study; and

WHEREAS, during the course of the South Fork Holston Sewershed Capacity Study, it was determined that transient water during start-up and shutdown may be reducing pump life; and

WHEREAS, the amendment will allow CDM Smith, Inc. to perform a surge analysis for the existing 2013 Cooks Valley sewer lift station (#212) and existing 8-inch force main to evaluate the effects of transients caused from power failure at the pump station and start-up and shut down of the pump station; and

WHEREAS, CDM Smith will complete the surge analysis under the current South Fork Sewershed Capacity study budget, thus requiring no additional fees.

Now therefore,

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

SECTION I. That an amendment to the professional services agreement with CDM Smith, Inc., to perform a surge analysis on the Cooks Valley sewer lift station (#212) and forcemain, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an amendment to the professional services agreement with CDM Smith, Inc to perform a surge analysis on the Cooks Valley sewer lift station (#212) and forcemain, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution.

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

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

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

ADOPTED this the 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



July 24, 2025

Niki Ensor
Water Services Division City of Kingsport
1113 Konnarock Rd.
Kingsport, TN 37664

Subject: Cooks Valley Pump Station (PS) Surge Analysis – South Fork Holston Sewershed Capacity Study

Dear Niki:

CDM Smith is pleased to present our proposal to support the City of Kingsport for Cooks Valley PS Surge Analysis as an extension of the South Fork Holston Sewershed Capacity Study.

Scope of Services

The detailed scope of work for the basic services included under this proposal are described below.

Cooks Valley Pump Station

Task 1 – Surge Analysis

A surge analysis will be performed for the existing 2013 Cooks Valley pump station (PS 212A) and existing 8-inch force main to evaluate the effects of transients caused from power failure at the pump station and start-up and shut down of the pump station.

The existing force main and pump station record drawings, material type, internal diameter, and air valve manufacturer and model, as previously provided, and the hydraulic model as previously developed will be utilized for development of the surge analysis. CDM Smith (Engineer) will work with the City (Owner) to develop surge mitigation criteria, such as maximum and minimum pressure (working plus surge pressure). The surge model will include node locations at significant high and low points along the existing force main with their respective elevations. Wave speeds used will be suitable for the pipeline materials based on manufacturer's literature and/or published data. The pipeline system components will be represented in the surge model with their applicable resistance, minor losses, and opening/closing speeds. Pumps and motor inertia will be included in the analysis.

Surge control devices include air handling valves and surge relief valves and will be evaluated to control maximum pressure and to prevent the formation of vacuum conditions and water column separation. Engineer assumes a hydropneumatic surge tank is not required as one of the surge control devices. If during surge modeling, a hydropneumatic surge tank is found to be the recommended solution to mitigate surge, additional surge modeling will be necessary to optimize and fine tune the recommended size and set points of the surge tank(s) for design. This analysis is not included but can be added via amendment.

Engineer will summarize the findings and recommendations of the surge analysis in a draft technical memorandum. A draft technical review meeting will be held via Teams online. Upon receipt of



Niki Ensor
July 24, 2025
Page 2

comments and after the draft technical memorandum review meeting, Engineer will provide a final technical memorandum to the Owner.

Hydropneumatic surge tank sizing, detailed design of surge control devices, or surge analysis for future conditions is not included in this Amendment.

Responsibilities of the Owner

No changes from the original Agreement dated November 17, 2023.

Schedule and Budget

CDM Smith proposes to complete the work under the current South Fork Holston Sewershed Capacity study budget. No additional fees will be required outside of the existing budget.

CDM Smith proposes to complete this task and the overall South Fork Holston Capacity Study Agreement by December 31, 2025.

On behalf of the entire CDM Smith organization, I want to express our appreciation for the opportunity to continue to work with the City. If you have any questions about this proposal, or any matter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Daniel Unger".

Daniel Unger, PE, PMP
Client Service Leader
CDM Smith



Project Area

Project Area

Legend

- Project Area
- Sewer Force Mains
- Sewer Mains
- Over Flow Liftstations
- Streets

Item X11.

Project Location Map
Surge Analysis Of Forcemain
Cooks Valley Sewer Lift Station
City Of Kingsport



AGENDA ACTION FORM

Consideration of a Resolution to Purchase One (1) 2023 AutoCar ACX64 with New Way Body Utilizing Sourcewell Cooperative Purchasing Agreement

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-214-2025
Work Session: August 5, 2025
First Reading: N/A

Final Adoption: August 5, 2025
Staff Work By: Committee
Presentation By: R. McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:

Approve the Resolution

Executive Summary:

If approved this resolution authorizes the purchase of One (1) 2023 AutoCar ACX64 with New Way Body from Municipal Equipment utilizing Sourcewell Cooperative Purchasing Agreement #110223-NWY for use by the Solid Waste Department in the total amount of \$406,693.00.

The estimated delivery date is 2-3 months after the purchase order has been received. This purchase will replace unit number 2236, a 2015 Mack New Way Sidewinder with mileage of 137,053 and 13,315 hours. This purchase will be a 6.5% cost increase compared to the last garbage truck purchased in October 2024. This vehicle was ordered by another municipality that ultimately decided to not take delivery and therefore Kingsport has the opportunity to save \$30,324 and take delivery 9-13 months quicker than ordering a 2025 model.

With Sourcewell, agencies can utilize competitively solicited contracts to help save time and resources while still meeting purchasing requirements. All cooperative purchasing contracts from Sourcewell have been competitively solicited by a lead public agency and meet rigorous cooperative standards and supplier commitments. Each supplier commits to delivering their best overall government pricing so that the City of Kingsport can buy with confidence.

Please see the attached recommendation memo for additional information & Sourcewell Cooperative Contract.

Funding is identified in Project/Account # 51150085019010

Attachments:

1. Resolution
2. Recommendation Memo
3. Quote
4. Sourcewell Contract

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

Item XI2.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER TO MUNICIPAL EQUIPMENT, INC. UTILIZING SOURCEWELL COOPERATIVE PURCHASING AGREEMENT NO. 110223-NWY FOR ONE 2023 AUTOCAR ACX64 WITH NEW WAY BODY FOR USE BY PUBLIC WORKS

WHEREAS, staff recommends the purchase of one 2023 Autocar ACX64 with New Way Body utilizing Sourcewell Cooperative Purchasing Agreement # 110223-NWY for use by the Solid Waste Department; and

WHEREAS, the city participates in the Sourcewell cooperative purchasing; and

WHEREAS, Tenn. Code Ann. §12-3-1205 permits city to participate in a cooperative purchasing agreement for the procurement of equipment; and

WHEREAS, in order to purchase the equipment, a purchase order needs to be issued to Municipal Equipment, Inc., in the amount of \$406,693.00; and

WHEREAS, funding for this equipment is available in project account # 51150085019010.

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 Municipal Equipment, Inc. for one 2023 Autocar ACX64 with New Way Body utilizing Sourcewell Cooperative Purchasing Agreement # 110223-NWY, for use by the Solid Waste Department in the amount of \$406,693.00.

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 5th day of August. 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



FLEET MAINTENANCE DEPARTMENT

City of Kingsport

To: Nikisha Eichmann, Assistant Procurement Manager
From: Steve Leonard, Fleet Manager
Date: July 21, 2025
Re: Fleet Replacement of 2236 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement of unit # 2236 in the amount of \$406,693.00. The unit bid meets the expectations of the Solid Waste Department and will fulfill the requirements of their operational needs. This unit will be purchased utilizing Sourcewell Contract # 091219-NWY. A copy of the Sourcewell Contract is attached. The estimated delivery is 2-3 months.

Item	Quantity	Description	Award to Vendor	Fuel Economy
1	1	2023 AutoCar ACX64 w/ New Way Body	Municipal Equipment	N/A City/N/A Hwy

The unit will be a Fleet Replacement

The unit listed below will be replaced and disposed of utilizing the current approved City process.

The Sourcewell offering was reviewed by Rodney Deel and he is in agreement with this recommendation.

Fuel Economy Improvement

Fuel economy will be compatible with the current unit we have.

Sourcewell Contract 091219-NWY

Replacements

2236	2015 Mack w/ New Body	Mileage 137,053	Hours 13,315
------	-----------------------	-----------------	--------------

This is a 2023 model. Murfreesboro TN had originally ordered but decided to not take delivery. Our last purchase price for a vehicle of this type was \$ 381,875.69 in October 2024 making this unit at \$ 406,693.00 a 6.5% increase. If the City initiates a purchase for a 2026 model, the cost would be \$437,017.00 which would be a 14.5% increase and the delivery time would increase to 12-15 months.

Should you have any questions on this recommendation, please do not hesitate to contact me.

Thank you.



QUOTATION



Parts Center



Service Center



MUNICIPAL EQUIPMENT, INC.
KENTUCKY • TENNESSEE • INDIANA • OHIO



Mobile Service



Equipment

Sales Person Michael Salomone
Street / Number 1506 West College St
City, ST, Zip. Murfreesboro, TN, 37129
Phone 865-310-6017
E-mail msalomone@meieq.com

Date July 23, 2025
Valid Until
Quote # MS-5-21-25-1
Sales Person ID MS

Bill to: City of Kingport, TN
Attn: Steve Leonard
Street Address 609 West Industry Drive
City, ST, Zip. Kingsport, TN 37660
Phone 423-229-9451

Ship to:
Attn:
Street Address
City, ST, Zip.
Phone

Delivery	FOB	Terms	Shipping Method	Customer Type	Tax
STOCK				Municipality	

Item #	Description	Qty.	Unit Price	Unit	Tax	Line Total
	2023 Autocar ACX64- New Way 31 Yard Sidewinder ASL (VIN: 244585)	1				-
	2023 Autocar ACX64 (Sourced Quote);	1	224750.00			224,750.00
	New Way 31 Yard Sidewinder ASL:	1	174598.00			174,598.00
	Kingsport Iron and Metal to Install: HOSE AND WIRE PROTECTION WRAP, REAR CAUTION STICKER 70"X24"includes Metal, paint and welding supplies-Includes Labor (Sourced Good)	1	3255.00			3,255.00
	Kingsport Iron and Metal to install a fall protection Harness-includes Metal, paint and welding supplies and labor (Sourced Good)	1	1090.00			1,090.00
	Pre-Delivery Inspection, delivery of Complete Unit:	1	3000.00			3,000.00
						-
						-
						-
	QUOTE REVISED ON 7/21/25-GOOD THROUGH AUGUST 2025					-
						-
						-
	Sourcewell IDs:					-
	New Way: 110223-NWY					-
	Kingsport: 29779					-
						-
	BODY AND CHASSIS SPECS SEPERATELY					-
						-
						-
						-
						-
						-
						-
						-

Special Notes and Instructions
If tariffs or other unforeseen supply chain costs are imposed, including price increases through steel surcharges, MEI reserves the right to pass the increase cost to our customer.
In Stock Units are subject to prior sale; Used Units are sold as is where is
Please confirm your acceptance of this quote by signing this document; Signing this document is binding contract for purchase

Subtotal	\$	406,693.00
Taxable	\$	-
Tax Rate	%	9.25
Sales Tax	\$	-
Freight	\$	-
Discount	\$	-
Total	\$	406,693.00

Sales Person Signature

Customer Signature

Date

We value your business and appreciate your support.

Item X12.



www.municipalequipmentinc.com

**Solicitation Number: RFP #110223****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Scranton Manufacturing Company/New Way Trucks, 101 State Street, Scranton, IA 51462 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Refuse Collection Vehicles with Related Equipment, Accessories and Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.

EXPIRATION DATE AND EXTENSION. This Contract expires December 28, 2027, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. **SALES TAX.** Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. **HOT LIST PRICING.** At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;

- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized

subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted

price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

- a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.

- b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
- 2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.
- 3. *Use; Quality Control.*
 - a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
 - b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.
- 4. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for products liability-completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is

primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared

ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in

guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

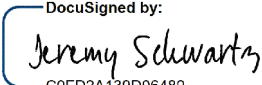
T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

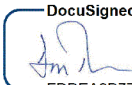
22. CANCELLATION

Sourcwell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcwell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.


Sourcwell

Scranton Manufacturing Company/New Way Trucks

DocuSigned by:

C0FD2A139D06489...
By: _____
Jeremy Schwartz
Title: Chief Procurement Officer
1/19/2024 | 7:07 PM CST
Date: _____

DocuSigned by:

FDDEA3B770F6476...
By: _____
Don Ross
Title: Chief Sales Officer
1/19/2024 | 3:52 PM PST
Date: _____

Approved:

DocuSigned by:

48BAF71B0894454...
By: _____
Chad Coauette
Title: Executive Director/CEO
1/19/2024 | 7:49 PM CST
Date: _____

RFP 110223 - Refuse Collection Vehicles with Related Equipment, Accessories, and Services

Vendor Details

Company Name: Scranton Manufacturing Co.< Inc.

Does your company conduct business under any other name? If yes, please state: New Way Trucks

Address: 101 State Street
Scranton , IA 51462

Contact: Jesse Geeslin

Email: jgeeslin@newwayfleetforce.com

Phone: 715-321-6048

HST#: 42-0993825

Submission Details

Created On: Thursday September 14, 2023 12:13:18

Submitted On: Tuesday October 31, 2023 16:09:36

Submitted By: Sam Norland

Email: snorland@mcfamco.com

Transaction #: 581454c8-715f-4d1a-8a90-cec08b6d690f

Submitter's IP Address: 198.153.109.161

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Scranton Manufacturing Company/New Way Trucks	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	New Way FleetForce Rentals	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	New Way FleetForce LLC	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	46996	*
5	Proposer Physical Address:	101 State Street Scranton, Iowa 51462	*
6	Proposer website address (or addresses):	newwaytrucks.com refusetrucks.scrantonmfg.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Jesse Geeslin New Way FleetForce Director of Sales 809 Locust Street Scranton, Iowa 51462 jgeeslin@newwayfleetforce.com 715.321.6048	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Sam Norland Marketing Supervisor 809 Locust Street Scranton, Iowa 51462 snorland@mcfamco.com 712.634.6383	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Nick Daniel Sales Operations Manager 809 Locust Street Scranton, Iowa 51462 ndaniel@newwaytrucks.com 712.634.6010	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	
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10	<p>Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.</p>	<p>In 1971, John McLaughlin, his brother, and a friend began repairing farm equipment in small-town Scranton, Iowa. The trio soon began manufacturing innovative products that farmers in the surrounding area needed, including the world's first mechanical hybrid seed corn detasseler. It was only a matter of time before Scranton Manufacturing's reputation for high quality, innovative products spread to farms across the country. Scranton Manufacturing became one of the nation's premier livestock handling and feeding equipment manufacturers as a result.</p> <p>A farming depression in the 1980's necessitated change as Scranton Manufacturing purchased the New Way product line of garbage trucks after John saw an ad in the Wall Street Journal for a small garbage truck manufacturer based in nearby Des Moines, Iowa. John saw to his vision to improve and expand the New Way product line and build a network of distributors that reached every region in North America. Today, Scranton Manufacturing and its New Way Trucks brand is the crown jewel of the McLaughlin Family Companies. It is the largest privately-held refuse collection vehicle manufacturer in the nation.</p> <p>New Way Trucks is one of the fastest-growing companies in the \$100 billion North American solid waste industry and remains family-owned for more than 50 years. Throughout our existence, we have been committed to innovation, safety, quality, customer satisfaction, and growth. Midwest values drive everything we do, and our people are our most valuable asset. Scranton Manufacturing founder and 2009 National Waste & Recycling Association (Nwra) Hall of Fame inductee, John McLaughlin, has long attributed the company's continued success to the 4 P's: People, Principles, Products, and Persistence.</p> <p>New Way manufactures the widest product lineup of front-, rear-, and side-load refuse collection equipment in the refuse industry and proudly goes to market through the industry's most well-respected Distributor Network. More than 40 individual distributors operate over 60 separate locations that provide necessary support during and after the sale as well as unmatched post-sale service to the entire United States and Canada. New Way's Distributor Network also includes more than a dozen additional locations across the globe.</p> <p>Our Distributor Network lays the bedrock of our organization, and we would not have been able to add new manufacturing facilities in Booneville, Mississippi in 2020 and 2021 without the continued sales and service efforts of our valued distributors that necessitate production capacity increases. New Way also opened a new manufacturing facility in Carroll, Iowa in 2020 a short drive from our New Way Parts Department. A mere 18 miles separates our Carroll facilities from our headquarters in Scranton.</p> <p>Giving back has been core to Scranton Manufacturing since John McLaughlin founded the company in 1971. Employee-organized blood drives, care packages for soldiers serving domestically and overseas, school supply and winter coat donation events are common. Toy drives around the holidays and clean-up efforts in the aftermath of local natural disasters are also regular occurrences. Though selfless acts have been common since the company's founding, we gave these efforts a name in 2021: Driving Goodness. Driving Goodness was established to help individuals going through hardship in our local communities due to unforeseen circumstances. Employees nominate potential fund recipients.</p> <p>New Way Trucks also donates equipment to and participates in local parades and festivals. Welding staff visit local high school welding programs every other week to help develop students' skills. School groups frequently tour our manufacturing facilities to learn about the benefits of careers in the skilled trades, and we partner with local community colleges to ensure these opportunities are readily available. Our employee family is proud to be stewards of the communities in which we operate in both Iowa and Mississippi.</p>
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11	What are your company's expectations in the event of an award?	<p>Should New Way be awarded a new Contract, we will develop a Sourcewell-specific sales order sheet to further simplify the refuse collection vehicle procurement process for Sourcewell Participating Agencies.</p> <p>Members of the New Way team will travel to Minnesota within 45 days of an award to initiate further training on the new agreement and formally launch the contract. New Way will train the remainder of our Sales Operations Staff on any new procedures related to the Sourcewell Contract, and New Way Regional Sales Managers (RSMs) will inform our Distributor Network accordingly. New, discounted refuse collection vehicle - and parts - pricing will become valid immediately to Participating Agencies and New Way will subsequently implement our turnkey solution.</p> <p>A Sourcewell-awarded contract will allow New Way Trucks to continue to provide Participating Agencies with great products at a discounted price to our many existing municipal customers, grow our municipal base, and open the door to new opportunities in the educational space.</p>	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	<p>New Way Trucks is the cornerstone of McLaughlin Family Companies, an ever expanding central-Iowa and northeast-Mississippi based group of companies focused on refuse, recycling, veterinary, and animal control equipment manufacturing and retail product distribution for new and used automobiles and automotive products.</p> <p>New Way's business plan has been based on growth and expansion since John McLaughlin bought the company in the mid-1980's. In 2015 we added a 56,000 square foot manufacturing addition at our main manufacturing facility in Scranton, Iowa. In 2018 a \$3 million investment in computerized fabrication equipment and robotics at our facilities in Iowa continued that expansion.</p> <p>In 2020, New Way Trucks expanded to Booneville, Mississippi by opening a 152,000 square foot manufacturing facility and in Carroll, Iowa when we bought a 42,000 square foot facility. In 2021, we began operations in another facility in Booneville, a 66,000 square foot operation. Today our space exceeds 600,000 square feet under roof in central Iowa and northeast Mississippi with joint venture manufacturing projects in Canada, Mexico, and most recently in Australia.</p> <p>New Way has consistently experienced annual double-digit growth, and now operates three manufacturing facilities and a parts department in Iowa. In addition, New Way operates two manufacturing facilities and a parts depot in Mississippi. New Way has opened one new manufacturing facility in both Iowa and Mississippi – and Mississippi's parts depot – since being awarded Sourcewell Contract #091219-NWY. New Way is committed to expanding our manufacturing capacity by investing in human capital and cutting-edge equipment to meet the ever-growing demand for our refuse collection vehicles.</p>	*
13	What is your US market share for the solutions that you are proposing?	According to National Waste and Recycling Association (NWRA) data, New Way Trucks represents slightly more than twenty-four (24) percent market share in the US for front-, rear-, and side-load refuse collection equipment sold in 2022. New Way's industry-leading Sidewinder XTR automated residential side loader represents nearly thirty (30) percent of all automated side loaders sold in the United States.	*
14	What is your Canadian market share for the solutions that you are proposing?	According to best estimates, New Way currently has nine (9) percent market share in Canada. New Way is excited at the prospect of working with Canoe through a new Sourcewell Contract in Canada thanks not only to our existing distributor infrastructure that includes four distributors serving the country across nine locations, but also because of how well-connected our newest distributor covering Canada's most populous province – Ontario – is in the municipal market.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No. New Way Trucks is a financially stable organization with continued growth year after year. We are the largest privately held refuse equipment manufacturer in North America and rank in the top three of all refuse collection vehicle manufacturers in total units produced.	*

16	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>New Way Trucks is an original equipment manufacturer (OEM). Both New Way's sales force and Distributor Network cover all of the U.S. and Canada. Our sales force is comprised of all New Way employees, whereas our trusted distributors and their representatives are employees of their respective organizations.</p> <p>The New Way Distributor network is made up of 40 privately owned organizations with over 60 locations across the United States and Canada. This North American network includes over 150 distributor employees dedicated to and experienced in showcasing the New Way brand. To support its customers and extensive Distributor Network, New Way Trucks has a 40+-person sales, marketing, parts, warranty and service organization made up of all full-time New Way employees. Ten Regional Sales Managers (RSMs) are responsible for our North American sales territories and provide direct distributor and end-user product support. These RSMs are responsible for training, educating, and demonstrating our products to end-users and distributors. They also assist with price quoting, order development, and support both during and after the product sale. Our Service, Warranty, and Parts teams provide after-sales support to both distributors and end-users. New Way's Field Service teams provide on-site technical support and training to our end- users and Distributor Network.</p> <p>New Way certified field service technicians are available to Participating Agencies. These field service technicians provide service and support at Distributor and Participating Agency locations to assist with any maintenance needs that arise.</p> <p>The New Way Distributor Network is the first line of defense for any parts or service issue. Each distributor maintains an inventory of stock parts and a team of service technicians are available to support Participating Agencies when necessary.</p>	*
17	<p>If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.</p>	<p>The American National Standards Institute (ANSI) is the governing body for refuse equipment specifications and requirements in North America. The National Waste & Recycling Association (NWRA) administers ANSI. New Way is actively involved with NWRA as we hold the current Chairman of the NWRA Board of Trustees and Chairman of the NWRA Suppliers Board of Governors positions.</p> <p>New Way is also represented on all ANSI committees and is actively involved in establishing new equipment safety protocols and equipment specifications for our industry.</p> <p>In addition, each of our manufacturing facilities in Iowa and Mississippi meet and exceed the standards set by the Occupational, Safety, and Health Administration (OSHA).</p>	*
18	<p>Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.</p>	<p>New Way Trucks has not been suspended or disbarred from participating in any government contracts since the company's inception.</p>	*

Table 3A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
19	<p>Provide a detailed description of the equipment, products, and services that you are offering in your proposal.</p>	<p>New Way believes that all solid waste is local. This is visible in the refuse collection vehicle variations our customers request. To meet that need, we manufacture the widest product lineup of any refuse collection vehicle body manufacturer. With over 40 body sizes of twelve different product lines of refuse collection vehicle bodies, there is no refuse collection need that New Way Trucks cannot meet. Our product lineup features two front-load, six rear-load, three automated side-load, and a satellite side-load refuse collection vehicle. New Way refuse collection vehicle bodies range in size from six cubic yards to 43 cubic yards.</p> <p>New Way is pleased to include our entire parts catalog to keep Participating Agencies' equipment running smoothly. We have created first round preventive maintenance parts packages that include replacement filters and wear items to assure Participating Agencies use New Way parts during the standard warranty period.</p> <p>Each of our refuse collection vehicles are available for rent through our New Way FleetForce program. FleetForce is the only direct-from-manufacturer rental operation in the industry offering various rental contract options ranging from a month to multiple years-long time frames. The latest, most productive New Way refuse collection vehicles are regularly being added to FleetForce's rental fleet to meet to meet a Participating Agency's immediate need. If a vehicle is available, FleetForce will immediately deliver to a Participating Agency's location. Since New Way FleetForce units are built and distributed just like any of our refuse collection</p>

vehicles, Sourcewell Participating Agencies are guaranteed factory-trained support through our Distributor Network.

Front-Loaders

New Way offers two front load refuse collection vehicle body styles for commercial collection: the New Way Mammoth and a lightweight Mammoth Western Series for areas in the western United States where United States Department of Transportation (DOT) regulations are a concern. Both models have a twelve (12) cubic yard hopper capacity and body capacities of 22, 28, and 31 cubic yards.

The New Way Mammoth is known for its one-piece, curved shell design that boasts the strongest steel specs in the industry. The Mammoth gets its name from the heavy-duty single-piece constructed arms that resemble tusks when extended. Torque tube assembly and pack-on-the go features maximize route and labor efficiency. The refuse collection vehicle body features the largest clean-out doors and sump in the industry. This front-loader's ease of use and maintenance, superior strength, durability, and after sales product support and service are unmatched.

The New Way Mammoth Western is a ten percent lighter front-loader that does not compromise on strength. New Way's engineering team accomplished this with lighter weight, high-tensile steels. Its fast cycle times and high compaction rates make it an ideal fit for customers in the western United States that need a rugged front-load refuse collection vehicle that is fully compliant with local regulations. The Mammoth Western offers the pachyderm-esque strength and stamina of its sibling while remaining weight-log compliant for more stringent coastal states' DOT regulations.

Rear-Loaders

The New Way King Cobra offers industry-leading rear-load waste compaction and comes available in body sizes from 20- to 32-cubic-yards. The King Cobra is the unequivocal industry leader with an approximate 1,000 to 1,300 pounds per cubic yard compaction rate and superior rear-loading capabilities.

Built to take on a lot of work without requiring much maintenance, the King Cobra rear loader offers many of the standard features of other New Way rear-loaders. Curbside hydraulic access, side-body automatic tailgate locks, a rear-view camera and two-year hydraulic cylinder warranty are just a few of the many standard options. The King Cobra can also be customized to meet the needs of a Participating Agency's individual operation.

Combine all of this with the fact that the King Cobra has the lowest cost of operation of any comparable body size and one of the lowest warranty claims of any mobile refuse collection vehicle body in the industry, and you've got a mobile refuse collection vehicle that charms the most demanding of routes.

The King Cobra comes available in the following body capacities: 20-, 25-, 27-, and 32-cubic yards.

The New Way Cobra Magnum is a large rear-loader that is still fully DOT compliant. Like the King Cobra, it is also available in body sizes of 20-, 25-, 27-, and 32-cubic-yards. The Cobra Magnum offers the ultra-high compaction of the King Cobra with a body weight lighter than what the competition can achieve.

The Cobra Magnum is designed to comply with Department of Transportation weight regulations and offers the easiest operational features in today's mobile refuse collection vehicle market. Operators have convenient access to curbside hydraulic controls on this impressive rear loader that will easily compact up to 1,100 pounds per cubic yard depending on the waste stream.

Add in a huge 3.55 cubic yard hopper and a striking 21-23 second cycle time, and the Cobra Magnum delivers the perfect size mobile refuse collection vehicle with the bite to crush anything you throw its way.

The newest addition to New Way's rear-load lineup is the Cobra High Compaction rear-end-loader. The Cobra High Compaction (HC) boasts the compaction and speed of its bigger brothers, the Cobra Magnum and King Cobra, but features a lightweight body with an overall lower profile for height-restricted refuse collection routes.

Preventive maintenance is simple thanks to the vehicle's mounted front valve, easy access wiring system, and removable slide show access cover. The new Way Cobra HC hit the industry in 2020 with its 1,100 to 1,300 pounds per cubic yard compaction rate, 15,000-pound weight (for the standard 25-yard model), and a 21-23 second cycle time. 20- and 27-yard models are also available.

Additional features include a large 3.5 cubic yard hopper with wide 80-inch tailgate and inboard hydraulic cylinders, an inside-body hydraulic tank, optional auto-lock turnbuckles, and optional bolt-on winch systems.

The New Way Cobra is a lightweight rear loader that boasts full-sized compaction capabilities. Our Cobra rear-end-loader is the contractor's choice, striking the perfect balance between outstanding compaction and a lightweight 16- to 20-cubic-yard body. With a compaction rate of up to 850 pounds per cubic yard, the Cobra is a powerful rear load mobile refuse collection vehicle that will do everything mid-size mobile refuse collection vehicles are expected to.

Add in the Cobra's large 3.2-cubic-yard hopper on a single-axle chassis, internally-mounted hydraulic cylinders, operating valve on the outside of the hopper, automatic tailgate locks with outside lever controls, high-compaction body and a variety of container-handling options for both steel and plastic carts, and you'll understand why the Cobra dominates the mid-sized refuse collection vehicle market.

The Cobra is available in 16-, 18-, and 20-cubic yard body sizes.

The New Way Viper is an innovative rear-end-loader built for safety and maintenance and comes available in body sizes of 9-, 11-, and 13-cubic-yards. It is one of the most popular mid-compaction rear loader bodies on the market today. It is a lighter, faster version of the industry-leading Cobra.

The ever-popular 11-yard Viper does not require a CDL to operate as it is commonly sold on chassis under 26,000 lbs. Gross Vehicle Weight Rating (GVWR). It's the perfect mobile collection vehicle for small-volume residential routes and a reliable, durable favorite of fleet managers from coast to coast.

The Viper also comes standard with automatic tailgate locks with the control handle located on the side of the chassis, thus eliminating the time and effort needed to go back and forth to operate the traditional turnbuckle locks.

With accessories and adapters to accommodate all varieties of residential cart tippers and commercial containers, a rear-view camera and a two-year hydraulic cylinder warranty, this rear-loader is a great beginning refuse collection vehicle for operators to train on before getting their CDL and graduating to a larger, yet still familiar, vehicle.

The under-CDL New Way Diamondback packs powerful features into a compact profile. Our smallest rear-load refuse collection vehicle exhibits quality in workmanship and raw materials that differentiates it from the competition. This compact, low-profile mobile refuse collection vehicle with a low load-still threshold has a compaction rate of up to 800 pounds per cubic yard in the standard unit and up to 1,000 pounds per cubic yard on the high-compaction model.

When searching for quality, affordability, and maneuverability to service high-density areas, resorts, campuses, and park collection routes, the Diamondback refuse collection vehicle is the answer. It is available in 6- or 8-cubic-yard body capacities, and is adaptable to all residential cart tippers.

The Diamondback comes fully-equipped with a range of standard features that are merely options on most other units, including a rear-vision camera and standard two-year hydraulic cylinder warranty.

Automated Side-Loaders

For the last 20 years, the solid waste industry focused on improving productivity. That effort translated to bigger and fewer collection routes, larger trucks, and fleet-rightsizing. Given the current CDL driver shortage, however, one shoe does not fit all markets. Hauling operators are now seeing those trends begin to reverse. There is a willingness to expand fleets with smaller collection vehicles with hopes of expanding the labor pool and drawing candidates from groups not traditionally targeted by the nation's waste haulers. New Way Trucks is poised and ready to meet that need.

The industry's continued shift to automation has further proven to extend an aging workforce while at the same time becoming gender neutral. Historically solid waste has been male-dominated due to the heavy lifting requirements. However, technology has solved that problem. Automation does the heavy lifting, and equipment manufacturers are designing for smaller stature, creating access to more commercial drivers in a time when driver shortages are widespread.

The New Way Sidewinder XTR™ is the best-selling Class 8 automated side-loader in the industry according to the National Waste & Recycling Association's equipment statistics program. It's just a matter of time before the New Way Wolverine

becomes the most sought-after Class 6.

The New Way Sidewinder XTR is an automated side-loader with one-operator efficiency. With a deceptively fast compaction rate and the industry's strongest frame-mounted collection arm that reaches up to an impressive 12 feet, efficiency is always at the operator's side. The Sidewinder XTR combines the convenience of automated loading with the ability to maneuver in tight spaces to create an ultra-tough, overbuilt side-loading machine.

At the end of the day, the convenient features of the Sidewinder XTR are even more evident. Mobile refuse collection vehicle operators appreciate the convenience of being able to easily clean out behind the pack panel with the widest opening access and largest clean-out sump in the industry. Add to that the standard rear-view camera and a two-year hydraulic cylinder warranty, and you can see why the Sidewinder XTR has a solid grip on the industry.

The New Way Sidewinder XTR comes available in the following standard body sizes: 22-, 24-, 29-, and 31-cubic yards. 18-, 20-, and 33-yard Sidewinder XTRs are not standard, but are available by request.

The New Way® Wolverine is the latest innovation from New Way Trucks and joins the largest and most diverse family of refuse equipment in the industry. The Wolverine has the attributes of its larger siblings, just in a smaller package. With pack cycle times equivalent to a Sidewinder, arm cycle times equivalent to a Rotopac, a nine-foot arm reach, and full eject capability, the Wolverine provides a package that promotes efficient collection. Both manual and automated Wolverines are available to meet the need of any user. To aid in replacement costs and space, the Wolverine and Sidewinder share common parts in the hydraulic and control systems to eliminate the need for multiple SKU's on the shelf.

Although the Wolverine is a full-fledged collection vehicle, it is available in an under-CDL package, making finding and training new drivers considerably easier. Your new drivers can focus on safety, customer service, and a manageable route footprint in a smaller vehicle, and eventually graduate to a full-sized unit bringing those skills forward to a larger – yet still familiar – refuse collection vehicle.

The Wolverine comes available in 10-, 12-, and 14-cubic-yard body capacities.

The New Way ROTO PAC is the first auger-driven organics and municipal solid waste collection vehicle in the world. The ultimate goal of waste management is zero waste being deposited into landfills. With an eye towards the future, New Way is leading the pack with our ROTO PAC.

Organics on Monday, municipal solid waste (MSW) on Tuesday. Gone are the days of maintaining separate trucks to meet a community's waste management needs. As the first refuse collection vehicle that works equally well with municipal solid waste as it does with recycling and organics, the multi-purpose ROTO PAC is designed for operational flexibility.

The ROTO PAC'S self-cleaning auger not only more efficiently compacts organic materials - such as grass clippings and food waste - but will automatically reverse in the rare event of a jam. The 23,000 pounds of auger torque makes quick work of compaction and self-cleaning, which eliminates downtime to clean out behind a pack panel. The automated arm has a 12-foot reach and can easily manage up to 500 pounds at maximum extension.

Add to that bodies sizes of 14-, 16-, 20-, 22-, 25-, and 27-cubic-yards, the highest legal payload in the industry at 25,000 pounds, reduced hydraulic cylinder maintenance due to the auger, and a liquid-tight hopper up to 40 inches high, and you have the most adaptable refuse collection vehicle available on the market today.

Satellite Side-Loader

The New Way Mamba under-CDL satellite side-loader is a fiercely-fast and agile side loader. This truck slithers its way into residential collection routes that other refuse collection vehicles cannot and provides the freedom to load from both sides. With its slender body construction, the Mamba plays a vital role and allows operators transfer compacted materials to larger rear loaders.

Available in fixed-body mount, the Mamba also features cart tipper and barrel dumper options, giving Participating Agencies the ability to customize a side-loader machine that is sure to handle anything thrown its way. The Mamba is available in 6-, 8-, and 10-cubic yard body sizes.

20	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	<p>1) New Way Trucks Parts</p> <p>2) After-Sale Distributor Support Services: Parts, Service, Warranty through the New Way Distributor Network</p> <p>3) New Way FleetForce Refuse Collection Vehicle Rental Program: FleetForce provides turnkey rental solution for complete, ready-to-work New Way refuse collection vehicles. A rental unit is an immediate solution for Participating Agencies that seek alternative finance options in adding the same productive New Way refuse collection vehicle to their fleet.</p> <p>4) Off-rent truck sales availability: New Way aggressively discounts refuse collection vehicles in the FleetForce rental fleet after contracts complete. These units are available through the New Way Distributor Network.</p> <p>5) Work Ready Truck Program: The New Way Trucks Work Ready Truck Program is designed to meet Participating Agencies' most pressing needs for purchasing refuse collection vehicles. New Way regularly builds large quantities of standard, well-equipped vehicles that provide immediate solutions for Participating agencies that desire quicker lead times.</p>	*
21	If your proposal does not include the chassis as a turnkey solution, describe in detail, the process to assist the member to acquire the chassis.	<p>To meet more pressing Participating Agency needs, our proposal does include the chassis as a turnkey solution. This simple six (6) step process is laid out below.</p> <p>1) A Participating Agency searches the New Way website or contacts a New Way Distributor for a work-ready mobile refuse collection vehicle that meets their unique specifications.</p> <p>2) The New Way Distributor verifies specifications and contacts our Sourcewell ready vehicle program manager for vehicle availability.</p> <p>3) Once a vehicle is located, the New Way Distributor reviews specifications with the Participating Agency and quotes price based on most current, not-to-exceed contract pricing.</p> <p>4) The Participating Agency approves the quotation and issues a purchase order to the New Way Distributor, who subsequently submits a distributor order to New Way.</p> <p>5) The work-ready mobile refuse collection vehicle is shipped to the New Way Distributor for pre-delivery inspection (PDI), and a delivery appointment is coordinated with the Participating Agency.</p> <p>6) The ready vehicle is then delivered to the Participating Agency's location. When it arrives, the New Way Distributor conducts operator training and the Participating Agency takes delivery of its New Way work-ready mobile refuse collection vehicle. New Way Distributors assure that all units are ready to begin service immediately upon delivery, pending licensing and permitting by the Participating Agency.</p> <p>New Way is proud to offer work-ready mobile refuse collection vehicle solutions for immediate sale. Participating Agencies are welcome to choose between these work-ready solutions or a more customizable option, whichever choice better meets a Participating Agency's desires. New Way's current work-ready vehicles are always in production and are regularly available. New Way regularly communicates available work-ready inventory to the New Way Distributor Network. This helps a Participating Agency more easily find what inventory is immediately available and ready for purchase. Both New Way and our Distributor Network also have refuse collection vehicles currently working in our Demonstration Truck line that are aggressively priced and ready for immediate sale. We even have off-rent vehicles available for purchase.</p>	
22	If a hybrid/electric chassis option is not a part of your product offering, provide information on when a hybrid/electric option may be part of your offering.	New Way Trucks has more units on route each day on electric chassis than any of our competitors. We have ongoing projects with every chassis manufacturer that offers a hybrid/electric refuse collection option.	

Table 3B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
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23	Front-load, side-load, rear-load, and multi-compartment refuse vehicles, including electric powered refuse vehicle bodies	<input checked="" type="radio"/> Yes <input type="radio"/> No	New Way manufactures multiple front-load, side-load, and rear-load refuse collection vehicle bodies to meet the needs of a wide-ranging customer base. Given emission standards coming down the pike for model year 2024 chassis, we are also developing electric powered refuse vehicle bodies to give end-users the option of owning a one-hundred percent electric powered refuse collection vehicle.	*
24	Wide range of chassis, including internal combustion, natural gas or propane Autogas, hybrid or alternative fuel, and electric powered	<input checked="" type="radio"/> Yes <input type="radio"/> No	New Way continues to work with all leading chassis manufacturers on alternative fuel systems to proactively integrate given the myriad changes and advancements in the refuse space. We are on the short list with chassis manufacturers when it comes to integration of any new alternative fuel chassis products. New Way has long been on the forefront of refuse truck electrification and is well-versed in clean diesel, compressed natural gas, and battery-powered fuel systems. We have also committed to a hydrogen-powered refuse collection vehicle solution.	*
25	Technological, logistical or mechanical accessories designed to increase operator and vehicle safety	<input checked="" type="radio"/> Yes <input type="radio"/> No	<p>Each New Way refuse collection vehicle is customizable to a Participating Agency's needs. A multitude of safety and vehicle options exist to prevent accidents, promote safe driving, and protect the operator. Radar detection, warning indicators, and multi-camera systems are available to detect any obstructions during the operator's daily routine. Automatic braking systems are also available to prevent collisions while extensive light packages offer a reliable way to protect the operator by increasing the visibility of the vehicle. The integrated use of proximity sensors with the hydraulic system also allows for a cushion effect to give the operator less fatigue and promote ergonomic operation. All New Way bodies also feature easy troubleshooting through lights, service diagnostic software, or a user interface that is mounted in the cab. Each method of troubleshooting can help to pinpoint the problematic area efficiently and reduce downtime.</p> <p>Safety is of the utmost importance to New Way and each refuse collection vehicle is continuously improved and designed with the safety and ergonomics of the operator and vehicle in mind.</p> <p>We also use Geotab to ensure safe refuse collection vehicle deliveries to Participating Agencies, and other safety-added platform features to assure end-users fleets are performing optimally.</p>	*

26	Maintenance services	<input checked="" type="radio"/> Yes <input type="radio"/> No	New Way's distributor network is unmatched when it comes to after-sales service. Upon request, we can also task one of our field service representatives or inside service staff to assist specific issues an end-user may be encountering.	*
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Table 4: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
27	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	New Way is offering another generous percentage off MSRP discount to Sourcewell Participating Agencies. Additionally, New Way distributors have agreed to offer a discount range on top of that. Distributors often provided similar discounts throughout Contract #091219-NWY, so we are defining that range to provide Participating Agencies with the best New Way refuse collection vehicle pricing currently available. This improved pricing structure will better help Participating Agencies budget for refuse collection vehicle purchases throughout the life of the Sourcewell contract.

Table 5: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
28	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	New Way Trucks maintains individual MSRP/retail price lists for each of our equipment product offerings. New Way will offer a four (4) percent discount off MSRP/retail price to Sourcewell Participating Agencies under this contract. Please see our pricing attachment for all catalog pricing of our MSRP/retail equipment. The model-specific price sheets include purchased material surcharges. Unlike other manufacturers that utilize fixed percentage or dollar amount surcharges, New Way determines purchased material surcharges on a model-by-model basis depending on the quantity of purchased material that each refuse collection vehicle body contains.	*
29	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	New Way Trucks is offering all Participating Agencies a four (4) percent discount off its retail or list price on all our mobile refuse collection vehicle models and parts. Additionally, the New Way Distributor Network will offer discounts to Sourcewell Participating Agencies anywhere from one (1) to five (5) percent on all Sourcewell orders. As a result, participating Agencies stand to procure New Way's full line of refuse collection vehicle bodies for a five (5) to nine (9) percent discount off MSRP.	*
30	Describe any quantity or volume discounts or rebate programs that you offer.	New Way Trucks and our distributors are happy to offer negotiable volume discounts on large orders. New Way does not currently offer a rebate program.	*

31	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	<p>New Way Trucks provides the following solutions:</p> <p>A) Participating Agencies have the option to purchase a chassis as a sourced good OR using the Sourcewell contract through a specific chassis vendor.</p> <p>B) On the rare occasion that one of our work-ready chassis is not what a Participating Agency wants, we have the resources to locate the correct chassis for a Participating Agency. Due to our strategic partnerships with every major chassis manufacturer, we can purchase as many chassis as a Participating Agency desires at a competitive market price that is advantageous to the Participating Agency. Due to the level of customization that we provide, it may become necessary to source a “good” (chassis) from another provider. In that rare instance, the sourced good is considered cost-plus.</p>	*
32	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	<p>Freight is not included in pricing submitted. New Way Trucks will always offer competitively procured freight costs to Participating Agencies.</p> <p>Items such as pre-delivery inspection, installation, set up, mandatory training, and initial inspection are all included in the initial purchase price and completed prior to the Participating Agency taking delivery, per New Way warranty requirements.</p>	*
33	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	New Way Trucks provides numerous delivery options to Participating Agencies. The Participating Agency can choose between picking a completed mobile refuse collection vehicle up at one of our manufacturing facilities in Iowa or Mississippi, having the completed vehicle delivered to their local authorized New Way Distributor, or having the completed vehicle delivered directly to the Participating Agency's location. We will work with the Participating Agency during the order process to identify the right choice. Freight is an additional sourced charge. New Way Trucks will always offer competitively procured freight costs to Participating Agencies.	*
34	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	<p>Our authorized New Way Distributor in Hawaii has years of experience coordinating the delivery of refuse collection equipment. New Way has delivered many mobile collection vehicles to Alaska throughout the years, employing tugboats when the situation necessitates it. To make it as easy as possible for Participating Agencies in both states, our distributors and transportation specialists will leverage existing freight networks to coordinate timely and competitively priced deliveries.</p> <p>Similarly, for Participating Agencies in Canada, our respected Canadian Distributor Network that covers all of Canada will help broker freight and shipping. All freight costs are competitively procured.</p> <p>All freight charges will be passed through to Participating Agencies at a competitively-sourced cost without mark-up.</p>	*
35	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Our distribution network is unique in that New Way Trucks has the most robust Distributor Network in North America. To best serve our extensive Distributor Network, New Way Trucks currently has a dozen trained drivers delivering our New Way collection vehicles across North America. New Way also employs the best drive-away delivery companies as needed.	*

Table 6: Payment Terms and Financing Options

Line Item	Question	Response *	
36	Describe your payment terms and accepted payment methods.	Net 30 Days. New Way accepts payment by check, ACH, credit card, and even cash. There is a three (3) percent fee on credit card transactions over \$2,500.	*
37	Describe any leasing or financing options available for use by educational or governmental entities.	New Way's Distributor Network offers various leasing and financing options to educational or governmental entities. These include key third party financing organizations such as Wells Fargo, Key Equipment Finance, and National Cooperative Leasing (NCL) Government Capital.	*
38	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	<p>New Way's standard transaction documents for all refuse collection vehicle sales are order forms and order acknowledgements. A Sourcewell Participating Agency will work with an authorized New Way Distributor to submit an order form detailing the exact specifications and custom options they would like their New Way refuse collection vehicle to include.</p> <p>The New Way distributor will submit the completed order form to the New Way Sales Operations department, who will enter the order into our enterprise resource planning software. The department will review the completed order form to assure its accuracy and subsequently create a line-by-line order acknowledgement form that lists out the refuse collection vehicle body and all custom options the Participating Agency selected when filling out the sales order form with their local New Way Distributor. The Participating Agency's refuse collection vehicle(s) are not cleared to begin production until New Way receives a signed order acknowledgement.</p> <p>This simple checks and balances process assures that Sourcewell Participating Agencies receive the exact refuse collection vehicle tailor made to their unique refuse collection needs.</p>	*
39	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	New Way does accept the P-card procurement and payment process. There is a three (3) percent processing fee associated with all P-card purchases.	*

Table 7: Audit and Administrative Fee

Line Item	Question	Response *	
40	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	<p>New Way will continue to independently track Sourcewell orders as part of our overall order process. Our sales staff will verify Participating Agency account numbers and compare them to the most updated Participating Agency list.</p> <p>New Way will then verify order pricing to ensure quoted prices do not exceed the current Sourcewell discount. We will review large orders to identify potential volume discounts and additional Participating Agency savings.</p> <p>New Way Trucks will continue to provide Sourcewell with quarterly contract sales reports along with the proper administrative fees for all reported refuse collection vehicle, parts, and FleetForce rental business.</p>	*
41	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	New Way will continue to track the total number of units quoted, units sold, overall sales figures, and lead times. If awarded a Sourcewell Contract, we will begin to track parts sales and FleetForce rental activity.	*
42	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	<p>New Way Trucks will provide Sourcewell with a Direct Sales Administrative Fee of two (2) percent.</p> <p>The fee will apply to all currently priced contract goods. Please note that the fee will not apply to non-contract priced goods such as freight, sourced goods, training, et cetera.</p>	*

Table 8: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
43	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>New Way is incredibly active in the North American solid waste industry and has received awards by industry-specific organizations and local organizations alike. In the past five years we have been recognized by the National Waste & Recycling Association (NWRA), Solid Waste Association of North America (SWANA), and Environmental Research & Education Foundation (EREF) as well as a local development association and newspaper in northeast Mississippi.</p> <p>a. 2018: Waste360 40 under 40 recipient Johnathon McLaughlin, New Way Chief Manufacturing Officer</p> <p>b. 2019: NWRA Member of the Year Don Ross, New Way Chief Sales Officer for, "demonstrating extraordinary service to the mission and goals of the organization."</p> <p>c. 2020: Prentiss County (Mississippi) Development Association's Industry of the Year for, "contributions made to the economy of Prentiss County in the areas of employment, investment, and community support."</p> <p>d. 2020: Prentiss County's Best New Business, as voted on by Booneville Banner Independent readers</p> <p>e. 2020: Don Ross received the SWANA Collection & Transfer Technical Division Distinguished Individual Achievement Award for, "service to the technical division, support of SWANA's mission to advance the practice of solid waste collection and transfer, and overall long-term service to the industry."</p> <p>f. 2020: Don Ross elected to serve on the NWRA Board of Trustees</p> <p>g. 2021: New Way Chief Executive Officer Mike McLaughlin elected to serve on the EREF Board of Directors</p> <p>h. 2021-2022: Recognized as one of the Prentiss County Community's 2021 Business Newsmakers in consecutive years</p> <p>i. 2022: Voted Prentiss County's Best Place to Work by Booneville Banner Independent readers</p> <p>j. 2022: Mike McLaughlin awarded the NWRA Suppliers Distinguished Service Award for his, "consistent support of the association."</p> <p>k. 2022: Don Ross elected Chairman of NWRA Board of Trustees</p> <p>l. 2023: Surpassed \$750,000 in donations to EREF to advance scientific research and create educational pathways that enable innovation in sustainable waste management practices.</p>	*
44	What percentage of your sales are to the governmental sector in the past three years	Though New Way Trucks serves both the private and public sectors of the solid waste industry, the majority of our customers are government entities. Over 63% of New Way Trucks sales were to the public sector in the past three years.	*
45	What percentage of your sales are to the education sector in the past three years	<p>New Way sells fewer than three (3) percent of our refuse collection vehicles to the education sector, but New Way is proud to list an array of major educational institutions and school districts as customers. In the past three years we have sold our equipment to a list of universities that includes, but is not limited to: the University of Mississippi, The George Washington University, Iowa State University, the University of Georgia, the University of Illinois, the University of Missouri, the University of Washington, the University of Oregon, the University of South Carolina, the University of Texas, the University of Minnesota, the University of Illinois-Chicago, and the University of Wisconsin-Madison.</p> <p>New Way is proud to list the following school districts as customers the past three years: Atascadero (CA) Unified School District, Baltimore City Public Schools, Long Beach (CA) Unified School District, Plymouth (WI) School District, San Ramon Valley (CA) Unified School District, and West Seneca (NY) Central School District.</p>	*
46	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	New Way Trucks currently holds a contract with the Houston-Galveston Area Cooperative. Sales via this cooperative account for fewer than one percent of annual total units sold.	*
47	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	New Way is listed as a manufacturer on GSA contract #47QMCA18D000E, held by one of our distributors, Maryland Industrial Trucks. Through this contract New Way equips National Parks and United States military bases around the globe with refuse collection equipment. Sales via this contract have accounted for fewer than one percent of annual total units sold.	*

Table 9: Top Five Government or Education Customers

Line Item 48. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
City of Philadelphia	Government	Pennsylvania - PA	106 rear-load mobile refuse collection vehicle bodies for residential and commercial collection: 20 cubic yard New Way King Cobras, 8 cubic yard New Way Diamondbacks, 18 cubic yard New Way Cobras	Anywhere from three to eleven mobile refuse collection bodies per order, multiple times per year.	\$6,707,874.07	*
City of Sacramento, Fleet Management	Government	California - CA	43 New Way Sidewinder automated-side-load West Coast lightweight mobile refuse collection vehicle bodies for residential collection, fueled by compressed natural gas: 29 cubic yard units. Four 25 cubic yard New Way King Cobra rear-load mobile refuse collection vehicle units for commercial collection. One 13 cubic yard New Way Cobra rear-load mobile refuse collection vehicle body for residential collection.	New Way built the City of Sacramento's Fleet Management department fourteen mobile refuse collection vehicle bodies in 2020, twenty-two bodies in 2021, and a dozen in 2022.	\$5,328,418.67	*
Miami-Dade County	Government	Florida - FL	31 New Way Sidewinder automated-side-load mobile refuse collection vehicle bodies for residential collection: 31 cubic yard units. Nine (9) Cobra Magnum rear-load mobile refuse collection vehicle bodies for residential and commercial collection: 25 cubic yard units. Four New Way Cobra rear-load mobile refuse collection vehicle bodies for residential collection: 16 cubic yard units.	New Way built Miami-Dade County thirty-two mobile refuse collection vehicle bodies in 2021 and a dozen in 2022.	\$4,483,038.69	*
City of Tampa	Government	Florida - FL	30 New Way Sidewinder automated-side-load mobile refuse collection bodies for residential collection: 31 cubic yard units.	New Way built the city of Tampa seven mobile refuse collection vehicle bodies in 2020, eleven bodies in 2021, and a dozen in 2022.	\$4,356,101.35	*
Sacramento County	Government	California - CA	26 New Way Sidewinder automated-side-load mobile refuse collection vehicle bodies, fueled by compressed natural gas, for residential collection: 31 cubic yard West Coast lightweight units.	New Way built Sacramento County thirteen mobile refuse collection vehicle bodies in both 2021 and 2022.	\$3,414,034.12	*

Table 10: References/Testimonials

Line Item 49. Supply reference information from three customers who are eligible to be Sourcwell participating entities.

Entity Name *	Contact Name *	Phone Number *	
City of Statesboro, Georgia	Ronnie Lane	912.764.0681	*
City of Lakeland, Florida	Gene Ginn	863.834.8773	*
City of Los Angeles Sanitation Department	Ron Cole	818.752.5703	*
City of Baltimore, Maryland	Nicholas C. Hirsch	410.396.5790	
City of Dallas, Texas	Vincent Olsen	214.671.9064	

Table 11: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
50	Sales force.	<p>New Way employs ten (10) Regional Sales Managers (RSMs) that cover the entire North American continent. New Way RSMs are strategically located within their territories to provide immediate responses to customer inquiries. New Way is proud to state that we have one of the most robust refuse collection vehicle sales & sales support teams of any original equipment manufacturer in North America.</p> <p>Our RSMs are supported by a Chief Sales Officer, three sales technicians, a sales operations supervisor, a sales engineer, and two marketing specialists at our primary manufacturing facility in Scranton, Iowa.</p>
51	Dealer network or other distribution methods.	<p>New Way's Distributor Network is the cornerstone of our organization. Our expansive Distributor Network covers every state in the United States and all of Canada.</p> <p>Authorized New Way Distributors employ more than 150 knowledgeable sales and sales support staff in the United States & Canada that are dedicated to the New Way brand. These representatives are well trained in selling refuse collection vehicles through Sourcewell.</p>
52	Service force.	<p>Our Distributor Network is the first line of defense for any parts and service inquiries. Each of our distributors currently stock parts and have several service technicians immediately available to aid where needed.</p> <p>New Way boasts a wide-ranging distributor network that covers all the U.S. and Canada. Although they cover each region in the U.S. and Canada, these distributors are consistently adding new locations across their respective regions to decrease response time. The distributor network is regularly trained by New Way service technicians and the Service Manager on New Way's continuously improving refuse collection vehicles. Also, most distributors provide additional service programs with distributor-based service technicians available to help customers further reduce downtime. These distributors communicate extensively with New Way service, parts, engineers, and factory technicians. Beyond the distributor network, the New Way service manager as well as four field service technicians covering all the U.S. and Canada are always available to solve any issue by instantaneous phone or on-site support. Together, these service teams work together to provide a safe and efficient method of reducing downtime and providing support in a timely manner.</p> <p>The New Way Parts Department - centrally located in Carroll, Iowa, has sixteen (16) members split amongst a knowledgeable call center support staff, parts operations supervisor, outside sales & business development representative, and shipping and receiving personnel to handle any replacement parts needs for Participating Agencies in an efficient, professional, and timely manner. Two more parts staff are located at our main manufacturing facility in Scranton, Iowa. We can ship parts anywhere in the world thanks to our logistics partnerships. Lead times for uncommon parts are short given the Parts Department's proximity to New Way's main production plant in Scranton. New Way will open a parts depot at an existing New Way location in Booneville, Mississippi in the second half of 2023 to better serve distributors and customers in the eastern United States and Canada.</p>

53	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	<p>New Way's Sourcewell order procedure includes six simple steps.</p> <ol style="list-style-type: none"> 1) A Participating Agency searches the New Way website or contacts a local New Way distributor for a refuse collection vehicle that meets their unique specifications. 2) The New Way Distributor develops a New Way Trucks Distributor quotation to the Participating Agency's specifications utilizing the Sourcewell Contract's discounted pricing and sends to the Participating Agency for approval. 3) The Participating Agency approves the quotation and issues a purchase order to the New Way Distributor, who subsequently submits an order to New Way. 4) The New Way Sales Operations department will enter the order into our enterprise resource planning software. The department will review the completed order form to assure its accuracy and subsequently create a line-by-line order acknowledgement form that lists out the refuse collection vehicle body and all custom options the Participating Agency selected when filling out the sales order form with their local New Way Distributor. Only then will the refuse collection vehicle(s) cleared to begin production. 5) Once complete, the refuse collection vehicle is shipped to the New Way Distributor for pre-delivery inspection (PDI), and a delivery appointment is coordinated with the Participating Agency. 6) The refuse collection vehicle is moved to the Participating Agency's location, where the New Way Distributor conducts operator training and the Participating Agency takes delivery of its New Way refuse collection vehicle. 	*
54	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>New Way wields a first-class service department that is always available by call or text and instantaneously starts working toward a solution or troubleshooting steps to fix the problem at hand. Featuring a call center, this cross disciplinary team is led by a Service Manager, Inside Service Technician, administrative support team, and four Field Service Technicians all yielding years of experience in the refuse industry. With direct lines to mechanical engineers, hydraulics technicians, controls technicians, designers, and factory install technicians, most solutions are immediate. For more in-depth service needs, the field service technicians are available for on-site troubleshooting at the Participating Agency's location or through New Way's robust distributor network.</p> <p>In addition to the service team, New Way has a large parts department that is fully stocked with replacement and wear parts for all models. The parts division communicates regularly with all New Way manufacturing facilities to ensure that parts are shipped from the closest available New Way location to decrease shipping costs, time, and number of hours a refuse collection vehicle may be down.</p>	*
55	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	<p>New Way Trucks is proud to go to market across the entire United States through our well-respected distributor network. New Way's 34 domestic distributors are happy to serve Sourcewell Participating Entities in every state from 53 locations across the country.</p> <p>Our parts and service departments work with distributors to keep end-users' vehicles maintained and productive. With extended shipping hours and over \$2 million in on-hand refuse collection vehicle parts inventory – including items with typically long lead times – the New Way Parts Department and will work to assure that Participating Entities have what they need to keep their refuse collection vehicles on route. Distributors from coast to coast also stock parts at their locations to best serve end-users and assure maximum uptime. Our parts depot at one of our facilities in Booneville, Mississippi will cut down on lead times for distributors and Participating Agencies east of the Mississippi River.</p> <p>As we outlined in item 12, New Way Trucks has added three manufacturing facilities during the current Sourcewell contract period. Our Diamondback and Mamba production facility began operating in Carroll, Iowa in 2020. Our Wolverine facility and The Arsenal opened in Booneville, Mississippi in 2020 and 2022, respectively. New Way remains committed to expanding our manufacturing capacity to cut down on lead times and meet the growing demand for our industry-leading line of refuse collection equipment.</p>	*
56	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	New Way is well equipped to offer our entire product and parts lineup to Sourcewell Participating Entities across Canada thanks to our four (4) distributor partners at nine (9) locations throughout the country.	*
57	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	New Way has refuse collection vehicles operating in all 50 states and across Canada and is well-equipped to provide refuse equipment solutions to every state, province, and territory. In areas not covered by an authorized New Way Distributor, we partner with local service facilities to carry out warranty and repair work. There is nowhere that we will not service in the United States or Canada.	*

58	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	New Way Trucks and our distributor network are willing and able to serve all Participating Entity sectors thanks to our strong North American presence and robust distributor network. New Way is not restricted in promoting the Sourcewell contract.	*
59	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	<p>There are no restrictions in Alaska, Hawaii, or any U.S. Territories. New Way refuse collection vehicles are currently service in Alaska, Hawaii, and many U.S. Territories. We have distributors located in Hawaii and Puerto Rico. There is even a New Way refuse collection vehicle operating on Kwajalein Atoll, Marshall Islands – one of the most remote island chains on earth!</p> <p>Though we do not currently have a distributor that covers Alaska, a New Way Regional Sales Manager sells directly into the state, and we partner with local service facilities to carry out warranty and repair work.</p>	*

Table 12: Marketing Plan

Line Item	Question	Response *	
60	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	<p>Sourcewell has long been and will continue to be a key feature in New Way Trucks sales and marketing efforts. New Way dedicates a homepage slider that links to a page on our website dedicated to our partnership with Sourcewell (newwaytrucks.com/sourcewell). For the past nine years, we have included the NJPA /Sourcewell contract information in all product literature and print ads, various distributor communications and newsletters, and at all events and conferences.</p> <p>New Way has also partnered with Sourcewell to present the benefits of being a Sourcewell Participating Agency at 2018's New Way Distributor Summit event, and would have done so again at our first summit in five years in late September had it not fallen during this proposal's no-contact period.</p> <p>Additionally, New Way will continue to participate in nationwide Sourcewell training events. New Way Trucks is also prepared to co-sponsor local, regional, and nationwide trade shows with our Distributor Network – which all focus on our products and partnership with Sourcewell.</p> <p>Please review samples of our numerous co-branding efforts with Sourcewell in the document upload section.</p>	*
61	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>New Way Trucks communicates regularly with our Distributor Network via e-newsletter, where we can track opens, clicks, and confirm which of our distributors has acknowledged the important sales, product, manufacturing, and parts information we share. A password-protected distributor portal is the go-to resource for product specifications, company news, marketing collateral, technical publications, department-by-department contact information, and Sourcewell discounted pricing and contract information. The distributor portal alone receives over 2,000 page views per month, while the public facing New Way site averages over 17,500 monthly pageviews.</p> <p>New Way Trucks is also an industry leader in social media strategy & digital media execution. Our official accounts have organically amassed over 5,300 followers on Facebook, 1,695 Instagram followers, 675 twitter followers, 490 YouTube subscribers, and 2,125 LinkedIn followers.</p> <p>Our on-premise Research & Development Departments are constantly striving to make data-driven decisions to improve the refuse collection bodies we manufacture. In turn, we market these product updates through both traditional and digital means to distributors and the public alike.</p> <p>New Way gets much more actionable refuse collection vehicle body and parts sales data since implementing a new enterprise resource planning (ERP) system in November 2019. Accordingly, we can more accurately forecast and communicate shifting production priorities, product improvements, and new product launches. The New Way Parts Department uses historical parts sales data to develop blanket ordering plans for distributors' parts stocking programs on a location-by-location basis. This insight is invaluable for distributors when refuse collection equipment and parts solutions with Participating Agencies.</p>	*

62	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	<p>A Sourcewell-awarded contract represents a long-term partnership between well-respected organizations. This partnership is made stronger by the participation of its Participating Agencies and engagement of its Awarded Suppliers and Sourcewell represents the conduit between these entities. For the contract to be successful, both parties should help promote its value. An Awarded Supplier such as New Way needs Sourcewell to connect us to its Participating Agencies while simultaneously promoting the competitive nature of the procurement tool, the high-quality, industry leading Awarded Suppliers it selects, and the ease of use of its program. At the same time, an Awarded Supplier such as New Way, with its large North American footprint, vast distributor network, and industry-leading municipal customer base, should showcase its Sourcewell-awarded contract as the cornerstone of its municipal sales program. No other competitively procured agreement has the reach, ease of use, and cost savings of a Sourcewell-awarded contract, and New Way's team will promote and demonstrate that value through all our sales and marketing channels, as we do today.</p> <p>New Way Trucks highly values Sourcewell's continued participation in our regular Distributor Summits and training programs that bring together and support Participating Agencies and Awarded Suppliers.</p> <p>Sourcewell is already a large part of the sales process at New Way Trucks. New Way trains distributors quarterly on how to sell refuse collection vehicles most effectively via Sourcewell. New Way distributors regularly attend Sourcewell-provided regional trainings. In this past year alone 75 New Way and New Way distributor employees attended virtual or in-person Sourcewell trainings.</p> <p>We prominently place the Sourcewell logo and awarded contract number on product literature, marketing collateral, eNewsletters, and our website. Our New Way Distributors are well-versed in doing business within the confines of the Sourcewell Contract. New Way will continue to exhibit our partnership with Sourcewell at local, regional, and national training events and tradeshow. Sourcewell will remain a key fixture in New Way's sales process.</p>	*
63	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	<p>Since 90 percent of our refuse collection vehicles are specially customized for our customers, we do not currently offer an e-procurement ordering process.</p> <p>The New Way Parts Department is currently developing an e-commerce parts platform.</p>	*

Table 13: Value-Added Attributes

Line Item	Question	Response *	
64	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	<p>New Way offers multiple opportunities for service and product training throughout the year involving members of the service, sales, product management, or engineering teams. Service personnel host events at each New Way factory located in Iowa and Mississippi as well as at customer and distributor locations. These events also offer specialized tooling that is available to boost efficiency in repair and provide hands-on training to aid in preventive maintenance. Distributor Summits provide key information based around new product development, service support, warranty support, and upcoming engineering changes. A demonstrator fleet of new products is always available for demonstrator operation to assist in giving the customer a full understanding of the capability of each product and helping as a live training aid to gain hands-on experience. After delivery, New Way Trucks and our distributors visit and provide support at the Participating Agency's location, train operators on the product, and support the product throughout its life cycle.</p> <p>Select in-classroom sessions are available to distributors and Participating Agencies on demand in the weeks after training sessions.</p>	*

65	Explain key designs or processes your company takes to provide and promote safe operation of your equipment.	<p>New Way's robust engineering departments continuously improve operator safety and efficiency. New Way refuse collection vehicles feature a comprehensive amount of safety features such as interlocks, shutdowns, guarding, signage, detailed manuals, and recommended personal protective equipment when necessary. Current refuse collection vehicle offerings are the result of a Sustaining Engineering Department comprised of years of manufacturing and refuse collection equipment knowledge that ensures steady changes based on operator feedback.</p> <p>An extensive team of technicians also operate 100% of New Way refuse collection vehicles before factory completion to verify safe, ergonomic, and efficient operating conditions. For upcoming refuse collection vehicle offerings and improvements, a New Product Development Team repeatedly looks for cutting edge equipment that improves the safety, reliability, and efficiency of the unit by regularly interfacing with distributors, refuse collection equipment operators (garbage women and men), and suppliers.</p> <p>New Way's Research and Development Team also proves any new equipment by carrying out in-house testing procedures that expand upon testing based on industry standards - such as ANSI (American National Standards Institute). New Way carries out the latest testing methods and technology from ANSI by having representation on their committees and assisting in the establishment of new safety protocols for our industry.</p>
66	Describe how the equipment you propose simplifies the operation for end-users.	<p>Durability and longevity are consistent throughout all New Way refuse collection vehicle lines, and the key to maintaining these qualities is New Way's ability to produce a product that meets the needs of each individual end-user. Customization is the foundation that New Way was built upon, and each refuse collection vehicle is designed with the operator or end-user's specific needs in mind.</p> <p>New Way's comprehensive engineering and sales staff are experienced in meeting the unique requirements of any end-user and provide a route-ready vehicle that fits the operator's needs. Participating Agencies can choose from the industry's widest refuse collection vehicle lineup to get just what their operation requires.</p> <p>According to research from the American Trucking Associations, half of all commercial driver's license (CDL) operators will likely retire in the next decade. New Way continues to proactively innovate to meet the industry's shifting needs. Our rear- and side-load under-CDL refuse collection vehicles make finding and training new drivers easier. For the last 20 years, the solid waste industry focused on improving productivity. That effort translated to larger and fewer collection routes, larger trucks, and fleet-rightsizing. Given the current CDL driver shortage, however, one shoe does not fit all markets. Hauling operators are now seeing those trends begin to reverse. There is a willingness to expand fleets with smaller collection vehicles with hopes of expanding the labor pool and drawing candidates from groups not traditionally targeted by the nation's waste haulers. New drivers can focus on safety, customer service, and a manageable route footprint in a smaller vehicle before eventually graduating to a full-size refuse collection vehicle – bringing those skills to a larger (yet still familiar) vehicle.</p> <p>New Way's under-CDL capable Viper and Diamondback rear-end loaders (RELs) have been available for many years. More maneuverable than their larger counterparts, they also meet height restrictions in older municipalities. Not only are these perfect vehicles for training non-CDL operators, but they are also ideal for small-volume residential routes, valet-type collection, high-density areas, resorts, and park routes. These small REL models are adaptable to residential cart-tippers, have a low load-sill threshold, operate quietly, and the Diamondback even comes available in high-compaction models.</p> <p>The New Way Mamba under-CDL satellite side-loader has also been available for years. With its slender body construction, the Mamba squeezes into places its larger, wider counterparts cannot and provides the freedom to load from either side. The Mamba can also transfer compacted waste into larger rear-end-loaders (RELs). The Mamba features cart tipper and barrel dumper options, providing haulers the ability to customize their truck to meet their collection needs.</p> <p>New Way introduced the Wolverine in 2022 as an under-CDL automated side loader with all the safety features and many characteristics of the Sidewinder XTR and ROTO PAC automated side loaders. Multiple body sizes, customization options, and manual configurations are available while the refuse collection vehicle maintains a competitive compaction rate to fit the needs of any Participating Agency's hauling operation.</p> <p>New Way also proudly provides more customizable options than any other mobile refuse collection vehicle manufacturer in the United States and Canada. Ninety percent of the refuse collection vehicles that we manufacture are customized in one way or another. No additional modifications are necessary once a Sourcewell Participating Agency receives their New Way refuse collection vehicle.</p>

67	Describe any safety innovations on your equipment that are either exclusive or that you have introduced into the marketplace.	<p>New Way is represented on all ANSI committees and assists in establishing new safety protocols for the refuse industry. The American National Standards Institute (ANSI) is the governing body for refuse equipment specifications and requirements in North America and is administered by the National Waste and Recycling Association (NWRA). New Way bodies are easily identified as ANSI compliant by our literature or serial tags.</p> <p>As industry leaders, we help shape the safety innovations of the future. Carrying over from over twenty years ago where New Way was one of the first manufacturers to make rear-vision cameras standard on our refuse collection vehicles, we are continuing to innovate by offering collision avoidance systems, scale systems, customizable camera locations, and rear-view radar systems. All these systems integrate into the chassis and body to provide a route ready truck that gives a high safety value to the Participating Agency.</p> <p>Although New Way is a body manufacturer, chassis integration is a critical part of each product and the ability of the refuse collection vehicle to operate safely and efficiently. We continuously work with chassis manufacturers to add safety features and efficiency to each product through feedback from operators and distributors. Even simple changes such as camera placement, monitor placement, harness routing, and controls adaptation can help to provide a safer refuse collection vehicle by keeping the operator and service technicians safe.</p> <p>As stated, a route ready truck that is utilized as a single refuse collection system is what New Way strives to offer to each Participating Agency. As a family-owned company, we see value in the relationships that are built from the chassis integration all the way to the Participating Agency to promote a safe product. Chassis manufacturers are commonly offering New Way specifications that allows a pre-engineered chassis to be used that requires little to no integration and minimal body mounting effort to make the complete refuse collection vehicle as seamless as possible. This process reduces the complexity of wiring and routing, reduces weight, mitigates electronic mishaps, and makes routine maintenance easier, faster, and cheaper for the Participating Agency.</p> <p>With seamless integration, operating the refuse collection vehicle is more ergonomic, thus increasing operator productivity and decreasing operator fatigue. All these features combine to make an operator's job more efficient and comfortable, which results in high driver retention rates. High retention coupled with the exhaustive safety features New Way and chassis manufacturers proudly offer makes it easier for refuse collection operations to build an experienced operator base that is fully committed to safely operating its refuse collection vehicle fleet.</p>
68	Describe any technological advances that your proposed products or services offer.	<p>New Way has long spurred innovation in the refuse industry and continues this throughout all products. From the toughest sideloading arm in the industry, the first auger-driven refuse collection vehicle, and multiple under-CDL offerings that apply to both side-loading and rear-load customers, New Way is leading the way in technologically advanced product offerings. To continue these advances, the New Way product team, comprised of over 35 engineers and technicians, has undergone a complete restructure to include New Product Development Engineering, Sustaining Engineering, and Product Management teams that come together to both increase the productivity of the current product offerings and provide innovative new product offerings.</p> <p>A few notable examples of innovative craftsmanship in New Way include the following: The New Way Wolverine is an under-CDL automated-side-loader that provides full eject capabilities as well as compaction rates that match many trucks twice its size. This new product is available in 3 body sizes, is capable of 8ft arm reach, and has cycle times that rival large, automated collection vehicles. This refuse collection vehicle simplifies operations by allowing an under-CDL operator to safely gain experience in automated collection while providing enough maneuverability to comfortably navigate subdivisions, cul-de-sacs, and busy city streets.</p> <p>The New Way ROTO PAC was introduced as the first auger-driven organics collection vehicle in North America. The ROTO PAC excels in compacting organic waste as well as mixed solid waste and provides a compaction rate unmatched by any type of mobile refuse vehicle in the industry. The ROTO PAC provides 23,000 pounds of torque in a screw-type auger that extends into the compactor body to consistently contribute toward the industry leading compaction rates.</p> <p>New Way is also regularly examining the trends in refuse collection and clean environmental impact. Accordingly, New Way works with chassis manufacturers to provide alternatively fueled refuse collection vehicles and ensures that collection ability is not negatively impacted while promoting a clean environment. New Way has delivered hundreds of alternatively fueled vehicles including more battery-electric vehicles than any other refuse collection body manufacturer across multiple product lines.</p>

69	Describe any "green" initiatives or Environmental, Social, and Governance (ESG) that relate to your company or to your products or services, and include a list of the certifying agency for each.	New Way participates in the following environmentally friendly initiatives at our manufacturing facilities. Every employee is provided a reusable water bottle to cut down on plastic use at each of our locations. We monitor stormwater on an annual basis. We also participate in a filter program with local landfills to ensure that we carry permits for proper disposal. In addition, we contract with Safety Kleen to dispose of paint waste in an environmentally responsible manner. Finally, we test the air quality in our manufacturing facilities and offices twice per year, once in the summer and once in the winter. During this process, we analyze all areas of production to collect several readings to assure that our employees are breathing clean air.	*
70	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>The industry's shift to alternative fuels continues, and New Way is proud to drive the industry towards environmentally sustainable refuse collection vehicles for more end-users. New Way is further along in battery-electric vehicle (BEV) refuse applications than any other body manufacturer. New Way BEV refuse collection vehicles are working and on route every day. New Way is also developing a fully electric refuse collection body and has partnered on a hydrogen-powered refuse collection vehicle project.</p> <p>New Way has alternative fuel chassis integration projects underway with every major chassis manufacturer that operates in North America. These partnerships focus on developing software enhancements, operator assists, and pack system efficiencies to help maximize battery life and make collection operations more intuitive for BEV applications. Several New Way BEV refuse collection vehicles are on order for end-users across the nation.</p> <p>Additionally, a significant portion of all New Way refuse trucks are built to run on compressed natural gas (CNG). Operations of all sizes have made long-term commitments to convert their entire fleets to either BEV or CNG trucks. New Way is well-equipped to help meet the sustainability goals which these refuse collection operations have implemented.</p> <p>New Way is a certified installer for all leading providers of CNG fuel systems including Hexagon Agility and Momentum Fuel Technologies. There are numerous options for mounting CNG fuel systems. These include back-of-cab mounts, tailgate mounts, frame rail/side mounts, roof mounts, and custom hybrid designs to accommodate unique customer challenges. New Way engineers carefully analyze each chassis and situation to determine the ideal placement for each CNG fuel system.</p> <p>Ordering a BEV or CNG refuse truck from New Way assures you'll be driving the greatest value in BEV and CNG refuse collection. CNG systems are currently available on most New Way models, and we continue to work with leading fuel system providers to optimize design integrations.</p> <p>As a leader and steward of innovation in refuse truck body manufacturing, it is up to us to forge a new way forward that includes an emphasis on sustainability. We have played a major role in affecting positive, sustainable change for our customers and the public they serve on their routes.</p>	*
71	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	New Way is a family-owned company and, as a result, is not eligible for these certifications. That said, two of our co-owners are women and New Way can be considered a Women Owned Business. New Way also supports the National Waste & Recycling Association Women's Council through active engagement and generous contributions to the association. We are proud to have representation on the NWRA Women's Council, and we are honored to employ several active-duty U.S. military members and veterans.	*

72	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	<p>New Way provides an endless amount of customization for all product lines and offers the widest lineup of front-, rear-, and side-load refuse collection vehicles available. The customer comes first at New Way, and each truck is hand crafted to provide a safe and enjoyable experience for the operator and a fleet's service technicians. Ninety percent of our refuse vehicles are customized by the end-user, and we are proudly still able to accommodate these customizations while being the largest private refuse collection vehicle body manufacturer in North America. The attentional to detail provided by New Way, the preventive maintenance ability within each product, and the customization provide a complete immersive experience for Sourcewell Participating Agencies. All trucks that are built by New Way are thoroughly checked for efficiency, ergonomics, and safety before delivery so that the vehicle is route ready.</p> <p>Being privately held means we can implement changes more efficiently than our public company competitors, but we are also large enough to scale production and human capital to meet the ever-growing demand for our industry-leading product line of refuse collection vehicles. The successful launch of three new manufacturing facilities since submitting the previous Sourcewell proposal illustrates this.</p> <p>Other key differentiators include: New Way's after-sales support and distributor network who provides an unmatched service standard, New Way's frame mounted sidelading arm differentiates us from our competitors and allows us to have easy access for service, safer serviceability, and a smooth operation. The reduced cab shake and smooth operation results in less driver fatigue and a more ergonomic operation. New Way's commonization of SSAB Hardox abrasion resistant steel has made us the largest buyer of Hardox in North America, which speaks to our unmatched product quality. New Way also provides the only direct-from manufacturer refuse collection vehicle rental program in the industry: FleetForce.</p>
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Table 14: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
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73	Do your warranties cover all products, parts, and labor?	<p>New Way manufactured replacement parts, components, and assemblies are sold under a Limited Warranty to be free from defects in workmanship or material for a period of twelve (12) months. This is a part replacement only warranty and the item must be returned to the New Way Distributor for exchange. The labor and shipping cost to replace the parts shall be the responsibility of the customer. There is no warranty on expendable items, wear components, or used parts.</p> <p>Extended warranties are available on all of our current bodies and turnkey chassis. More information about extended warranties can be found on our price sheets and via the chassis' Original Equipment Manufacturer (OEM).</p> <p>Sourcewell Participating Agencies will register their New Way warranty cards. This process is handled via an easy online form that a Participating Agency's local New Way Distributor can fill out.</p> <p>Parts only warranty (see section III.d of attached warranty statement) will apply for distributor or customer installed accessories that have been purchased through Scranton Manufacturing Company, provided part failure was not due to improper installation, use, or neglect. Damage caused by incorrectly installed field accessories may void portions or all of the unit's warranty.</p> <p>When a warranty service is requested, the distributor shall:</p> <p>Verify warranty eligibility of the machine to be serviced per previous sections</p> <p>Diagnose the problem to determine that the service is warrantable</p> <p>Ensure that the parts necessary to perform the repair are available</p> <p>Provide the necessary repair services</p> <p>Complete and submit the Warranty Request Form</p> <p>For more on the Warranty Request Form, see sections V.b and V.c of the attached warranty statement.</p>	*
74	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	<p>New Way's warranty shall not apply to equipment that has been subject to misuse, negligence, or accident, or which has been repaired or altered without New Way's prior knowledge or consent. New Way will not be responsible for warranty repairs made in the field by personnel other than from New Way or an authorized New Way agent unless previously authorized by New Way.</p> <p>New Way Trucks are designed to operate only with the OEM products used by New Way. This limited warranty will be void if the New Way products are modified other than as done at New Way's factory or at a New Way authorized distributor unless authorized by New Way. Use of parts and assemblies from another manufacturer as substitutes for OEM products will also void the limited warranty. There will be no warranty on used parts.</p>	*
75	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Travel time and mileage are not subject to warranty labor reimbursement.	*
76	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	We have warranty service coverage in all areas covered under the Sourcewell contract. Service requests will be covered by the local authorized distributor or their designated service center(s).	*

77	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	<p>In the case where a chassis is provided, New Way's warranty covers the vehicle's body only. The original equipment manufacturer (OEM) is responsible for covering the warranty for a chassis.</p> <p>New Way's warranty statement does not cover other manufacturers' goods. New Way warrants the packer body assembly for a standard base period of one (1) year from date of delivery (see section III.a of attached warranty statement). This limited warranty applies to body components as defined below to be free from proven defects in material and workmanship. Wear parts (pins, bushings, chain assemblies, door and gate seals, wear pads, etc.), and normal wear and tear are excluded. Labor repair costs may also be covered, (see section IV.g of attached warranty statement). The body assembly is defined as the following:</p> <p>Arms (front loaders and side loaders) Packer or Eject Panel Tailgate Electrical components Factory installed aftermarket parts (see section IV.a of attached warranty statement) Hydraulic components not including cylinders (see section IV.d of attached warranty statement) Paint</p> <p>Base Hydraulic Cylinder Warranty New Way warrants all hydraulic cylinders for a standard base period of two (2) years. This limited warranty applies to cylinder defects in material and/or workmanship only. See section IV.c of attached warranty statement for details. During the first year, replacement labor (see section IV.g of attached warranty statement) and shipping cost to the authorized distributor are covered. At the start of the second year, replacement labor and shipping costs are not covered by New Way. Optional three (3) or five (5) year extended warranties for hydraulic cylinders are available.</p>	*
78	What are your proposed exchange and return programs and policies?	<p>In the case of catastrophic failure of one of our bodies that is deemed to be the fault of our manufacturing process, New Way would offer a replacement at our expense.</p> <p>Parts may be returned by following the procedure outlined in section VI.a of the attached warranty statement.</p>	*
79	Describe any service contract options for the items included in your proposal.	Service contracts are not available at this time, however optional extended warranties are available at the time of order.	*

Table 15: Exceptions to Terms, Conditions, or Specifications Form

Line Item 80. NOTICE: To identify any exception, or to request any modification, to Sourcewell standard Contract terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Contract Template provided in the “Bid Documents” section. Proposer must upload the redline in the “Requested Exceptions” upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Contract.

Do you have exceptions or modifications to propose?	Acknowledgement *
	<input type="radio"/> Yes <input checked="" type="radio"/> No

Documents

Ensure your submission document(s) conforms to the following:

- 1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
- 2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
- 3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
- 4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding

to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- [Pricing](#) - NWT Sourcwell RFP 110223 Pricing Documents.zip - Monday October 30, 2023 10:50:13
- [Financial Strength and Stability](#) - NWT Financial Strength & Stability SW 110223.zip - Friday October 27, 2023 11:54:23
- [Marketing Plan/Samples](#) - NWT Sourcwell 110223 Marketing Plan & Samples.pdf - Friday October 27, 2023 11:58:26
- WMBE/MBE/SBE or Related Certificates (optional)
- [Warranty Information](#) - 128126 NWT Standard Warranty Policy.pdf - Friday October 27, 2023 12:01:27
- [Standard Transaction Document Samples](#) - NWT Standard Transaction Document Samples SW 110223.zip - Friday October 27, 2023 11:59:32
- Requested Exceptions (optional)
- [Upload Additional Document](#) - NWT SW RFP 110223 Letter of Transmittal & Additional Document Upload.zip - Tuesday October 31, 2023 14:23:43

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Sam Norland, Marketing Supervisor, New Way Trucks

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

☒ Yes ☐ No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum**" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
There have not been any addenda issued for this bid.		



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Accept Federal and State Planning Funds from TDOT on Behalf of the Kingsport MTPO

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-208-2025
Work Session: August 5, 2025
First Reading: N/A

Final Adoption: August 5, 2025
Staff Work By: L. Christian/S. Bowman
Presentation By: Ryan McReynolds

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:

Approve the resolution.

Executive Summary:

If approved, the City, on behalf of the Kingsport Metropolitan Transportation Planning Organization (MTPO), will enter into a 2-year agreement with TDOT in the total amount of \$1,368,500 which consists of 80% Federal Funds (\$1,094,800), 5% State Funds (\$68,425), and a 15% Local Match (\$205,275 in city funds).

The Kingsport MTPO receives funds from the Federal Highway Administration (FHWA) and TDOT to carry out transportation planning activities within the MTPO planning area. In Tennessee, the MTPO's jurisdiction includes the City of Kingsport, City of Church Hill, Town of Mount Carmel, and portions of Sullivan County, Hawkins County, and Washington County. In Virginia, the MTPO's jurisdiction includes the Town of Gate City, Town of Weber City, and a portion of Scott County but funding for activities in the Virginia portion of the MTPO area is provided separately through the Virginia Department of Transportation (VDOT). Activities include developing and maintaining all federal and state required documents, assisting in the planning and development of grant applications and grant-based projects, and working with TDOT to plan and develop roadway projects through the Transportation Improvement Program. MTPO offices are housed and managed by the City of Kingsport; budgeting and contracts are also managed by city staff.

Funding is available in MPO026 (for the first year of the agreement) and will be budgeted in MPO027 (for the second year of the agreement).

Attachments:

1. Resolution
2. Contract

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING A GRANT CONTRACT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR THE KINGSPORT METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, the Kingsport Metropolitan Transportation Planning Organization (MTPO) is responsible for transportation planning activities in the Kingsport urban area; and

WHEREAS, its annual operating expenses are funded primarily by the Federal Highway Administration (FHWA), with additional dollars from the Federal Transit Administration (FTA), with matching funds also provided by the Tennessee Department of Transportation (TDOT) and the city; and

WHEREAS, it is recommended the city enter into a two year grant contract with TDOT in the total amount of \$1,368,500.00 in both state and federal funds for MTPO operations; and

WHEREAS, the local match of 15% in the amount of \$205,275.00 has been approved in the FY26 budget.

Now therefore,

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

SECTION I. That the Grant Contract with Tennessee Department of Transportation for both federal and state MTPO funds is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a Grant Contract with Tennessee Department of Transportation and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the contract or this resolution, said contract being as follows:

**GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF TRANSPORTATION
AND
CITY OF KINGSPORT**

This grant contract ("Grant Contract"), by and between the State of Tennessee, DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee CITY OF KINSPORT, hereinafter referred to as the "Grantee," is for the provision of transportation planning and coordination activities, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

Grantee Edison Vendor ID # 1562

A. SCOPE OF SERVICES AND DELIVERABLES:

A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.

A.2. Transportation Planning and Coordination. The Grantee agrees to undertake transportation planning and coordination activities in the Unified Planning Work Program (UPWP) as endorsed by

the Metropolitan Planning Organization (MPO) and approved by the U.S. Department of Transportation, Federal Highway Administration (FHWA). The UPWP includes planning priorities and work proposed by major activity and task in sufficient detail to indicate by whom the work will be performed, the schedule for completing work, and the resulting products.

A.3. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Contract by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these items shall govern in order of precedence below.

a. this Grant Contract document with any attachments or exhibits (excluding the items listed at subsections b.below);

b. the Grantee's Unified Planning Work Program incorporated by reference to elaborate supplementary scope of service specifications.

A.4. Incorporation of a Federal Award Identification Worksheet. The federal award identification worksheet, which appears as Attachment One, is incorporated in this Grant Contract.

B. TERM OF CONTRACT:

This Grant Contract shall be effective on October 1, 2025 ("Effective Date") and extend for a period of twenty-four (24) months after the Effective Date ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed One Million One Hundred Sixty-Three Thousand, Two Hundred Twenty-Five Dollars and Zero Cents (\$1,163,225.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment Two is the maximum amount due the Grantee under this Grant Contract. 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 Scope, 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 than sixty (60) days after each fiscal quarter end unless a written extension has been approved by TDOT's Long Range Planning Division, with all necessary supporting documentation, and present such to:

PLN.Invoices@tn.gov or

TN Department of Transportation

Planning Division

James K. Polk Building

505 Deaderick Street, 9th Floor

Nashville, TN 37243

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: Department of Transportation, Long Range Planning 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, 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 one percent (1%) 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 ninety (90) days of the Grant Contract end date, in form and substance acceptable to the State.

a. 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, the Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.

b. 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.

c. The Grantee's failure to provide a final grant disbursement reconciliation report to the State as required by this Grant Contract 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.

d. The Grantee must close out its accounting records at the end of the Term 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 costs, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect costs 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 Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, 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 Term.

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 related matter. 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. Non-allowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment that are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs.

C.12. State's Right to Set Off. The State reserves the right to set off or deduct from amounts that are or shall become due and payable to the Grantee under this Grant Contract or under any other agreement between the Grantee and the State of Tennessee under which the Grantee has a right to

receive payment from the State.

C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following, properly completed documentation.

a. The Grantee shall complete, sign, and return 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 this form is received by the State, all payments to the Grantee under this or any other grant contract will be made by automated clearing house ("ACH").

b. The Grantee shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Grantee's Federal Employer Identification Number or Social Security Number referenced in the Grantee's Edison registration information.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this Grant Contract, the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment signed by all parties and approved by the officials who approved the Grant Contract and, depending upon the specifics of the Grant Contract as amended, any additional officials required by Tennessee laws and regulations (the officials may include, but are not limited to, the Commissioner of Finance and Administration, 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. A termination for convenience shall not be a breach of this Grant 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 that has not been rendered. The final decision as to the amount for which the State is liable shall be determined by the State. The Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount for the State's exercise of its right to terminate for convenience.

D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate this Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the exercise of the State's right to terminate this Grant Contract for cause, 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 Grant 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 remain responsible for all work performed.

D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Contract 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 of Lobbying Activities," 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 31 U.S.C. § 1352.

D.8. 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. All communications, regardless of method of transmission, shall be addressed to the respective party as set out below:

The State:

Stacy Morrison, Manager,
Office of Community Transportation
Tennessee Department of Transportation,
Planning Division
505 Deaderick Street, 9th Floor
Nashville, TN 37243
stacy.morrison@tn.gov Telephone #: 423-413-1332

The Grantee:

Lesley Christian, MTPO Coordinator
City of Kingsport
415 Broad Street,
Kingsport, TN 37660
LesleyChristian@KingsportTN.gov
Telephone # 423-224-2670
FAX # 423-224-2756

A change to the above contact information requires written notice to the person designated by the other party to receive notice.

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Grant Contract upon written notice to the Grantee. The State's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant 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.

D.10. 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 nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

D.11. HIPAA Compliance. The State and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH) and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Grant Contract.

a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.

b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.

c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State

and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering into a business associate agreement or signing another such document.

D.12. Public Accountability. If the Grantee is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, 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. The Grantee shall also 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 eleven inches (11") in height and seventeen inches (17") 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.

The sign shall be on the form prescribed by the Comptroller of the Treasury. The Grantor State Agency shall obtain copies of the sign from the Comptroller of the Treasury, and upon request from the Grantee, provide Grantee with any necessary signs.

D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Grant Contract shall include the statement, "This project is funded under a grant contract with the State of Tennessee." All notices by the Grantee in relation to this Grant Contract shall be approved by the State.

D.14. Licensure. The Grantee, its employees, and any approved subcontractor 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.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Grant 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 Grant Contract, shall be maintained in accordance with applicable Tennessee law. In no case shall the records be maintained for a period of less than five (5) full years from the date of the final payment. The Grantee's records shall be subject to audit at any reasonable time and upon reasonable notice by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives. The records shall be maintained in accordance with Governmental Accounting Standards Board (GASB) Accounting Standards or the Financial Accounting Standards Board (FASB) Accounting Standards Codification, as applicable, and any related AICPA Industry Audit and Accounting guides. In addition, documentation of grant applications, budgets, reports, awards, and expenditures will be maintained in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Grant expenditures shall be made in accordance with local government purchasing policies and procedures and purchasing procedures for local governments authorized under state law.

The Grantee shall also comply with any recordkeeping and reporting requirements prescribed by the Tennessee Comptroller of the Treasury.

The Grantee shall establish a system of internal controls that utilize the COSO Internal Control - Integrated Framework model as the basic foundation for the internal control system. The Grantee shall incorporate any additional Comptroller of the Treasury directives into its internal control system. Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of the Grantor State Agency, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.

D.16. 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.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.

D.18. Annual and Final Reports. The Grantee shall submit, within three (3) months of the conclusion of each year of the Term, an annual report. For grant contracts with a term of less than one (1) year, the Grantee shall submit a final report within three (3) months of the conclusion of the Term. For grant contracts with multiyear terms, the final report will take the place of the annual report for the final year of the Term. The Grantee shall submit annual and final reports to the Grantor State Agency. At minimum, annual and final reports shall include: (a) the Grantee's name; (b) the Grant Contract's Edison identification number, Term, and total amount; (c) a narrative section that describes the program's goals, outcomes, successes and setbacks, whether the Grantee used benchmarks or

indicators to determine progress, and whether any proposed activities were not completed; and (d) other relevant details requested by the Grantor State Agency. Annual and final report documents to be completed by the Grantee shall appear on the Grantor State Agency's website or as an attachment to the Grant Contract.

D.19. Audit Report. The Grantee shall be audited in accordance with applicable Tennessee law.

At least ninety (90) days before the end of its fiscal year, the Grantee shall complete the Information for Audit Purposes ("IAP") form online (accessible through the Edison Supplier portal) to notify the State whether or not Grantee is subject to an audit. The Grantee should submit only one, completed form online during the Grantee's fiscal year. Immediately after the fiscal year has ended, the Grantee shall fill out the End of Fiscal Year ("EOFY") (accessible through the Edison Supplier portal).

When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

A copy of the audit report shall be provided to the Comptroller by the licensed, independent public accountant. Audit reports shall be made available to the public.

D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, or contracted services, such procurement 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 the decision and for use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.317—200.326 when procuring property and services under a federal award.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

For purposes of this Grant Contract, the term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00).

D.21. 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 Grant Contract is not a waiver or relinquishment of any 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.

D.22. Independent Contractor. The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that they 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.

D.23. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Grant Contract. In no event will the State be liable to the Grantee or any other party for any lost revenues, lost profits, loss of business, loss of grant funding, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Grant Contract or otherwise. The State's total liability under this Grant Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability originally established in Section C.1 of this Grant Contract. This limitation of liability is cumulative and not per incident.

D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party except to the extent that the non-performing party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workarounds plans or other means. A strike, lockout or labor dispute shall not excuse either party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party

continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Grantee's representatives, suppliers, subcontractors, customers or business apart from this Grant Contract is not a Force Majeure Event under this Grant Contract. Grantee will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Grantee's performance longer than forty-eight (48) hours, the State may, upon notice to Grantee: (a) cease payment of the fees until Grantee resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Grantee will not increase its charges under this Grant Contract or charge the State any fees other than those provided for in this Grant Contract as the result of a Force Majeure Event.

D.25. Tennessee Department of Revenue Registration. The Grantee shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Grant Contract.

D.26. 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.

D.27. No Acquisition of Equipment or Motor Vehicles. This Grant Contract does not involve the acquisition and disposition of equipment or motor vehicles acquired with funds provided under this Grant Contract.

D.28. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available here: http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. 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 Tenn. Code Ann. §§ 9-8-101 through 9-8-408.

D.30. 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 agreed to by the parties. This Grant Contract supersedes any and all prior understandings, representations, negotiations, or agreements between the parties, whether written or oral.

D.31. 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 shall not be affected and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.

D.32. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.

D.33. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Grant Contract. The Grantee certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

D.34. 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, or presently fall under any of the prohibitions of sections a-d.

D.35. 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 that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Grantee to disclose any Confidential Information, 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. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Grantee shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination 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, the special terms and conditions shall be subordinate to the Grant Contract's other terms and conditions.

E.2. Printing Authorization. The Grantee agrees that no publication coming within the jurisdiction of Tenn. Code Ann. § 12-7-101, *et seq.*, shall be printed pursuant to this Grant Contract unless a printing authorization number has been obtained and affixed as required by Tenn. Code Ann. § 12-7-103(d).

E.3. Grantee Participation. Grantee Participation amounts detailed in the Grant Budget are intended as a goal for the total project, and the amount of actual Grantee Participation expenditures will not impact the maximum amounts reimbursable to the Grantee as detailed by the Grant Budget column, "Grant Contract."

E.4. Federal Funding Accountability and Transparency Act (FFATA).

This Grant Contract requires the Grantee to provide supplies 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 FFATA requirements, including but not limited to those below, 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 § 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/execomp.htm>.)

As defined in 2 C.F.R. § 170.315, "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.

The Grantee must report executive total compensation described above to the State by the end of the month during which this Grant Contract is established.

- b. c. If this Grant Contract 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 Contract becomes effective.
- d. The Grantee will obtain a Unique Entity Identifier (SAM) and maintain its number for the term of this Grant Contract. More information about obtaining a Unique Entity Identifier can be found at: <https://www.gsa.gov>.

The Grantee's failure to comply with the above requirements is a material breach of this Grant Contract for which the State may terminate this Grant Contract 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.

E. 5. Additional Federal Highway Administration Requirements. In addition to the requirements found in other sections of this Grant Contract, the Grantee shall become familiar with, and shall at all times comply with and observe, when appropriate, the provisions of 23 CFR Part 420.121.

E.6. Printing Authorization. The Grantee agrees that no printing/publication shall be printed pursuant to this Grant Agreement without the prior authorization of the State even if printing costs are included in the budget line items and shall be contingent upon and limited by the Grant Budget funding for said reimbursement. The Grantee and its employees may publish the results of the research in whole or in part as they deem appropriate without authorization by the State if it is at no cost to the Grantor State Agency.

E.7. Travel Requirements. Travel must be project related and ALL conference and/or out-of-state travel must be preapproved by the Grantor State Agency even if included in the budget line items, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement. The Grantee, upon request, must include (in addition to other invoice requirements of this Grant Agreement) a complete itemization of travel compensation requested in accordance with and attaching to the invoice appropriate documentation and receipts as required by the abovereferenced "State Comprehensive Travel Regulations."

E.8. Printed Material Collected or Created. All plans, specifications, data, photographs, drawings, maps or other printed material collected or created under this Grant Contract shall become the property of the State and shall be provided to the State upon request.

E. 9. Notations and Statements. All reports, maps, and other documents prepared as a part of this Grant Contract, exclusive of documents for internal use only by parties hereto, and financed with FHWA "PL" funds shall carry the following notation on the front cover or title page:

This report was prepared in cooperation with the U.S. Department of Transportation, Federal Highway Administration, and the Tennessee Department of Transportation.

E. 10. Reimbursement. The Grantee understands and agrees that reimbursement shall be limited to salaries, fringe benefits, travel, equipment, supplies, printing, reproduction, consultant and other contractual services, audit fees, computer services, and overhead.

E.11. Progress Reports. The Grantee shall prepare a quarterly progress report and it shall be presented to the State within forty-five (45) days after the end of each quarter. The progress report shall describe specific Unified Planning Work Program task accomplishments and problems encountered during the quarter. Such information shall be provided for each local planning task identified in the Unified Planning Work Program. Failure to comply with the progress reporting schedule specified herein may result in termination of this Grant Contract and withholding of payment until the report(s) has been completed.

E. 12. Amendments to the Unified Planning Work Program. Any modifications to the Unified Planning Work Program or the provisions of this Grant shall be approved in writing by the State and shall be subject to prior approval by the FHWA.

E.13. Disadvantaged Business Enterprises. It is the policy of the Tennessee Department of Transportation that disadvantaged business enterprises (DBEs), as defined in 49 CFR 26, have the maximum opportunity to participate in the performance of subcontracts financed in whole or in part with Federal funds under this Grant Contract. Consequently, the DBE requirements of 49 CFR 26 apply to this Grant Contract. In this regard, the Grantee shall take all necessary and reasonable steps in accordance with 49 CFR 26 to ensure that DBEs have the maximum opportunity to compete for and perform subcontracts,

[Acknowledgements and Attachments 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 contract set out herein that do not substantially alter the material provisions of the contract, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

SECTION IV. That the mayor is authorized to execute any and all documents necessary and proper to demonstrate the city's compliance with the grant requirements or its provisions necessary to effectuate the purpose of the grant or this resolution.

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

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

ADOPTED this the 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



GOVERNMENTAL GRANT CONTRACT

(cost reimbursement grant contract with a federal or Tennessee local governmental entity or their agents and instrumentalities)

Begin Date October 1, 2025	End Date September 30, 2027	Agency Tracking # 40100-51090	Edison ID 80261		
Grantee Legal Entity Name CITY OF KINGSPORT			Edison Vendor ID 1562		
Subrecipient or Recipient <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Recipient		Assistance Listing Number: CFDA #20.205 Grantee's fiscal year end - June 30			
Service Caption (one line only) Transportation Planning & Coordination Activities as Assigned in the Unified Planning Work Program					
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Grant Contract Amount
2026	\$59,500.00	\$952,000.00			\$1,011,500.00
2027	\$8,925.00	\$142,800.00			\$151,725.00
TOTAL:	\$68,425.00	\$1,094,800.00			\$1,163,225.00
Grantee Selection Process Summary <input type="checkbox"/> Competitive Selection <input checked="" type="checkbox"/> Non-competitive Selection					
Describe the competitive selection process used.			Each MPO received a base allocation each year. After the base amount is subtracted from the total received from the Federal Highway Administration (FHWA), the remaining funds are distributed to each MPO on a percentage basis, based on their share of the most current Census Urbanized Area Population data for all MPO areas in the State of Tennessee.		
Budget Officer Confirmation: 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.			CPO USE - GG		
Speed Chart (optional)		Account Code (optional)		Z26MPO007	

SPR-PL-7M(420)

82NPLN-F7-003

**GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF TRANSPORTATION
AND
CITY OF KINGSFORT**

This grant contract ("Grant Contract"), by and between the State of Tennessee, DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee CITY OF KINGSFORT, hereinafter referred to as the "Grantee," is for the provision of transportation planning and coordination activities, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

Grantee Edison Vendor ID # 1562

A. SCOPE OF SERVICES AND DELIVERABLES:

- A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.
- A.2. Transportation Planning and Coordination. The Grantee agrees to undertake transportation planning and coordination activities in the Unified Planning Work Program (UPWP) as endorsed by the Metropolitan Planning Organization (MPO) and approved by the U.S. Department of Transportation, Federal Highway Administration (FHWA). The UPWP includes planning priorities and work proposed by major activity and task in sufficient detail to indicate by whom the work will be performed, the schedule for completing work, and the resulting products.
- A.3. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Contract by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these items shall govern in order of precedence below.
 - a. this Grant Contract document with any attachments or exhibits (excluding the items listed at subsections b.below);
 - b. the Grantee's Unified Planning Work Program incorporated by reference to elaborate supplementary scope of service specifications.
- A.4. Incorporation of a Federal Award Identification Worksheet. The federal award identification worksheet, which appears as Attachment One, is incorporated in this Grant Contract.

B. TERM OF CONTRACT:

This Grant Contract shall be effective on October 1, 2025 ("Effective Date") and extend for a period of twenty-four (24) months after the Effective Date ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed One Million One Hundred Sixty-Three Thousand, Two Hundred Twenty-Five Dollars and Zero Cents (\$1,163,225.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment Two is the maximum amount due the Grantee under this Grant Contract. 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 Scope, 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 than sixty (60) days after each fiscal quarter end unless a written extension has been approved by TDOT's Long Range Planning Division, with all necessary supporting documentation, and present such to:

PLN.Invoices@tn.gov or

TN Department of Transportation
Planning Division
James K. Polk Building
505 Deaderick Street, 9th Floor
Nashville, TN 37243

- 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: Department of Transportation, Long Range Planning 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, 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 one percent (1%) 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 ninety (90) days of the Grant Contract end date, in form and substance acceptable to the State.

- a. 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, the Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.
- b. 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.
- c. The Grantee's failure to provide a final grant disbursement reconciliation report to the State as required by this Grant Contract 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.
- d. The Grantee must close out its accounting records at the end of the Term 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 costs, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect costs 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 Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, 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 Term.

- 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 related matter. 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. Non-allowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment that are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs.
- C.12. State's Right to Set Off. The State reserves the right to set off or deduct from amounts that are or shall become due and payable to the Grantee under this Grant Contract or under any other agreement between the Grantee and the State of Tennessee under which the Grantee has a right to receive payment from the State.
- C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following, properly completed documentation.
- a. The Grantee shall complete, sign, and return 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 this form is received by the State, all payments to the Grantee under this or any other grant contract will be made by automated clearing house ("ACH").
 - b. The Grantee shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Grantee's Federal Employer Identification Number or Social Security Number referenced in the Grantee's Edison registration information.

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this Grant Contract, the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment signed by all parties and approved by the officials who approved the Grant Contract and, depending upon the specifics of the Grant Contract as amended, any additional officials required by Tennessee laws and regulations (the officials may include, but are not limited to, the Commissioner of Finance and Administration, 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. A termination for convenience shall not be a breach of this Grant 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 that has not been rendered. The final decision as to the amount for which the State is liable shall be determined by the State. The Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount for the State's exercise of its right to terminate for convenience.

- D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate this Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the exercise of the State's right to terminate this Grant Contract for cause, 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 Grant 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 remain responsible for all work performed.
- D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Contract 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 of Lobbying Activities," 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 31 U.S.C. § 1352.

- D.8. 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. All communications, regardless of method of transmission, shall be addressed to the respective party as set out below:

The State:

Stacy Morrison, Manager, Office of Community Transportation
 Tennessee Department of Transportation, Planning Division
 505 Deaderick Street, 9th Floor
 Nashville, TN 37243
 stacy.morrison@tn.gov
 Telephone #: 423-413-1332

The Grantee:

Lesley Christian, MTPO Coordinator
 City of Kingsport
 415 Broad Street, Kingsport, TN 37660
 LesleyChristian@KingsportTN.gov
 Telephone # 423-224-2670
 FAX # 423-224-2756

A change to the above contact information requires written notice to the person designated by the other party to receive notice.

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Grant Contract upon written notice to the Grantee. The State's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant 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.
- D.10. 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 nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.11. HIPAA Compliance. The State and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH) and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Grant Contract.
- a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.
 - b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the

Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.

- c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering into a business associate agreement or signing another such document.

- D.12. Public Accountability. If the Grantee is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, 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. The Grantee shall also 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 eleven inches (11") in height and seventeen inches (17") 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.

The sign shall be on the form prescribed by the Comptroller of the Treasury. The Grantor State Agency shall obtain copies of the sign from the Comptroller of the Treasury, and upon request from the Grantee, provide Grantee with any necessary signs.

- D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Grant Contract shall include the statement, "This project is funded under a grant contract with the State of Tennessee." All notices by the Grantee in relation to this Grant Contract shall be approved by the State.
- D.14. Licensure. The Grantee, its employees, and any approved subcontractor 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.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Grant 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 Grant Contract, shall be maintained in accordance with applicable Tennessee law. In no case shall the records be maintained for a period of less than five (5) full years from the date of the final payment. The Grantee's records shall be subject to audit at any reasonable time and upon reasonable notice by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives.

The records shall be maintained in accordance with Governmental Accounting Standards Board (GASB) Accounting Standards or the Financial Accounting Standards Board (FASB) Accounting Standards Codification, as applicable, and any related AICPA Industry Audit and Accounting guides.

In addition, documentation of grant applications, budgets, reports, awards, and expenditures will be maintained in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Grant expenditures shall be made in accordance with local government purchasing policies and procedures and purchasing procedures for local governments authorized under state law.

The Grantee shall also comply with any recordkeeping and reporting requirements prescribed by the Tennessee Comptroller of the Treasury.

The Grantee shall establish a system of internal controls that utilize the COSO Internal Control - Integrated Framework model as the basic foundation for the internal control system. The Grantee shall incorporate any additional Comptroller of the Treasury directives into its internal control system.

Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of the Grantor State Agency, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.

- D.16. 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.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.18. Annual and Final Reports. The Grantee shall submit, within three (3) months of the conclusion of each year of the Term, an annual report. For grant contracts with a term of less than one (1) year, the Grantee shall submit a final report within three (3) months of the conclusion of the Term. For grant contracts with multiyear terms, the final report will take the place of the annual report for the final year of the Term. The Grantee shall submit annual and final reports to the Grantor State Agency. At minimum, annual and final reports shall include: (a) the Grantee's name; (b) the Grant Contract's Edison identification number, Term, and total amount; (c) a narrative section that describes the program's goals, outcomes, successes and setbacks, whether the Grantee used benchmarks or indicators to determine progress, and whether any proposed activities were not completed; and (d) other relevant details requested by the Grantor State Agency. Annual and final report documents to be completed by the Grantee shall appear on the Grantor State Agency's website or as an attachment to the Grant Contract.
- D.19. Audit Report. The Grantee shall be audited in accordance with applicable Tennessee law.
- At least ninety (90) days before the end of its fiscal year, the Grantee shall complete the Information for Audit Purposes ("IAP") form online (accessible through the Edison Supplier portal) to notify the State whether or not Grantee is subject to an audit. The Grantee should submit only one, completed form online during the Grantee's fiscal year. Immediately after the fiscal year has ended, the Grantee shall fill out the End of Fiscal Year ("EOFY") (accessible through the Edison Supplier portal).
- When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- A copy of the audit report shall be provided to the Comptroller by the licensed, independent public accountant. Audit reports shall be made available to the public.
- D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, or contracted services, such procurement 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 the decision and for use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.317—200.326 when

procuring property and services under a federal award.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

For purposes of this Grant Contract, the term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00).

- D.21. 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 Grant Contract is not a waiver or relinquishment of any 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.
- D.22. Independent Contractor. The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that they 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.
- D.23. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Grant Contract. In no event will the State be liable to the Grantee or any other party for any lost revenues, lost profits, loss of business, loss of grant funding, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Grant Contract or otherwise. The State's total liability under this Grant Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability originally established in Section C.1 of this Grant Contract. This limitation of liability is cumulative and not per incident.
- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party except to the extent that the non-performing party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Grantee's representatives, suppliers, subcontractors, customers or business apart from this Grant Contract is not a Force Majeure Event under this Grant Contract. Grantee will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Grantee's performance longer than forty-eight (48) hours, the State may, upon notice to Grantee: (a) cease payment of the fees until Grantee resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Grantee will not

increase its charges under this Grant Contract or charge the State any fees other than those provided for in this Grant Contract as the result of a Force Majeure Event.

- D.25. Tennessee Department of Revenue Registration. The Grantee shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Grant Contract.
- D.26. 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.
- D.27. No Acquisition of Equipment or Motor Vehicles. This Grant Contract does not involve the acquisition and disposition of equipment or motor vehicles acquired with funds provided under this Grant Contract.
- D.28. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available here: http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
- D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. 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 Tenn. Code Ann. §§ 9-8-101 through 9-8-408.
- D.30. 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 agreed to by the parties. This Grant Contract supersedes any and all prior understandings, representations, negotiations, or agreements between the parties, whether written or oral.
- D.31. 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 shall not be affected and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.
- D.32. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.
- D.33. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Grant Contract. The Grantee certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
- D.34. 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, or presently fall under any of the prohibitions of sections a-d.

- D.35. 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 that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Grantee to disclose any Confidential Information, 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. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Grantee shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination 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, the special terms and conditions shall be subordinate to the Grant Contract's other terms and conditions.
- E.2. Printing Authorization. The Grantee agrees that no publication coming within the jurisdiction of Tenn. Code Ann. § 12-7-101, *et seq.*, shall be printed pursuant to this Grant Contract unless a printing authorization number has been obtained and affixed as required by Tenn. Code Ann. § 12-7-103(d).
- E. 3. Grantee Participation. Grantee Participation amounts detailed in the Grant Budget are intended as a goal for the total project, and the amount of actual Grantee Participation expenditures will not impact the maximum amounts reimbursable to the Grantee as detailed by the Grant Budget column, "Grant Contract."
- E.4. Federal Funding Accountability and Transparency Act (FFATA).

This Grant Contract requires the Grantee to provide supplies 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 FFATA requirements, including but not limited to those below, 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 § 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/execomp.htm>).

As defined in 2 C.F.R. § 170.315, "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 Contract is established.

- c. If this Grant Contract 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 Contract becomes effective.
- d. The Grantee will obtain a Unique Entity Identifier (SAM) and maintain its number for the term of this Grant Contract. More information about obtaining a Unique Entity Identifier can be found at: <https://www.gsa.gov>.

The Grantee's failure to comply with the above requirements is a material breach of this Grant Contract for which the State may terminate this Grant Contract 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.

- E. 5. Additional Federal Highway Administration Requirements. In addition to the requirements found in other sections of this Grant Contract, the Grantee shall become familiar with, and shall at all times comply with and observe, when appropriate, the provisions of 23 CFR Part 420.121.
- E.6. Printing Authorization. The Grantee agrees that no printing/publication shall be printed pursuant to this Grant Agreement without the prior authorization of the State even if printing costs are included in the budget line items and shall be contingent upon and limited by the Grant Budget funding for said reimbursement. The Grantee and its employees may publish the results of the research in whole or in part as they deem appropriate without authorization by the State if it is at no cost to the Grantor State Agency.
- E.7. Travel Requirements. Travel must be project related and ALL conference and/or out-of-state travel must be preapproved by the Grantor State Agency even if included in the budget line items, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement. The Grantee, upon request, must include (in addition to other invoice requirements of this Grant Agreement) a complete itemization of travel compensation requested in accordance with and attaching to the invoice appropriate documentation and receipts as required by the above-referenced "State Comprehensive Travel Regulations."
- E.8. Printed Material Collected or Created. All plans, specifications, data, photographs, drawings, maps or other printed material collected or created under this Grant Contract shall become the property of the State and shall be provided to the State upon request.
- E. 9. Notations and Statements. All reports, maps, and other documents prepared as a part of this Grant Contract, exclusive of documents for internal use only by parties hereto, and financed with FHWA "PL" funds shall carry the following notation on the front cover or title page:
This report was prepared in cooperation with the U.S. Department of Transportation, Federal Highway Administration, and the Tennessee Department of Transportation.
- E. 10. Reimbursement. The Grantee understands and agrees that reimbursement shall be limited to salaries, fringe benefits, travel, equipment, supplies, printing, reproduction, consultant and other contractual services, audit fees, computer services, and overhead.
- E.11. Progress Reports. The Grantee shall prepare a quarterly progress report and it shall be presented to the State within forty-five (45) days after the end of each quarter. The progress report shall describe specific Unified Planning Work Program task accomplishments and problems encountered during the quarter. Such information shall be provided for each local planning task identified in the Unified Planning Work Program. Failure to comply with the progress reporting schedule specified herein may result in termination of this Grant Contract and withholding of payment until the report(s) has been completed.

- E.12. Amendments to the Unified Planning Work Program. Any modifications to the Unified Planning Work Program or the provisions of this Grant shall be approved in writing by the State and shall be subject to prior approval by the FHWA.
- E.13. Disadvantaged Business Enterprises. It is the policy of the Tennessee Department of Transportation that disadvantaged business enterprises (DBEs), as defined in 49 CFR 26, have the maximum opportunity to participate in the performance of subcontracts financed in whole or in part with Federal funds under this Grant Contract. Consequently, the DBE requirements of 49 CFR 26 apply to this Grant Contract. In this regard, the Grantee shall take all necessary and reasonable steps in accordance with 49 CFR 26 to ensure that DBEs have the maximum opportunity to compete for and perform subcontracts.

IN WITNESS WHEREOF,

CITY OF KINGSPORT:

GRANTEE SIGNATURE

DATE

PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)

DEPARTMENT OF TRANSPORTATION:

WILL REID, COMMISSIONER

DATE

**LESLIE SOUTH, GENERAL COUNSEL
APPROVED AS TO FORM AND LEGALITY**

DATE

ATTACHMENT ONE**Federal Award Identification Worksheet**

Subrecipient's name (must match name associated with its Unique Entity Identifier (SAM))	CITY OF KINGSPORT
Subrecipient's Unique Entity Identifier (SAM)	YE45C4JZC5U1
Federal Award Identification Number (FAIN)	
Federal award date	October 1, 2025
Subaward Period of Performance Start and End Date	October 1, 2025
Subaward Budget Period Start and End Date	October 1, 2025 – September 30, 2027
Assistance Listing number (formerly known as the CFDA number) and Assistance Listing program title.	20.205 Highway Planning and Construction
Grant contract's begin date	October 1, 2025
Grant contract's end date	September 30, 2027
Amount of federal funds obligated by this grant contract	\$1,094,800.00
Total amount of federal funds obligated to the subrecipient	\$1,094,800.00
Total amount of the federal award to the pass-through entity (Grantor State Agency)	\$1,094,800.00
Federal award project description (as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA))	Unified Planning Work Program (UPWP)
Name of federal awarding agency	Federal Highway Administration
Name and contact information for the federal awarding official	Gilberto DeLeon Deputy Division Administrator FHWA – Tennessee Division Nashville, TN 37217 615-781-5770
Name of pass-through entity	State of Tennessee, Department of Transportation – Planning Division
Name and contact information for the pass-through entity awarding official	Stacy Morrison, Manager, Office of Community Transportation Tennessee Department of Transportation 505 Deaderick Street Nashville, TN 37243-0334 stacy.morrison@tn.gov 615-532-3456
Is the federal award for research and development?	No
Indirect cost rate for the federal award (See 2 C.F.R. §200.331 for information on type of indirect cost rate)	N/A

ATTACHMENT TWO

GRANT BUDGET				
Additional Identification Information As Necessary				
The Grant Budget amounts below shall be applicable only to expenses incurred during the following Applicable Period:				
	BEGIN: October 1, 2025		END: September 30, 2027	
TOTAL UPWP AUTHORIZATION	FEDERAL SHARE (80%)	STATE SHARE (5%)	GRANTEE SHARE (15%)	TOTAL
\$1,368,500.00	\$1,094,800.00	\$68,425.00	\$205,275.00	\$1,368,500.00

ATTACHMENT THREE

Notice of Audit Report

Check one of the two boxes below and complete the remainder of this document as instructed. Send completed documents as a PDF file to cpo.auditnotice@tn.gov. ***The Grantee should submit only one, completed "Notice of Audit Report" document to the State ninety (90) days prior to the Grantee's fiscal year.***

☒ **City of Kingsport** is subject to an audit for fiscal year 2025.

☐ **City of Kingsport** is not subject to an audit for fiscal year 2025.

Grantee's Edison Vendor ID Number: 1562

Grantee's fiscal year end: June 30th

Any Grantee that is subject to an audit must complete the information below.

Type of funds expended	Estimated amount of funds expended by end of Grantee's fiscal year
Federal pass-through funds	
a. Funds passed through the State of Tennessee	a. \$29,000,000.00
b. Funds passed through any other entity	b. \$50,000.00
Funds received directly from the federal government	\$6,000,000.00
Non-federal funds received directly from the State of Tennessee	\$3,500,000.00

ATTACHMENT FOUR

Parent Child Information

The Grantee should complete this form and submit it with the Grant Contract. The Grantee should submit only one, completed "Parent Child Information" document to the State during the Grantee's fiscal year.

"Parent" means an entity whose IRS filing contains the information of at least one other entity.

"Child" means an entity whose information is contained in another entity's IRS filing.

Grantee's Edison Vendor ID number: 1562

Is CITY OF KINGSPORT a parent? ☐ Yes ☒ No

If yes, provide the name and Edison Vendor ID number, if applicable, of any child entities.

Is CITY OF KINGSPORT a child? ☐ Yes ☒ No

If yes, complete the fields below.

Parent entity's name: _____

Parent entity's tax identification number: _____

Note: If the parent entity's tax identification number is a social security number, this form must be submitted via US mail to:

Central Procurement Office, Grants Program Manager

3rd Floor, WRS Tennessee Tower
312 Rosa L Parks Avenue
Nashville, TN 37243

Parent entity's contact information

Name of primary contact person: _____

Address: _____

Phone number: _____

Email address: _____

Parent entity's Edison Vendor ID number, if applicable: _____



AGENDA ACTION FORM

Consideration of a Resolution to Award Bid to Thomas Construction Company Inc. for 2025 Area 17 Contracted Concrete Phase 4

To: Board of Mayor and Aldermen
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-192-2025
Work Session: August 5, 2025
First Reading: N/A

Final Adoption: August 5, 2025
Staff Work By: Committee
Presentation By: Ryan McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:

Approve the Resolution

Executive Summary:

If approved this resolution awards the bid to Thomas Construction Company Inc. in the amount of \$629,534.05 for the repair of concrete roads in Fairacres community and authorizes an agreement for the same.

Bids were opened on July 22, 2025 for 2025 Contracted Concrete Area 17 Phase 4. This project consists of placing approximately 3,100 square yards of concrete on selected roads / streets in the Fairacres community equating to approximately 2,000 feet of concrete road panels being replaced. The project also includes curbs, traffic control, and other associated work. The project shall be completed by May 15, 2026.

City staff reviewed the bids and recommends awarding the bid to the apparent low bidder, Thomas Construction Company Inc.

Base Bid	\$ 629,534.05
Contingency 6%	37,772.00
Engineering Inspection & Admin 6%	<u>40,038.00</u>
Total Project Cost	\$ 707,344.05

The base engineering estimate for the referenced project is \$756,950.00.

Funding is available and identified in NC2600.

Attachments:

1. Resolution
2. Bid Minutes
3. Map

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

A RESOLUTION AWARDDING THE BID FOR CONTRACTED
PAVING AREA 17 PHASE 4 FAIRACRES COMMUNITY
PROJECT TO THOMAS CONSTRUCTION COMPANY, INC. AND
AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT
FOR THE SAME AND ALL DOCUMENTS NECESSARY AND
PROPER TO EFFECTUATE THE PURPOSE OF THE
AGREEMENT

WHEREAS, bids were opened July 22, 2025 for the repair of concrete roads in the Fairacres community; and

WHEREAS, the project will consists of placing approximately 3,100 square yards of concrete on selected roads / streets in the Fairacres community equating to approximately 2,000 feet of concrete road panels being replaced, curbs, traffic control, and other associated work; and

WHEREAS, upon review of the bids, the board finds Thomas Construction Company, Inc. is the lowest responsible compliant bidder meeting the 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 Thomas Construction Company, Inc. at an estimated cost of \$629,534.05; and

WHEREAS, funding is available and identified NC2600.

Now therefore,

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

SECTION I. That the bid for the repair of concrete roads in the Fairacres community project consisting of placing approximately 3,100 square yards of concrete on selected roads / streets in the Fairacres community equating to approximately 2,000 feet of concrete road panels being replaced, curbs, traffic control, and other associated work, at an estimated cost of \$629,534.05, is awarded to Thomas 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 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 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

BID OPENING
MINUTES
July 22, 2025
4:00 P.M.

Present: Brent Morelock, Procurement Manager; and Nikisha Eichmann, Assistant Procurement Manager

The Bid Opening was held in the Conference Room 436, 4th Floor, City Hall.

The Procurement Manager opened with the following bids:

2025 AREA 17 CONTRACTED CONCRETE PHASE 4	
Vendor:	Total Cost:
Thomas Construction Co., Inc..	\$629,534.05
GRC Civil Services, Inc.	\$674,555.00

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



Legend

- Project Areas
- Expressway
- Major Arterial
- Minor Arterial
- Collector Street
- Local Street
- Ramp
- Interstate

Project Location Map
2025 Contracted Concrete
Area 17 Phase 4
City Of Kingsport

Item XI4.



AGENDA ACTION FORM

Consideration of a Resolution Approving an Agreement with the Tennessee Department of Transportation for Resurfacing of Meadowview Parkway and Authorizing the Mayor to Sign All Applicable Documents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-209-2025
Work Session: August 5, 2025
First Reading: N/A

Final Adoption: August 5, 2025
Staff Work By: Committee
Presentation By: Ryan McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:

Approve the Resolution

Executive Summary:

If approved the City will enter into an agreement with the Tennessee Department of Transportation (TDOT) to create a new project for the resurfacing of Meadowview Parkway at an estimated cost of \$1,500,000 of which 80% will come from Metropolitan Transportation Planning Organization (MTPO) funds.

Meadowview Parkway was originally included in the resurfacing grouping that saw construction completed in the Fall of 2024 (Project PIN 129800.00). City staff had to remove Meadowview Parkway from that project due to funding constraints. As part of our current paving initiatives the City entered into an agreement with TDOT for resurfacing various roads on February 4, 2025 (AF-11-2025). This grouping was intended to focus on Meadowview Parkway and Orebank Road.

Further discussions have occurred with TDOT since February, and it was determined the construction of Meadowview Parkway could be expedited if it was separated from Orebank Road because the environmental document has already been completed. TDOT has agreed to allow Meadowview Parkway to proceed as a standalone project. Work will focus on a 0.75 mile section of Meadowview Parkway from Wilcox Drive to near Saratoga Road that will consist of resurfacing, milling, grading, repairing, sidewalk/ADA compliance as necessary, striping, and signage.

The estimated total cost for all the phases of this project is \$1,500,000 that will be funded 80% through MTPO Surface Transportation Block Grant (STBG) funding source (Federal funds) and a 20% City match. Funding was originally identified and established in project account MPO25A, but will moved into new project MPO26A.

Therefore, staff requests approval of TDOT Agreement #: 250197; PIN: 129800.01; Federal Project #: STP-M-9108(55); State Project #: 82LPLM-F3-106.

Attachments:

1. Resolution
2. TDOT Agreement
3. Map

Item XI5.

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

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

WHEREAS, on February 4, 2025, the board approved Resolution No.: 2025-147 authorizing the mayor to sign an agreement with the Tennessee Department of Transportation (TDOT) for resurfacing of various roads, including Meadowview Parkway and Orebank Road; and

WHEREAS, in consultation with TDOT it has been determined the resurfacing of Meadowview Parkway can be facilitated sooner if established as a singular project due to environmental reviews still to be performed for the Orebank Road resurfacing project; and

WHEREAS, it is deemed advantageous to enter into a separate agreement with TDOT for the resurfacing of a 0.75 mile section of Meadowview Parkway from Wilcox Drive to near Saratoga Road that will consist of resurfacing, milling, grading, repairing, sidewalk/ADA compliance as necessary, striping, and signage; and

WHEREAS, the estimated total cost for all the phases of this project is \$1,500,000 and will be funded 80% through Metropolitan Transportation Planning Organization (MTPO) Surface Transportation Block Grant funds and a 20% City match, which will be available in MPO26A.

Now therefore,

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

SECTION I. That an agreement with TDOT for the resurfacing of a 0.75 mile section of Meadowview Parkway from Wilcox Drive to near Saratoga Road that will consist of resurfacing, milling, grading, repairing, sidewalk/ADA compliance as necessary, striping, and signage in the amount of \$1,500,000.00 is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Agreement with TDOT, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution as set out below:

Agreement Number: 250197
Project Identification Number: 129800.01
Federal Project Number: STP-M-9108(55)
State Project Number: 82LPLM-F3-106
State of Tennessee Department of Transportation
LOCAL AGENCY PROJECT AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of. 20__ by and between the STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION, an agency of the State of Tennessee (hereinafter called the "Department") and the CITY OF KINGSPORT (hereinafter called the "Agency") for the purpose of providing an understanding between the parties of their respective obligations

related to the management of the project described as:

Meadowview Parkway, from Wilcox Drive (SR-126) to near Saratoga Road

A. PURPOSE OF AGREEMENT

A.1 Purpose:

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

A.2 Modifications and Additions:

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

B. ACCOMPLISHMENT OF PROJECT

B.1. General Requirements:

a)

Funding Provided by

Environmental
Clearance by:

**Responsible Party
Agency**

**Agency or
Project**

Preliminary
Engineering by:

Agency

Project

Right-of-Way by:

**Agency
Agency
Agency**

**Project
Project
Project**

Utility Coordination by:
Construction by:

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

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

B.2. Completion Date:

a) This Agreement shall be effective from the period beginning on the fully executed date, and ending **five (5) years from the fully executed date**. The Agency shall provide the Department with the documents, certifications and clearances necessary to obtain the Department's Notice to Proceed to the Construction Phase by **three (3) years from the fully executed date**. If the Agency does not provide the Department with the documents, certifications and clearances necessary to obtain the Department's Notice to Proceed to the Construction Phase by the aforesaid date, then the Department may terminate this Agreement. If the Agency does not complete the herein described phases of the Project within the time period, this Agreement will expire on the last day of scheduled completion as provided in this paragraph unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of the Agreement. An extension of the term of this Agreement will be effected through an amendment to the Agreement. The Agency hereby acknowledges and affirms that the Department shall have no obligation for Agency services or expenditures that were not completed within this specified contract period.

B.3. Environmental Regulations:

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

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

c) In the event the Agency is made responsible for the Environmental Clearances in section B.1.(a) of this Agreement, then the Agency must complete environmental clearances before it begins final design and understands that a separate Notice to Proceed will be submitted for final design. Any

work on final design performed ahead of this Notice to Proceed will not be reimbursable.

B.4. Plans and Specifications

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

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

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

c) In the event that this Agreement involves the use of State Highway Right-of-Way, the Agency shall submit a set of plans to the TDOT Traffic Engineer responsible for the land in question. These plans shall be sufficient to establish the proposed Project and its impact on the State Highway Right-of-Way.

B.5. Right-of-Way

a) The Agency shall, without cost to the Department, provide all land owned by the Agency or by any of its instrumentalities as may be required for the Project right-of-way or easement purposes.

b) The Agency understands that if it is made responsible for the Right-of-Way phase in section B.I.(a) hereof and federal and/or state funds are providing the reimbursement, any activities initiated for the appraisal or the acquisition of land prior to authorization from the Department will not be reimbursed and that failure to follow applicable Federal and State law in this regard may make the Project ineligible for federal and/or state funding.

c) The Department will review the processes the Agency used for the acquisition of land and other right-of-way activities. If those processes are found to be in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Public Law 91-646, 84 Stat. 1894), the Department will certify that the acquisition phase was completed appropriately. The Agency understands that the Project cannot proceed to the Construction phase until this certification of the acquisition phase has been provided. It further understands that if the processes used for acquisition are such that certification is impossible, federal and/or state funds will be withdrawn from the Project. If such withdrawal does occur, the Agency hereby agrees to reimburse the Department for all federal and/or state funds expended at the time of such withdrawal.

d) If the Agency is responsible for the Construction phase, it agrees to correct any damage or disturbance caused by its work within the State Highway Right-of-Way, including but not limited to the replacement of any control access fence removed by the Agency or its Contractor or agent during the Construction phase of the Project.

B.6. Approval of the Construction Phase

a) In the event that the Agency is made responsible for the Construction phase in section B.I.(a) of this Agreement, except as otherwise authorized in writing by the Department, the Agency shall not execute an agreement for the Construction phase of the Project without the written approval of the Department. Failure to obtain such approval shall be sufficient cause for nonpayment by the Department.

b) In the event that the Department is made responsible for the Construction phase in section B.I.(a) of this Agreement, when the construction phase begins, the Agency may make such periodic visits to the Project site as necessary to familiarize itself generally with the progress and quality of the work and to determine in general if the work is proceeding in accordance with the Construction Agreement. If there is any perceived failure, the Agency shall give prompt written notification to the Department's Resident Engineer in charge.

c) If the Project includes State Highway Right-of-Way and the Agency is responsible for the Construction phase, the Agency shall follow all requirements imposed by the TDOT Traffic Engineer.

d) In the event that the Project includes State Highway Right-of-Way and the Agency is performing any construction work on this project, such work shall be performed to the satisfaction of the Department. If the Agency is being compensated for any construction work under this Agreement, any remedial work deemed necessary by the Department shall be done at the Agency's sole expense.

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

B.7. Detours

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

B.8. Utilities

a) In the event that the Department is made responsible for the Construction phase in Section B.I(a) of this Agreement, the Department shall also be responsible for the Utilities phase.

b) In the event that the Agency is made responsible for the Utilities Phase in section B. 1 .(a) of this Agreement, the following applies:

1) The Agency shall assist and ensure that all utility relocation plans are submitted by the utilities and received by the Regional TDOT Utility Office per TDOT's coordination instructions for approval prior to the Project advertisement for bids.

2) The Agency agrees to provide for and have accomplished all utility connections within the right-of-way and easements prior to the paving stage of the Construction phase.

B.9 Railroad

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

C. PAYMENT TERMS AND CONDITIONS

C.1 Total Cost:

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

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

C.2 Eligible Costs:

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

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

C.3 Limits on Federal and State Participation:

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

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

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

C.4 Payment Methodology:

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

a) The Agency shall submit invoices, in a form outlined in the Local Government Guidelines with all necessary supporting documentation, prior to any reimbursement of allowable costs. Such

invoices shall be submitted no more often than monthly but at least quarterly and indicate, at a minimum, the amount charged by allowable cost line-item for the period invoiced, the amount charged by line-item to date, the total amounts charged for the period invoiced, and the total amount charged under this agreement to date. Each invoice shall be accompanied by proof of payment in the form of a canceled check or other means acceptable to the Department.

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

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

C.5 The Department's Obligations:

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

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

1) Misrepresentation:

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

2) Litigation:

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

3) Approval by Department:

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

4) Conflict of Interests:

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

5) Default:

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

C.6 Final Invoices:

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

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

C.7 Offset:

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

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

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

C.8 Travel Compensation

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

D. STANDARD TERMS AND CONDITIONS

D.1 Governing Law:

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

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

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

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

D.3 State Law:

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

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

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

D.5 Appropriations of Funds:

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

D.6 Rights and Remedies Not Waived:

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

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

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

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

D.8 Independent Contractor:

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

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

D.9 Maintenance:

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

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

DJO Disadvantaged Business Enterprise (DBE) Policy and Obligation:

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

a) DBE Policy:

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

b) DBE Obligation:

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

D.II Tennessee Department of Transportation Debarment and Suspension:

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

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

a) Instructions for Certification - Primary Covered Transactions:

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

1) The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The Agency shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Department's determination whether to enter into this transaction. However, failure of the Agency to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

2) The certification in this clause is a material representation of fact upon which reliance was placed when the Department determined to enter into this transaction. If it is later determined that the Agency knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department may terminate this transaction for cause or default.

3) The Agency shall provide immediate written notice to the Department if at any time the Agency learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the Department for assistance in obtaining a copy of those regulations.

5) The Agency agrees by entering into this Agreement that it shall not knowingly enter into any

lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Department.

6) The Agency further agrees by entering into this Agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the Department, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7) An Agency may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement portion of the "Lists of Parties Excluded From Federal Procurement or Non-procurement Programs" (Nonprocurement List) which is compiled by the General Services Administration.

8) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

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

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

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

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

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

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

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

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

D.13 Equal Employment Opportunity:

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

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

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

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

Rights Act of 1964, 49 C.F.R., Part 21, and related statutes and regulations.

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

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

D.16 Conflicts of Interest:

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

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

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

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

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

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

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

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

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

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

D.19 Records:

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

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

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

D.20 Inspection:

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

b) The Department reserves the right to terminate this Agreement for refusal by the Agency or any Contractor, subContractor or materials vendor to allow public access to all documents, papers,

letters or other material made or received in conjunction with this Agreement.

D.21 Annual Report and Audit:

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

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

c) The Agency shall be responsible for reimbursement of the cost of the audit prepared by the Tennessee Comptroller of the Treasury, and payment of fees for the audit prepared by the licensed independent public accountant. Payment of the audit fees of the licensed independent public accountant by the Agency shall be subject to the provisions relating to such fees contained in the prescribed agreement form noted above. Copies of such audits shall be provided to the designated cognizant state agency, the Department, the Tennessee Comptroller of the Treasury, and the Department of Finance and Administration and shall be made available to the public.

D.22 Termination for Convenience:

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

D.23 Termination for Cause:

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

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

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

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

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

D.25 Agreement Format:

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

D.26 Certification Regarding Third Party Contracts:

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

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

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

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

D.27 Amendment:

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

D.28 State Liability:

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

D.29 Force Majeure:

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

D.30 Required Approvals:

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

D.31 Estimated Cost:

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

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

D.32 Third Party Liability:

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

D.33 Deposits:

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

D.34 Department Activities:

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

D.35 Congestion Mitigation and Air Quality Requirement:

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

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

D.36 Investment of Public Funds:

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

Amount	Open to Public and Vehicular Traffic	
\$1.00-5200,000	=	5 Years
>5200,000 - 5500,000	=	10 Years
>5500,000 - \$1,000,000	=	20 Years

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

D.37 Federal Funding Accountability and Transparency Act:

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

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



**STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION
LOCAL PROGRAMS & COMMUNITY INVESTMENTS DIVISION**

SUITE 1000, JAMES K. POLK BUILDING
505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-1402
(615) 741-2208

WILL REID
COMMISSIONER

BILL LEE
GOVERNOR

July 22, 2025

The Honorable Paul W. Montgomery
Mayor, City of Kingsport
415 Broad Street
Kingsport, TN 37660

Re: Meadowview Parkway, from Wilcox Drive (SR-126) to near Saratoga Road
Kingsport, Sullivan/Hawkins Counties
PIN:129800.01
Federal Project Number: STP-M-9108(55)
State Project Number: 82LPLM-F3-106
Contract Number: 250197

Dear Mayor Montgomery:

I am attaching a contract providing for the development of the referenced project. Please review the contract and advise me if it requires further explanation. If you find the contract satisfactory, please execute it in accordance with all rules, regulations, and laws. Adobe Sign will then forward the document for the signature of the attorney for your agency. Once the contract is fully executed Adobe Sign will send you a link to the download the contract for your files.

If you have any questions or need any additional information, please contact Chasity Bell at 615-741-2130 or chasity.bell@tn.gov.

Sincerely,

Steve Allen
Director, Local Programs & Community Investments Division

Attachment

Agreement Number: 250197

Project Identification Number: 129800.01

Federal Project Number: STP-M-9108(55)

State Project Number: 82LPLM-F3-106

State of Tennessee Department of Transportation

LOCAL AGENCY PROJECT AGREEMENT

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

Meadowview Parkway, from Wilcox Drive (SR-126) to near Saratoga Road

A. PURPOSE OF AGREEMENT

A.1 Purpose:

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

A.2 Modifications and Additions:

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

B. ACCOMPLISHMENT OF PROJECT

B.1 General Requirements:

- a)

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

Utility Coordination by:	Agency	Project
Construction by:	Agency	Project

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

B.2 Completion Date:

- a) This Agreement shall be effective from the period beginning on the fully executed date, and ending five (5) years from the fully executed date. The Agency shall provide the Department with the documents, certifications and clearances necessary to obtain the Department's Notice to Proceed to the Construction Phase by three (3) years from the fully executed date. If the Agency does not provide the Department with the documents, certifications and clearances necessary to obtain the Department's Notice to Proceed to the Construction Phase by the aforesaid date, then the Department may terminate this Agreement. If the Agency does not complete the herein described phases of the Project within the time period, this Agreement will expire on the last day of scheduled completion as provided in this paragraph unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of the Agreement. An extension of the term of this Agreement will be effected through an amendment to the Agreement. The Agency hereby acknowledges and affirms that the Department shall have no obligation for Agency services or expenditures that were not completed within this specified contract period.

B.3 Environmental Regulations:

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

- b) In the event the Agency is made responsible for the Environmental Clearances in Section B.1(a) of this Agreement, the Agency will be solely responsible for compliance with all applicable environmental regulations and for any liability arising from non-compliance with these regulations and will reimburse the Department of any loss incurred in connection therewith to the extent permitted by Tennessee Law. The Agency will be responsible for securing any applicable permits as described in the Department's Local Government Guidelines.
- c) In the event the Agency is made responsible for the Environmental Clearances in section B.1.(a) of this Agreement, then the Agency must complete environmental clearances before it begins final design and understands that a separate Notice to Proceed will be submitted for final design. Any work on final design performed ahead of this Notice to Proceed will not be reimbursable.

B.4 Plans and Specifications

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

B.5 Right-of-Way

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

B.6 Approval of the Construction Phase

- a) In the event that the Agency is made responsible for the Construction phase in section B.1.(a) of this Agreement, except as otherwise authorized in writing by the Department, the Agency shall not execute an agreement for the Construction phase of the Project without the written approval of the Department. Failure to obtain such approval shall be sufficient cause for nonpayment by the Department.
- b) In the event that the Department is made responsible for the Construction phase in section B.1.(a) of this Agreement, when the construction phase begins, the Agency may make such periodic visits to the Project site as necessary to familiarize itself generally with the progress and quality of the work and to determine in general if the work is proceeding in accordance with the Construction Agreement. If there is any perceived failure, the Agency shall give prompt written notification to the Department's Resident Engineer in charge.

- c) If the Project includes State Highway Right-of-Way and the Agency is responsible for the Construction phase, the Agency shall follow all requirements imposed by the TDOT Traffic Engineer.
- d) In the event that the Project includes State Highway Right-of-Way and the Agency is performing any construction work on this project, such work shall be performed to the satisfaction of the Department. If the Agency is being compensated for any construction work under this Agreement, any remedial work deemed necessary by the Department shall be done at the Agency's sole expense.
- e) The Agency understands that all contractors allowed to bid hereunder must be included on the Department's pre-qualified contractor list. Under Federal law, however, no contractor shall be required by law, regulation, or practice to obtain a license before submitting a bid or before a bid may be considered for an award of a contract; provided, however, that this is not intended to preclude requirements for the licensing of a contractor upon or subsequent to the award of the contract if such requirements are consistent with competitive bidding.

B.7 Detours

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

B.8 Utilities

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

B.9 Railroad

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

C. PAYMENT TERMS AND CONDITIONS

C.1 Total Cost:

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

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

C.2 Eligible Costs:

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

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

C.3 Limits on Federal and State Participation:

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

- b) For any amounts determined to be ineligible for federal and/or state reimbursement for which the Department has made payment, the Agency shall promptly reimburse the Department for all such amounts within ninety (90) days of written notice.
- c) The Agency agrees to pay all costs of any part of this project which are not eligible for federal and/or state funding. These funds shall be provided upon written request therefore by either (a) check, or (b) deposit to the Local Government Investment Pool, whenever requested.

C.4 Payment Methodology:

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

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

C.5 The Department's Obligations:

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

- a) Subject to other provisions hereof, the Department will honor requests for reimbursement to the Agency in amounts and at times deemed by the Department to be proper to ensure the carrying out of the Project and payment of the eligible

costs. However, notwithstanding any other provision of this Agreement, the Department may elect not to make a payment if:

1) **Misrepresentation:**

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

2) **Litigation:**

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

3) **Approval by Department:**

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

4) **Conflict of Interests:**

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

5) **Default:**

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

C.6 Final Invoices:

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

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

C.7 Offset:

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

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

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

C.8 Travel Compensation

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

D. STANDARD TERMS AND CONDITIONS

D.1 Governing Law:

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

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

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

D.3 State Law:

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

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

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

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

D.5 Appropriations of Funds:

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

D.6 Rights and Remedies Not Waived:

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

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

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

D.8 Independent Contractor:

- a) The parties hereto, in the performance of this Agreement, shall not act as agents, employees, partners, joint ventures, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Agreement shall be construed to create a

principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

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

D.9 Maintenance:

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

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

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

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

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

D.11 Tennessee Department of Transportation Debarment and Suspension:

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

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

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

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

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

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

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

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

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

D.13 Equal Employment Opportunity:

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

Project work, notices to be provided by the Department setting forth the provisions of the nondiscrimination clause.

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

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

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

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

D.16 Conflicts of Interest:

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

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

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

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

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

- a) No federally appropriated funds have been paid or will be paid, by or on behalf of the Agency, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of

any federal agreement, the making of any federal grant, the making of any federal loan, and entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal agreement, grant, loan, or cooperative agreement.

- b) If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this grant, loan, or cooperative agreement, the Agency shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c) The Agency shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, subcontracts, and agreements under grants, loans, and cooperative agreements) and that all sub-recipients of federally appropriated funds shall certify and disclose accordingly.

D.19 Records:

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

D.20 Inspection:

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

D.21 Annual Report and Audit:

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

D.22 Termination for Convenience:

- a) The Department may terminate this agreement without cause for any reason. Said termination shall not be deemed a breach of agreement by the Department. The Department shall give the Agency at least thirty (30) days written notice before the effective termination date. The Agency shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the Department be liable to the Agency for compensation

for any service which has not been rendered. The final decision as to the amount for which the Department is liable shall be determined by the Department. Should the Department exercise this provision, the Agency shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.23 Termination for Cause:

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

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

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

D.25 Agreement Format:

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

D.26 Certification Regarding Third Party Contracts:

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

D.27 Amendment:

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

D.28 State Liability:

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

D.29 Force Majeure:

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

D.30 Required Approvals:

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

D.31 Estimated Cost:

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

D.32 Third Party Liability:

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

D.33 Deposits:

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

D.34 Department Activities:

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

D.35 Congestion Mitigation and Air Quality Requirement:

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

D.36 Investment of Public Funds:

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

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

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

D.37 Federal Funding Accountability and Transparency Act:

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

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

CITY OF KINGSPORT

**STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION**

By: _____ Date _____ By: _____ Date _____
Paul W. Montgomery **Will Reid**
Mayor **Commissioner**

**APPROVED AS TO
FORM AND LEGALITY**

**APPROVED AS TO
FORM AND LEGALITY**

By: _____ Date _____ By: _____ Date _____
Rodney B. Rowlett, III **Leslie South**
Attorney **General Counsel**

ATTESTED BY:

By: _____ Date _____
Steve Allen
Director, Local Programs
& Community Investments
Division

Angie Marshall
Deputy City Recorder **Date**

EXHIBIT "A"

AGREEMENT #: 250197**PROJECT IDENTIFICATION #: 129800.01****FEDERAL PROJECT #: STP-M-9108(55)****STATE PROJECT #: 82LPLM-F3-106**

PROJECT DESCRIPTION: Meadowview Parkway, from Wilcox Drive (SR-126) to near Saratoga Road. Project includes resurfacing, milling, grading, repairing, sidewalk/ADA compliance as necessary, striping and signage.

CHANGE IN COST: Cost hereunder is controlled by the figures shown in the TIP and any amendments, adjustments or changes thereto.

TYPE OF WORK: Resurfacing

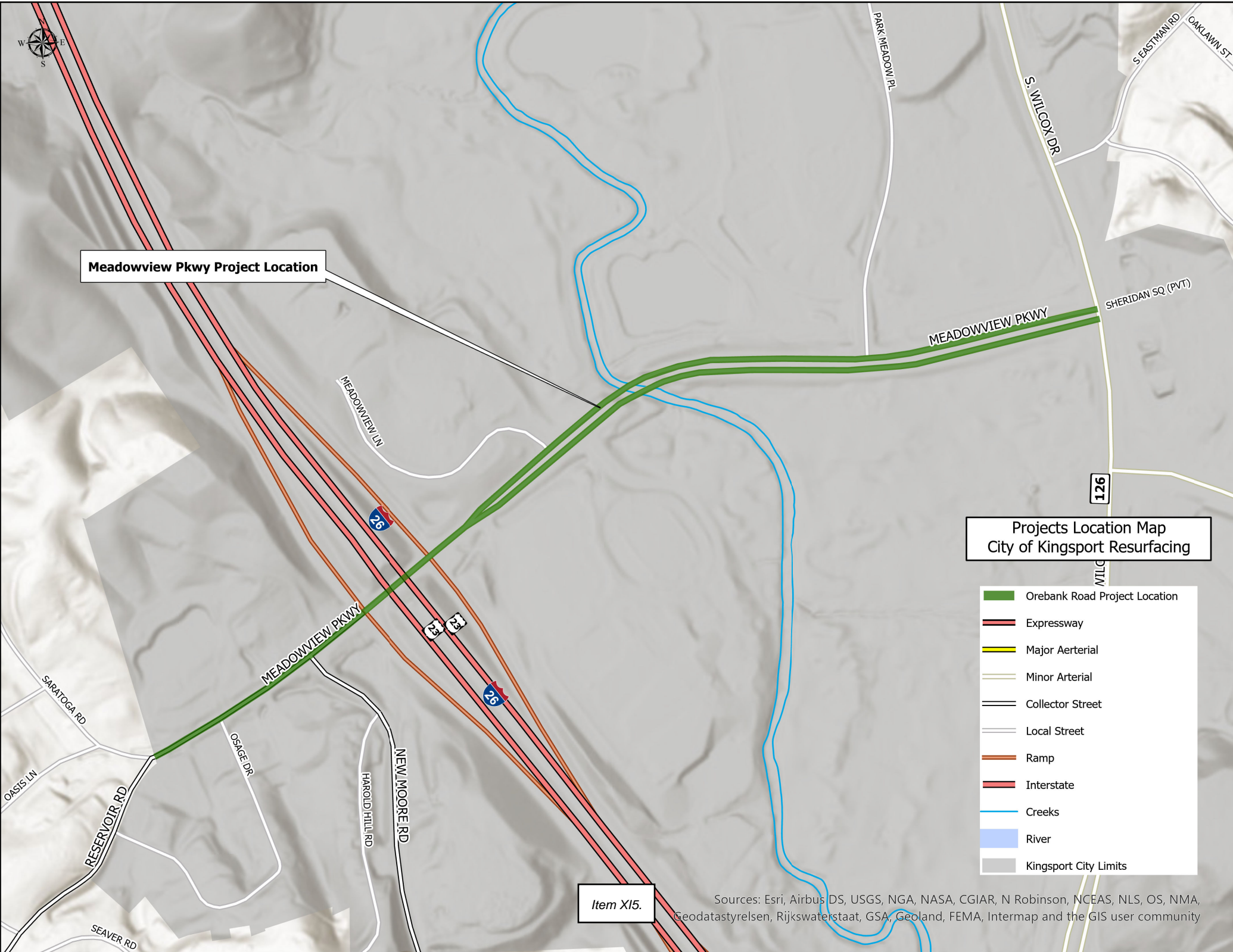
PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
PE-DESIGN	STBG-L	80	0	20	\$50,000.00
CONSTRUCTION	STBG-L	80	0	20	\$1,290,500.00
CEI	STBG-L	80	0	20	\$145,000.00
TDOT ES	STBG-L	80	0	20	\$14,500.00

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

LEGISLATIVE AUTHORITY: STBG: 23 U.S.C.A., Section 133, Surface Transportation Block Grant Program funds allocated or subject to allocation to the Agency.

TDOT ENGINEERING SERVICES (TDOT ES): In order to comply with all federal and state laws, rules, and regulations, the TDOT Engineering Services line item in Exhibit A is placed there to ensure that TDOT's expenses associated with the project during construction are covered.

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



Meadowview Pkwy Project Location

Projects Location Map
City of Kingsport Resurfacing

- Orebank Road Project Location
- Expressway
- Major Aerial
- Minor Arterial
- Collector Street
- Local Street
- Ramp
- Interstate
- Creeks
- River
- Kingsport City Limits

Item XI5.

Sources: Esri, Airbus DS, USGS, NGA, NASA, CGIAR, N Robinson, NCEAS, NLS, OS, NMA, Geodatastyrelsen, Rijkswaterstaat, GSA, Geoland, FEMA, Intermap and the GIS user community



AGENDA ACTION FORM

Consideration of a Resolution Approving Amendment Number 1 to Tennessee Department of Transportation Agreement for Resurfacing of Various Roads Project Pin 136057.00 and Authorizing the Mayor to Sign all Applicable Documents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-189-2025
Work Session: August 5, 2025
First Reading: N/A

Final Adoption: August 5, 2025
Staff Work By: Committee
Presentation By: Ryan McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:

Approve the resolution.

Executive Summary:

If approved the city will amend an agreement with the Tennessee Department of Transportation (TDOT) to reduce the scope for Project Pin 136057.00 by removing Meadowview Parkway and focusing solely on Orebank Road.

As part of our current paving initiatives the city entered into an agreement with TDOT for resurfacing various roads on February 4, 2025 (AF-11-2025). The initial project was intended to focus on Meadowview Parkway and Orebank Road. This recommendation to remove Meadowview Parkway from Project Pin 136057.00 will change the scope to a 2.5 mile section of Orebank Road from Memorial Boulevard to near Cleek Road. City staff initiated this modification to the agreement due to the lengthy timeframe anticipated to complete the environmental review on Orebank Road. The project scope on Orebank Road will consist of milling, grading, repairing, sidewalk/ADA compliance as necessary, striping, signage and safety improvements. An agreement with TDOT for Meadowview Parkway resurfacing will be a future action.

This changes the total estimated total cost from \$4,015,000 to \$2,515,000, which will be funded 80% (\$2,012,000) through Metropolitan Transportation Planning Organization Surface Transportation Block Grant funding source (Federal funds) and a 20% (\$503,000) City match. Funding was identified and established in project account MPO25A as part of the action taken in February.

Staff requests approval of Amendment Number 1; TDOT Agreement #: 240447; PIN: 136057.00; Federal Project #: STP-M-9108(54); State Project #: 82LPLM-F3-105.

Attachments:

1. Resolution
2. TDOT Contract Amendment
3. Map

	<u>Y</u>	<u>N</u>	<u>O</u>
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AMENDMENT TO AN AGREEMENT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR THE RESURFACING OF VARIOUS ROADS; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, on February 4, 2025, the board approved Resolution No.: 2025-147 authorizing the mayor to sign an agreement with the Tennessee Department of Transportation for resurfacing of various roads, including Meadowview Parkway and Orebank Road; and

WHEREAS, due to the anticipated timeframe to complete the necessary environmental review it is recommended to execute this amendment which will remove Meadowview Parkway from the project in order to focus on the 2.5 mile section of Orebank Road from Memorial Boulevard to near Cleek Road; and

WHEREAS, this will also change the estimated cost from \$4,015,000 to \$2,515,000, which will be funded 80% (\$2,012,000) through Metropolitan Transportation Planning Organization Surface Transportation Block Grant funding source (Federal funds) and a 20% (\$503,000) city match; and

WHEREAS, funding is available for the local match in MPO025A.

Now therefore,

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

SECTION I. That an amendment to the agreement with the Tennessee Department of Transportation for resurfacing of Orebank Road is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an amendment to the agreement with the Tennessee Department of Transportation for resurfacing of Orebank Road, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution, said amendment being generally as follows:

Amendment Number:	1
Agreement Number:	240447
Project Identification Number:	136057.00
Federal Project Number:	STP-M-9108(54)
State Project Number:	82LPLM-F3-105

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

Various Roads in Kingsport

1. The language of Agreement # 240447 dated February 10, 2025, Termini and Scope of Work is deleted in its entirety and replaced with the following:

Orebank Road, from Memorial Boulevard (SR-126) to near Cleek Road. This project includes milling, grading, repairing, sidewalk/ADA compliance as necessary, striping, signage and safety improvements.

2. Exhibit A for Agreement # 240447 dated February 10, 2025, is hereby deleted in its entirety and replaced with the attached Exhibit A for Amendment 1. All provisions of the original contract not expressly amended hereby shall remain in full force and effect.

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

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



**STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION
LOCAL PROGRAMS & COMMUNITY INVESTMENTS DIVISION**

SUITE 1000, JAMES K. POLK BUILDING
505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-1402
(615) 741-2208

WILL REID
COMMISSIONER

BILL LEE
GOVERNOR

July 17, 2025

The Honorable Paul W. Montgomery
Mayor, City of Kingsport
415 Broad Street
Kingsport, TN 37660

Re: Orebank Road, from Memorial Boulevard (SR-126) to near Cleek Road
Kingsport, Sullivan County
PIN: 136057.00
Federal Project Number: STP-M-9108(54)
State Project Number: 82LPLM-F3-105
Agreement Number: 240447

Dear Mayor Montgomery:

I am attaching an amendment to the original contract to this letter. The amendment changes the Termini and Scope of Work, and deletes and replaces the Exhibit A. Please review the amendment and advise me if it requires further explanation. If you find the amendment satisfactory, please execute it in accordance with all rules, regulations, and laws. Adobe Sign will then forward the document for the signature of the attorney for your agency. Once the amendment is fully executed Adobe Sign will email you a link to the fully executed amendment.

If you have any questions or need any additional information, please contact Chasity Bell at 615-741-2130 or chasity.bell@tn.gov.

Sincerely,

Mike Gilbert
Manager, Local Programs & Community Investments Division

Attachment

Amendment Number: 1
Agreement Number: 240447
Project Identification Number: 136057.00
Federal Project Number: STP-M-9108(54)
State Project Number: 82LPLM-F3-105

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

Various Roads in Kingsport

1. The language of Agreement # 240447 dated February 10, 2025, Termini and Scope of Work is deleted in its entirety and replaced with the following:

Orebank Road, from Memorial Boulevard (SR-126) to near Cleek Road. This project includes milling, grading, repairing, sidewalk/ADA compliance as necessary, striping, signage and safety improvements.

2. Exhibit A for Agreement # 240447 dated February 10, 2025, is hereby deleted in its entirety and replaced with the attached Exhibit A for Amendment 1.

All provisions of the original contract not expressly amended hereby shall remain in full force and effect.

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

CITY OF KINGSPORT

**STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION**

By: _____ Date _____ By: _____ Date _____
Paul W. Montgomery **Will Reid**
Mayor **Commissioner**

**APPROVED AS TO
FORM AND LEGALITY**

**APPROVED AS TO
FORM AND LEGALITY**

By: _____ Date _____ By: _____ Date _____
Rodney B. Rowlett, III **Leslie South**
Attorney **General Counsel**

ATTESTED BY:

By: _____ Date _____
Steve Allen
Director, Local Programs
& Community Investments
Division

Angie Marshall
Deputy City Recorder

EXHIBIT “A” for AMENDMENT 1

Agreement #: 240447

Project Identification #: 136057.00

Federal Project #: STP-M-9108(54)

State Project #: 82LPLM-F3-105

Project Description: Orebank Road, from Memorial Boulevard (SR-126) to near Cleek Road. This project includes milling, grading, repairing, sidewalk/ADA compliance as necessary, striping, signage and safety improvements.

Change in Cost: Cost hereunder is controlled by the figures shown in the TIP and any amendments, adjustments or changes thereto.

Type of Work: Resurfacing

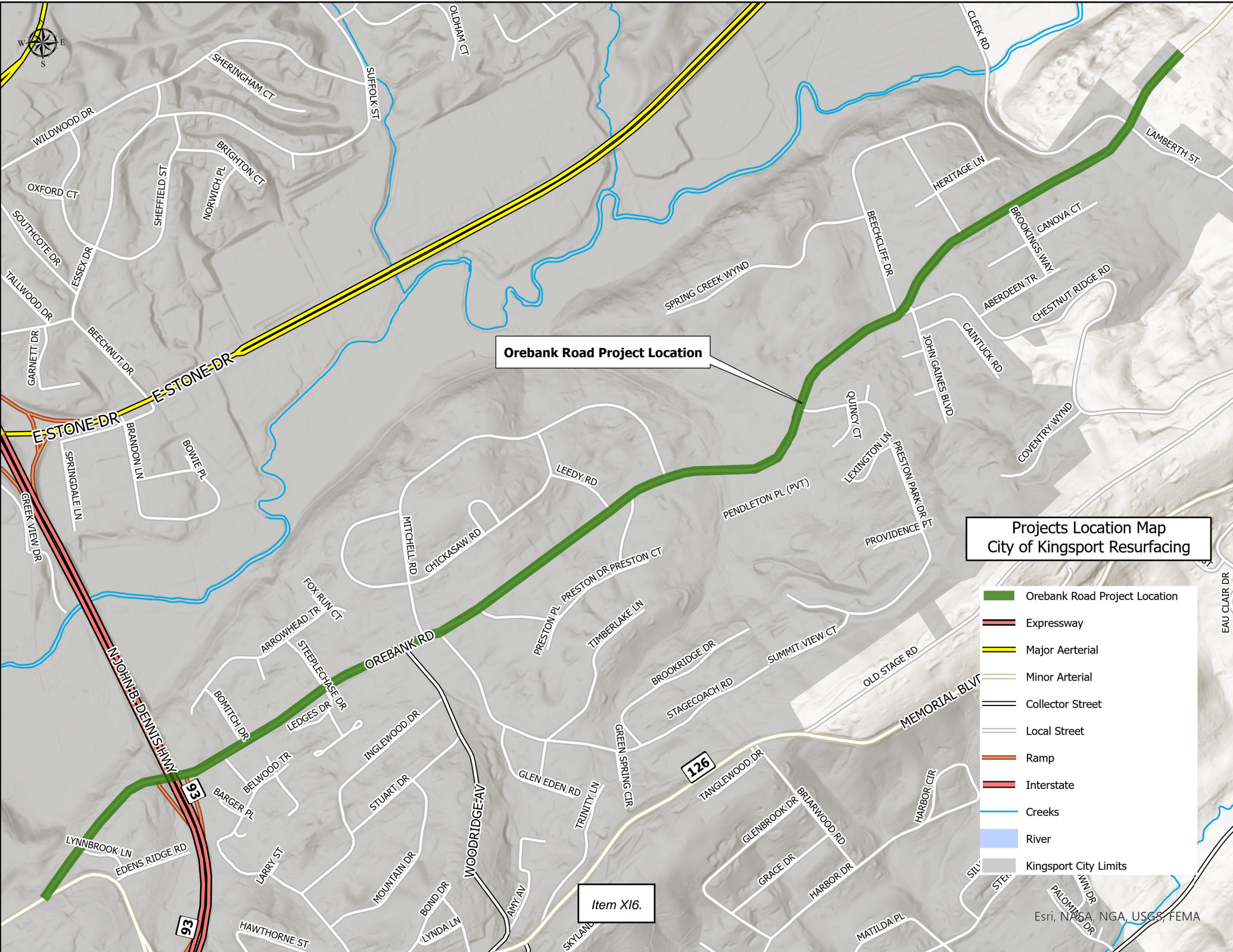
Phase	Funding Source	Fed %	State %	Local %	Estimated Cost
PE-NEPA	STBG-U	80	0	20	\$250,000.00
PE-DESIGN	STBG-U	80	0	20	\$150,000.00
CONSTRUCTION	STBG-U	80	0	20	\$1,882,350.00
CEI	STBG-U	80	0	20	\$211,500.00
TDOT ES	STBG-U	80	0	20	\$21,150.00

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

Legislative Authority: STBG: 23 U.S.C.A., Section 133, Surface Transportation Block Grant Program funds allocated or subject to allocation to the Agency.

TDOT Engineering Services (TDOT ES): In order to comply with all federal and state laws, rules, and regulations, the TDOT Engineering Services line item in Exhibit A is placed there to ensure that TDOT's expenses associated with the project during construction are covered.

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



Orebank Road Project Location

Projects Location Map
City of Kingsport Resurfacing

- Orebank Road Project Location
- Expressway
- Major Arterial
- Minor Arterial
- Collector Street
- Local Street
- Ramp
- Interstate
- Creeks
- River
- Kingsport City Limits

Item X16.



AGENDA ACTION FORM

Consideration of a Resolution to Authorize a 3-Year Renewal of the Urban SDK Platform

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-207-2025
Work Session: August 5, 2025
First Reading: N/A

Final Adoption: August 5, 2025
Staff Work By: L. Christian / M. Thompson
Presentation By: Ryan McReynolds

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation: Approve the Resolution

Executive Summary:

If approved, this Resolution authorizes a 3-year renewal of the Urban SDK platform at a total cost of \$54,616 (Year 1 = \$17,325; Year 2 = \$18,191; Year 3 = \$19,100).

Urban SDK is a geospatial platform that provides near real-time location analytics (including speed data and traffic volumes) which helps cities transform mobility, transportation, sustainability, and safety operations. The platform enables staff to gather, analyze, and visualize performance indicators to help make informed decisions. The license covers the entire MTPO planning area and has been used by MTPO staff, Traffic Department staff, and the Police Department Traffic Unit since 2022.

The data in Urban SDK can be used to pinpoint areas that show a pattern of excessive speeds and/or high traffic volume. This data allows resources to be focused in areas where we can have the most impact. When a complaint is received about a specific location, the data can be evaluated rather quickly. Urban SDK's data has been evaluated against our tube count and speed sign data and, in our experience, is very accurate.

This renewal is coming to the BMA due to it being a multi-year renewal and the total cost exceeding \$50,000. The multi-year renewal ensures a smaller increase in cost each year (5% instead of 7%+) and includes options on the platform that would be additional costs if renewed annually. This subscription is paid for using MTPO Planning Funds from the Federal Highway Administration (FHWA) and TDOT which are reimbursed to the city at 85% (80% federal and 5% state). Below is a breakdown of funding contributors:

	Cost	Fed	State	City
Year 1	\$17,325	\$13,860	\$866	\$2,599
Year 2	\$18,191	\$14,553	\$909	\$2,729
Year 3	\$19,100	\$15,280	\$955	\$2,865
Total	\$54,616	\$43,693	\$2,730	\$8,193

Funding is available in MPO025 and MPO026 (for the first two years of the renewal) and will be budgeted in MPO027 (for the third year of the renewal).

Attachments:

1. Resolution
2. Agreement

Item X17.

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH URBAN SDK, INC. FOR A TRAFFIC ANALYTICS SOFTWARE PLATFORM; AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECUTATE THE PURPOSE OF THE AGREEMENT

WHEREAS, since September, 2022, the city has been using the Urban SDK Platform for the Kingsport Metropolitan Transportation Planning Organization (MTPO) on an annual basis; and

WHEREAS, since that time it has been determined it is more cost efficient to enter into a three year renewal for a total cost of \$54,616.00 (Year 1 = \$17,325; Year 2 = \$18,191; Year 3 = \$19,100); and

WHEREAS, the Urban SDK is a geospatial platform that provides real-time location analytics (including speed data and traffic volumes) which helps cities transform mobility, transportation, sustainability, and safety operations, and the platform enables staff to gather, analyze, and visualize performance indicators to help make informed decisions; and

WHEREAS, the license covers the entire MTPO planning area and is used by MTPO staff, Traffic Department staff, and the Police Department Traffic Unit; and

WHEREAS, funding is available in MPO025 and MPO026 (for the first two years of the renewal) and will be budgeted in MPO027 (for the third year of the renewal).

Now therefore,

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

SECTION I. That an agreement with Urban SDK Inc for a traffic analytics software platform 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 is authorized to execute the agreement with Urban SDK Platform for a three year renewal at a total cost of \$54,616.00 to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and 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 III. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



URBANSDK

City of Kingsport, Tennessee - 2025-2028 Renewal (3 years)

City of Kingsport, Tennessee

415 Broad St
Kingsport, TN 37660
United States

Lesley Christian

lesleychristian@kingsporttn.gov
+14232242670

Quote created: June 30, 2025

Quote expires: September 28, 2025

Quote created by: Zack Funkhouser

Senior Enterprise Account Manager

zack.funkhouser@urbansdk.com

+19048062759

Comments from Zack Funkhouser

URBAN SDK, INC.

Urban SDK will provide **Kingsport TN** with comprehensive Speed, Delay, and Volume data for every roadway. This includes:

- **Speed Data:** A 36-month data backfill starting from the month before the contract signing, with ongoing monthly reports.
- **Rules Engine:** Enables customers to optimize their workflow with system automation.
- **Historical Data:** Any historical data supplied by Kingsport will be uploaded into the platform, ensuring continuity and a robust dataset for analysis.
- **Customer Support:** Live Chat & Email Support, Knowledge Base How To Articles and Videos, Online Training Webinars
- **User Seats:** 5 Administrative Seats

This quote is for a 3 year agreement. Annual pricing for the 3 years listed below:

- Year 1 - **\$17,325**
- Year 2 - **\$18,191**
- Year 3 - **\$19,100**

Contract Start Date 9/28/2025

Contract End Date 9/27/2028

Products & Services

Item & Description	Quantity	Unit Price	Total
<div>Insights Plan</div> <div>Base plan for Urban SDK with 13 Months of Historical Data Archive.</div> <div>License includes:<ul style="list-style-type: none">- Insights Analytics & Reporting- Workspace Data Storage- Studio Map Builder- Dashboard Builder- Public Portfolio to Share Dashboards and Maps</div> <div>Monthly Traffic Conditions Data for Functional Road Classes 1-5<ul style="list-style-type: none">- Average Speed- 85% Speed- 95% Speed</div>	1	\$17,325.00 / year	\$17,325.00 / year for 3 years
<div>Rules Engine/Workflow</div> <div>Workflow automations from Urban SDK enable customers to set default data criteria, scheduling, and configure notifications to automatically generate Insights reports; reducing the need for manual submissions.</div>	1	\$5,197.00 / year	\$0.00 / year after 100% discount for 3 years
<div>Traffic Volumes</div> <div>- AADT, AAHT, VMT Range Estimates Functional Road Classes 1-5<ul style="list-style-type: none">- Updated Annually- 1 Year Data Archive</div>	1	\$0.00 / year	\$0.00 / year for 3 years
<div>Customer Support</div> <div>- Live Chat & Email Support<ul style="list-style-type: none">- Knowledge Base How To Articles and Videos- Online Training Webinars</div>	1	\$0.00 / year	\$0.00 / year for 3 years

Annual subtotal	\$17,325.00
	after \$5,197.00 discount
Year 2	\$18,191.00
Year 3	\$19,100.00
Total	\$54,616.00

Terms and Conditions

Our agreement is effective as of the Effective Date set forth below, is entered into by and between the Buyer identified as Customer below ("Customer") and Urban SDK, Inc., a Delaware corporation, with its principal place of business located at 100 N Laura St, Ste 602, Jacksonville, FL 32202 ("Urban SDK"). The parties acknowledge and agree that they have read and understand this Agreement and, upon execution, are legally bound by it.

This Agreement includes this "Signature" or any other ordering document referencing this Agreement, the Terms and Conditions available at Terms and Conditions, all statements of work entered into in connection with this Agreement ("Statement(s) of Work").

Signature

Signature

Date

Printed name

Countersignature

Countersignature

Date

Printed name



AGENDA ACTION FORM

Consideration of a Resolution to Approve a Memorandum of Understanding with the Bays Mountain Park Resident Caretaker

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF- 212-2025

Work Session: August 5, 2025

First Reading: N/A

Final Adoption: August 5, 2025

Staff Work By: Megan Krager

Presentation By: Michael T. Borders

Strategic Focus Area: 3. Exceptional Cultural & Recreational Opportunities

Recommendation:

Approve the Resolution

Executive Summary:

If approved the City will enter into a Memorandum of Understanding (MOU) with Chief Ranger Wanninger to be the full-time resident caretaker and occupy a single-family residence at 853 Bays Mountain Road.

Bays Mountain Park (BMP) is required by Tennessee Code Annotated (TCA) 70-4-404(c)(2)(C) to have a full-time resident caretaker on site as a condition for BMP's Class I wildlife permit (issued by the Tennessee Wildlife Resources Agency) to provide for security, care, and supervision of the wildlife. BMP's Class I wildlife includes carnivores (wolves) and venomous reptiles (snakes). BMP possesses a single-family residence on site for the housing of a full-time resident caretaker at 853 Bays Mountain Road to comply with TCA.

BMP's previous full-time resident caretaker resigned from their role at BMP and vacated the property in early July 2025 to pursue other employment opportunities.

Under the proposed MOU, there is no rental fee, and utilities will be covered by the City. In return, the full-time resident is expected to perform the responsibilities outlined in the TCA, respond to weather-related emergencies, and support after-hours operations as needed.

The term of the MOU is for one year with an option to renew annually without further action unless otherwise terminated. A termination notice of (30) days by either party is required. Continued employment at BMP is required.

Attachments:

1. Resolution
2. MOU

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

Item X18.

RESOLUTION NO. _____

A RESOLUTION APPROVING THE BAYS MOUNTAIN
CARETAKER MEMORANDUM OF UNDERSTANDING
AGREEMENT WITH THE CARETAKER AND AUTHORIZING THE
MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER
DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE
THE PURPOSE OF THE AGREEMENT

WHEREAS, Bays Mountain Park (BMP) is required by Tennessee Code Annotated (TCA) 70-4-404(c)(2)(C) to have a full-time resident caretaker on site as a condition for BMP's Class I wildlife permit (issued by the Tennessee Wildlife Resources Agency) to provide for security, care, and supervision of the wildlife; and

WHEREAS, BMP's Class I wildlife includes carnivores (wolves) and venomous reptiles (snakes); and

WHEREAS, BMP possesses a single-family residence on site for the housing of a full-time resident caretaker at 853 Bays Mountain Road to comply with TCA; and

WHEREAS, Chief Ranger Wanninger has agreed to be the full-time resident caretaker and occupy a single-family residence at 853 Bays Mountain Road; and

WHEREAS, the term of the MOU is for one year with an option to renew annually without further action unless otherwise terminated.

Now therefore,

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

SECTION I. That the Bays Mountain Caretaker Memorandum of Understanding with Chief Ranger Wanninger, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Agreement with the Bays Mountain Caretaker Memorandum of Understanding with Chief Ranger Wanninger, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution as set out below:

**The Bays Mountain Caretaker
Memorandum of Understanding**

THIS MEMORANDUM OF UNDERSTANDING made and entered into as of this (date) _____, by and between the City of Kingsport, a municipal corporation (herein called "Landlord"), and **Kingsport Caretaker** (name of caretaker) _____, (herein called "Tenant").

WITNESSETH:

THAT, in consideration of the premises and the mutual covenants of MEMORANDUM OF UNDERSTANDING herein contained and other good and valuable consideration, the parties do hereby agree as follows:

1. **Purpose.** Preforms work necessary for preserving and protecting the park's resources and providing day-today care for the park's exhibit animals. Assists park ranger staff in

park operations and interpretive programming as required. Enforces park rules and assists in search and rescue operations to ensure the safety of park visitors.

2. **Premises.** Tenant shall reside in the house provided by the landlord located at 853 Bays Mountain Park Road, Kingsport Tennessee 37660 (herein called "premises"). The house shall be the only part of the property intended for Tenant's use.

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

3. **Terms.** The terms of the MEMORANDUM OF UNDERSTANDING shall be for one year and shall commence to run on the date above written. The Parties shall have the option to renew this MEMORANDUM OF UNDERSTANDING annually. Each such renewal term shall be upon the same terms, covenants, and conditions hereof. This MEMORANDUM OF UNDERSTANDING shall be extended without any further instrument provided the MEMORANDUM OF UNDERSTANDING is not terminated for other reasons as stated herein. This MEMORANDUM OF UNDERSTANDING may be terminated for any reason by either party upon 30 days written notice of the other party.

4. **Use and Tenant's Responsibility for Tenant's Property.** Tenant shall use the Premises as a single-family residence only. Tenant shall not use or permit the Premises to be used in any unlawful conduct or for any other purpose without the prior written consent of the Landlord. Landlord shall have no responsibility for Tenant's property, or any damage caused to Tenant's property. Tenant agrees to be responsible for any loss of Tenant's property.

5. **Rent.** Tenant shall pay no rent in exchange for performing the following duties:

A. **Animal Habitats:** Check fences for fallen trees at least twice a week. Pay special attention to the fencing enclosing the Wolves. Monitor weather forecasts: if thunderstorms, high winds, or snow is forecast, increase the frequency of observation, especially at the Wolf Habitat.

B. **After hours patrons:** Assist Park Rangers when required in sweeping the park for people who are still present after closing. Lock/open gate for special events from foot races to mountain bike night rides.

C. **Appearance of property:** Mow yard at least once a week.

6. **Utilities.** Water and electricity will be provided by the Landlord in connection with the housing. Tenant shall pay for any charges for telephone, satellite television, or other utilities that maybe used, rendered, or supplied upon or in connection with the housing.

7. **Uses Prohibited.** Tenant shall not do or permit anything to be done in or about the Premises or bring or keep anything therein that is not within the permitted use of the Premises or that shall in any way increase the existing rate of or affect any fire or other insurance upon the building in which the Premises are located, or any of its contents, or cause a cancellation of any insurance policy covering said building or any part thereof, or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises that shall in any way obstruct or interfere with the rights of other Tenants or occupants of the Premises or injure or annoy them or use or allow the Premises to be used for any unlawful purpose. Tenant shall not cause, maintain, or permit any nuisance in, on or about the Premises, and shall not Tenant commit, or allow to be committed, any waste in or upon the Premises.

8. **Compliance with Law.** Tenant shall not use the Premises or permit anything to be done in or about the Premises, that shall in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or that shall hereafter be enacted or promulgated. Tenant shall, at his sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations, or requirements now in force or that may hereafter be in force relating to or affecting the condition, use or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgement or any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation, or requirement, shall be conclusive of that fact as between the Landlord and Tenant.

9. **Repairs and Alterations.** Tenant shall not make or allow to be made any alterations, additions or improvements to or of the Premises or any part thereof without first obtaining the written consent of Landlord, and any alterations, additions or improvements to or of said Premises including, but not limited to, wall coverings, paneling and built-in cabinet work, but excepting movable furniture and trade fixtures, shall at once become a part of the reality and belong to the Landlord and shall be surrendered with the Premises. In the event Landlord consents to the making of any alterations, additions, or improvements to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense. Upon the expiration or sooner termination of the term hereof, Tenant shall, upon written demand by Landlord, given at least thirty (30) days prior to the end of the term, at

Tenant's sole cost and expense, forthwith and with all due diligence, remove any alteration, additions, or improvements made by Tenant, designated by Landlord to be removed, and Tenant shall, forthwith and with all due diligence, at his sole cost and expense, repair any damage to the Premises caused by such removal.

Failure, on the part of the Tenant, to maintain the Premises in a condition satisfactory to the Landlord or maintaining the Premises in a manner which constitutes a nuisance, shall cause this MEMORANDUM OF UNDERSTANDING to terminate if, after notice by Landlord to Tenant of deficiencies in maintenance of the Premises, Tenant does not correct said enumerated deficiencies within ten (10) working days after receipt of notice thereof. However, Tenant shall not be responsible for outside painting, roof repair and major repairs to the heating and/or cooling systems installed at 853 Bays Mountain Park Road, Kingsport, Tennessee 37660. The Tenant shall be responsible for payment of all utilities except water and electricity, which shall be paid by the Landlord.

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

11. **Assignment and Subletting.** Tenant shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this MEMORANDUM OF UNDERSTANDING or any interest therein, and shall not sublet the said Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (employees, agents, servants, member, groups and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof, without first obtaining the written consent of Landlord, which consent need not be given and shall be at Landlord's sole and absolute discretion. A consent to one assignment, subletting, occupation or use by other person shall not be deemed to be a consent to any subsequent, subletting, occupation or use by another person. Consent to any assignment or subletting shall in no way relieve Tenant or any liability under this MEMORANDUM OF UNDERSTANDING. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord constitute a default under the terms of this MEMORANDUM OF UNDERSTANDING.

12. **Hold Harmless.** Tenant shall indemnify and hold harmless Landlord against and from any and all claims arising from Tenant's use of the Premises and shall further indemnify and hold harmless Landlord against and from any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this MEMORANDUM OF UNDERSTANDING, or arising from any act or negligence of the Tenant, or any officer, agent, employee, guest, or invitee of Tenant, and from all cost, attorneys' fees and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon. In case any action or proceeding is brought against Landlord by reason of such claim, Tenant, upon notice from Landlord, shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises, from any cause; and Tenant hereby waives all claims in respect thereof against Landlord. Tenant shall give prompt notice to Landlord in case of casualty or accidents on the Premises. Tenant is an independent contractor of the Landlord and not an employee of the Landlord and, therefore, Tenant has no workers compensation benefits resulting through application of this MEMORANDUM OF UNDERSTANDING. This paragraph shall survive the expiration or termination of this MEMORANDUM OF UNDERSTANDING.

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

14. **Holding Over.** If Tenant remains in possession of the Premises or any part thereof after the expiration of the term hereof or upon termination of the MEMORANDUM OF UNDERSTANDING by the Landlord as provided herein without the express written consent of Landlord, then Tenant's occupancy shall be deemed that of a Tenant at will and in no event a Tenant from month to month.

15. **Entry by Landlord.** Landlord reserves, and shall always have, the right to enter the Premises to inspect the same, to repair the Premises and any portion of the building of which the Premises are a part that Landlord may deem necessary or desirable. For each of the aforesaid purpose, Landlord shall always have and retain a key with which to unlock all the doors in, upon and about the Premises, and Landlord shall have the right to use all means which Landlord

may deem proper to open said doors in an emergency, to obtain entry to the Premises without liability to Tenant.

16. **Changes.** This MEMORANDUM OF UNDERSTANDING shall constitute the entire MEMORANDUM OF UNDERSTANDING between the Parties hereto. This MEMORANDUM OF UNDERSTANDING shall not be altered, or in any way modified unless by written consent of the Parties.

IN WITNESS WHEREOF, the Parties hereto executed this MEMORANDUM OF UNDERSTANDING on the day and date first above written.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

The Bays Mountain Caretaker

Memorandum of Understanding

THIS MEMORANDUM OF UNDERSTANDING made and entered into as of this (date) _____, by and between the City of Kingsport, a municipal corporation (herein called "Landlord"), and **Kingsport Caretaker** (name of caretaker) _____, (herein called "Tenant").

WITNESSETH:

THAT, in consideration of the premises and the mutual covenants of MEMORADDUM OF UNDERSTANDING herein contained and other good and valuable consideration, the parties do hereby agree as follows:

1. **Purpose.** Preforms work necessary for preserving and protecting the park's resources and providing day-today care for the park's exhibit animals. Assists park ranger staff in park operations and interpretive programming as required. Enforces park rules and assists in search and rescue operations to ensure the safety of park visitors.
2. **Premises.** Tenant shall reside in the house provided by the landlord located at 853 Bays Mountain Park Road, Kingsport Tennessee 37660 (herein called "premises"). The house shall be the only part of the property intended for Tenant's use.

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

3. **Terms.** The terms of the MEMRANDUM OF UNDERSTANDING shall be for one year and shall commence to run on the date above written. The Parties shall have the option to renew this MEMORANDUM OF UNDERSTANDING annually. Each such renewal term shall be upon the same terms, covenants, and conditions hereof. This MEMORANDUM OF UNDERSTANDING shall be extended without any further instrument provided the MEMORANDUM OF UNDERSTANDING is not terminated for other reasons as stated herein. This MEMORANDUM OF UNDERSTANDING may be terminated for any reason by either party upon 30 days written notice of the other party.

4. **Use and Tenant's Responsibility for Tenant's Property.** Tenant shall use the Premises as a single-family residence only. Tenant shall not use or permit the Premises to be used in any unlawful conduct or for any other purpose without the prior written consent of the Landlord. Landlord shall have no responsibility for Tenant's property, or any damage caused to Tenant's property. Tenant agrees to be responsible for any loss of Tenant's property.
5. **Rent.** Tenant shall pay no rent in exchange for performing the following duties:
- A. Animal Habitats: Check fences for fallen trees at least twice a week. Pay special attention to the fencing enclosing the Wolves. Monitor weather forecasts: if thunderstorms, high winds, or snow is forecast, increase the frequency of observation, especially at the Wolf Habitat.
 - B. After hours patrons: Assist Park Rangers when required in sweeping the park for people who are still present after closing. Lock/open gate for special events from foot races to mountain bike night rides.
 - C. Appearance of property: Mow yard at least once a week.
6. **Utilities.** Water and electricity will be provided by the Landlord in connection with the housing. Tenant shall pay for any charges for telephone, satellite television, or other utilities that maybe used, rendered, or supplied upon or in connection with the housing.
7. **Uses Prohibited.** Tenant shall not do or permit anything to be done in or about the Premises or bring or keep anything therein that is not within the permitted use of the Premises or that shall in any way increase the existing rate of or affect any fire or other insurance upon the building in which the Premises are located, or any of its contents, or cause a cancellation of any insurance policy covering said building or any part thereof, or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises that shall in any way obstruct or interfere with the rights of other Tenants or occupants of the Premises or injure or annoy them or use or allow the Premises to be used for any unlawful purpose. Tenant shall not cause, maintain, or permit any nuisance in, on or about the Premises, and shall not Tenant commit, or allow to be committed, any waste in or upon the Premises.
8. **Compliance with Law.** Tenant shall not use the Premises or permit anything to be done in or about the Premises, that shall in any way conflict with any law, stature, ordinance or governmental rule or regulation now in force or that shall hereafter be enacted or promulgated. Tenant shall, at his sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations, or requirements now in force or that may hereafter be in force relating to or affecting the condition, use

or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgement or any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation, or requirement, shall be conclusive of that fact as between the Landlord and Tenant.

9. **Repairs and Alterations.** Tenant shall not make or allow to be made any alterations, additions or improvements to or of the Premises or any part thereof without first obtaining the written consent of Landlord, and any alterations, additions or improvements to or of said Premises including, but not limited to, wall coverings, paneling and built-in cabinet work, but excepting movable furniture and trade fixtures, shall at once become a part of the reality and belong to the Landlord and shall be surrendered with the Premises. In the event Landlord consents to the making of any alterations, additions, or improvements to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense. Upon the expiration or sooner termination of the term hereof, Tenant shall, upon written demand by Landlord, given at least thirty (30) days prior to the end of the term, at Tenant's sole cost and expense, forthwith and with all due diligence, remove any alteration, additions, or improvements made by Tenant, designated by Landlord to be removed, and Tenant shall, forthwith and with all due diligence, at his sole cost and expense, repair any damage to the Premises caused by such removal.

Failure, on the part of the Tenant, to maintain the Premises in a condition satisfactory to the Landlord or maintaining the Premises in a manner which constitutes a nuisance, shall cause this MEMORANDUM OF UNDERSTANDING to terminate if, after notice by Landlord to Tenant of deficiencies in maintenance of the Premises, Tenant does not correct said enumerated deficiencies within ten (10) working days after receipt of notice thereof. However, Tenant shall not be responsible for outside painting, roof repair and major repairs to the heating and/or cooling systems installed at 853 Bays Mountain Park Road, Kingsport, Tennessee 37660. The Tenant shall be responsible for payment of all utilities except water and electricity, which shall be paid by the Landlord.

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11. Assignment and Subletting. Tenant shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this MEMORANDUM OF UNDERSTANDING or any interest therein, and shall not sublet the said Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (employees, agents, servants, member, groups and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof, without first obtaining the written consent of Landlord, which consent need not be given and shall be at Landlord's sole and absolute discretion. A consent to one assignment, subletting, occupation or use by other person shall not be deemed to be a consent to any subsequent, subletting, occupation or use by another person. Consent to any assignment or subletting shall in no way relieve Tenant or any liability under this MEMORANDUM OF UNDERSTANDING. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord constitute a default under the terms of this MEMORANDUM OF UNDERSTANDING.

12. Hold Harmless. Tenant shall indemnify and hold harmless Landlord against and from any and all claims arising from Tenant's use of the Premises and shall further indemnify and hold harmless Landlord against and from any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this MEMORANDUM OF UNDERSTANDING, or arising from any act or negligence of the Tenant, or any officer, agent, employee, guest, or invitee of Tenant, and from all cost, attorneys' fees and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon. In case any action or proceeding is brought against Landlord by reason of such claim, Tenant, upon notice from Landlord, shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises, from any cause; and Tenant hereby waives all claims in respect thereof against Landlord. Tenant shall give prompt notice to Landlord in case of casualty or accidents on the Premises. Tenant is an independent contractor of the Landlord and not an employee of the Landlord and, therefore, Tenant has no workers compensation benefits resulting through application of this MEMORANDUM OF UNDERSTANDING. This paragraph shall survive the expiration or termination of this MEMORANDUM OF UNDERSTANDING.

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

14. **Holding Over.** If Tenant remains in possession of the Premises or any part thereof after the expiration of the term hereof or upon termination of the MEMORANDUM OF UNDERSTANDING by the Landlord as provided herein without the express written consent of Landlord, then Tenant's occupancy shall be deemed that of a Tenant at will and in no event a Tenant from month to month.

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

16. **Changes.** This MEMORANDUM OF UNDERSTANDING shall constitute the entire MEMORANDUM OF UNDERSTANDING between the Parties hereto. This MEMORANDUM OF UNDERSTANDING shall not be altered, or in any way modified unless by written consent of the Parties.

IN WITNESS WHEREOF, the Parties hereto executed this MEMORANDUM OF UNDERSTANDING on the day and date first above written.

Tenant



AGENDA ACTION FORM

Consideration of a Resolution to Award the Bid for Repairs and Renovations for the Kingsport Public Library to BurWil Construction, Inc.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-218-2025
Work Session: August 5, 2025
First Reading: N/A

Final Adoption: August 5, 2025
Staff Work By: Committee
Presentation By: Michael T. Borders

Strategic Focus Area: 3. Exceptional Cultural & Recreational Opportunities

Recommendation:

Approve the Resolution

Executive Summary:

If approved the City will award the bid for repairs and renovations including the base bid and alternate 1: parking lot for the Kingsport Public Library (KPL) located at 400 Broad Street to BurWil Construction, Inc. in the amount of \$7,018,000.

Renovations to KPL have been under active consideration and study since 2007 with the initial space needs & feasibility assessment conducted by Library Planning Associates. The original proposal considered a significant addition to the building which was ultimately financially infeasible. In the late 2010s the paradigm shifted to a phased approach which included renovation of the children's area in 2017 and enclosing of the colonnade in 2018. While successful, it was determined that a holistic approach to renovation was needed.

In 2020 the City engaged with Cain Rash West (CRW) for a conceptual design study of a whole library renovation. In 2021 American Rescue Plan Act (ARPA) passes of which the city received over \$10 million in funding. ARPA final rule was issued in January of 2022 which the second tranche of dollars being distributed in the summer of 2022. The City allocated \$6 million in funding for library renovations and engaged with CRW for construction design services in late 2022. ARPA funds allocated to the project were reallocated and non-time restricted dollars were allocated in 2024. The City allocated an additional \$1 million in funding at year end 2024 and the library received an additional \$2 million through a competitive grant in August 2024 to give the project a total of \$9 million.

KPL has since renovated space at the Ft. Henry mall to prepare for the renovation. The City bid the project in May 2025 with bids being opened on June 25, 2025. The City received a total of 6 bids with 4 bidders being within 4% of competitors' base bids and total bids being within 6% of competitors' bids, indicating a competitive bidding environment. BurWil Construction was the lowest responsible bidder and \$178,000 or approximately 2.5% less than the estimate from 4/10/2025.

The renovation will touch every space in the library and carry the library into the modern era and future. The project also encompasses a rebuild of the parking lot. Total project cost is \$7,649,620 including engineering and contingency. The project is to be completed within 450 calendar days. Staff expected project completion by the end of 2026 and the library reopening to be held in Q1 or Q2 2027.

Funding is available in GP2300.

Attachments:

1. Resolution
2. Bid Tabulation
3. Award Recommendation

Item X19.

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR KINGSPORT PUBLIC LIBRARY REPAIRS AND RENOVATIONS PROJECT TO BURWIL CONSTRUCTION, INC., AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, bids were opened June 25, 2025, for the Kingsport Public Library Repairs and Renovations Project; and

WHEREAS, upon review of the bids, the board finds BurWil Construction Inc., is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into a contract for the renovations and repairs of the Kingsport Public Library and encompasses a rebuild of the parking lot which is the base bid and alternate 1 from BurWil Construction Inc., at an estimated construction cost of \$7,018,000.00; and

WHEREAS, funding is identified in project numbers GP2300;

Now therefore,

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

SECTION I. That the bid for the Kingsport Public Library Repairs and Renovations Project, consisting of renovations and repairs of the Kingsport Public Library and encompasses a rebuild of the parking lot which is the base bid and alternate 1 at an estimated cost of \$7,018,000.00 is awarded to BurWil Construction 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 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

BID OPENING MINUTES

June 25, 2025

4:00 P.M.

Brent Morelock, Procurement Manager; Nikisha Eichmann, Assistant Procurement Manager; Stephanie Griffin, Interim Library Manager; Michael Borders, Assistant City Manager; Clinton Roberts, Cain Rash West Architects

The Bid Opening was held in the Conference Room 436, 4th Floor, City Hall.

The Procurement Manager opened with the following bids:

Repairs and Renovations for: Kingsport Public Library - Kingsport, TN			
Vendor:	Base Bid:	Days:	Alternate 1: Parking Lot
BurWil Construction, Inc.	\$6,845,000.00	450	\$173,000.00
GRC Construction Services, Inc.	\$7,128,000.00	450	\$311,000.00
JA Street & Associates	\$6,892,000.00	395	\$233,000.00
J.E. Green Company	\$8,094,000.00	730	\$339,000.00
Mavin Construction	\$12,500,000.00	740	\$300,000.00
Preston Construction Co.	\$7,100,000.00	395	\$319,000.00

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

July 07, 2025

Mr. Ryan McReynolds
Deputy City Manager
City of Kingsport
415 Broad Street
Kingsport, TN 37660

Project: Repairs and Renovations for: Kingsport Public Library – Kingsport, TN

Re: Recommendation for Award of Construction Contract

Dear Mr. McReynolds,

Sealed bids for the project were received and read aloud by the Procurement Manager on June 25, 2025, in the Kingsport City Hall, 4th floor, Conference Room 436 for the above referenced project. A total of six (6) bids were submitted by BurWil Construction, Inc.; GRC Construction, Inc.; JA Street & Associates; J.E. Green Company; Mavin Construction; and Preston Construction Co. The apparent low bid was submitted by BurWil Construction Inc. in the amount of \$6,845,000.00 for the base bid. There was a single alternate to bid which add an additional \$173,000.00 to the contract sum.

We have reviewed the bid and have discovered no errors with the apparent low bid. The bid appears to be a responsive bid.

It is our opinion that BurWil Construction, Inc. fully understands the scope and are qualified to complete the project. They have successfully completed projects of a similar complexity and scope. Assuming all other legal and bonding requirements are met, we recommend this project be awarded to BurWil Construction Inc. for the lump sum base bid and alternate in the amount of \$7,018,000.00.

Thank you for the opportunity to be of service to the City of Kingsport. We look forward to the successful completion of this project with you.

Sincerely,



Clinton Roberts, AIA, NCARB
Vice President
Cain Rash West Architects



AGENDA ACTION FORM

Consideration of a Resolution to Award the Bid for the Purchase of Rock Salt for FY26

To: Board of Mayor and Aldermen
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-219-2025
Work Session: August 5, 2025
First Reading: N/A

Final Adoption: August 5, 2025
Staff Work By: Committee
Presentation By: R. McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:

Approve the Resolution

Executive Summary:

If approved, this resolution awards the bid for the purchase of rock salt for FY26 to Compass Minerals America Inc. in the amount of \$126.41 per ton for use by Public Works Department.

These bids were opened on July 24, 2025, and was issued by the City of Knoxville, TN as a cooperative bid with thirteen East Tennessee government agencies participating. The estimated annual cost is \$505,640 based on purchasing 4,000 tons with an option to purchase an additional 2,000 tons if needed. This represents an increase of 5.03% over last year's cost of \$120.35 per ton.

It is also recommended to utilize TN State Contract #507 as an option in the event an additional source is needed. This would be a safeguard for the City having a purchasing option in case of an emergency such as a bad winter where salt supply or delivery becomes an issue.

The City is not required to purchase rock salt unless and until it is needed.

Funding is identified in account number 12140244613038 (\$200,000), 12140244614099 (\$215,000) and NC2516 (\$150,000).

Attachments:

1. Resolution
2. Recommendation Memo
3. Bid Minutes

Item XI10.

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

A RESOLUTION AWARDDING THE BID FOR THE PURCHASE OF ROCK SALT TO COMPASS MINERALS AMERICA, INC. AND ALTERNATIVELY PURSUANT TO STATE CONTRACT NO.: 507 AS A SECONDARY SOURCE IF NEEDED, AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR THE SAME

WHEREAS, bids were opened July 24, 2025, for the purchase of rock salt for use by the Public Works Department on an as needed basis in conjunction with the City of Knoxville, Tennessee and thirteen other East Tennessee governmental agencies; and

WHEREAS, upon review of the bids, the board finds Compass Minerals America, 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 purchase rock sale from Compass Minerals America, Inc. at a cost of \$126.41 per ton at an estimated annual cost of \$505,640.00 for 4,000 tons; and

WHEREAS, the specifications for the bid state that the city may purchase up to 2,000 tons of additional rock salt if needed at the same cost per ton; and

WHEREAS, should such the need arise, City has identified Tennessee State Contract No.: 507 as a secondary source for the acquisition of rock salt; and

WHEREAS, funding is identified in account number 12140244613038.

Now therefore,

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

SECTION I. That the bid for the purchase of rock salt for use by the Public Works Department is awarded to Compass Minerals America, Inc. at a cost of \$126.41 per ton at an estimated annual cost of \$505,640 for 4,000 tons with the option to purchase up to an additional 2,000 tons at the same price per ton and the city manager is authorized to execute purchase orders for the same on an as needed basis.

SECTION II. That the city manager is authorized to execute purchase orders as needed to acquire additional rock salt pursuant to State Contract No.: 507.

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 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

MEMORANDUM

July 25, 2025

TO: Brent Morelock, Procurement Manager
FROM: Tim Elsea, Assistant Public Works Director
SUBJECT: Rock Salt Bid Award

Greg Willis and I have reviewed the recent bids that the City of Knoxville received for Rock Salt.

Our recommendation for the Rock Salt bid would be to award to Compass Minerals America, Incorporated as the primary vendor. Their bid offering is the lowest for the City of Kingsport at \$126.41 per ton. This represents an increase of 5.03% over last year's cost of \$120.35 per ton.

We would also like to have the option to purchase salt from **TN State Contract # 507** in the event an additional source is needed. This would be a safeguard for the City having a purchasing option with them in case of an emergency situation such as a bad winter where salt supply or delivery becomes an issue.

If you have any questions please contact me at your convenience at 229-9451.



OFFICE OF THE PURCHASING AGENT
CITY OF KNOXVILLE, TENNESSEE

BID TABULATION FORM

DATE: 7/24/2025

TITLE: ITB – 2025 Bulk Ice Control Rock Salt

DEPARTMENT: Public Service

BIDDERS	Submission Affidavits & Certifications	DBE Option A, B or C?	City of Knoxville	City of Kingsport	City of Bristol	City of Elizabethton	City of Mt Carmel	City of Church Hill	East Tennessee State University
Lance Industrial Partners	Yes	B	\$256.00	\$307.00	\$307.00	\$307.00	\$307.00	\$307.00	\$307.00
Compass Minerals America Inc	Yes	B	\$116.83	\$126.41	\$134.87	\$154.87	\$152.03	\$149.01	\$154.19
Morton Salt, Inc.	Yes	B	\$134.84	\$150.44	\$159.85	\$160.79	\$151.69	\$151.69	\$155.44
Cargill, Incorporated	Yes	B	\$141.05	\$141.11	\$141.62	\$143.31	\$142.14	\$142.19	\$144.07

BIDDERS	Town of Surgoinsville	City of Newport	Knox County	City of Alcoa	City of Maryville	Blount County
Lance Industrial Partners	\$307.00	\$297.00	\$256.00	\$284.00	\$284.00	\$284.00
Compass Minerals America Inc	\$145.53	\$141.63	\$115.27	\$119.22	\$119.66	\$114.22
Morton Salt, Inc.	\$149.39	\$142.84	\$132.85	\$140.48	\$139.96	\$135.21
Cargill, Incorporated	\$143.65	\$143.38	\$141.07	\$142.47	\$142.81	\$141.46

*All quoted prices are per ton.

Item X110.

I CERTIFY THAT THIS IS A TRUE AND ACCURATE TABULATION OF THE PROPOSALS THAT WERE RECEIVED _____Gabriel Massey, Procurement Technician_____



AGENDA ACTION FORM

Consideration of a resolution to apply for and accept funding from the Tennessee Tourism Enhancement Grant.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF- 210-2025

Work Session: August 05, 2025

First Reading: NA

Final Adoption: August 05, 2025

Staff Work By: Megan Krager

Presentation By: Michael Price

Strategic Focus Area: Exceptional Cultural and Recreational Opportunities

Recommendation:

Approve the Resolution

Executive Summary:

If approved, the City will apply for and accept funding from the Tennessee Tourism Enhancement Grant. Funding will be used to upgrade the dilapidated floating bridge at Bays Mountain Park.

The accompanying resolution authorizes the City to apply for a \$100,000.00 award that carries a 30% match requirement (\$30,000.00).

If approved, the Floating Bridge Project at Bays Mountain Park will include mandatory upgrades required by TDEC to the 25-year-old floating bridge. TDEC standards must be met by 2033. The bridge is vital not only to the park but to the guests who visit the park.

Cost estimates for the project are underway, but not complete.

Applications are due to the State by August 22, 2025.

The grant supports Tourism Development projects by eligible grantees to allow for the creation or expansion of offerings that are available and open to the public, that improve the appeal of the destinations to tourists, and that enhance tourist experiences.

Attachments:

1. Resolution
2. Recommendation Memo
3. Photos

Item XI11.

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING AN APPLICATION FOR AND RECEIPT OF FUNDING FROM THE TENNESSEE DEPARTMENT OF TROUISM DEVELOPMENT TENNESSEE TOURISM ENHANCEMENT GRANT AND AUTHORIZING THE MAYOR TO EXECUTE DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, the floating bridge at Bays Mountain Park which connects the nature center to the Lakeside Trail is in need of repairs; and

WHEREAS, as currently constructed the floating bridge does not comply with the Tennessee Department of Environment and Conservation's (TDEC) standards for bridge construction and furthermore is both sinking and tilting on one side; and

WHEREAS, the floating bridge is a key asset to the park that allows visitors more convenient access to the Lakeside Trail and without which visitors would be required to traverse an additional two and one-half miles; and

WHEREAS, the Tennessee Department of Tourism Development, Tennessee Tourism Enhancement Grant (TTEG) provides up to \$100,000 in funding towards improvement of physical assets that improve the appeal and experience of tourism destinations; and

WHEREAS, it is recommended that an application be submitted for TTEG funding and if approved the same be accepted; and

WHEREAS, TTEG requires a 30% local match which has been earmarked in Vistor Enhancement Funds; and

Now therefore,

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

SECTION I. That an application for the Tennessee Tourism Enhancement Grant is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive the Tourism Enhancement Grant from the Tennessee Department of Tourist Development and to take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement or this resolution.

SECTION III. That the mayor is authorized to execute any and all documents including those necessary and proper to demonstrate the city's compliance with the grant requirements or its provisions necessary to effectuate the purpose of the grant or this resolution.

SECTION 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 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



8/5/2025

Tennessee Department of Tourist Development
Andi Grindley
TDTD Tourism Grant Program Manager
312 Rosa L. Parks Avenue
Tennessee Tower, 13th Floor
Nashville, TN 37243-1102

Subject: Acknowledgement of Match Requirement

Dear Andi Grindley:

Please accept this memo as acknowledgement from the City of Kingsport of the 70/30 match requirement associated with the Tourism Enhancement Grant.

Sincerely,

Paul W. Montgomery
Mayor, City of Kingsport

City of Kingsport

Bays Mountain Park and Planetarium

Tourism Enhancement Grant – Floating Bridge

Project Description

The floating bridge along Bays Mountain's Lakeside Trail is a vital link that provides accessible passage through one of the park's most scenic and well-used trails. Originally built over 25 years ago, this wooden bridge is now facing structural decline and is no longer aligned with future Tennessee Department of Environment and Conservation (TDEC) standards.

The bridge's flotation system currently uses foam, which will be noncompliant by 2033. TDEC requires the use of plastic buoy systems going forward. In addition, the bridge has significant rot and damage to its wooden structure. Repeated exposure to the elements has created an unsafe tilt in the decking.



Looking toward the lower Lakeside Trail, the lean in the bridge's structure is visible.

The bridge's decking and support beams are visibly cracked and weakened. This condition requires constant repairs costing the park approximately \$5,000 annually.

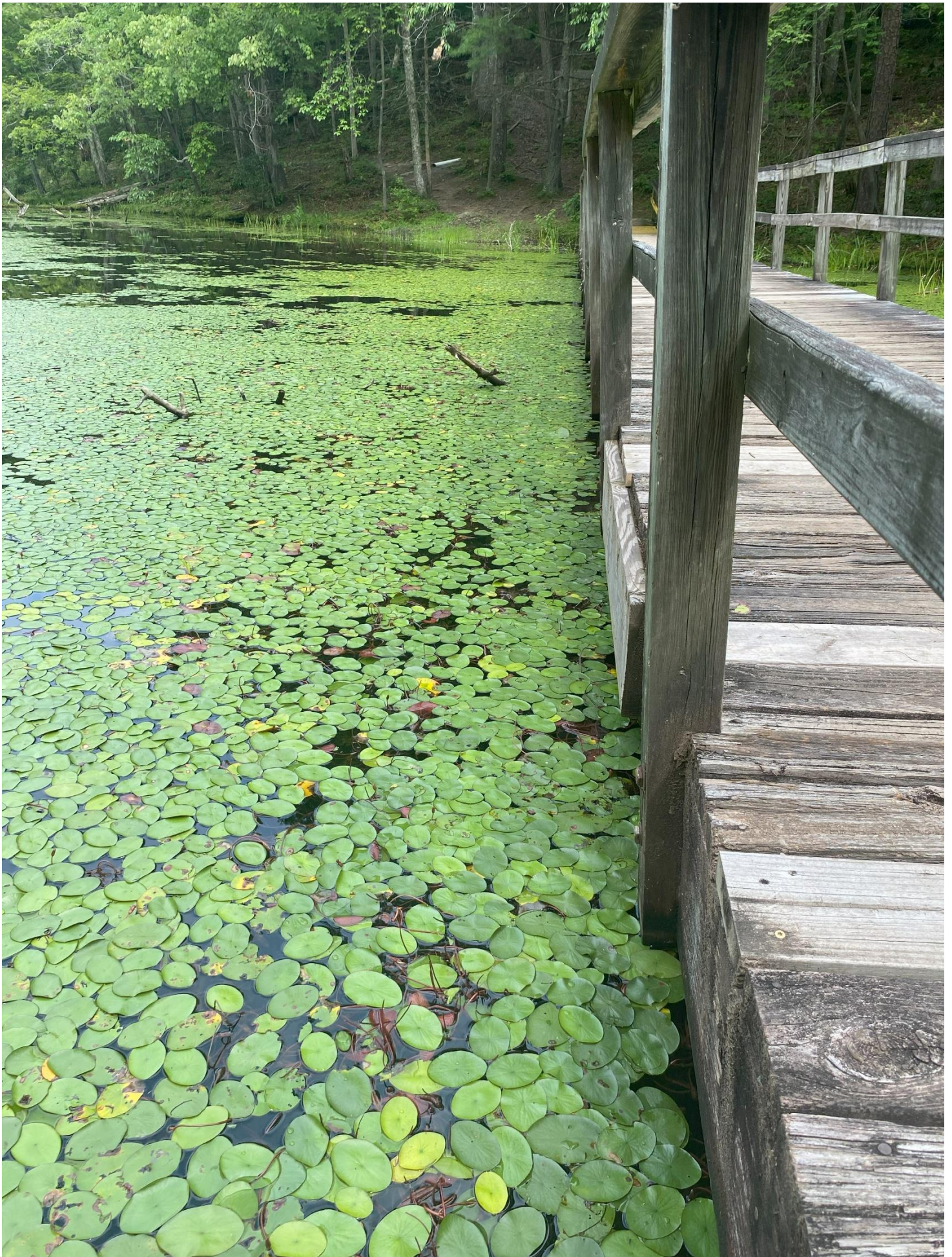




Item XI11.

Current flotation relies on exposed foam elements, which will no longer meet state standards by 2033. Transitioning to plastic flotation is essential for compliance.





Item XI11.

Visitor Experience and Accessibility:

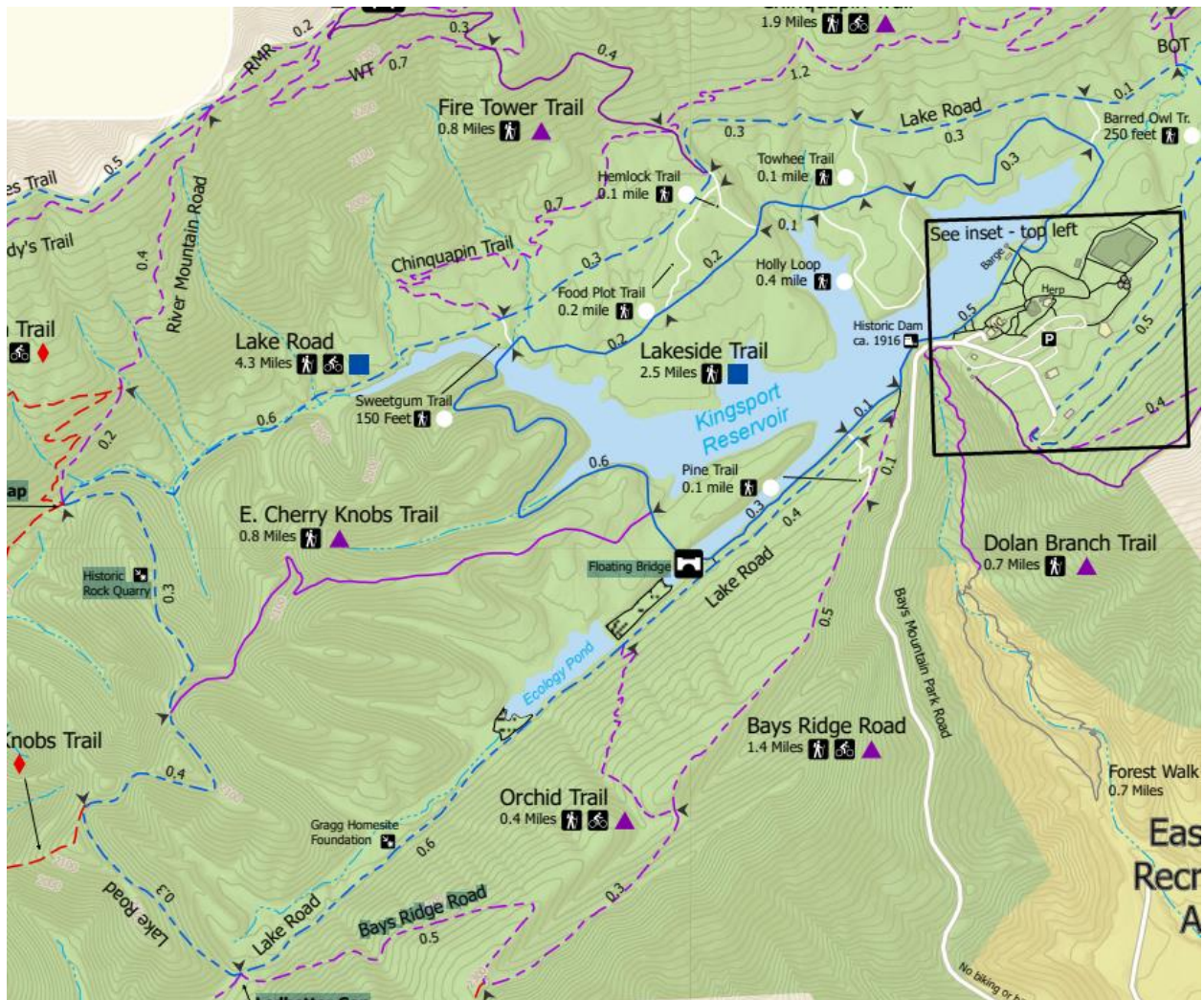
The floating bridge allows guests to bypass a difficult 2.5-mile detour around the lake and continue enjoying the Lakeside Trail. It enhances trail accessibility for all ages and abilities, especially families and older adults. Approximately one-third of all park visitors use this bridge. Without it, many would be limited in how far they can explore and experience the full beauty of the park.

Project Benefits:

- Safety: Eliminates hazards from rotten wood and structural tilt.
- Environmental Compliance: Meets TDEC flotation requirements by 2033.
- Tourism Enhancement: Maintains a key feature used by tens of thousands of visitors annually.
- Preservation: Protects a historic and functional component of the park's trail system.

The Floating Bridge Rehabilitation Project at Bays Mountain Park is essential to sustaining the accessibility, safety, and enjoyment of this beloved regional asset. Support through the Tourism Enhancement Grant will ensure this structure remains safe and compliant while continuing to serve the public for decades to come.

Map of Lakeside Trail, Floating Bridge, and Alt. Route through Lake Road and E. Cherry Knobs





TOURISM ENHANCEMENT GRANT: ROUND 8

Applications due on August 22, 2025

Grant at a Glance:

- Eligible grantees include a non-profit entity, e.g. non-profit unincorporated community such as a historic village, or a Tennessee local or a quasi-governmental entity.
 - Historic Village means a settlement or collection of buildings that are preserved to represent a specific period in history.
- Up to \$100,000 grant with a grantee participation commitment based upon the grantee's economic status.
- Approximately 25-30 grants will be awarded, depending on available funds
- Project must be completed on applicant-owned property, or property leased by the applicant from TVA or the US Army Corps of Engineers that has a remaining term of at least the useful life of the project
- Prior Tourism Enhancement grantees (Rounds 6 & 7) with completely, officially CLOSED grants will be eligible to submit an application. Tourism Enhancement grantees with OPEN grant projects are automatically ineligible.
- More than one application within a county may be submitted

Application Checklist:

- ☐ Application – document fully completed and emailed to Andi.Grindley@tn.gov
- ☐ Two letters of support from local/regional partners (minimum). One must be from official local tourism entity as defined by TN Dept. of Tourist Development (see [FAQ](#) for definition)
- ☐ Letter of commitment from organization providing matching funds
- ☐ If match commitment must be approved by legislative body, please have approval completed prior to application deadline
- ☐ Project property map - PDF map of area with project property marked, showing street address, and certifying ownership from the local Tax Assessor's office or by going to www.assessment.cot.tn.gov and searching for the property map
- ☐ Images of the overall site as well as specific areas of work (1 page max)

Grant Overview:

Tourism is one of the largest industries and most important economic drivers in Tennessee. The purpose of this grant is to support Tourism Development projects by eligible grantees to allow for the creation or expansion of physical attractions, facilities, or events that are available and open to the public, that improve the appeal of the destinations to tourists, and that enhance tourist experiences that are primarily promoted to or used by tourists.

Grant Review Board Members:

TN Dept. of Tourist Development, TN Dept. of Economic and Community Development, TN Dept. of Agriculture, TN Dept. of Environment and Conservation, TN Dept. of Transportation and TVA and/or the US Army Corps of Engineers (where applicable).

TTD Tourism Grant Program Manager:

Andi Grindley
Andi.Grindley@tn.gov
(615) 487-5867

Reimbursement-based Grant:

Maximum request \$100,000. No other state or federal funds or in-kind contributions may be used for the match requirement. Grantees will be reimbursed for eligible expenditures.

Grantee Participation:

Match amount for a county is determined by tier level designation at the time of application submission. Please see the [TN Jobs Tax Credit map](#) for your designation.

Tier 1: 50/50 match – Tier 2: 70/30 match – Tier 3: 90/10 match – Tier 4: 95/05 match

FAQ:

Frequently asked questions may be found [here](#).

Grantee Eligibility:

- Eligible:
 - A non-profit entity, e.g. non-profit unincorporated community such as a historic village, or a Tennessee local or a quasi-governmental entity.
 - Historic Village means a settlement or collection of buildings that are preserved to represent a specific period in history.
 - Prior Tourism Enhancement grantees (Rounds 6 & 7) with completely, officially CLOSED grants will be eligible to apply.
- Not Eligible:
 - Attractions, festivals, Main Street organizations, regional tourism organizations, and non-governmental institutions. More than one application from within a county may be submitted. Tourism Enhancement grantees with OPEN (Rounds 6 & 7) grant projects are ineligible.

Administration Fees:

Grantee may request up to 5% of grant total toward administration costs. This must be included as a line item in the grant budget in the application.

Property Eligibility:

Property must be owned by the applicant or held in long-term lease / easement from TVA or the US Army Corps of Engineers. The lease term must be at least as long as the useful life of the project. If leased property, the grantee must meet all approvals through the appropriate federal agency. Lease confirmation must be submitted with application.

Definitions:

“Tourist” or “Visitor” means an individual who travels more than fifty (50) miles from their primary residence or travels from an out-of-state primary residence to a destination for the infrequent purpose of leisure, entertainment, business, or recreation and whose spending contributes to the state’s tourism economy.

“Tourism development” means the creation or expansion of physical attractions, facilities, or events that are available and open to the public, that improve the appeal of destinations to tourists, and that enhance tourist experiences that are primarily promoted to or used by tourists.

Project Eligibility:

Eligible projects should improve or create facilities and destinations visited by in-state and out-of-state tourists, with the goals of increasing visitation, enticing repeat visitation, and increasing the direct and indirect economic impacts of the tourism industry in all regions of the state. Extra consideration will be given to innovative, cost-effective projects with robust partnerships. Projects must be completed within an approximate 12 -18-month timeframe. Additional requirements may apply for specific projects, depending on their nature.

- **Examples of eligible projects:**
 - Stages such as music, theatre, etc. if used for tourism events
 - Lighting/electrical for tourism-related public spaces
 - Boat ramps with public access

- Historic preservation of tourism property or facility
- ADA compliancy resources for tourism assets
- Wayfinding signage (with proper approval from TDOT as needed)

● **Examples of ineligible projects:**

- Projects that target local community infrastructure, with limited tourism-related programming
- Any project on private property
- Marketing, advertising, or billboards
- Office supplies or basic operating costs
- Entertainment, food, or and beverages
- Travel expenses, medical, accounting, legal fees, or salaries
- Prizes or prize money, scholarships, awards, plaques, t-shirts, uniforms, certificates, or any other promotional items

TDTD reserves the right to reject any project inconsistent with the program goals. For consideration of a project outside of the definition or if you have any questions about eligibility, please contact

Andi.Grindley@tn.gov.

Scoring Algorithm:

- Building on existing historical, cultural, recreational, scenic, or natural resources/assets (max 20)
- Number and quality of public/private, public/public, or regional/local partnerships (max 15)
- Degree of innovation (max 10)
- Project potential for economic impact – quality and viability of project metrics (max 30)
- Level of need based on TNECD tier levels / economic status (max 10)
- County population – 2020 census (lowest population receives highest points) (max 15)

Guidelines for Funding:

In order to score the maximum points possible, the project proposal must include information describing how the project meets eligibility requirements with detailed goals for measuring project metrics and increasing tourism revenues.

This is a reimbursement-based grant. Guidelines and templates for reimbursements will be provided to awarded projects. No work done outside of the final approved contract period will be eligible for reimbursement.

Grant monitoring by TDTD may include ownership verification for five years. Grantee must meet with TDTD twice per year to report on the status of the project. Properties enhanced or improved through this grant may not be transferred from the approved grantee within five years of project completion. If property does change ownership outside of program scope within that timeframe, the grantee may be responsible for returning grant funds to the State, up to the full amount of the grant.

Tourism Enhancement Grant Timeline – Round 8

Jul 14, 2025	Applications open
Aug 22, 2025	Applications due
Aug 25 – 27, 2025	Application review/score period
Aug 28, 2025	Group application review/discussion/finalize awards
Sep 5, 2025	Award notifications and contracts
Oct 31, 2025	Signed contracts due
Jun 30, 2026	Reimbursement request paperwork due for work completed within fiscal year 2026
Sep 30, 2026	Annual reports due
May 29, 2027	Project completed, reimbursement request paperwork and final reports due

Tourism Enhancement Grant: Round 8
Application

Handwritten applications will not be accepted.

Organization Name as it Appears on W-9: **The City of Kingsport**

County: **Sullivan**

Person Authorized to Sign Grant Contract:

Name: **Paul Montgomery**

Title: **Mayor**

Email: **paulmontgomery@kingsporttn.gov**

Person Administering the Grant:

Name: **Michael Price**

Title: **Community Planner**

Email: **michaelprice@kingsporttn.gov**

Organization Mailing Address: **415 Broad St**

City: **Kingsport**

State: **TN**

Zip: **37660**

Office phone: **423-224-2877**

Mobile phone of grant administrator: **423-530-5416**

Use the checklist on Page 1 to verify all requirements. Application must be typed and emailed to Andi.Grindley@tn.gov. Answer all questions completely and label each answer with the corresponding question number. All fields must be completed for submission.

1. Executive summary with budget overview: Include physical address or GPS coordinates of proposed project (no more than two paragraphs).

The City of Kingsport is applying for funding through the Tennessee Tourism Enhancement Grant to rehabilitate the floating bridge at Bays Mountain Park and Planetarium. The bridge is a vital pedestrian connector, linking the Nature Center area to the upper Lakeside Trail and reducing what would otherwise be a 2.5-mile detour. Used by over one-third of the park's 200,000 annual visitors, the bridge enables broader access to nature for hikers, families, and educational groups. The structure, located at approximately 36.5077° N, 82.6234° W, is over 25 years old and built of pressure-treated lumber that has rotted beyond repair despite years of temporary patchwork. It currently relies on outdated foam flotation, which must be replaced with modern plastic buoy systems to comply with TDEC standards by 2033.

The bridge has developed a severe tilt due to sun exposure, age, and storm debris, making it a growing safety concern. The park attempts maintenance, but a full rehabilitation is now essential. Replacing the bridge with updated, code-compliant materials will restore safe, direct access to the historic Lakeside Trail, a route in use for over 50 years, and protect the visitor experience in one of Tennessee's most visited nature destinations. This project aligns with the goals of the Tennessee Tourism Enhancement Grant to improve tourism infrastructure and preserve high-value outdoor assets.

2. Describe the process of how this specific project was chosen and why is it needed?

Bays Mountain Park & Planetarium is the largest city-owned park in Tennessee, encompassing more than 3,750 acres of protected natural land and serving over 200,000 visitors each year. Among the park's most used and iconic features is the Floating Bridge, which provides direct pedestrian access across the 44-acre lake to the upper Lakeside Trail. This bridge shortens a potential 2.5-mile detour and is used by more than a third of the park's guests annually. Without it, visitor access to the far side of the trail system would be significantly limited, particularly for families, persons with physical limitations, and school groups on structured programs. The bridge enhances both connectivity and the overall park experience by providing a scenic and efficient route to one of Bays Mountain's most beloved trail systems.

This project was identified through regular park maintenance assessments, visitor feedback, and input from Parks & Recreation staff during capital planning sessions. Park staff have noted the deteriorating condition of the bridge, including structural instability, aged flotation no longer compliant with future TDEC standards, and extensive wood rot as a top maintenance priority. Despite annual maintenance, the bridge now requires a full replacement to ensure long-term safety and functionality. Given its daily use, visibility, and role in providing equitable trail access, the Floating Bridge was selected as one of the park's highest-priority infrastructure upgrades. Its rehabilitation is necessary not only for public safety and regulatory compliance but also to protect the quality of the visitor experience in one of Tennessee's most visited public outdoor spaces.

3. How does this project relate to and support existing musical, historical, cultural, recreational, scenic, or natural resources and experiential assets?

The Floating Bridge at Bays Mountain Park & Planetarium plays a key role in connecting a wide arc of scenic, cultural, recreational, and historical elements that define the park's identity. Bays Mountain is a historic preserve rooted in Appalachian heritage: originally home to settlers in the early 1800s who farmed, built homes, and relied on the mountain's natural wealth. By 1916, the

dam and lake served as Kingsport's municipal water source, and after the city outgrew the reservoir in 1944, the area transitioned into the modern nature park officially opened in 1971. The park's nature center, Wolf habitat, planetarium, heritage farmstead museum, and miles of trails reflect this dual legacy of natural preservation and cultural heritage.

The floating bridge enhances visitors' park experience by providing direct access from the Nature Center and lake to the historic Lakeside Trail, a route used for more than half a century by both residents and visitors. When fully functional, the bridge enables guests, including school groups, families, and naturalists, to efficiently explore the park's full interpretive value. Without the bridge, visitors face an additional 2.5-mile trek, fragmenting access to habitats, scenic overlooks, and the cultural layers represented along the trail. Its rehabilitation would improve connectivity within the park's 44-acre lake, scenic wooded ridge, and educational assets, including the Farmstead Museum and animal exhibits. Thereby, supporting the park's mission of service, nature education, and stewardship throughout the region.

4. Describe any partnerships leveraged and what their specific role will be in the project.

The City of Kingsport is the lead applicant and will oversee project planning, procurement, and implementation, working in collaboration with Bays Mountain Park & Planetarium staff who provide day-to-day operational and technical support for the bridge structure. The Sullivan County Government, through its support and regional planning coordination, helps ensure alignment with broader infrastructure and tourism goals that benefit all residents and visitors.

Visit Kingsport will promote the completed project as part of its regional tourism marketing strategy, using digital platforms, visitor guides, and social media campaigns to attract both in-state and out-of-state visitors. The Kingsport Chamber of Commerce will support economic impact efforts by engaging with local businesses and highlighting the bridge's impact on attracting outdoor enthusiasts and family tourism.

Additionally, the United Way of Greater Kingsport and its network of nonprofit partners support the project's broader community value, emphasizing equitable access to nature and public space. These organizations will help promote the park's improved infrastructure as a healthy, inclusive recreational resource for all.

Together, these partners reflect a collaborative commitment to enhancing the region's natural tourism assets, expanding accessibility, and supporting sustainable economic development through outdoor recreation.

5. Who will be the primary user of / beneficiary from this project?

The Floating Bridge rehabilitation project directly enhances the appeal of Bays Mountain Park, a premier outdoor destination in Northeast Tennessee, by improving access, safety, and the overall visitor experience. Tourists from across the region and neighboring states regularly visit Bays Mountain for its unique combination of natural beauty, wildlife habitats, planetarium programs, and over 40 miles of hiking and biking trails. The Floating Bridge is a key part of this experience, offering a scenic, shortcut connection along the Lakeside Trail. Especially for tourists with limited time, families with children, and educational groups on day trips, the bridge provides critical access to the less-traveled upper trail loop and expands opportunities for outdoor recreation and exploration.

Currently, the bridge's deteriorated state is a safety concern and a barrier to accessibility. Rebuilding it with compliant, modern flotation standards and improved structural integrity will not only restore access but also enhance the visual and experiential quality of the trail system. The bridge itself becomes a destination, a place where visitors can stop and take in panoramic lake views, wildlife, and seasonal foliage. Tourists are expected to be the primary beneficiaries

of this improvement, as many make a full-day or weekend trip to the park as part of their travel itinerary. With over 200,000 visitors annually this infrastructure project will directly support regional tourism by increasing trail access, encouraging return visits, and enhancing Bays Mountain Park's reputation as one of Tennessee's most treasured nature destinations.

6. How is this project an innovative or creative approach?

The Floating Bridge rehabilitation project takes an innovative approach by combining environmental sustainability, regulatory modernization, and tourism-focused infrastructure design. Rather than simply replacing the deteriorated structure, the project proposes an upgraded floating system that aligns with the Tennessee Department of Environment and Conservation (TDEC) 2033 standards, shifting from outdated foam flotation to environmentally responsible, modern plastic buoy systems. This not only ensures long-term compliance and reduced maintenance but also reflects a forward-thinking model of sustainable outdoor infrastructure.

What makes the project especially creative is its dual function: the bridge is not just a passageway. It is also a recreational and safety-enhancing feature that transforms the park experience. The redesign includes stable, weather-resistant decking and railings for improved visitor safety, particularly for families, seniors, and school groups. It also improves access for emergency personnel, shortening response time by providing a direct route across the lake, an essential factor for a park that hosts over 200,000 annual visitors. By enhancing both safety and experience, the bridge becomes a scenic and functional destination in itself, complete with interpretive signage and panoramic lake views. This innovative approach makes Bays Mountain Park more accessible, engaging, and secure for tourists, helping it stand out as a premier travel destination in Northeast Tennessee.

7. Following project completion, who will be responsible for the maintenance/accountability of the project? Provide contact information for the responsible entity. Who will manage programming, if needed? Project sustainability will be monitored by TDTD.

The Park, owned by the City of Kingsport is maintained by the City of Kingsport Parks and Recreation department and City maintenance.

Programming and Accountability will be managed by Megan Krager, Bays Mountain Park Manager.

megankrager@kingsporttn.gov
423-229-9490

8. Are there plans for marketing related to the proposed project once completed? If yes, please describe.

The City of Kingsport will actively promote the Floating Bridge Rehabilitation Project through a coordinated marketing campaign led by Visit Kingsport, the Kingsport Chamber of Commerce, and the City's own Public Information Office. Upon completion, the project will be featured in a high-visibility ribbon-cutting ceremony at Bays Mountain Park, which will include city officials, tourism partners, park staff, and local stakeholders. This event will be open to the public and covered by the Kingsport Times News, which regularly features regional tourism developments, outdoor recreation, and community infrastructure projects.

Marketing efforts will also include digital and print campaigns through Visit Kingsport, which has a strong social media presence and website traffic from tourists seeking outdoor destinations and weekend getaways in Northeast Tennessee. The Kingsport Chamber of Commerce will promote the project through its member network, newsletters, and media channels, encouraging regional travel and community engagement. Signage and informational materials on-site will celebrate the project's tourism impact and provide historical and

interpretive content about the bridge and trail system. Collectively, these efforts will ensure the bridge's reopening is celebrated widely and effectively marketed to both residents and out-of-town visitors as a revitalized attraction at one of Tennessee's premier municipal parks.

9. Describe how this project will improve the county's tourism economic impact. Use the most recent [2023 County Snapshot](#) numbers for your baseline. Include intended objectives and outcomes and describe how project metrics will be measured. **See examples below for guidance on developing project metrics.

In 2023, Sullivan County ranked 11th among Tennessee's 95 counties in direct visitor spending, with \$340,057,800 in total tourism-related expenditures. Earlier data also indicated nearly \$330 million in domestic visitor spending in 2022, supporting more than 2,580 local jobs and contributing tax relief equivalent to \$501 per household. Bays Mountain Park is a key driver behind this regional economy, drawing hundreds of thousands of visitors annually.

By restoring this critical trail connector, the Floating Bridge Rehabilitation Project expands visitor access, enhances safety, and increases park programming opportunities. The resulting uplift in visitation and spending supports Sullivan County's position as a strong tourism destination, aligned with county snapshot data. This project will not only preserve existing tourism value but also catalyze growth in visitor-driven revenue, local business engagement, and regional economic development.

Output Measurement Examples:

- Asset created or improved:
 - Describe how this project will increase tourism capacity in the county.

The project will fully rehabilitate the Floating Bridge to restore safe and reliable pedestrian access to the upper Lakeside Trail. Within one year of reopening, the objective is to improve accessibility for approximately 60,000 to 70,000 park users, representing nearly one-third of Bays Mountain Park's 200,000 annual visitors.

- Costs reduced:
 - Costs reduced, as a result of project activities, within one year of project implementation.

Eliminate the current \$5,000/year in maintenance expenses spent on patch repairs.

- Programs implemented:
 - The number of new programs or the number of ongoing activities related to the defined goals that are implemented as a result of the project. If possible, use with other measures that will indicate the results of the project.

Restoring the Floating Bridge will reconnect a vital section of the Lakeside Trail, making it safer and more accessible for guided groups, school field trips, and family-oriented programs. With improved access to the upper side of the lake and surrounding ecosystems, Bays Mountain Park staff will be able to launch new interpretive or educational programs, such as ranger-led nature hikes, wildlife observation walks, and curriculum-aligned outdoor learning experiences for visitors. These programs will be tailored to engage out-of-town visitors. By opening up this scenic and educationally rich area of the park, the restored bridge directly supports the development and success for new offerings.

- Leveraged private investment:
 - The dollar amount of private-sector financial commitments, outside of project costs, that result from a project, measured during the project period and up to three years after the project end date.

The increase in visitation will generate greater foot traffic to surrounding restaurants, hotels, gas stations, and retailers in Kingsport and Sullivan County. This rise in tourism activity supports private-sector investment by making the area more attractive for hospitality, recreational outfitters, and tourism-related services. This enhanced tourism infrastructure is expected to help leverage additional private-sector financial commitments to the region through new business development, event sponsorships, and marketing collaborations, ultimately contributing to sustained tourism revenue growth for the entire county.

- Revenue increase projections:
 - The projected increase in revenue that will be realized as a result of the project.

Based on the current annual attendance of approximately 200,000 visitors to Bays Mountain Park, it is projected that the rehabilitation of the Floating Bridge will lead to at least an increase in tourism-driven activity within the first year of reopening. This equates to additional visits directly tied to improved accessibility, programming, and visitor experience. Assuming an average regional economic impact of \$70 per visitor, consistent with travel and tourism industry benchmarks in Tennessee, this could generate approximately \$1.4 million in new tourism-related revenue annually for Kingsport and Sullivan County. This increase reflects not only higher park attendance but also greater visitor spending at local hotels, restaurants, retail shops, and gas stations, all driven by the enhanced appeal and functionality of the park as a result of this infrastructure investment.

- New visitor increase projections:
 - The number of new visitors to a tourism destination multiplied by the number of the days they visit, within one year of project implementation.

With the rehabilitation of the Floating Bridge, Bays Mountain Park is projected to receive new visitors within one year of project completion. Based on the park's historic attendance trends and the increased appeal and accessibility the restored bridge will provide. If each new visitor spends an average of 1.5 days exploring the park and the surrounding Kingsport area, visiting other attractions, dining, and potentially staying overnight, this would result in increased visitor-days added to Sullivan County's tourism economy.

These additional visitor-days will generate direct and indirect economic benefits through increased local spending, support for tourism-related businesses, and greater visibility for Kingsport as a regional destination. The improved infrastructure positions Bays Mountain Park as a more inclusive and accommodating experience for tourists of all ages and mobility levels, helping the region compete more effectively in Tennessee's outdoor recreation and heritage tourism markets.

Project Budget:

If the project you are submitting is part of a larger project, please only include expenses for the portion being requested.

Spending Category	Description	Full Cost
Planning/Feasibility		
Design/Engineering		
Review/Permitting		
Materials		
Labor		
Contingency		
Grant Administration		
Equipment (Any single item with a cost of \$10,000 or more and a useful life of more than 1 year)		
Other / Miscellaneous		
TOTAL BUDGET		

Provide line-item explanation, justifications, and/or notes, as needed:

Timeline for Completion:

Milestone	Start Date	End Date
Planning/Feasibility		
Design/Engineering		
Review/Permitting		
Bid/Contract		
Start Project		
25% Complete		
50% Complete		
75% Complete		
100% Complete		

I/We hereby certify that I/we have been authorized to file this application and to provide the information within and accompanying this application. I/we certify that the information provided herein is true and complete and that it reflects the applicant's intentions to the best of my/our knowledge. I/We understand that the information provided within this application will be relied upon by the Tennessee Department of Tourist Development in deciding whether to contract with the organization and that the state reserves the right to take action against the applicant organization or any other beneficiary if the state discovers that the applicant intentionally provided misleading, inaccurate, or false information. I/We make this certification under the pains and penalties of perjury.

Written Name: _____ Title: _____

Signature: _____ Date: _____

Written Name: _____ Title: _____

Signature: _____ Date: _____



AGENDA ACTION FORM

Consideration of a Resolution to Enter into a Lease with Kingsport Theatre Guild, Inc., of Kingsport, Tennessee

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF- 211-2025

Work Session: August 5, 2025

First Reading: N/A

Final Adoption: August 5, 2025

Staff Work By: Committee

Presentation By: Michael T. Borders

Strategic Focus Area: 3. Exceptional Cultural and Recreational Opportunities

Recommendation:

Approve the Resolution

Executive Summary:

If approved, the City will enter into a one-year lease agreement with Kingsport Theatre Guild, Inc., of Kingsport, Tennessee (KTG) for space at the Kingsport Renaissance Center (KRC) for \$4,886.50 annually.

KTG has been a non-profit public benefit corporation operating in Kingsport since 1948. KTG has historically been a tenant at the KRC utilizing rooms 211 for office space, 209 for practice/storage, and the side room workshop area of the theater. In addition to leased space KTG has been allotted a total of six (6) productions annually at no additional cost for access to the Theatre through their lease.

In their last season KTG produced 9 shows with a total attendance of approximately 2,500 patrons. Being centrally located in and near residential communities, KTG supports **Strong and Vibrant Neighborhoods** in addition to being a cultural opportunity.

The proposed agreement makes minor alterations from the previous 2022 lease agreement by clarifying the process by which KTG may occupy the KRC outside of normal business hours, which has been discussed and agreed upon with KTG.

The lease will be for a 12-month period beginning August 31, 2025 with the option to renew annually for up to two additional years.

The lease agreement is for \$4,886.50 annually with an attached fee schedule for additional rental space use as needed.

Attachments:

1. Resolution
2. Lease Agreement

Item XI12.

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING A LEASE AGREEMENT WITH THE
KINGSPORT THEATRE GUILD, INC. FOR SPACE AT THE
KINGSPORT RENAISSANCE CENTER AND AUTHORIZING THE
MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER
DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE
THE PURPOSE OF THE AGREEMENT

WHEREAS, Kingsport Theatre Guild, Inc. (KTG) has been a non-profit public benefit corporation operating in Kingsport since 1948;

WHEREAS, KTG has been a tenant at the Kingsport Renaissance Center (KRC) for many years, and would like to renew for another year; and

WHEREAS, the new lease agreement makes minor alterations from the prior agreement by clarifying the process by which KTG may occupy KRC outside of normal business hours; and

WHEREAS, the city desires to enter into a lease agreement for a 12-month period beginning August 31, 2025 with the option to renew annually for up to two additional years, at a fee of \$4,886.50 annually.

Now therefore,

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

SECTION I. That the lease agreement with Kingsport Theatre Guild, Inc., is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, lease agreement with Kingsport Theatre Guild, Inc. , to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution as set out below:

**RENAISSANCE CENTER
LEASE AGREEMENT**

THIS LEASE, made and entered into as of this 31st day of August, 2025, by and between the City of Kingsport, Tennessee, a municipal corporation (herein called "Landlord"), and Kingsport Theatre Guild, a non-profit corporation (herein called "Tenant").

WITNESSETH:

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

1. **Premises.** Landlord does hereby lease to Tenant and Tenant leases from Landlord certain space in the building known as the Renaissance Center. Tenant shall have exclusive occupancy of certain areas, One Thousand Three Hundred Eighty-nine (1,389) square feet of floor areas and use of other areas and equipment more specifically described in Exhibit A (herein called "Premises"). Said Premises are located in the City of Kingsport, Sullivan County, Tennessee.

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

2. **Term.** The term of this Lease shall be begin on August 31, 2025, and end on August 31, 2026. The Parties shall have the option to renew this Lease for two (2) successive renewal terms of twelve (12) months each. Each such renewal term shall be upon the same terms, covenants and conditions hereof; except (a) there shall be no further renewal right after the expiration of said second and last

renewal term, and (b) rent shall be as provided in Paragraph 4. Such options to renew shall be deemed to have been exercised by Tenant by written notice served upon Landlord no less than 30 days prior to the termination of this Lease on August 31, 2026, or the termination of any successive renewal term. This Lease shall be extended without any further instrument providing the Lease is not terminated for other reasons as stated herein. For the purpose of clarification, if the Tenant exercises all the renewal options as set out in this paragraph, the final renewal will expire on August 31, 2028. This Lease may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination.

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

4. **After-Hours Access.** The parties acknowledge that the standard hours of operation for the Premises are currently 9:00 a.m. to 8:00 p.m., Monday through Saturday ("Business Hours"). Landlord reserves the right, in its sole discretion, to modify the Business Hours upon providing Tenant with not less than thirty (30) days' written notice of such modification. Tenant shall not occupy or use the Premises outside of Business Hours without first obtaining the prior written consent of Landlord. Any request by Tenant for after-hours access shall be submitted to Landlord in writing no less than thirty (30) days in advance of the requested date or dates. Landlord shall have sole discretion to grant or deny any request for after-hours access. Landlord may impose reasonable operational requirements related to safety, security, or facility management as a condition of such approval. Any occupancy or use of the Premises by Tenant outside of Business Hours without the prior written consent of Landlord shall constitute a material breach of this Lease.

5. **Rent.** Tenant agrees to pay to Landlord as Rent, without notice or demand, the annual amount of Four Thousand Eight Hundred Eighty-six and 50/100 (\$4,886.50) dollars payable in monthly installments of four Hundred Seven and 21/100 (\$407.21) dollars, in advance, on or before the first day of each and every successive calendar month during the term hereof. The first payment is due on September 1, 2025. Tenant may, from time to time and with Landlord's approval, use additional space at a cost outlined in Exhibit A.

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

7. **Compliance with Law.** Tenant shall not use the Premises, or permit anything to be done in or about the Premises, that will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or that shall hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or that may hereafter be in force relating to or affecting the condition, use or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment or any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between the Landlord and Tenant.

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

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

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

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

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

11. **Assignment and Subletting.** Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the said Premises or any part thereto; or any right or privilege appurtenant thereto, or allow any other person (employees, agents, servants, member, groups and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof; without first obtaining the written consent of Landlord, which consent need not be given and shall be at Landlord's sole and absolute discretion. Consent to one assignment, subletting, occupation or use by any other person shall not be deemed to be consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease.

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

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

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

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

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

16. **Entry by Landlord.** Landlord reserves, and shall at any and all times have, the right to enter the Premises to inspect the same, to repair the Premises and any portion of the building of which the Premises are a part that Landlord may deem necessary or desirable. For each of the aforesaid

purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, and Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in an emergency, in order to obtain entry to the Premises without liability to Tenant.

17. **Parking and Common Areas.** All parking and common areas and other common facilities made available by Landlord in or about the Renaissance Center shall be subject to the exclusive control and management of Landlord, expressly reserving to Landlord, without limitation, the right to erect and install within said areas, planters, sculpture, or otherwise. The Tenant, in the use of said common and parking areas, agrees to comply with such reasonable rules, and regulations as the Landlord may adopt from time to time for the orderly and proper operation of said common and parking areas.

18. **Audio Visual Equipment Performance.** The Kingsport Theatre Guild shall be responsible for operating the audio visual equipment for City of Kingsport Theatre Rentals. The Theatre Guild shall bill renters directly using fees approved by City Staff. If the Kingsport Theatre Guild is unable to perform these duties the City may revoke privileges or increase costs in **EXHIBIT A.**

IN WITNESS WHEREOF, the Parties hereto executed this Lease on the day and date first above written.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 5th day of August, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

RENAISSANCE CENTER

LEASE AGREEMENT

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WITNESSETH:

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

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

2. **Term.** The term of this Lease shall be begin on August 31, 2025, and end on August 31, 2026. The Parties shall have the option to renew this Lease for two (2) successive renewal terms of twelve (12) months each. Each such renewal term shall be upon the same terms, covenants and conditions hereof; except (a) there shall be no further renewal right after the expiration of said second and last renewal term, and (b) rent shall be as provided in Paragraph 4. Such options to renew shall be deemed to have been exercised by Tenant by written notice served upon Landlord no less than 30 days prior to the termination of this Lease on August 31, 2026, or the termination of any successive renewal term. This Lease shall be extended without any further instrument providing the Lease is not terminated for other reasons as stated herein. For the purpose of clarification, if the Tenant exercises all the renewal options as set out in this paragraph, the final renewal will expire on August 31, 2028. This Lease may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination.

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

4. **After-Hours Access.** The parties acknowledge that the standard hours of operation for the Premises are currently 9:00 a.m. to 8:00 p.m., Monday through Saturday ("Business Hours"). Landlord reserves the right, in its sole discretion, to modify the Business Hours upon providing Tenant with not less than thirty (30) days' written notice of such modification. Tenant shall not occupy or use the Premises outside of Business Hours without first obtaining the prior written consent of Landlord. Any request by Tenant for after-hours access shall be submitted to Landlord in writing no less than thirty (30) days in advance of the requested date or dates. Landlord shall have sole discretion to grant or deny any request for after-hours access. Landlord may impose reasonable operational requirements related to safety, security, or facility management as a condition of such approval. Any occupancy or use of the Premises by Tenant outside of Business Hours without the prior written consent of Landlord shall constitute a material breach of this Lease.
5. **Rent.** Tenant agrees to pay to Landlord as Rent, without notice or demand, the annual amount of Four Thousand Eight Hundred Eighty-six and 50/100 (\$4,886.50) dollars payable in monthly installments of four Hundred Seven and 21/100 (\$407.21) dollars, in advance, on or before the first day of each and every successive calendar month during the term hereof. The first payment is due on September 1, 2025. Tenant may, from time to time and with Landlord's approval, use additional space at a cost outlined in Exhibit A.
6. **Uses Prohibited.** Tenant shall not do or permit anything to be done in or about the Premises or bring or keep anything therein that is not within the permitted use of the Premises or that will in any way increase the existing rate of or affect any fire or other insurance upon the building in which the Premises are located, or any of its contents or cause a cancellation of any insurance policy covering said building or any part thereof; or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises that will in any way obstruct or interfere with the rights of other tenants or occupants of the Renaissance Center, or injure or annoy them or use or allow the Premises to be used for any unlawful purpose. Building Policies as set by Staff shall govern all building usage. Tenant shall not cause, maintain or permit any nuisance in, on or about the Premises. Nor shall Tenant commit, or allow to be committed, any waste in or upon the Premises.
7. **Compliance with Law.** Tenant shall not use the Premises, or permit anything to be done in or about the Premises, that will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or that shall hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or that may hereafter be in force relating to or affecting the condition, use or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment or any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between the Landlord and Tenant.

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

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

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

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

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

11. **Assignment and Subletting.** Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the said Premises or any part thereto; or any right or privilege appurtenant thereto, or allow any other person (employees, agents, servants, member, groups and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof; without first obtaining the written consent of Landlord, which consent need not be given and shall be at Landlord's sole and absolute discretion. Consent to one assignment, subletting, occupation or use by any other person shall not be deemed to be consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease.

12. **Hold Harmless.** Tenant shall indemnify and hold harmless Landlord against and from any and all claims arising from Tenant's use of the Premises or from the conduct of its business and from any activity, work, or other things done, permitted or suffered by Tenant in or about the Premises, and shall further indemnify and hold harmless Landlord against and from any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of the Tenant, or

any officer, agent, employee, guest, or invitee of Tenant, and from all costs, attorneys' fees and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon.

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

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

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

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

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

17. **Parking and Common Areas.** All parking and common areas and other common facilities made available by Landlord in or about the Renaissance Center shall be subject to the exclusive control and management of Landlord, expressly reserving to Landlord, without limitation, the right to erect and install within said areas, planters, sculpture, or otherwise. The Tenant, in the use of said common and parking areas, agrees to comply with such reasonable rules, and regulations as the Landlord may adopt from time to time for the orderly and proper operation of said common and parking areas.

18. **Audio Visual Equipment Performance.** The Kingsport Theatre Guild shall be responsible for operating the audio visual equipment for City of Kingsport Theatre Rentals. The Theatre Guild shall bill renters directly using fees approved by City Staff. If the Kingsport Theatre Guild is unable to perform these duties the City may revoke privileges or increase costs in **EXHIBIT A.**

IN WITNESS WHEREOF, the Parties hereto executed this Lease on the day and date first above written.

Kingsport Theater Guild

City of Kingsport, Tennessee

Signature

Paul Montgomery, Mayor

Date

Date

Printed Name

Attest:

Title

Angela Marshall, Deputy City Recorder

Approved as to form:

Rodney B. Rowlett, III, City Attorney

EXHIBIT A
KINGSPORT THEATRE GUILD

(Effective August 2025)

1. Spaces Included in this contract for total annual rent of \$4,886.50 (\$407.21 per month):

<u>Room</u>	<u>Description</u>	<u>Square Feet</u>
211	Office	664
209	KTG Practice/Storage	725
Theatre Side Room	Workshop Area	TBD
Total:		1,389

2. Common Areas (halls, restrooms, custodial services parking, electricity, water/sewer, gas, maintenance and contract services) approximately 10,781 square feet.

3. Theatre Guild will be allotted Six (6) productions annually that for no additional cost the Theatre Guild will have access to the Theatre for Ten (10) days beginning on Friday through the following Sunday. Any needed "Tech Week" days and times are not included. The Theatre Guild will submit the proposed production schedule one (1) year in advance. The City at any time shall have priority for the use of any facility as needed.

4. The Theatre Guild as part of their lease will have access to all audio and visual equipment for the Theatre.

5. Use of Gallery, Atriums and Room 228 will be allowed for press conferences and board meetings at no charge. The following rooms may be rented in 3-hour time blocks on an 'as-available' basis.

<u>Room</u>	<u>Cost per 3-hour block</u>
Courtyard	\$20.00
228	\$13.00
230	\$13.00
239	\$20.00
Art Galleries	\$20.00
Theatre*	\$25.00 or \$50.00 per day
310	\$22.00