BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING AGENDA

Tuesday, November 03, 2026 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 Julie Byers
Alderman Calvin Clifton
Alderman Richard Isaacs
Alderman James Phillips

Leadership Team

Chris McCartt, City Manager
Michael Borders, Assistant City Manager
Bart Rowlett, City Attorney
Travis Bishop, City Recorder
Jerry DeBerry, Fire Chief
Adrienne Batara, Public Relations Director
Ryan McReynolds, Deputy City Manager
Jessica Harmon, Assistant City Manager
Tyra Copas, Human Resources Director
Jason Bellamy, Police Chief
Floyd Bailey, Chief Information Officer

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE TO THE FLAG

III. INVOCATION

1. Pastor Wayne Baker, Pleasant View Baptist Church

IV. ROLL CALL

V. RECOGNITIONS AND PRESENTATIONS

1. Model City 101 Class Graduation (Mayor Montgomery)

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. APPROVAL OF MINUTES

1. October 5, 2026 - Work Session

2. October 6, 2026 - Business Meeting

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

For items requiring a public hearing: When you come to the podium, please state your name and address, and sign the register that is provided. Comments of speaker must pertain to the item which is the subject of the public hearing. You are encouraged to keep your comments non-personal in nature, and they should be limited to five minutes.

1. Conduct Public Hearing and Consider an Ordinance to Vacate Indian Court, Midland Drive, and Auditorium Drive Right-Of-Way (AF-311-2026) (Sam Cooper)

2. Consideration of an Ordinance to Condemn Easements and Rights-of-Way for the Jack White Drive/Eastman Road Intersection Improvement Project (AF-318-2026) (Bart Rowlett)

3. Consideration of an Ordinance to Amend Various Sections of Chapter 102, Article III of the Code of Ordinances Relative to Sewers and Sewage Disposal (AF-334-2026) (Ryan McReynolds)

4. Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026 (AF-315-2026) (Chris McCartt)

5. Consideration of a Budget Adjustment Ordinance for Various Funds in FY2027 (AF-316-2026) (Chris McCartt)

6. Consideration of an Ordinance to Amend the FY 2027 School Nutrition Services Fund Budget (AF-324-2026) (David Frye)

7. Consideration of an Ordinance to Amend the FY 2027 School General Purpose Fund Budget (AF-323-2026) (David Frye)

IX. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Consideration of a Budget Adjustment Ordinance for Various Funds in FY2027 (AF-287-2026) (Chris McCartt)

2. Consideration of an Ordinance Amending Section K: Winter Sewer Average of Ordinance No. 7268 (AF-290-2026) (Chris McCartt)

X. OTHER BUSINESS

1. Consideration of a Resolution for Amendment Number 2 to TDOT Agreement for Island Road Improvements and Authorizing the Mayor to Sign All Applicable Documents (AF-309-2026) (Ryan McReynolds)

2. Consideration of a Resolution for Amendment Number 2 to TDOT Agreement for North Eastman Road and Clinchfield Street Project and Authorizing the Mayor to Sign All Applicable Documents (AF-312-2026) (Ryan McReynolds)

3. Consideration of a Resolution to Purchase One (1) Kubota KX080 Excavator from Kubota of Kingsport Through the Sourcewell Purchasing Cooperative (AF-320-2026) (Ryan McReynolds)

4. Consideration of a Resolution to Purchase One (1) 308 CAT Excavator with 13" & 18" Buckets Utilizing TN State Contract (AF-321-2026) (Ryan McReynolds)

5. Consideration of a Resolution to Authorize the Reimbursement of Materials Agreement Funds to Land Star LLC, Related to the Riverbend (The Arbor) Phase 2 Development (AF-322-2026) (Ryan McReynolds)

6. Consideration of a Resolution to Continue our Agreement with Daupler, Inc. to Provide their Response Management System for the Utilities Department (AF-306-2026) (Ryan McReynolds)

7. Consideration of a Resolution to Amend an Agreement with LDA Engineering to Include SRF Administration and Resident Project Representation for the Pendragon Sanitary Sewer Lift Station Replacement Project (AF-269-2026) (Ryan McReynolds)

8. Consideration of a Resolution to Enter into an Agreement with LJA Engineering, Inc. for Sewer Inspection and Engineering Services for the Madd Branch Sewer Basin – Garden Dr Corridor (AF-303-2026) (Ryan McReynolds)

9. Consideration of a Resolution to Award a Bid to Construction Partners, LLC for Aquatic Center Phase II Renovation Project (AF-326-2026) (Michael T. Borders)

10. Consideration of a Resolution to Award a Bid to GRC Construction Services, Inc. for the Kingsport Senior Center Porte Cochere Addition (AF-331-2026) (Michael T. Borders)

11. Consideration of a Resolution to Ratify the Acceptance of a Land Water Conservation Fund Grant (AF-332-2026) (Michael T. Borders)

12. Consideration of a Resolution to Enter into an Agreement with Avero Advisors to Provide Financial Information System (FIS) and Human Capital Management (HCM) Implementation Support (AF-330-2026) (Chris McCartt)

13. Consideration of a Resolution to Approve the Hansen Technologies, LLC, GraceAI Virtual Agent Addendum to the Cities Software Service Agreement (AF-325-2026) (Floyd Bailey)

14. Consideration of a Resolution to Ratify the Signature of the Mayor on the Verizon Stater of Tennessee Customer Agreement (AF-335-2026) (Floyd Bailey)

15. Consideration of a Resolution Approving an Agreement and Execution of All Necessary Documents with the Tennessee Department of Transportation for Reimbursement of Annual Operation Expenses for FY 26-27 (AF-314-2026) (Candace Sherer)

16. Consideration of a Resolution Authorizing Reimbursement of Funds to Jody Stewart for the Granby Place Subdivision (AF-333-2026) (Jessica Harmon)

17. Consideration of a Resolution to Enter into an Agreement with Barge Design Solutions, Inc. for Replacement of Water Plant Sweep Replacement and Clarifier Improvements (AF-328-2026) (Ryan McReynolds)

XI. CONSENT AGENDA

All matters listed under the Consent Agenda are considered in the ordinary course of business by the Board of Mayor and Aldermen and will be enacted on by one motion by a roll call vote. However, if discussion of an item is desired by any member of the board, the item will be removed from the Consent Agenda and considered separately.

1. Consideration of a Resolution Authorizing the Mayor to Sign an Addendum with ESS South Central to Add Substitute Teacher Pay Rates for Retirees to the Existing Agreement (AF-308-2026) (David Frye)

2. Consideration of a Resolution Changing Certain Meeting Dates for Work Session and Business Meetings of the Board of Mayor and Aldermen (AF-310-2027) (Chris McCartt)

3. Consideration of a Resolution to Extend Current Temporary Employment Services Agreement with Luttrell (AF-304-2026) (Tyra Copas)

4. Consideration of a Resolution to Extend Current Temporary Employment Services Agreement with AccuForce (AF-305-2026) (Tyra Copas)

5. Consideration of a Resolution to Approve the Agreements with AirMed Care Network to Provide Air Ambulatory Services Benefits (AF-329-2026) (Tyra Copas)

6. Consideration of a Resolution Authorizing the Mayor's Signature to Execute All Documents Necessary to Receive a $50,000 Reimbursement Grant from the State of Tennessee Department of Disability and Aging (AF-313-2026) (Michael T. Borders)

XII. COMMUNICATIONS

1. City Manager

a. KPD Certifications and Assurances - FY26 JAG Grant

b. Report on Debt Obligation

2. Mayor and Board Members

XIII. ADJOURN

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, October 05, 2026 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 Calvin Clifton
Alderman Julie Byers
Alderman Richard Isaacs *(arrived after roll call)*
Alderman James Phillips

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

II. ROLL CALL by City Clerk/Deputy City Recorder Angie Marshall. Absent: Alderman Morris Baker.

III. DISCUSSION ITEMS

1. **Create Appalachia** - Davin Brown

   Mr. Brown, President of Create Appalachia, presented information on this organization, highlighting the mission, vision and proven economic impact throughout the region. He provided further details on the classes, programs and services being offered to the community. There was some discussion as Mr. Brown answered questions from the board.

2. **KEDB / NETWORKS Update** - Craig Denison, Clay Walker

   Craig Denison provided updates for KEDB concerning DOMTAR mitigation issues, the mall property, the dental school and the downtown boutique hotel. He also gave an update on the board and officer positions. Discussion followed as he, along with the city manager answered questions from the board.

   Clay Walker gave information on the progress of several economic development projects for NETWORKS. He stated the Red-Carpet Tour is next week, noting it is the signature inbound marketing event and provided details, noting it has led to more than 2000 jobs that have resulted from this annual endeavor. He also pointed out their redesigned website recently received an award.

IV. REVIEW OF BUSINESS MEETING AGENDA

City staff gave a summary for each item on the October 6, 2026 proposed agenda. No items were discussed at greater length or received specific questions or concerns.

V. ITEMS OF INTEREST

1. Projects Status Report

VI. ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 5:22 p.m.

ANGELA MARSHALL	PAUL W. MONTGOMERY
Deputy City Recorder	Mayor

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, October 06, 2026 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 Calvin Clifton
Alderman Julie Byers
Alderman Richard Isaacs
Alderman James Phillips

City Administration

Chris McCartt, City Manager
Bart Rowlett, City Attorney
Angie Marshall, City Clerk/Deputy City Recorder

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

II. PLEDGE OF ALLEGIANCE TO THE FLAG led by New Vision Youth.

III. INVOCATION led by Vice Mayor Duncan.

IV. RECOGNITIONS AND PRESENTATIONS

1. **Proclamation: Lights on Afterschool** - Tess Gonce, United Way of Greater Kingsport (Mayor Montgomery)
2. **Proclamation: Domestic Violence Awareness Month** - Rachel Adams, Branch House (Mayor Montgomery)
3. **Visit Kingsport** - Frank Lett
4. **Proclamation:** Imagine a Day without Water (Alderman Clifton)

V. ROLL CALL by City Clerk/Deputy City Recorder Angie Marshall. Absent: Alderman Morris Baker.

VI. COMMENT

Mayor Montgomery invited citizens in attendance to speak. Tim Sanders made comments. There being no one else coming forward, the Mayor closed the public comment section.

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

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

Passed: All present voting "aye."

1. **September 14, 2026 - Work Session**
2. **September 15, 2026 - Business Meeting**

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

1. **Consideration of an Ordinance Amending Section K: Winter Sewer Average of Ordinance No. 7268** (AF-290-2026) (Chris McCartt)

   Motion made by Alderman Clifton, Seconded by Alderman Byers.

   AN ORDINANCE AMENDING ORDINANCE NO 7268 BY SETTING THE WINTER SEWER AVERAGE

   Passed: All present voting "aye."

2. **Consideration of a Budget Adjustment Ordinance for Various Funds in FY2027** (AF-287-2026) (Chris McCartt)

   Motion made by Alderman Byers, Seconded by Alderman Isaacs.

   AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE AMENDING THE 2026-2027 FISCAL YEAR BUDGET

   Passed: All present voting "aye."

IX. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. **Consideration of an Ordinance to Adopt the 2024 International Building, Fire and Related Codes, Property Maintenance Codes, & 2024 National Electric Code as Amended** (AF-280-2026) (Jessica Harmon)

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

   ORDINANCE NO. 7285 AN ORDINANCE AMENDING VARIOUS ARTICLES, DIVISIONS, AND SECTIONS OF CHAPTER 22 OF THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, RELATING TO THE ADOPTION BY REFERENCE OF VARIOUS INTERNATIONAL CODES PERTAINING TO PROPERTY; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

   Passed on second reading with a roll call vote: Alderman Byers, Alderman Clifton, Vice Mayor Duncan, Alderman Isaacs, Alderman Phillips, Mayor Montgomery

2. **Consideration of a Budget Adjustment Ordinance for Various Funds in FY2027** (AF-275-2026) (Chris McCartt)

   Motion made by Alderman Byers, Seconded by Alderman Isaacs.

   ORDINANCE NO. 7286 AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE AMENDING THE 2026-2027 FISCAL YEAR BUDGET

   Passed on second reading with a roll call vote: Alderman Byers, Alderman Clifton, Vice Mayor Duncan, Alderman Isaacs, Alderman Phillips, Mayor Montgomery

X. OTHER BUSINESS

1. **Consideration of a Resolution to Enter Into an Agreement with MetLife to Provide Long Term Disability Benefits Under the City's Benefits Platform** (AF-292-2026) (Tyra Copas)

   Motion made by Alderman Isaacs, Seconded by Alderman Byers.

   RESOLUTION NO. 2027-074 A RESOLUTION RENEWING THE AGREEMENT FOR LONG TERM DISABILITY INSURANCE WITH METLIFE INSURANCE COMPANY; APPROVING AN AGREEMENT WITH METLIFE INSURANCE COMPANY; AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE TERMS OF THE AGREEMENTS

   Passed: All present voting "aye."

2. **Consideration of a Resolution to Join Axia Cooperative** (AF-298-2026) (Michael T. Borders)

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

   RESOLUTION NO. 2027-075 A RESOLUTION APPROVING AN AGREEMENT WITH THE AXIA COOP, LLC FOR COOPERATIVE PURCHASING AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

   Passed: All present voting "aye."

3. **Consideration of a Resolution to Contract with Innovative Interfaces Inc.** (AF-297-2026) (Michael T. Borders)

   Motion made by Alderman Phillips, Seconded by Alderman Byers.

   RESOLUTION NO. 2027-076 A RESOLUTION APPROVING THE PURCHASE OF A NEW INTEGRATED LIBRARY SYSTEM FROM INNOVATIVE INTERFACES, INC., THROUGH AXIA COOP, LLC AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

   Passed: All present voting "aye."

4. **Consideration of a Resolution Approving Contract Renewal of Ecolane Scheduling and Dispatching Software as a Service (SaaS) and Customer Mobile App for Transit** (AF-288-2026) (Timothy Land)

   Motion made by Alderman Isaacs, Seconded by Alderman Byers.

   RESOLUTION NO. 2027-077 A RESOLUTION RENEWING A CONTRACT WITH ECOLANE USA, INC., FOR SCHEDULING, DISPATCHING SOFTWARE AND THE CUSTOMER MOBILE APPLICATION FOR THE KINGSPORT AREA TRANSIT SERVICE AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

   Passed: All present voting "aye."

5. **Approval of Offers for Right-of-Ways and Easements for the West End Greenbelt Extension Project** (AF-286-2026) (R. McReynolds)

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

   Passed: All present voting "aye."

6. **Consideration of a Resolution to Ratify the Emergency Procurement of Contractual Services with Rembco Geotechnical Contractors, Inc. for Remediation of a Sinkhole in the ROW of W. Virgina Avenue** (AF-277-2026) (Ryan McReynolds)

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

   RESOLUTION NO. 2027-078 A RESOLUTION APPROVING AN EMERGENCY REPAIR CONTRACT WITH REMBCO GEOTECHNICAL CONTRACTORS, INC., FOR THE REMEDIATION OF A SINKHOLE IN THE RIGHT OF-WAY OF WEST VIRGINIA AVENUE AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

   Passed: All present voting "aye."

7. **Consideration of a Resolution to Approve Additions and Alterations to the Leased Premises at 1840 MeadowView Parkway** (AF-295-2026) (Michael T. Borders)

   Motion made by Alderman Byers, Seconded by Alderman Phillips.

   RESOLUTION NO. 2027-079 A RESOLUTION APPROVING PROPOSED ADDITIONS AND ALTERATIONS TO THE LEASED PREMISES AT 1840 MEADOWVIEW PARKWAY FOR THE DEVELOPMENT OF THE GREATER KINGSPORT FAMILY YMCA EARLY LEARNING CENTER

   Passed: All present voting "aye."

8. **Consideration of a Resolution to Enter into an Agreement with Hansen Banner, LLC to Provide a Bill Analyst Proficiency Workshop** (AF-291-2026) (Chris McCartt)

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

   RESOLUTION NO. 2027-080 A RESOLUTION APPROVING CHANGE ORDER NUMBER 5 TO THE AGREEMENT WITH HANSEN BANNER, LLC TO PROVIDE A BILL ANALYST PROFICIENCY WORKSHOP AND RATIFYING THE MAYOR'S EXECUTION OF THE SAME

   Passed: All present voting "aye."

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

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

Passed as presented with a roll call vote: Alderman Byers, Alderman Clifton, Vice Mayor Duncan, Alderman Isaacs, Alderman Phillips, Mayor Montgomery

1. **Consideration of a Resolution to Approve Right-of-Way Easements with Kingsport Power Company** (AF-276-2026) (R. McReynolds)

   RESOLUTION NO. 2027-081 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE RIGHT-OF-WAY EASEMENTS WITH KINGSPORT POWER COMPANY

2. **Consideration of a Resolution to Amend and Extend an Agreement with Dearborn Group to Provide Life Insurance Under the City's Benefits Platform** (AF-294-2026) (Tyra Copas)

   RESOLUTION NO. 2027-082 A RESOLUTION APPROVING AN AMENDMENT AND AN EXTENSION TO THE AGREEMENT WITH DEARBORN; LIFE INSURANCE COMPANY; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

3. **Consideration of a Resolution to Renew the Contract with Davis Vision to Provide Vision Insurance Benefits Under the City's Benefits Platform** (AF-293-2026) (Tyra Copas)

   RESOLUTION NO. 2027-083 A RESOLUTION RENEWING THE CONTRACT WITH DAVIS VISION FOR EMPLOYEE PAID VISION INSURANCE AND AUTHORIZING THE MAYOR TO EXECUTE THE APPLICATION AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT OR THIS RESOLUTION

4. **Consideration of a Resolution to Apply for and Receive Funds from A Year in STEM Grant** (AF-289-2026) (Michael Borders)

RESOLUTION NO. 2027-084 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE "A YEAR IN STEM" GRANT FROM THE AMERICAN LIBRARY ASSOCIATION

5. **Consideration of a Resolution Accepting a Donation from Ballad Health for a Reset Room at Palmer Early Learning Center** (AF-284-2026) (David Frye)

   RESOLUTION NO. 2027-085 A RESOLUTION ACCEPTING A DONATION FROM BALLAD HEALTH FOR A RESET ROOM AT PALMER EARLY LEARNING CENTER AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT AND THIS RESOLUTION

6. **Consideration of a Resolution Ratifying the Mayor's Signature on the Certification of Local Government Approval for Non-Profit Organizations Implementing Shelter Activities for the 2026 THDA HOME ARP Supportive Services Grant** (Jessica Harmon) (AF-264-2026)

   RESOLUTION NO. 2027-086 A RESOLUTION RATIFYING THE MAYOR'S SIGNATURE ON THE CERTIFICATION OF LOCAL GOVERNMENT APPROVAL FOR THE SALVATION ARMY OF KINGSPORT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

7. **Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Apply for and Receive a DOJ Office of Justice Programs' Bureau of Justice Assistance Bulletproof Vest Partnership Program (BVP) Reimbursement Grant for FY 2026** (AF-301-2026) (Chief Jason Bellamy)

   RESOLUTION NO. 2027-087 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A DEPARTMENT OF JUSTICE – OFFICE OF JUSTICE PROGRAMS' BUREAU OF JUSTICE ASSISTANCE BULLETPROOF VEST PARTNERSHIP REIMBURSEMENT GRANT

XII. COMMUNICATIONS

1. **City Manager**

   Mr. McCartt asked everyone to keep the injured firefighters and EMS workers who were in injured in the accident on Interstate 26 in their thoughts and prayers as they continue to recover. He recognized Matthew Lane who headed up the City's campaign, pointing out we exceeded the goal that was set. Lastly he commented on several paving projects that are wrapping up.

2. Mayor and Board Members

Alderman Phillips had the City Manager confirm that the paving on the interstate are all TDOT projects and are not city managed. He thanked the YMCA for the childcare center project. He also thanked the first responders injured on the interstate, noting he hopes they get back to work soon. Lastly he stated his appreciation for the young police force that is very professional. Alderman Clifton offered kudos to Matthew Lane for the success of the United Way campaign. He commented on the restaurants in downtown event this week and asked citizens to support them. Alderman Isaacs wished the Mayor a happy birthday one day late. He commented on the smooth paving on Eastman Road and the marked Main Street crosswalks. He also recognized the city employees, pointing out what he's learned over the last month and that it takes everyone to keep it going. Alderman Byers remarked on the city employees working well within a budget created a year ago even with increased costs. She congratulated the DB band on their recent awards at their first band competition. She also commented on restaurant week, the KOSBE awards, Healthy Kingsport, an upcoming farm to table fundraiser and holiday events as well as an addiction and recovery event on October 21 at Eastman Lodge. Vice Mayor Duncan stated Brickyard Village is having open house on Saturday with food trucks and entertainment. He commented on the number of grants presented and whether large or small, they are greatly appreciated. Mayor Montgomery stated the firefighters and EMS are in our thoughts and prayers. He thanked Tessa and Rachel from the presentations at the beginning of the meeting for the work their organizations are doing. Lastly he mentioned October is busy month with breast cancer and liver cancer awareness and asked citizens to pay tribute to the victims of those diseases. He also mentioned National Night Out is coming up on October 15th and will be a celebration in Riverview at 2:00 p.m., noting the police will be there and the good attendance from past events.

XIII. ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 8:00 p.m.

ANGELA MARSHALL	PAUL W. MONTGOMERY
Deputy City Recorder	Mayor

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Conduct Public Hearing and Consider an Ordinance to Vacate Indian Court, Midland Drive, and Auditorium Drive Right-Of-Way

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-311-2026	Final Adoption:	November 17, 2026
Work Session:	November 2, 2026	Staff Work By:	S. Cooper
First Reading:	November 3, 2026	Presentation By:	S. Cooper

Strategic Focus Area: 4. Safe & Welcoming Community

Recommendation:

- Conduct Public Hearing for Vacating Ordinance
- Approve the Vacating Ordinance

Executive Summary:

If approved, this vacating request will make Indian Court, Midland Drive, and Auditorium Drive private streets. The purpose of this request is to ensure public access on to the Dobyns-Bennett campus is limited to designated areas to increase campus safety. This request is also the first step in re-platting the entire Dobyns-Bennett campus in order to clear up existing lot lines from past developments. By approving this request every street on the Dobyns-Bennett campus will become private with the exception of Legion Drive. Legion Drive will remain a public road, per the Memorandum of Understanding (MOU) between Kingsport City Schools and the City of Kingsport.

City departments as well as local utility providers have reviewed the request and all City departments have given a positive recommendation for the vacating request. During their September 17, 2026 regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation for the vacating request to the Board of Mayor and Aldermen. The Notice of Public Hearing was published on October 9, 2026

Attachments:

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

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on November 3, 2026 to consider the vacating of right-of-way located off Indian Court, Midland Drive, and Auditorium Drive. The regular business meeting will begin at 7:00 p.m. in the Montgomery-Watterson Boardroom, located on the third floor of City Hall, 415 Broad Street, Kingsport, Tennessee.

The property proposed for vacating is generally described as follows:

Indian Court right of way:
Shown on year 2026 Sullivan County, Tennessee tax map 61D, Group J, and being all that right of way known as Indian Court which lies adjacent to and northeast of the northeastern right of way line of Fort Henry Drive and is located approximately 584 feet northwesterly along Fort Henry Drive from the centerline intersection of Fort Henry Drive and Eastman Road.

Midland Drive right of way:
Shown on year 2026 Sullivan County, Tennessee tax map 61D, Group J, and being all that right of way known as Midland Drive which lies adjacent to and northeast of the northeastern right of way line of Fort Henry Drive and is located approximately 1699 feet northwesterly along Fort Henry Drive from the centerline intersection of Fort Henry Drive and Eastman Road.

Auditorium Drive right of way:
Shown on year 2026 Sullivan County, Tennessee tax map 61D, Group J, and being all that right of way known as Auditorium Drive which lies between the northeastern right of way line of Fort Henry Drive and the southwestern right of way line of Legion Drive and is located approximately 2317 feet northwesterly along Fort Henry Drive from the centerline intersection of Fort Henry Drive and Eastman Road.

All interested persons are invited to attend this meeting and public hearing. A detailed map and description is on file in the Kingsport City Hall, Kingsport Public Library, and Planning Office for inspection. Additional information concerning this proposal may be obtained by contacting the Kingsport Planning Division of the Development Services Department, telephone 423-229-9368.

All City of Kingsport public meetings are conducted in accessible locations. If you require accommodations to participate in this meeting, these may be requested by calling (423) 229-9401, ext. 5 or by emailing ADAContact@KingsportTN.gov at least 72 hours in advance. Copies of any documents used are available in accessible formats upon request.

CITY OF KINGSPORT
Angela Marshall, Deputy City Clerk
P1T: 10/09/26

PRE-FILED
CITY RECORDER

ORDINANCE NO._____

AN ORDINANCE TO VACATE PUBLIC RIGHTS-OF-WAY NAMED INDIAN COURT, MIDLAND DRIVE, AND AUDITORIUM DRIVE SITUATED IN THE CITY OF KINGSPORT, ELEVENTH CIVIL DISTRICT OF SULLIVAN COUNTY; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

WHEREAS, after due investigation and careful consideration at a public meeting held on September 17th, 2026, the Kingsport Regional Planning Commission has determined that the public interest of the city is best served and warrants vacating that portion of certain rights-of-way described herein, nor can any future use of the same for right-of-way purposes be reasonably anticipated; and

WHEREAS, as a result of its action at the meeting held on September 17th, 2026, the Kingsport Regional Planning Commission recommends to the board of mayor and aldermen to vacate for those portions of rights-of-way described herein; and

WHEREAS, a public hearing before the board of mayor and aldermen of the City of Kingsport, Tennessee, was held on the 3rd day of November 2026, and notice thereof published in the Kingsport Times-News on the 9th day of October, 2026.

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

SECTION I. The city hereby vacates and closes to public use those certain rights-of-way named Indian Court, Midland Drive, and Auditorium Drive within the City of Kingsport, 11th Civil District of Sullivan County, Tennessee, which for purposes of this vacation are further described as follows:

Indian Court right of way:
Shown on year 2026 Sullivan County, Tennessee tax map 61D, Group J, and being all that right of way known as Indian Court which lies adjacent to and northeast of the northeastern right of way line of Fort Henry Drive and is located approximately 584 feet northwesterly along Fort Henry Drive from the centerline intersection of Fort Henry Drive and Eastman Road.

Midland Drive right of way:
Shown on year 2026 Sullivan County, Tennessee tax map 61D, Group J, and being all that right of way known as Midland Drive which lies adjacent to and northeast of the northeastern right of way line of Fort Henry Drive and is located approximately 1699 feet northwesterly along Fort Henry Drive from the centerline intersection of Fort Henry Drive and Eastman Road.

Auditorium Drive right of way:
Shown on year 2026 Sullivan County, Tennessee tax map 61D, Group J, and being all that right of way known as Auditorium Drive which lies between the northeastern right of way line of Fort Henry Drive and the southwestern right of way line of Legion Drive and is located

approximately 2317 feet northwesterly along Fort Henry Drive from the centerline intersection of Fort Henry Drive and Eastman Road.

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

_____
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_____

Property Information	The DB Right-of-Way Abandonment
Address	One Tribe Way
Tax Map, Group, Parcel	Tax Map 061D, Group J, Parcel 002.00
Civil District	11th Civil District
Overlay District	N/A
Land Use Designation	Urban Living
Acres	+/- 33.89

Applicant 1 Information	**Intent**
Name: **Address:** **City:** **State:** **Zip Code:** **Phone Number:**	**Intent:** *To abandon all of the existing public right-of-way for Indian Court, Midland Drive, and Auditorium Drive for the property located on Tax Map 061D, Group J, Parcel 002.00.*

Planning Department Recommendation

(Approve, Deny, or Defer)

The Kingsport Planning Division recommends abandoning the public right-of-way for Indian Court, Midland Drive, and Auditorium Drive for the following reasons:

- Request reviewed by all city departments
- Utilities have been notified and corresponding maps have been obtained and documented for future reference.

Staff Field Notes and General Comments:

The three public right-of-ways are all located off of Fort Henry Drive. This vacating is the first step in the process of re-platting the entire Dobyns-Bennett campus for clarity and for school safety. As you may notice from the exhibit below, there are several existing lot lines that need to be cleaned up to provide clarity for future planners and city staff. All streets on the Dobyns-Bennett campus will become private except for a portion of Legion Drive in order to maintain public access to the recycling center located behind the Civic Center. Given their past work history with the Dobyns-Bennett campus, Mattern & Craig were contracted to supply a vacating exhibit and general description of the right-of-ways to be abandoned. Mattern & Craig staff, are assisting with the correspondence with non-city utilities to obtain any easements needed.

Therefore, staff recommends sending a favorable recommendation to the Board of Mayor & Aldermen for the right-of-way abandonment of Indian Court, Midland Drive, and Auditorium Drive.

Planner:	Samuel Cooper	Date:	9/17/26
Planning Commission Action		**Meeting Date:**	9/17/26
Approval:			
Denial:		Reason for Denial:	
Deferred:		Reason for Deferral:	

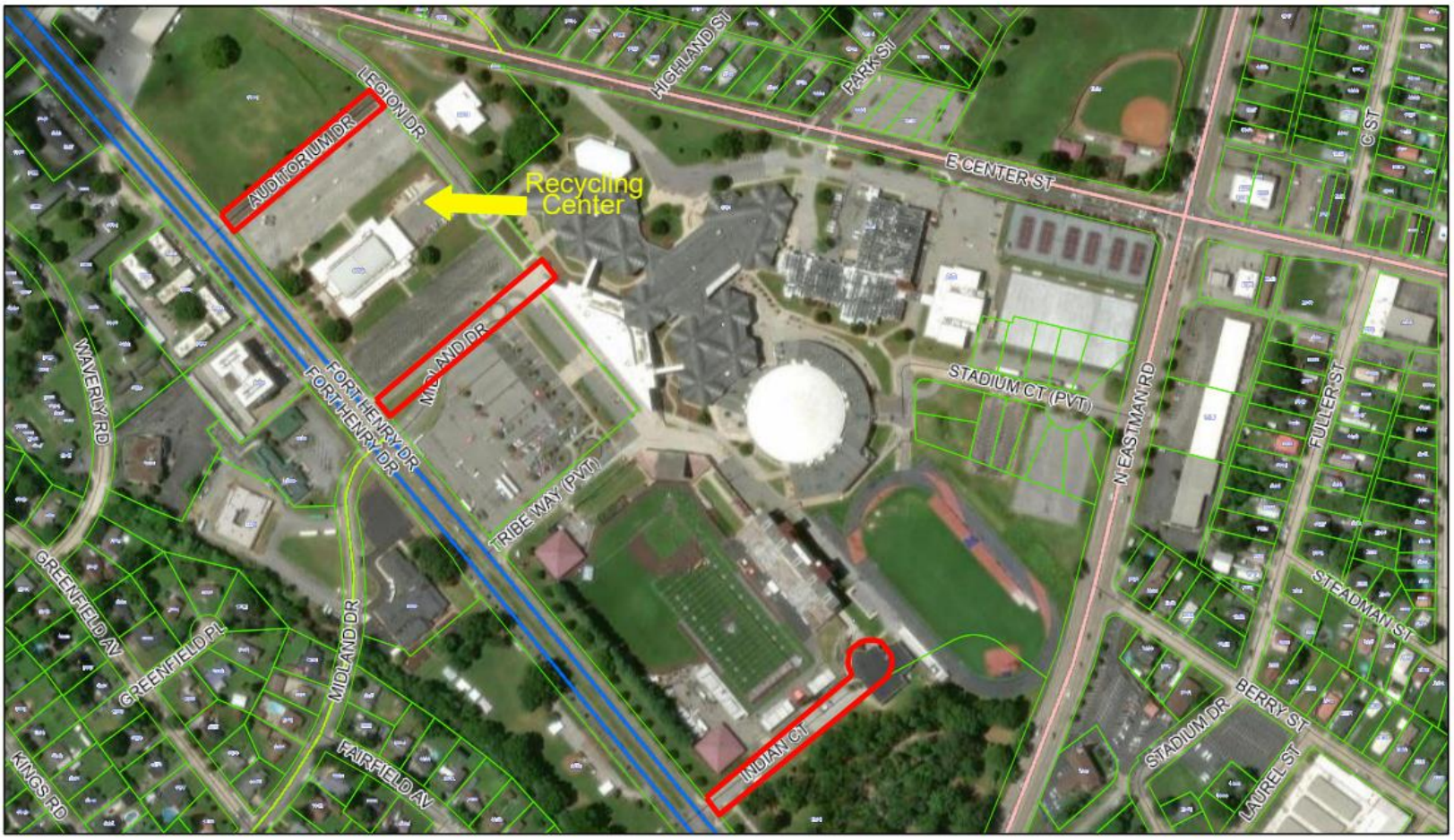
PROPERTY INFORMATION	**Sewer line Easement Abandonment**
ADDRESS	**One Tribe Way**
DISTRICT, LAND LOT	**Sullivan County**
	11th Civil District, Tax Map 061D, Group J, Parcel 002.00
OVERLAY DISTRICT	**N/A**
CURRENT ZONING	**R-4 – Medium Density Apartment District**
PROPOSED ZONING	**R-4 – Medium Density Apartment District**
ACRES	**+/- 33.89**
EXISTING USE	**Educational Institution**
PROPOSED USE	**Educational Institution**

PETITIONER 1:

INTENT

To send a favorable recommendation to the Board of Mayor & Aldermen for the right-of-way abandonment of Indian Court, Midland Drive, and Auditorium Drive.

Right-of-Ways to be Abandoned

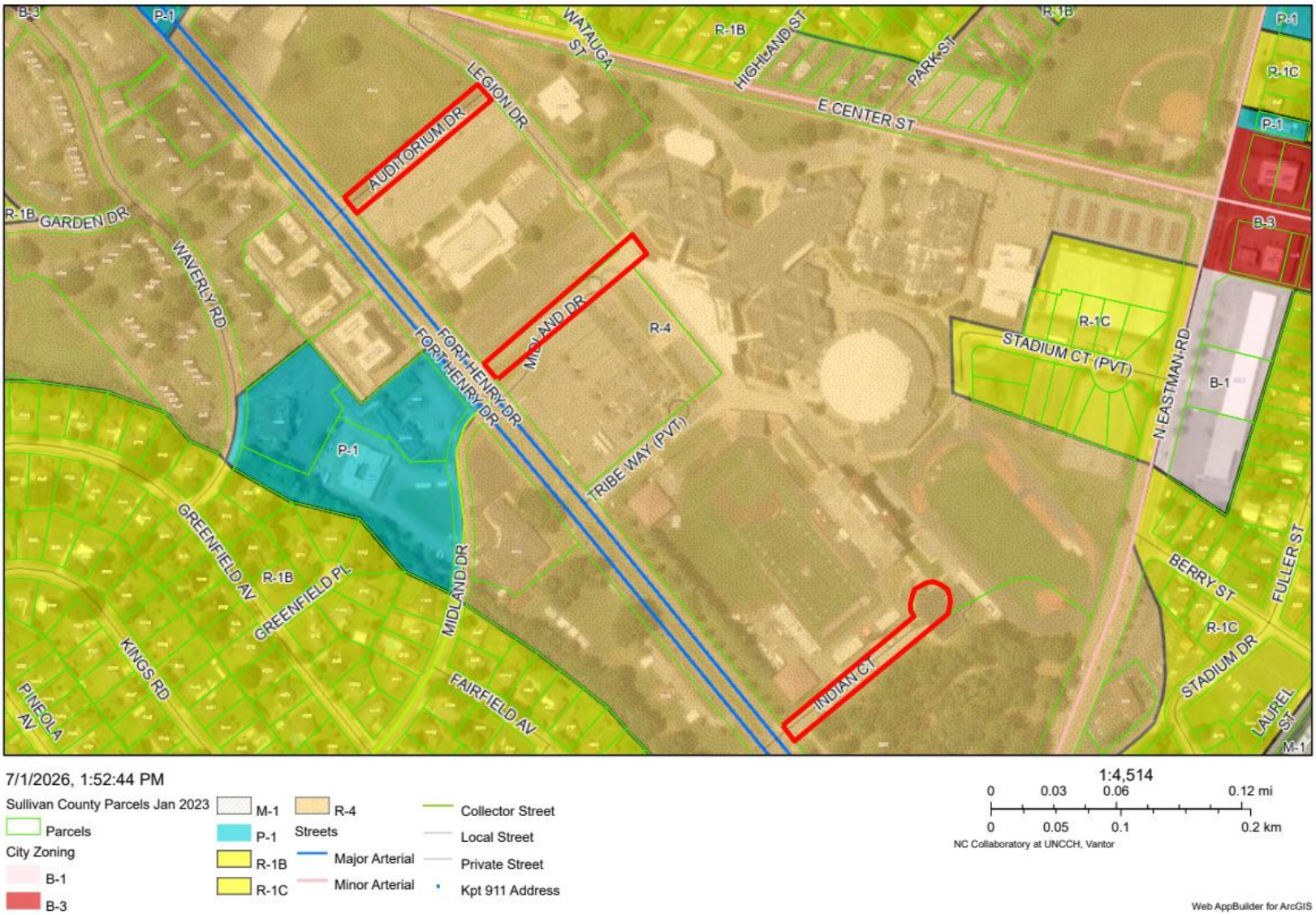


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Sullivan County Parcels Jan 2023
Parcels
Streets
Major Arterial
Minor Arterial
Collector Street
Local Street
Private Street
Kpt 911 Address

1:4,514
0 0.03 0.06 0.12 mi
0 0.05 0.1 0.2 km
NC Collaboratory at UNCCH, Vantor

Web AppBuilder for ArcGIS

Zoning - R-4, Medium Density Apartment District



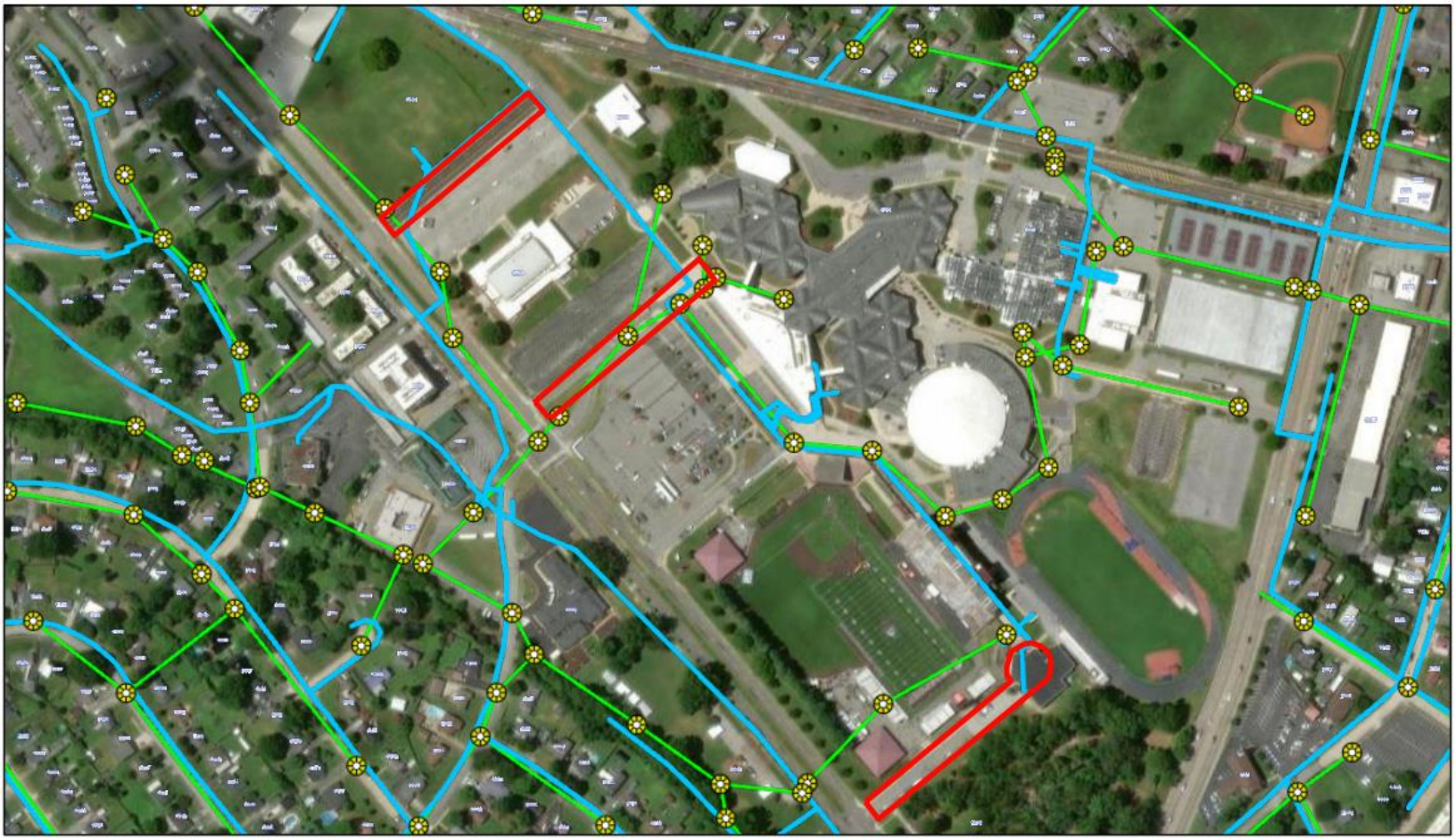
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Sullivan County Parcels Jan 2023
Parcels
City Zoning
B-1
B-3
M-1
P-1
R-1B
R-1C
R-4
Streets
Major Arterial
Minor Arterial
Collector Street
Local Street
Private Street
Kpt 911 Address

1:4,514
0 0.03 0.06 0.12 mi
0 0.05 0.1 0.2 km
NC Collaboratory at UNCCH, Vantor

Web AppBuilder for ArcGIS

Existing City Utilities



Metes & Bounds Descriptions

Indian Court right of way:

Shown on year 2026 Sullivan County, Tennessee tax map 61D, Group J, and being all that right of way known as Indian Court which lies adjacent to and northeast of the northeastern right of way line of Fort Henry Drive and is located approximately 584 feet northwesterly along Fort Henry Drive from the centerline intersection of Fort Henry Drive and Eastman Road.

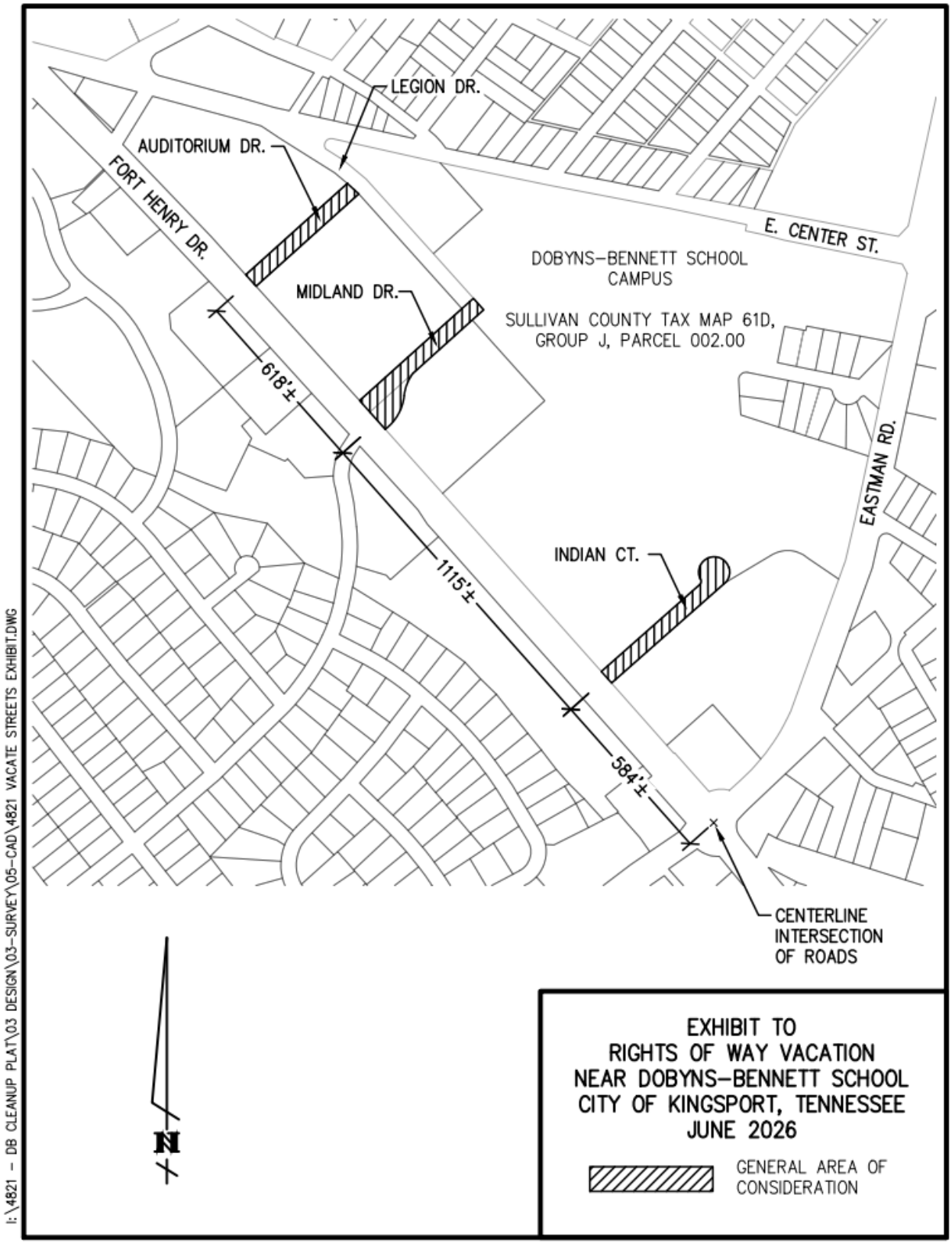
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Right-of-Way Exhibit



Prepared by Kingsport Planning Department for the
Kingsport Regional Planning Commission Meeting on September 17th, 2026

Indian Court





Midland Drive





Auditorium Drive

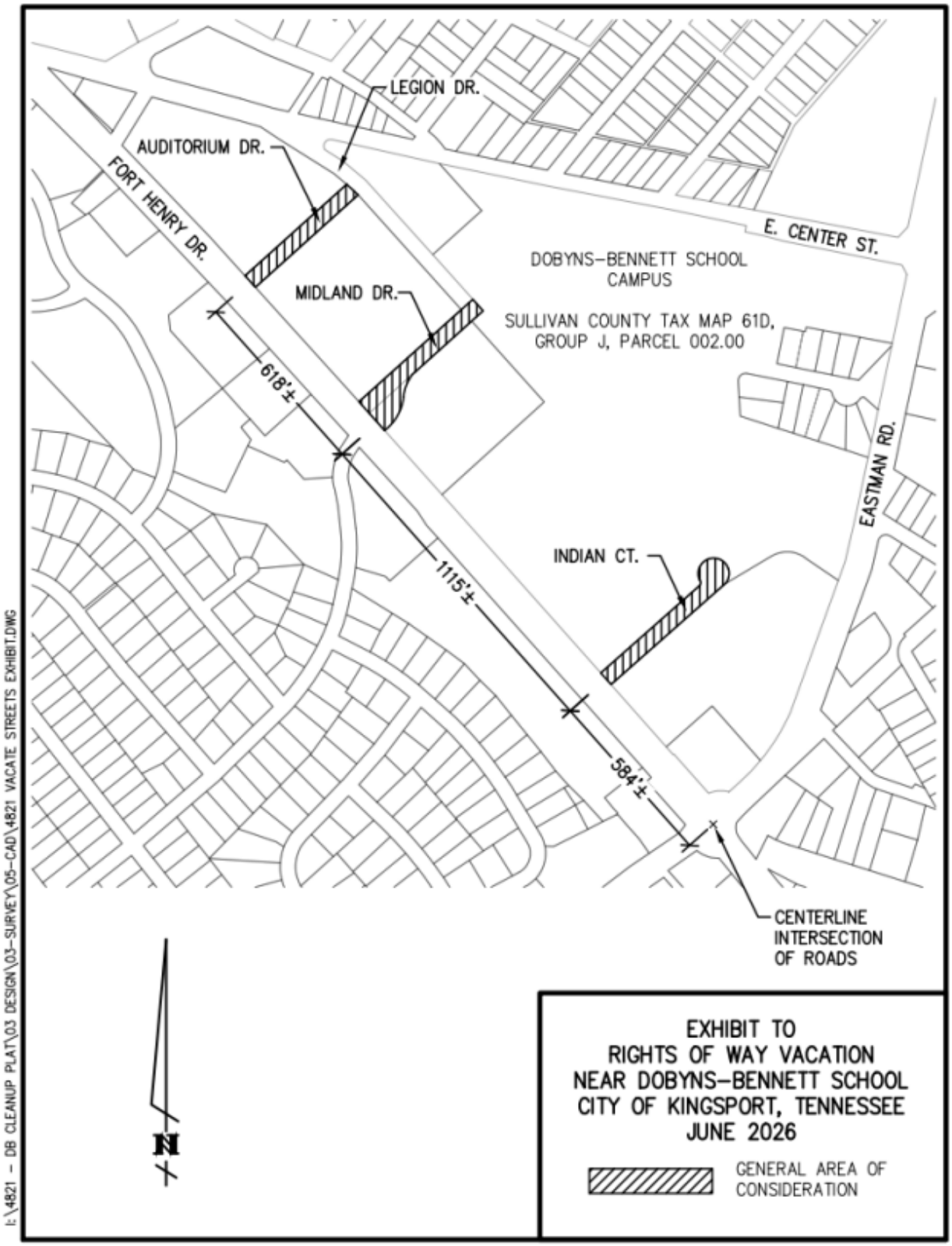




RECOMMENDATION:

Staff recommends sending a favorable recommendation to the Board of Mayor & Aldermen for the right-of-way abandonment of Indian Court, Midland Drive, and Auditorium Drive.

Right-of-Way Exhibit



KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of an Ordinance to Condemn Easements and Rights-of-Way for the Jack White Drive/Eastman Road Intersection Improvement Project

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-318-2026	Final Adoption:	November 17, 2026
Work Session:	November 2, 2026	Staff Work By:	R. Trent; J. Hensley
First Reading:	November 3, 2026	Presentation By:	B. Rowlett

Strategic Focus Area: Sustainable Infrastructure

Recommendation:
Approve the Ordinance

Executive Summary:
The Public Works Department has requested easements and rights-of-way for the Jack White Drive/Eastman Road Intersection Project. This is considered a high priority project due to the number of accidents that occur at the intersection. The attached ordinance authorizes and directs the City Attorney to initiate condemnation proceedings to acquire easements and rights-of-way that **cannot be voluntarily acquired** on the Jack White Drive/Eastman Road Intersection Improvement Project.

Correspondence has been sent to all affected property owners, both of whom have been in contact with the property acquisition agent. However, to date, the necessary paperwork has not been voluntarily acquired.

Attachments:
1. Ordinance
2. Project Location Map

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

PRE-FILED
CITY RECORDER

ORDINANCE NO._____

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

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

WHEREAS, pursuant to the provisions of Tenn. Code Ann. Section 7-31-107 the city has embarked upon the accomplishment of the herein named public works project in accordance with the terms and provisions of said Act; and

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

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

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

Now therefore,

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

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

Jack White Drive/Eastman Road Intersection Improvement Project

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

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

_____
PAUL W. MONTGOMERY, MAYOR

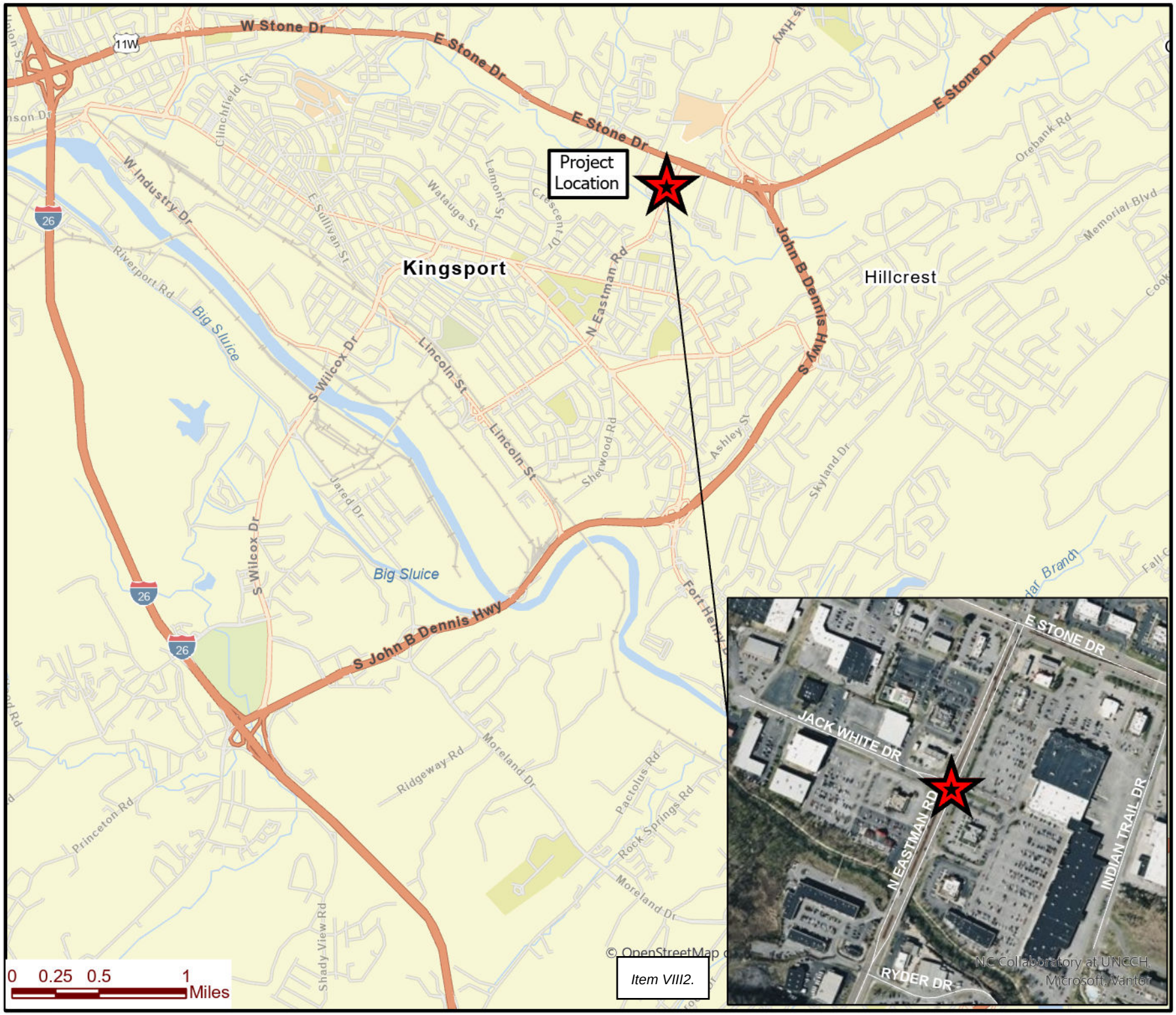
ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

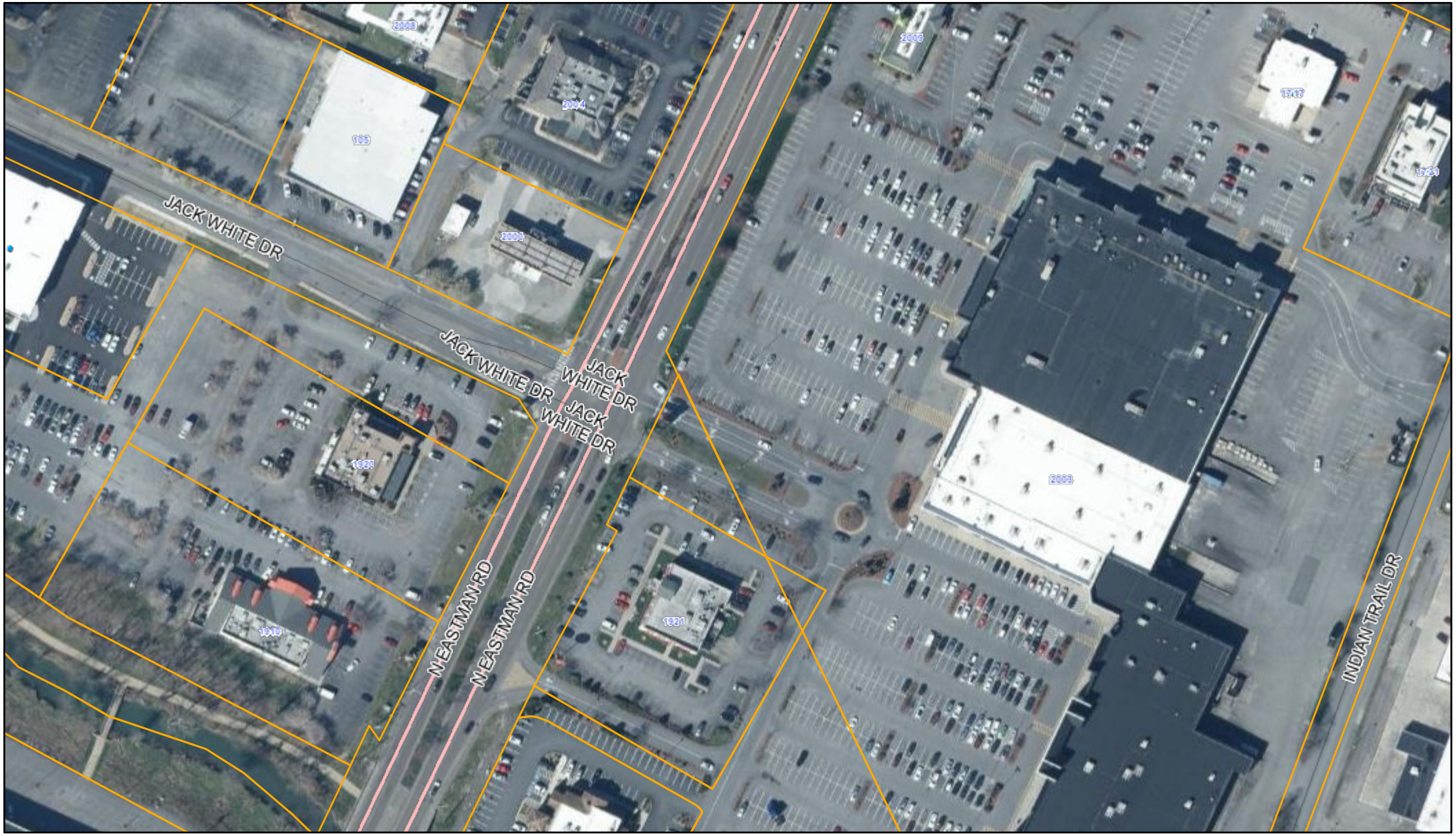
APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

PASSED ON 1ST READING_____
PASSED ON 2ND READING_____


Project Location
W Stone Dr
E Stone Dr
E Stone Dr
E Stone Dr
11W
26
W Industry Dr
Clinchfield St
E Sullivan St
Watauga St
Lamont St
Crescent Dr
N Eastman Rd
John B Dennis Hwy S
Orebank Rd
Memorial Blvd
Kingsport
Hillcrest
Riverport Rd
Big Sluice
S Wilcox Dr
Lincoln St
Lincoln St
Sherwood Rd
Ashley St
Skyland Dr
Jared Dr
S Wilcox Dr
Big Sluice
S John B Dennis Hwy
Fort Henry Dr
Ridgeway Rd
Moreland Dr
Pactolus Rd
Rock Springs Rd
Moreland Dr
Princeton Rd
Shady View Rd
0 0.25 0.5 1
Miles
© OpenStreetMap
E STONE DR
JACK WHITE DR
N EASTMAN RD
INDIAN TRAIL DR
RYDER DR
NC Collaboratory at UNCCH, Microsoft, Vantor
Item VIII2.
Project Location Map
Jack White Drive & Eastman Road
Intersection Improvement Project

AF-318-2026 Jack White Dr./Eastman Rd.



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0 0.01 0.03 0.06 mi

0 0.02 0.04 0.09 km

NC Collaboratory at UNCCH, Microsoft, Vantor, TDOT Aerial Surveys

Tennessee Ortho Index

Tennessee Property Boundaries Public Use from State Website

Parcel

Streets

Minor Arterial

Local Stree

Kpt 911 Address

Web AppBuilder for ArcGIS

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of an Ordinance to Amend Ordinance 5949, Chapter 102, Utilities, Article III. Sewer and Sewage Disposal

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-334-2026	Final Adoption:	November 17, 2026
Work Session:	November 2, 2026	Staff Work By:	Eric Vermillion
First Reading:	November 3, 2026	Presentation By:	Niki Ensor

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Ordinance

Executive Summary:
If approved, corrections identified during the Tennessee Department of Environment and Conservation (TDEC) review of the sewer use ordinance shall be made to Chapter 102, Utilities, Article III, Sewers and Sewage Disposal.

The following changes were identified during TDEC's review of the City's sewer use ordinance:

- Typographical errors references to an older version of the ordinance when the numerical chapter was 106 rather than the present 102,
- Section 102-348 (b)(5): Baseline Monitoring Report has been updated to include all language from TN Rule 0400-40-14-.12 (2)(e).
- A Local limit typographical error was found and corrected for 1,1,1 Trichloroethane's daily maximum limit. The limit should be 0.248 mg/L and not 0.410 mg/L.

The Tennessee Department of Environment and Conservation has approved changes to the sewer use ordinance.

Attachments:

1. Ordinance
2. Amended Chapter 102 – Utilities Article III Sewers and Sewage Disposal
3. TDEC Approval Letter

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

ORDINANCE NO._____

AN ORDINANCE TO AMEND VARIOUS SECTIONS OF CHAPTER 102, ARTICLE III OF THE CODE OF ORDINANCES OF THE CITY OF KINGSPORT, TENNESSEE RELATING TO SEWERS AND SEWAGE DISPOSAL; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That Section 102-142 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended to read as follows:

Sec. 102-142. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Act or *the act* means the Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 USC 1251 et seq.

Administrator means the administrator of the EPA.

Approval authority means the regional administrator of the EPA or the Tennessee Division of Water Resources Director or his/her representative(s).

Authorized representative of a user means:

(1) If the user is a corporation:

a. The president, chief executive officer, secretary, treasurer or a vice-president of the corporation in charge of a principal business function or any other person who performs similar policy or decision-making functions for the corporation; or

b. The manager of one or more manufacturing, production, or operating facilities, provided the manager is authorized to make management decisions that govern the operation of the regulated facility including having the explicit or implicit duty of making major capital investment recommendations, and initiate and direct other comprehensive measures to assure long-term environmental compliance with environmental laws and regulations; can ensure that the necessary systems are established or actions taken to gather complete and accurate information for individual wastewater discharge permit requirements; and where authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.

(2) If the user is a partnership or sole proprietorship, a general partner or proprietor, respectively.

(3) If the user is a federal, state or local governmental facility, a director or highest official, elected or appointed, designated to oversee the operation and performance of the activities of the government facility or their designee.

(4) The individuals described in subsections (1) through (3) of this definition may designate another authorized representative if the authorization is submitted to the director in writing, and the authorization specifies the individual or position responsible for the overall operation of the facility from which the discharge originates or having overall responsibility for environmental matters for the company, and the written authorization is submitted to the director.

Best management practices (BMPs) means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to implement the prohibitions listed in section 102-225 and Tennessee Rule 0400-40-14-.05(1)(a) and (2), as amended from time to time. BMPs include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage. BMPs also include alternative means (i.e., management plans) of complying with, or in place of certain established categorical Pretreatment Standards and effluent limits.

Biochemical oxygen demand (BOD) means the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures for five days at 20 degrees Celsius, usually specified as a concentration (e.g., milligrams per liter (mg/l)).

Building sewer means the extension from the building drain to the public sewer or other place of disposal.

Categorical industrial user (CIU) means an Industrial User subject to a categorical Pretreatment Standard or categorical Standard.

Categorical standard or *categorical pretreatment standard* means any regulation containing pollutant discharge limits promulgated by EPA in accordance with sections 307(b) and (c) of the Act (33 U.S.C. section 1317) that apply to a specific category of Users and that appear in 40 CFR Chapter I, Subchapter N, Parts 405-471.

City means City of Kingsport.

Collector line means a line that receives wastewater from individual residences, businesses or corporations via lateral sewers.

Compliance order means an order signed by the director that identifies a series of events the user must take, along with a prescribed timetable, to achieve compliance with the requirements of this article, any permit requirement or any other valid order.

Control authority means the director of utilities of the city, or authorized representative.

Conventional pollutant, as defined by federal law, includes BOD, TSS, fecal coliform bacteria, oil, grease and pH.

Cooling water means the water discharged from any use such as air conditioning, cooling or refrigeration or to which the only pollutant added is heat.

Daily maximum means the arithmetic average of all effluent samples for a pollutant (except pH) collected during a calendar day.

Daily maximum limit means the maximum allowable discharge limit of a pollutant during a calendar day. Where Daily Maximum Limits are expressed in units of mass, the daily discharge is the total mass discharged over the course of the day. Where Daily Maximum Limits are expressed in terms of a concentration, the daily discharge is the arithmetic average measurement of the pollutant concentration derived from all measurements taken that day.

Direct discharge means the discharge of treated or untreated wastewater directly to the waters of the state.

Director means the director of utilities of the city or authorized representative; the control authority as specified by 40 CFR 403.3.

Domestic wastewater means wastewater that is generated by a single-family residence, apartment or residential unit. Specifically excluded from this definition is any categorical or significant industrial facility.

Environmental protection agency or *EPA* means the U.S. Environmental Protection Agency or, where appropriate, the regional water management division director or other duly authorized official of the agency.

Existing source means any source of discharge that is not a new source. A source that the construction or operation of which commenced prior to publication by EPA of proposed categorical pretreatment standards, which will be applicable to such source if the standard is thereafter promulgated in accordance with section 307 of the act.

Garbage means solid wastes from domestic and commercial preparation, cooking and dispensing of food and from the handling, storage and sale of produce.

Grab sample means a sample which is taken from a waste stream with no regard to the flow in the waste stream and over a period of time not to exceed 15 minutes.

Holding tank waste means any waste from holding tanks, such as but not limited to vessels, chemical toilets, trailers, septic tanks and vacuum pump tank trucks.

Indirect discharge means the introduction of pollutants into the POTW from any nondomestic source, including holding tank waste, regulated under section 307(b), (c) or (d) of the act.

Industrial user means a nondomestic source of wastewater entering the POTW.

Instantaneous limit means the maximum concentration of a pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composited sample collected, independent of the industrial flow rate and the duration of the sampling event.

Interference means a discharge, which alone or in conjunction with a discharge from other sources, inhibits or disrupts the POTW, its treatment processes or operations or its sludge processes, use or disposal; or exceeds the design capacity of the treatment works or the collection system; or is a cause of a violation of the city's NPDES permit; or prevents sewage sludge use or disposal in compliance with any of the following statutory or regulatory provisions or permits issued thereunder or any more stringent state or local regulations: section 405 of the act; the Solid Waste Disposal Act, including title II, commonly referred to as the Resource Conservation and Recovery Act (RCRA); any state regulations contained in any state sludge management plan prepared pursuant to subtitle D of the Solid Waste Disposal Act; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research and Sanctuaries Act.

Lateral sewer means the pipe running from the property line where it is connected to the building sewer from the individual residence or business, to the POTW collector line.

Local limit means specific discharge limits, including Best Management Practices, developed and enforced by the Director upon industrial or commercial facilities to implement the general and specific

discharge prohibitions listed in Tennessee Rule 0400-40-14-.05(1)(a) and (2), as amended from time to time.

Mass-based standards or limits means the actual mass of pollutants in a wastewater stream per unit of time or production.

Medical waste means isolation waste, infectious agents, human blood and blood products, pathological waste, sharps, body parts, contaminated bedding, surgical waste, potentially contaminated laboratory waste and dialysis waste.

National prohibitive discharge standard or *prohibitive discharge standard* means any regulation developed under authority of section 307(b) of the act and 40 CFR 403.5.

New source means:

(1) Any building, structure, facility or installation from which there is or may be a discharge of pollutants, the construction of which commenced after the publication of proposed pretreatment standards under section 307(c) of the act which will be applicable to such source if such standards are thereafter promulgated in accordance with that section, provided that:

a. The building, structure, facility or installation is constructed at a site at which no other source is located;

b. The building, structure, facility or installation totally replaces the process or production equipment that causes the discharge of pollutants at an existing source; or

c. The production or wastewater generating processes of the building, structure, facility or installation are substantially independent of an existing source at the same site. In determining whether these are substantially independent, factors such as the extent to which the new facility is integrated with the existing plant and the extent to which the new facility is engaged in the same general type of activity as the existing source should be considered.

(2) Construction on a site at which an existing source is located results in a modification rather than a new source if the construction does not create a new building, structure, facility or installation meeting the criteria of subsections (1)b. or (1)c. of this definition but otherwise alters, replaces or adds to existing process or production equipment.

(3) Construction of a new source, as defined, has commenced if the owner or operator, has:

a. Begun or caused to begin, as part of a continuous on-site construction program, any placement, assembly or installation of facilities or equipment; or significant site preparation work including clearing, excavation or removal of existing buildings, structures or facilities which is necessary for the placement, assembly or installation of new source facilities or equipment; or

b. Entered into a binding contractual obligation for the purchase of facilities or equipment which are intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering and design studies do not constitute a contractual obligation under this subsection.

Noncontact cooling water means water used for cooling which does not come into direct contact with any raw material, intermediate products, waste products or finished products.

Nonconventional pollutant means all pollutants which are not included in the list of conventional or toxic pollutants in 40 CFR 401.

Nondomestic source means any source of discharge of wastewater from any facility other than a residential unit meeting the requirements of a domestic wastewater producer.

Notice of violation (NOV) means a written notice signed by the director that notifies a user that a violation of any permit requirement, any section of this article or any other valid order has occurred and describes the facts of the violation.

NPDES (National Pollutant Discharge Elimination System) means the national program for issuing, modifying, revoking and reissuing, terminating, monitoring and enforcing permits, and imposing and enforcing pretreatment requirements under sections 307, 402, 318 and 405 of the Clean Water Act (CWA).

Pass through means a discharge that exits the POTW into the waters of the state in quantities or concentrations which, alone or in conjunction with a discharge from other sources, is a cause of violation of any requirement of the POTW's NPDES permit, including an increase in the magnitude or duration of a violation.

Person means any individual, partnership, co-partnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity or any other legal entity or their legal representatives, agents or assigns. This shall include all federal, state and local governmental entities.

pH means a measure of the acidity or alkalinity of a solution. The logarithm (base 10) of the reciprocal of the concentration of the hydrogen ions measured in grams per liter of solution and expressed in standard units (SU).

Pollutant means dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, chemical wastes, biological materials, radioactive materials, heat,

wrecked or discarded equipment, rock, sand, industrial, municipal and agricultural waste discharged into water, or wastewater having been changed in pH, temperature, TSS, turbidity, color, BOD, COD, toxicity or odor.

Pollution means the manmade or man-induced alteration of the chemical, physical, biological and radiological integrity of water.

Pretreatment means the reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to introducing such pollutants into the POTW. The reduction or alteration can be obtained by physical, chemical or biological processes; by process changes; or by other means except by diluting the concentration of pollutants unless allowed by an applicable pretreatment standard.

Pretreatment requirement means any substantive or procedural requirement related to pretreatment imposed on a user, other than a national pretreatment standard imposed on an industrial user.

Pretreatment standards means prohibited discharge standards, categorical pretreatment standards and local limits.

Private waste disposal system means a septic tank, cesspool or other facility intended for the disposal of wastewater.

Prohibited discharge standards or *prohibited discharges* means absolute prohibitions against the discharge of certain substances as set out in section 102-225.

Public sewer means a sewer controlled or maintained by the city.

Publicly owned treatment works (POTW) means a treatment works as defined by 33 USC 1292 and owned by the city. This definition includes any devices or systems used in the collection, storage, treatment, recycling and reclamation of domestic or industrial waste of a liquid nature and any pipes which convey wastewater to a treatment plant.

Residential unit means a structure used primarily as housing and generating wastewater that includes but is not limited to human waste, kitchen waste, domestic wash water and bathwater. If there is located within or upon the same property as a residential unit any process, commercial activity or any other activity that generates wastewater not included in this definition, such wastewater shall not be classified as domestic wastewater.

Septic tank wastes means any sewage from holding tanks such as vessels, chemical toilets, campers, trailers, and septic tanks. Septic Tank Waste does not include grease interceptor or grease trap waste.

Significant industrial user (SIU), except as provided in paragraphs (3) and (4) of this definition, means any industrial user who:

(1) Is subject to categorical pretreatment standards under 40 CFR 403.6 and 40 CFR chapter I, subchapter N; or

(2) A user that:

a. Discharges 25,000 gallons or more per average workday of process wastewater to the POTW, excluding sanitary, noncontact cooling and boiler blowdown wastewater;

b. Contributes a process waste stream which makes up five percent or more of the average dry weather hydraulic or organic capacity of the POTW treatment plant; or

c. Is designated by the director as having the reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement in accordance with 40 CFR 403.8(f)(6).

(3) The city may determine that an industrial user subject to categorical pretreatment standards is a non-significant categorical industrial user (NSCIU) rather than a significant industrial user on a finding that the industrial user never discharges more than 100 gallons per day (gpd) of total categorical wastewater (excluding sanitary, non-contact cooling and boiler blowdown wastewater, unless specially included in the Pretreatment Standard) and the following conditions are met:

a. The industrial user, prior to director's finding, has consistently complied with all applicable categorical pretreatment standards and requirements;

b. The industrial user annually submits the certification statement required in section 102-307(b) and Tennessee Rule 0400-40-14-.12(17), as amended from time to time, together with any additional information necessary to support the certification statement; and

c. The industrial user never discharges any untreated concentrated wastewater.

(4) Upon a finding that a user meeting the criteria in subsection (2) above has no reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement, the city may at any time, on its own initiative or in response to a petition received from an Industrial User, and in accordance with procedures in Tennessee Rule 0400-40-14-.08(6)(f), determine that such User should not be considered a significant industrial user.

Significant noncompliance means the following and shall be applicable to all significant industrial users (or any other industrial user that violates paragraphs (3), (4), or (8) in this definition and shall mean):

(1) Chronic violations of wastewater discharge limits, defined here as those in which 66 percent or more of all the measurements taken for the same pollutant parameter taken during a six-month period exceed by any magnitude a numeric pretreatment standard or requirement, including instantaneous limits.
(2) Technical review criteria (TRC) violations, defined here as those in which 33 percent or more of wastewater measurements taken for each pollutant parameter during a six-month period equals or exceeds the product of the numeric pretreatment standard or requirement including instantaneous limits, as defined by section 102-142 multiplied by the applicable criteria (1.4 for BOD, TSS, fats, oils and grease, and 1.2 for all other pollutants except pH);
(3) Any violation of a Pretreatment Standards or Pretreatment Requirements as defined in section 106-151 that the director determines has caused, alone or in combination with other discharges, Interference or Pass Through, including endangering the health of POTW personnel or the general public;
(4) Any discharge of a pollutant that has caused imminent endangerment to human health, welfare or to the environment or has resulted in the POTW's exercise of its emergency authority under 40 CFR 403.8(f)(1)(vi)(B) to halt or prevent such a discharge.
(5) Failure to meet, within 90 days after the schedule date, a compliance schedule milestone contained in a local control mechanism or enforcement order for starting construction, completing construction or attaining final compliance.
(6) Failure to provide, within 30 days after the due date, required reports such as baseline monitoring reports, 90-day compliance reports, periodic self-monitoring reports and reports on compliance with compliance schedules.
(7) Failure to accurately report noncompliance.
(8) Any other violation or group of violations, which may include a violation of best management practices, the director determines will adversely affect the operation or implementation of the local pretreatment program (40 CFR 403.8(f)(2)(vii)).
Sludge means solid, semisolid or liquid residue generated during treatment of domestic or industrial sewage in a treatment works.
Slug load or *slug discharge* means any discharge at a flow rate or concentration, which could cause a violation of the prohibited discharge standards in section 102-225. A slug discharge is any discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch Discharge, which has a reasonable potential to cause Interference or Pass Through, or in any other way violate the POTW's regulations, local limits or permit conditions.
Standard industrial classification (SIC) means a classification pursuant to the Standard Industrial Classification Manual issued by the United States Office of Management and Budget.
Storm sewer or *storm drain* means a pipe or conduit which carries stormwater and surface water and drainage, excluding domestic and industrial waste or wastewater.
Stormwater means any flow of water resulting from any form of precipitation.
Suspended solids or *total suspended solids (TSS)* means the total suspended matter that floats on the surface of or is suspended in water, wastewater or other liquid and which is removable by laboratory filtering by approved procedures according to 40 CFR 136.
Toxic material means any substance, or compound containing such substance, as set out in 40 CFR 401.15.
Treatment plant means that portion of a POTW designed to treat wastewater.
User means any person who contributes, causes or allows the contribution of wastewater into the POTW.
Wastewater means industrial or domestic liquid waste from dwellings, commercial buildings, industrial or manufacturing facilities and institutions, together with any groundwater, surface water or stormwater that may be present, whether treated or untreated, which is contributed to or allowed to enter the POTW.
Wastewater discharge permit means a control document issued by the director authorizing conditional discharge of pollutants into the POTW as specified in division 6 of this article.
Waters of the state means any and all waters, public or private, on or beneath the surface of the ground, which are contained within, flow through or border upon this state or any portion thereof except those bodies of water confined to and retained within the limits of private property in a single ownership which do not combine or effect a junction with natural surface or underground waters.

SECTION II. That Section 102-167(a) of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended to read as follows:

Sec. 102-167. Duties and authority of the director.

(a) Except as otherwise provided in this article, the director of utilities shall administer, implement and enforce this article by and through the department of public works.

SECTION III. That Section 102-185 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended to read as follows:

Sec. 102-185. Appeals Process.

Pursuant to T.C.A. § 69-3-123 et seq., the stormwater appeals board created in section 38-119, and referred to in this article as the appeals board, shall serve at the local hearing authority for appeals. Except in emergency suspensions pursuant to section 102-176, any user against whom a penalty has been assessed for a violation of this article, a permit denied, revoked, suspended, against whom the director has issued an order or who is otherwise aggrieved by an act of the director shall have 30 days after having been served with the assessment or order, or after a permit has been denied, revoked or suspended, or such person has been aggrieved to appeal the action by filing with the director a written petition for appeal setting forth the grounds and reasons for the appeal. The failure to serve the director within 30 days with the written petition for appeal is jurisdictional, and if an appeal is not taken within the 30 days the matter shall be final.

SECTION IV. That Section 102-226 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended to read as follows:

Sec. 102-226. Restrictions on wastewater strength.

(a) No user shall discharge wastewater which exceeds the standards established in Table A, User Discharge Restrictions, as set out in subsection (c), unless an exception is permitted in this article. Dilution of any wastewater discharge for the purpose of satisfying these requirements shall be considered a violation of this article. The director is authorized and has established Local Limits pursuant to Tennessee Rule 0400-40-14-.05(3). The director may develop best management practices (BMPs), in individual wastewater discharge permits, to implement Local Limits and the requirements of section 102-225.

(b) The director shall monitor the treatment works influent for each parameter in table A, user discharge restrictions, as set out in subsection (c), nondomestic users shall be subject to reporting and monitoring requirements regarding these parameters as set forth in table A, user discharge restrictions, as set out in subsection (c). If the influent at the POTW reaches or exceeds the established allowable loadings for these parameters, the director shall initiate technical studies to determine the cause of the influent violation and shall recommend to the board of mayor and aldermen the necessary remedial measures, including but not limited to establishment of new or revised pretreatment levels for these parameters. The director shall also recommend changes to any of these criteria if the POTW effluent standards are changed, if there are changes in any applicable law or regulation affecting such or if changes are needed for more effective operation of the POTW.

(c) The pollutant limits in table A, user discharge restrictions, as set forth in this subsection, are established to protect against pass through and interference. Unless specifically authorized by the terms of a wastewater discharge permit or special agreement as authorized by section 102-146, no user shall discharge wastewater containing in excess of the following daily maximum or monthly average allowable discharge limits:

Table A. User Discharge Restrictions

Pollutant	Daily Maximum Limit (mg/l)*	Monthly Average Limit (mg/l)*
Ammonia nitrogen (NH3-N)	66.87	25.24
Benzene	0.048	0.032
Carbon tetrachloride	0.468	0.312
Chloroform	1.610	1.074

Trans-1, 2-Dichloroethylene	0.035	0.023
Ethylbenzene	0.122	0.081
Methylene chloride	0.881	0.587
Naphthalene	0.026	0.017
Tetrachloroethylene	0.153	0.102
Toluene	0.248	0.165
1, 1, 1 Trichloroethane	0.248	0.165
Trichloroethylene	0.289	0.193
Total phthalates**	1.301	0.867
Arsenic (total)	1.13	0.75
Cadmium (total)	0.12	0.08
Chromium (total)	3.68	2.43
Copper (total)	1.62	1.07
Cyanide (total)	0.52	0.35
Lead (total)	1.06	0.71
Mercury (total)	0.0126	0.0084
Molybdenum (total)	7.24	4.82
Nickel (total)	1.97	1.30
Phenols (total)	0.70	0.46
Selenium (total)	3.46	2.31
Silver (total)	0.23	0.156
Zinc (total)	1.79	1.18
Xylene	0.180	0.120
Hydrogen sulfide	0.5	NA

*Based on 24-hour flow proportional composite samples, if appropriate for parameter.

(d) **Total phthalates is defined as the sum of benzylbutyl phthalate, bis (2 ethylhexyl) phthalate, Di-n-butyl phthalate, and diethylphthalate.

(e) (d) The limits in table A apply at the point where the wastewater is discharged to the POTW. All concentrations of metallic substances are for total metal unless indicated otherwise.

(f) (e) The city reserves the right to establish, by ordinance or in wastewater discharge permits, more stringent standards or requirements on discharges to the POTW.

SECTION V. That Section 102-307(b) of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended to read as follows:

(b) Annual certification for nonsignificant categorical industrial users, a facility determined by the director to be a nonsignificant categorical industrial user, as defined in section 102-142, as part of the term significant industrial user, must annually submit the certification statement set forth in this subsection, signed by an authorized representative, as defined in section 102-142. The following certification statement must accompany an alternative report required by the director:

"Based on my inquiry of the person or persons directly responsible for managing compliance with the categorical pretreatment standards under 40 CFR _____, I certify that, to the best of my knowledge and belief that during the period from _____, _____ to _____, _____ [months, days, year]:

(a) The facility described as _____ [facility name] met the definition of a Non-Significant Categorical Industrial User as described in section 102-142; [Note: See 40 CFR 403.3(v)(2)]

(b) The facility complied with all applicable pretreatment standards and requirements during this reporting period; and

(c) The facility never discharged more than 100 gallons of total categorical wastewater on any given day during this reporting period.

This compliance certification is based on the following information: _____

SECTION VI. That Section 102-348 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended to read as follows:

Sec. 102-348. Baseline monitoring reports.

(a) *Categorical/significant industrial users discharging to POTW.* Within either 180 days after the effective date of a categorical pretreatment standard or the final administrative decision on a category determination under 40 CFR 403.6(a)(4), whichever is later, existing categorical or significant industrial users currently discharging to or scheduled to discharge to the POTW shall submit to the director a report which contains the information listed in subsection (b) of this section. At least 90 days prior to commencement of their discharge, new sources and sources that become categorical users subsequent to the promulgation of an applicable categorical standard, shall submit to the director a report which contains the information listed in subsection (b) of this section. A new source shall report the method of pretreatment it intends to use to meet applicable categorical standards. A new source also shall give estimates of its anticipated flow and quantity of pollutants to be discharged.

(b) *Required information.* Users described in subsection (a) of this section shall submit the following information:

(1) *Identifying information.* The name and address of the facility, including the name of the operator and owner.

(2) *Environmental permits.* A list of any environmental control permits held by or for the facility.

(3) *Description of operations.* A brief description of the nature, average rate of production, and standard industrial classifications of the operation carried out by such user. This description should include a schematic process diagram which indicates points of discharge to the POTW from the regulated processes.

(4) *Flow measurement.* Information showing the measured average daily and maximum daily flow, in gallons per day, to the POTW from regulated process streams and other streams, as necessary, to allow use of the combined wastestream formula set out in 40 CFR 403.6(e).

(5) *Measurement of pollutants.*

a. The User shall identify the Pretreatment Standards applicable to each regulated process;

b. In addition, the User shall submit the results of sampling and analysis identifying the nature and concentration (or mass, where required by the Standard or Control Authority) of regulated pollutants in the discharge from each regulated process. Both daily maximum and average concentration (or mass, where required) shall be reported. The sample shall be representative of daily operations. In cases where the Standard requires compliance with a Best Management Practice or pollution prevention alternative, the User shall submit documentation as required by the Control Authority or the applicable Standards to determine compliance with the Standard;

c. The User shall take a minimum of one representative sample to compile that data necessary to comply with the requirements of this paragraph;

d. Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated wastewater prior to pretreatment the User should measure the flows and concentrations necessary to allow use of the combined waste stream formula of paragraph (5) of Rule 0400-40-14-.06 in order to evaluate compliance with the Pretreatment Standards. Where an alternate concentration or mass limit has been calculated in accordance with paragraph (5) of Rule 0400-40-14-.06 this adjusted limit along with supporting data shall be submitted to the Control Authority;

e. Sampling and analysis shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto. Where 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, or where the Administrator determines that the 40 CFR Part 136 sampling and analytical techniques are inappropriate for the pollutant in question, sampling and analysis shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by the WWF or other parties, approved by the Administrator;

f. The Control Authority may allow the submission of a baseline report which utilizes only historical data so long as the data provides information sufficient to determine the need for industrial pretreatment measures;

g. The baseline report shall indicate the time, date and place, of sampling, and methods of analysis, and shall certify that such sampling and analysis is representative of normal work cycles and expected pollutant discharges to the WWF;

(6) *Certification.* A statement, reviewed by the user's authorized representative as defined in

section 102-142 and certified by a qualified professional, indicating whether pretreatment standards are being met on a consistent basis, and if not, whether additional operation and maintenance and additional pretreatment is required to meet the pretreatment standards and requirements.

(7) *Compliance schedule.* If additional pretreatment or operation and maintenance will be required to meet the pretreatment standards, the shortest schedule by which the user will provide such additional pretreatment or operation and maintenance. The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard. A compliance schedule pursuant to this section must meet the requirements set forth in section 102-349.

SECTION VII. That Section 102-350 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended to read as follows:

Sec. 102-350. Reports on compliance with categorical pretreatment standard deadline.

Within 90 days following the date for final compliance with applicable categorical pretreatment standards or in the case of a new source following commencement of the introduction of wastewater into the POTW, any user subject to such pretreatment standards and requirements shall submit to the director a report containing the information described in section 102-348(b)(4) through (6). For users subject to categorical pretreatment standards expressed in terms of allowable pollutant discharge per unit of production or other measure of operation, this report shall include the user's actual production during the appropriate sampling period. All compliance reports must be signed and certified in accordance with section 102-307.

SECTION VIII. That Section 102-352 of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended to read as follows:

Sec. 102-352. Reports of changed conditions.

(a) Each user shall notify the director of any changes to the user's operations or system which may alter the nature, quality or volume of its wastewater at least 30 days before any planned change occurs or as early as practicable under the circumstances in all other cases.

(b) The director may require the user to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a wastewater discharge permit application under division 6 of this article.

(c) The director may issue a wastewater discharge permit under division 6 of this article or modify an existing wastewater discharge permit under section 102-317 in response to changed conditions or anticipated changed conditions.

SECTION IX. That Section 102-356(e) of the Code of Ordinances, City of Kingsport, Tennessee, is hereby amended to read as follows:

(e) Slug control plan. Any industrial user may be required to develop and implement an accidental discharge/slug control plan pursuant to 40 CFR 403.8(f)(2)(vi). At least once, the city shall evaluate whether any significant industrial user needs such a plan. New significant industrial users will be evaluated for such a plan within 12 months of the start of their operation. After the initial slug control plan is provided to the city, the city may periodically evaluate the significant industrial user for any changes that need to be made to the plan. Any industrial user required to develop and implement an accidental discharge/slug control plan shall submit a plan to the city which addresses at a minimum, the following:

(1) Description of discharge practices including nonroutine discharges;

(2) Description of all stored chemicals, including oil and fuel;

(3) Procedures for immediately notifying the POTW of slug discharges, including any discharge that would violate a prohibition under 40 CFR 403.5(b), with procedures for followup written notification within five days;

(4) Procedures to prevent adverse impact from any accidental spills, including inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading, operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants (including solvents), and measures and equipment for emergency response.

SECTION X. 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_____

ARTICLE III. SEWERS AND SEWAGE DISPOSAL[1]

DIVISION 1. GENERALLY

Sec. 102-142. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Act or *the act* means the Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 USC 1251 et seq.

Administrator means the administrator of the EPA.

Approval authority means the regional administrator of the EPA or the Tennessee Division of Water Resources~~Pollution Control~~ Director or his/her representative(s).

Authorized representative of a user means:

(1) If the user is a corporation:

a. The president, chief executive officer, secretary, treasurer or a vice-president of the corporation in charge of a principal business function or any other person who performs similar policy or decision-making functions for the corporation; or

b. The manager of one or more manufacturing, production, or operating facilities, provided the manager is authorized to make management decisions that govern the operation of the regulated facility including having the explicit or implicit duty of making major capital investment recommendations, and initiate and direct other comprehensive measures to assure long-term environmental compliance with environmental laws and regulations; can ensure that the necessary systems are established or actions taken to gather complete and accurate information for individual wastewater discharge permit requirements; and where authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.

(2) If the user is a partnership or sole proprietorship, a general partner or proprietor, respectively.

(3) If the user is a federal, state or local governmental facility, a director or highest official, elected or appointed, designated to oversee the operation and performance of the activities of the government facility or their designee.

(4) The individuals described in subsections (1) through (3) of this definition may designate another authorized representative if the authorization is submitted to the director in writing, and the authorization specifies the individual or position responsible for the overall operation of the facility from which the discharge originates or having overall responsibility for environmental matters for the company, and the written authorization is submitted to the director.

[1]State law reference(s)—Authority to operate sewage facilities, T.C.A. § 7-34-104.

Best management practices (BMPs) means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to implement the prohibitions listed in section 102-225~~106-240~~ and Tennessee Rule 0400-40-14-.05(1)(a) and (2), as amended from time to time. BMPs include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage. BMPs also include alternative means (i.e., management plans) of complying with, or in place of certain established categorical Pretreatment Standards and effluent limits.

Biochemical oxygen demand (BOD) means the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures for five days at 20 degrees Celsius, usually specified as a concentration (e.g., milligrams per liter (mg/l)).

Building sewer means the extension from the building drain to the public sewer or other place of disposal.

Categorical industrial user (CIU) means an Industrial User subject to a categorical Pretreatment Standard or categorical Standard.

Categorical standard or *categorical pretreatment standard* means any regulation containing pollutant discharge limits promulgated by EPA in accordance with sections 307(b) and (c) of the Act (33 U.S.C. section 1317) that apply to a specific category of Users and that appear in 40 CFR Chapter I, Subchapter N, Parts 405-471.

City means City of Kingsport.

Collector line means a line that receives wastewater from individual residences, businesses or corporations via lateral sewers.

Compliance order means an order signed by the director that identifies a series of events the user must take, along with a prescribed timetable, to achieve compliance with the requirements of this article, any permit requirement or any other valid order.

Control authority means the director of ~~public works~~utilities of the city, or authorized representative.

Conventional pollutant, as defined by federal law, includes BOD, TSS, fecal coliform bacteria, oil, grease and pH.

Cooling water means the water discharged from any use such as air conditioning, cooling or refrigeration or to which the only pollutant added is heat.

Daily maximum means the arithmetic average of all effluent samples for a pollutant (except pH) collected during a calendar day.

Daily maximum limit means the maximum allowable discharge limit of a pollutant during a calendar day. Where Daily Maximum Limits are expressed in units of mass, the daily discharge is the total mass discharged over the course of the day. Where Daily Maximum Limits are expressed in terms of a concentration, the daily discharge is the arithmetic average measurement of the pollutant concentration derived from all measurements taken that day.

Direct discharge means the discharge of treated or untreated wastewater directly to the waters of the state.

Director means the director of ~~public works~~utilities of the city or authorized representative; the control authority as specified by 40 CFR 403.3~~12~~.

Domestic wastewater means wastewater that is generated by a single-family residence, apartment or residential unit. Specifically excluded from this definition is any categorical or significant industrial facility.

Environmental protection agency or *EPA* means the U.S. Environmental Protection Agency or, where appropriate, the regional water management division director or other duly authorized official of the agency.

Existing source means any source of discharge that is not a new source. A source that the construction or operation of which commenced prior to publication by EPA of proposed categorical pretreatment standards, which

will be applicable to such source if the standard is thereafter promulgated in accordance with section 307 of the act.

Garbage means solid wastes from domestic and commercial preparation, cooking and dispensing of food and from the handling, storage and sale of produce.

Grab sample means a sample which is taken from a waste stream with no regard to the flow in the waste stream and over a period of time not to exceed 15 minutes.

Holding tank waste means any waste from holding tanks, such as but not limited to vessels, chemical toilets, trailers, septic tanks and vacuum pump tank trucks.

Indirect discharge means the introduction of pollutants into the POTW from any nondomestic source, including holding tank waste, regulated under section 307(b), (c) or (d) of the act.

Industrial user means a nondomestic source of wastewater entering the POTW.

Instantaneous limit means the maximum concentration of a pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composited sample collected, independent of the industrial flow rate and the duration of the sampling event.

Interference means a discharge, which alone or in conjunction with a discharge from other sources, inhibits or disrupts the POTW, its treatment processes or operations or its sludge processes, use or disposal; or exceeds the design capacity of the treatment works or the collection system; or is a cause of a violation of the city's NPDES permit; or prevents sewage sludge use or disposal in compliance with any of the following statutory or regulatory provisions or permits issued thereunder or any more stringent state or local regulations: section 405 of the act; the Solid Waste Disposal Act, including title II, commonly referred to as the Resource Conservation and Recovery Act (RCRA); any state regulations contained in any state sludge management plan prepared pursuant to subtitle D of the Solid Waste Disposal Act; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research and Sanctuaries Act.

Lateral sewer means the pipe running from the property line where it is connected to the building sewer from the individual residence or business, to the POTW collector line.

Local limit means specific discharge limits, including Best Management Practices, developed and enforced by the Director upon industrial or commercial facilities to implement the general and specific discharge prohibitions listed in Tennessee Rule 0400-40-14-.05(1)(a) and (2), as amended from time to time.

Mass-based standards or limits means the actual mass of pollutants in a wastewater stream per unit of time or production.

Medical waste means isolation waste, infectious agents, human blood and blood products, pathological waste, sharps, body parts, contaminated bedding, surgical waste, potentially contaminated laboratory waste and dialysis waste.

National prohibitive discharge standard or *prohibitive discharge standard* means any regulation developed under authority of section 307(b) of the act and 40 CFR 403.5.

New source means:

(1) Any building, structure, facility or installation from which there is or may be a discharge of pollutants, the construction of which commenced after the publication of proposed pretreatment standards under section 307(c) of the act which will be applicable to such source if such standards are thereafter promulgated in accordance with that section, provided that:

    a. The building, structure, facility or installation is constructed at a site at which no other source is located;

b. The building, structure, facility or installation totally replaces the process or production equipment that causes the discharge of pollutants at an existing source; or

c. The production or wastewater generating processes of the building, structure, facility or installation are substantially independent of an existing source at the same site. In determining whether these are substantially independent, factors such as the extent to which the new facility is integrated with the existing plant and the extent to which the new facility is engaged in the same general type of activity as the existing source should be considered.

(2) Construction on a site at which an existing source is located results in a modification rather than a new source if the construction does not create a new building, structure, facility or installation meeting the criteria of subsections (1)b. or (1)c. of this definition but otherwise alters, replaces or adds to existing process or production equipment.

(3) Construction of a new source, as defined, has commenced if the owner or operator, has:

a. Begun or caused to begin, as part of a continuous on-site construction program, any placement, assembly or installation of facilities or equipment; or significant site preparation work including clearing, excavation or removal of existing buildings, structures or facilities which is necessary for the placement, assembly or installation of new source facilities or equipment; or

b. Entered into a binding contractual obligation for the purchase of facilities or equipment which are intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering and design studies do not constitute a contractual obligation under this subsection.

Noncontact cooling water means water used for cooling which does not come into direct contact with any raw material, intermediate products, waste products or finished products.

Nonconventional pollutant means all pollutants which are not included in the list of conventional or toxic pollutants in 40 CFR 401.

Nondomestic source means any source of discharge of wastewater from any facility other than a residential unit meeting the requirements of a domestic wastewater producer.

Notice of violation (NOV) means a written notice signed by the director that notifies a user that a violation of any permit requirement, any section of this article or any other valid order has occurred and describes the facts of the violation.

NPDES (National Pollutant Discharge Elimination System) means the national program for issuing, modifying, revoking and reissuing, terminating, monitoring and enforcing permits, and imposing and enforcing pretreatment requirements under sections 307, 402, 318 and 405 of the Clean Water Act (CWA).

Pass through means a discharge that exits the POTW into the waters of the state in quantities or concentrations which, alone or in conjunction with a discharge from other sources, is a cause of violation of any requirement of the POTW's NPDES permit, including an increase in the magnitude or duration of a violation.

Person means any individual, partnership, co-partnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity or any other legal entity or their legal representatives, agents or assigns. This shall include all federal, state and local governmental entities.

pH means a measure of the acidity or alkalinity of a solution. The logarithm (base 10) of the reciprocal of the concentration of the hydrogen ions measured in grams per liter of solution and expressed in standard units (SU).

Pollutant means dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded

equipment, rock, sand, industrial, municipal and agricultural waste discharged into water, or wastewater having been changed in pH, temperature, TSS, turbidity, color, BOD, COD, toxicity or odor.

Pollution means the manmade or man-induced alteration of the chemical, physical, biological and radiological integrity of water.

Pretreatment means the reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to introducing such pollutants into the POTW. The reduction or alteration can be obtained by physical, chemical or biological processes; by process changes; or by other means except by diluting the concentration of pollutants unless allowed by an applicable pretreatment standard.

Pretreatment requirement means any substantive or procedural requirement related to pretreatment imposed on a user, other than a national pretreatment standard imposed on an industrial user.

Pretreatment standards means prohibited discharge standards, categorical pretreatment standards and local limits.

Private waste disposal system means a septic tank, cesspool or other facility intended for the disposal of wastewater.

Prohibited discharge standards or *prohibited discharges* means absolute prohibitions against the discharge of certain substances as set out in section 102-225~~106-240~~.

Public sewer means a sewer controlled or maintained by the city.

Publicly owned treatment works (POTW) means a treatment works as defined by 33 USC 1292 and owned by the city. This definition includes any devices or systems used in the collection, storage, treatment, recycling and reclamation of domestic or industrial waste of a liquid nature and any pipes which convey wastewater to a treatment plant.

Residential unit means a structure used primarily as housing and generating wastewater that includes but is not limited to human waste, kitchen waste, domestic wash water and bathwater. If there is located within or upon the same property as a residential unit any process, commercial activity or any other activity that generates wastewater not included in this definition, such wastewater shall not be classified as domestic wastewater.

Septic tank wastes means any sewage from holding tanks such as vessels, chemical toilets, campers, trailers, and septic tanks. Septic Tank Waste does not include grease interceptor or grease trap waste.

Significant industrial user (SIU), except as provided in paragraphs (3) and (4) of this definition, means any industrial user who:

(1) Is subject to categorical pretreatment standards under 40 CFR 403.6 and 40 CFR chapter I, subchapter N; or

(2) A user that:

a. Discharges 25,000 gallons or more per average workday of process wastewater to the POTW, excluding sanitary, noncontact cooling and boiler blowdown wastewater;

b. Contributes a process waste stream which makes up five percent or more of the average dry weather hydraulic or organic capacity of the POTW treatment plant; or

c. Is designated by the director as having the reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement in accordance with 40 CFR 403.8(f)(6).

(3) The city may determine that an industrial user subject to categorical pretreatment standards is a non-significant categorical industrial user (NSCIU) rather than a significant industrial user on a finding that

the industrial user never discharges more than 100 gallons per day (gpd) of total categorical wastewater (excluding sanitary, non-contact cooling and boiler blowdown wastewater, unless specially included in the Pretreatment Standard) and the following conditions are met:

a. The industrial user, prior to director's finding, has consistently complied with all applicable categorical pretreatment standards and requirements;

b. The industrial user annually submits the certification statement required in section 102-307(b)~~106-333(b)~~ and Tennessee Rule 0400-40-14-.12(17), as amended from time to time, together with any additional information necessary to support the certification statement; and

c. The industrial user never discharges any untreated concentrated wastewater.

(4) Upon a finding that a user meeting the criteria in subsection (2) above has no reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement, the city may at any time, on its own initiative or in response to a petition received from an Industrial User, and in accordance with procedures in Tennessee Rule 0400-4~~1~~0-14-.08(6)(f), determine that such User should not be considered a significant industrial user.

Significant noncompliance means the following and shall be applicable to all significant industrial users (or any other industrial user that violates paragraphs (3~~c~~), (4~~d~~), or (8~~h~~) in this definition and shall mean):

(1) Chronic violations of wastewater discharge limits, defined here as those in which 66 percent or more of all the measurements taken for the same pollutant parameter taken during a six-month period exceed by any magnitude a numeric pretreatment standard or requirement, including instantaneous limits.

(2) Technical review criteria (TRC) violations, defined here as those in which 33 percent or more of wastewater measurements taken for each pollutant parameter during a six-month period equals or exceeds the product of the numeric pretreatment standard or requirement including instantaneous limits, as defined by section 102-142~~106-151~~ multiplied by the applicable criteria (1.4 for BOD, TSS, fats, oils and grease, and 1.2 for all other pollutants except pH);

(3) Any violation of a Pretreatment Standards or Pretreatment Requirements as defined in section 106-151 that the director determines has caused, alone or in combination with other discharges, Interference or Pass Through, including endangering the health of POTW personnel or the general public;

(4) Any discharge of a pollutant that has caused imminent endangerment to human health, welfare or to the environment or has resulted in the POTW's exercise of its emergency authority under 40 CFR 403.8(f)(1)(vi)(B) to halt or prevent such a discharge.

(5) Failure to meet, within 90 days after the schedule date, a compliance schedule milestone contained in a local control mechanism or enforcement order for starting construction, completing construction or attaining final compliance.

(6) Failure to provide, within 30 days after the due date, required reports such as baseline monitoring reports, 90-day compliance reports, periodic self-monitoring reports and reports on compliance with compliance schedules.

(7) Failure to accurately report noncompliance.

(8) Any other violation or group of violations, which may include a violation of best management practices, the director determines will adversely affect the operation or implementation of the local pretreatment program (40 CFR 403.8(f)(2)(vii)).

Sludge means solid, semisolid or liquid residue generated during treatment of domestic or industrial sewage in a treatment works.

Slug load or *slug discharge* means any discharge at a flow rate or concentration, which could cause a violation of the prohibited discharge standards in section ~~106-240~~102-225. A slug discharge is any discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch Discharge, which has a reasonable potential to cause Interference or Pass Through, or in any other way violate the POTW's regulations, local limits or permit conditions.

Standard industrial classification (SIC) means a classification pursuant to the Standard Industrial Classification Manual issued by the United States Office of Management and Budget.

Storm sewer or *storm drain* means a pipe or conduit which carries stormwater and surface water and drainage, excluding domestic and industrial waste or wastewater.

Stormwater means any flow of water resulting from any form of precipitation.

Suspended solids or *total suspended solids (TSS)* means the total suspended matter that floats on the surface of or is suspended in water, wastewater or other liquid and which is removable by laboratory filtering by approved procedures according to 40 CFR 136.

Toxic material means any substance, or compound containing such substance, as set out in 40 CFR 401.15.

Treatment plant means that portion of a POTW designed to treat wastewater.

User means any person who contributes, causes or allows the contribution of wastewater into the POTW.

Wastewater means industrial or domestic liquid waste from dwellings, commercial buildings, industrial or manufacturing facilities and institutions, together with any groundwater, surface water or stormwater that may be present, whether treated or untreated, which is contributed to or allowed to enter the POTW.

Wastewater discharge permit means a control document issued by the director authorizing conditional discharge of pollutants into the POTW as specified in division 6 of this article.

Waters of the state means any and all waters, public or private, on or beneath the surface of the ground, which are contained within, flow through or border upon this state or any portion thereof except those bodies of water confined to and retained within the limits of private property in a single ownership which do not combine or effect a junction with natural surface or underground waters.

(Code 1981, § 26-63; Code 1998, § 106-151; Ord. No. 5949, § I, 4-6-2010; Ord. No. 6648, § I, 2-21-2017)

DIVISION 2. ADMINISTRATION AND ENFORCEMENT

Sec. 102-167. Duties and authority of the director.

(a) Except as otherwise provided in this article, the director of utilities ~~public works~~ shall administer, implement and enforce this article by and through the department of public works.

(b) The director shall have the following specific powers, duties and responsibilities which may be delegated by the director to other city personnel:

(1) Administer and enforce a pretreatment program in accordance with 40 CFR 403, federal pretreatment program requirements, T.C.A. § 69-3-123 et seq. and this article;

(2) Develop and implement a uniform enforcement response plan;

(3) Recommend a schedule of civil penalties for violations of this article;

(4) Maintain all records required by divisions 1 through 8 of this article; and

(5) Issue emergency orders.

(c) The director shall have the following powers, duties and responsibilities, which shall not be delegated:

(1) Issue, modify or revoke permits and exceptions, subject to rights of appeal set out in this article;

(2) Issue notices of violation whenever it is found that a user has violated or is violating any permit requirement, order or any section of this article. Such notice of violation may require submittal of a plan of correction by the user;

(3) Sign and issue consent orders ensuring voluntary compliance, including necessary remedial or preventive action, according to a fixed time schedule;

(4) Issue compliance orders;

(5) Conduct show cause hearings to review facts of alleged violations in order to determine and pursue any appropriate enforcement remedy;

(6) Levy civil penalties for violation of this article, for damages to the POTW or for injury to POTW personnel; and

(7) Terminate water service, sewer service or both, in conformance with this article.

(d) In the absence or incapacity of the director and in an emergency, the city manager shall assume all duties and responsibilities of the director unless the director shall have previously appointed a person to serve in his stead.

(Code 1981, § 26-69; Code 1998, § 106-186)

Sec. 102-185. Appeals process.

Pursuant to T.C.A. § 69-3-123 et seq., the stormwater appeals board created in section 38-119 ~~42-79~~, and referred to in this article as the appeals board, shall serve at the local hearing authority for appeals. Except in emergency suspensions pursuant to section 102-176, any user against whom a penalty has been assessed for a violation of this article, a permit denied, revoked, suspended, against whom the director has issued an order or who is otherwise aggrieved by an act of the director shall have 30 days after having been served with the assessment or order, or after a permit has been denied, revoked or suspended, or such person has been aggrieved to appeal the action by filing with the director a written petition for appeal setting forth the grounds and reasons for the appeal. The failure to serve the director within 30 days with the written petition for appeal is jurisdictional, and if an appeal is not taken within the 30 days the matter shall be final.

(Ord. No. 5949, § III(106-204), 4-6-2010)

DIVISION 3. GENERAL WASTEWATER DISPOSAL

Sec. 102-226. Restrictions on wastewater strength.

(a) No user shall discharge wastewater which exceeds the standards established in Table A, User Discharge Restrictions, as set out in subsection (c), unless an exception is permitted in this article. Dilution of any wastewater discharge for the purpose of satisfying these requirements shall be considered a violation of this article. The director is authorized and has established Local Limits pursuant to Tennessee Rule 0400-~~-~~40-14-.05(3). The director may develop best management practices (BMPs), in individual wastewater discharge permits, to implement Local Limits and the requirements of section 102-225~~106-240~~.

(b) The director shall monitor the treatment works influent for each parameter in table A, user discharge restrictions, as set out in subsection (c), nondomestic users shall be subject to reporting and monitoring requirements regarding these parameters as set forth in table A, user discharge restrictions, as set out in subsection (c). If the influent at the POTW reaches or exceeds the established allowable loadings for these parameters, the director shall initiate technical studies to determine the cause of the influent violation and shall recommend to the board of mayor and aldermen the necessary remedial measures, including but not limited to establishment of new or revised pretreatment levels for these parameters. The director shall also recommend changes to any of these criteria if the POTW effluent standards are changed, if there are changes in any applicable law or regulation affecting such or if changes are needed for more effective operation of the POTW.

(c) The pollutant limits in table A, user discharge restrictions, as set forth in this subsection, are established to protect against pass through and interference. Unless specifically authorized by the terms of a wastewater discharge permit or special agreement as authorized by section 102-146, no user shall discharge wastewater containing in excess of the following daily maximum or monthly average allowable discharge limits:

Table A. User Discharge Restrictions

Pollutant	Daily Maximum Limit (mg/l)*	Monthly Average Limit (mg/l)*
Ammonia nitrogen (NH3-N)	66.87	25.24
Benzene	0.048	0.032
Carbon tetrachloride	0.468	0.312
Chloroform	1.610	1.074
Trans-1, 2-Dichloroethylene	0.035	0.023
Ethylbenzene	0.122	0.081
Methylene chloride	0.881	0.587
Naphthalene	0.026	0.017
Tetrachloroethylene	0.153	0.102
Toluene	0.248	0.165
1, 1, 1 Trichloroethane	0.248~~410~~	0.165
Trichloroethylene	0.289	0.193
Total phthalates**	1.301	0.867
Arsenic (total)	1.13	0.75
Cadmium (total)	0.12	0.08
Chromium (total)	3.68	2.43
Copper (total)	1.62	1.07
Cyanide (total)	0.52	0.35
Lead (total)	1.06	0.71
Mercury (total)	0.0126	0.0084
Molybdenum (total)	7.24	4.82
Nickel (total)	1.97	1.30
Phenols (total)	0.70	0.46
Selenium (total)	3.46	2.31
Silver (total)	0.23	0.156~~23~~
Zinc (total)	1.79	1.18
Xylene	0.180	0.120
Hydrogen sulfide	0.5	NA

*Based on 24-hour flow proportional composite samples, if appropriate for parameter.

**Total phthalates is defined as the sum of benzylbutyl phthalate, bis (2 ethylhexyl) phthalate, Di-n-butyl phthalate, and diethylphthalate.

(d) The limits in table A apply at the point where the wastewater is discharged to the POTW. All concentrations of metallic substances are for total metal unless indicated otherwise.

(e) The city reserves the right to establish, by ordinance or in wastewater discharge permits, more stringent standards or requirements on discharges to the POTW.

(Code 1981, § 26-77; Code 1998, § 106-241; Ord. No. 5949, § VI, 4-6-2010; Ord. No. 6648, § II, 2-21-2017; Ord. No. 6878, § 1, 7-21-2020; Ord. No. 7162, § I, 7-16-2024)

DIVISION 6. WASTEWATER DISCHARGE PERMITS

Sec. 102-307. Application signatures and certification.

(a) Every nondomestic wastewater discharge permit application and any reports required by this article shall be signed by an authorized representative of the user and shall contain the following certification:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to ensure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

(b) Annual certification for nonsignificant categorical industrial users, a facility determined by the director to be a nonsignificant categorical industrial user, as defined in section 102-142, as part of the term significant industrial user, must annually submit the certification statement set forth in this subsection, signed by an authorized representative, as defined in section 102-142. The following certification statement must accompany an alternative report required by the director:

"Based on my inquiry of the person or persons directly responsible for managing compliance with the categorical pretreatment standards under 40 CFR _____, I certify that, to the best of my knowledge and belief that during the period from _____, _____ to _____, _____ [months, days, year]:

(a) The facility described as _____ [facility name] met the definition of a Non-Significant Categorical Industrial User as described in ~~1.4 GG (3~~section 102-142~~)~~; [Note: See 40 CFR 403.3(v)(2)]

(b) The facility complied with all applicable pretreatment standards and requirements during this reporting period; and

(c) The facility never discharged more than 100 gallons of total categorical wastewater on any given day during this reporting period.

This compliance certification is based on the following information: _____

."

(Code 1981, § 26-94; Code 1998, § 106-333; Ord. No. 5949, § VIII, 4-6-2010)

DIVISION 7. REPORTING REQUIREMENTS

Sec. 102-348. Baseline monitoring reports.

(a) *Categorical/significant industrial users discharging to POTW.* Within either 180 days after the effective date of a categorical pretreatment standard or the final administrative decision on a category determination under 40 CFR 403.6(a)(4), whichever is later, existing categorical or significant industrial users currently discharging to or scheduled to discharge to the POTW shall submit to the director a report which contains the information listed in subsection (b) of this section. At least 90 days prior to commencement of their discharge, new sources and sources that become categorical users subsequent to the promulgation of an applicable categorical standard, shall submit to the director a report which contains the information listed in subsection (b) of this section. A new source shall report the method of pretreatment it intends to use to meet applicable categorical standards. A new source also shall give estimates of its anticipated flow and quantity of pollutants to be discharged.

(b) *Required information.* Users described in subsection (a) of this section shall submit the following information:

(1) *Identifying information.* The name and address of the facility, including the name of the operator and owner.

(2) *Environmental permits.* A list of any environmental control permits held by or for the facility.

(3) *Description of operations.* A brief description of the nature, average rate of production, and standard industrial classifications of the operation carried out by such user. This description should include a schematic process diagram which indicates points of discharge to the POTW from the regulated processes.

(4) *Flow measurement.* Information showing the measured average daily and maximum daily flow, in gallons per day, to the POTW from regulated process streams and other streams, as necessary, to allow use of the combined wastestream formula set out in 40 CFR 403.6(e).

(5) *Measurement of pollutants.*

a. The User shall identify the Pretreatment Standards applicable to each regulated process; ~~The categorical pretreatment standards applicable to each regulated process.~~

b. In addition, the User shall submit the results of sampling and analysis identifying the nature and concentration (or mass, where required by the Standard or Control Authority) of regulated pollutants in the discharge from each regulated process. Both daily maximum and average concentration (or mass, where required) shall be reported. The sample shall be representative of daily operations. In cases where the Standard requires compliance with a Best Management Practice or pollution prevention alternative, the User shall submit documentation as required by the Control Authority or the applicable Standards to determine compliance with the Standard; ~~The results of sampling and analysis identifying the nature and concentration, or mass, where required by the standard or by the director, of regulated pollutants in the discharge from each regulated process. Instantaneous, daily maximum and longterm average concentrations, or mass, where required, shall be reported. The sample shall be representative of daily operations and shall be analyzed in accordance with this article.~~

c. The User shall take a minimum of one representative sample to compile that data necessary to comply with the requirements of this paragraph;

d. Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated wastewater prior to pretreatment the User should measure the flows and concentrations necessary to allow use of the combined waste stream formula of paragraph (5) of Rule 0400-40-14-.06 in order to evaluate compliance with the Pretreatment Standards. Where an alternate concentration or mass limit has been calculated in accordance with paragraph (5) of Rule 0400-40-14-.06 this adjusted limit along with supporting data shall be submitted to the Control Authority;

e. Sampling and analysis shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto. Where 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, or where the Administrator determines that the 40 CFR Part 136 sampling and analytical techniques are inappropriate for the pollutant in question, sampling and analysis shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by the WWF or other parties, approved by the Administrator;

f. The Control Authority may allow the submission of a baseline report which utilizes only historical data so long as the data provides information sufficient to determine the need for industrial pretreatment measures;

g. The baseline report shall indicate the time, date and place, of sampling, and methods of analysis, and shall certify that such sampling and analysis is representative of normal work cycles and expected pollutant discharges to the WWF;

~~Sampling must be performed in accordance with procedures set forth in section 102-358.~~

(6) *Certification.* A statement, reviewed by the user's authorized representative as defined in section 102-142~~106-151~~ and certified by a qualified professional, indicating whether pretreatment standards are being met on a consistent basis, and if not, whether additional operation and maintenance and additional pretreatment is required to meet the pretreatment standards and requirements.

(7) *Compliance schedule.* If additional pretreatment or operation and maintenance will be required to meet the pretreatment standards, the shortest schedule by which the user will provide such additional pretreatment or operation and maintenance. The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard. A compliance schedule pursuant to this section must meet the requirements set forth in section 102-349~~106-377~~.

(Code 1981, § 26-107; Code 1998, § 106-376; Ord. No. 5949, § IX(106-376), 4-6-2010)

Sec. 102-350. Reports on compliance with categorical pretreatment standard deadline.

Within 90 days following the date for final compliance with applicable categorical pretreatment standards or in the case of a new source following commencement of the introduction of wastewater into the POTW, any user subject to such pretreatment standards and requirements shall submit to the director a report containing the information described in section 102-348(b)(4) through (6). For users subject to categorical pretreatment standards expressed in terms of allowable pollutant discharge per unit of production or other measure of operation, this report shall include the user's actual production during the appropriate sampling period. All compliance reports must be signed and certified in accordance with section 102-307~~106-333~~.

(Code 1981, § 26-109; Code 1998, § 106-378; Ord. No. 5949, § X, 4-6-2010)

Sec. 102-352. Reports of changed conditions.

(a) Each user shall notify the director of any changes to the user's operations or system which may alter the nature, quality or volume of its wastewater at least 30 days before any planned change occurs or as early as practicable under the circumstances in all other cases.

(b) The director may require the user to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a wastewater discharge permit application under division 6 of this article.

(c) The director may issue a wastewater discharge permit under division 6 of this article or modify an existing wastewater discharge permit under section 102-3178 in response to changed conditions or anticipated changed conditions.

(Code 1981, § 26-111; Code 1998, § 106-380)

Sec. 102-356. Slug reporting and control.

(a) Under this article, all users shall provide such facilities and institute such procedures as are reasonably necessary to prevent or minimize the potential for slug discharges.

(b) Any user who has a history of slug discharges shall be subject, on a case-by-case basis, to a requirement to construct facilities and establish procedures which will prevent or minimize the potential for slug discharges. Such facilities shall be provided and maintained at the user's expense. Detailed plans of facilities and operating procedures required by this subsection shall be submitted to the director before the facility is constructed. Review and approval of the plans and operating procedures will in no way relieve the user of responsibility for modifying the facility to provide the protection necessary to meet the requirements of this article.

(c) Any person causing or suffering any slug discharge shall, immediately upon becoming aware of such discharge, notify the director by telephone to enable counter measures to be taken to minimize damage to the POTW, the health and welfare of the public and the environment. This notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the user. This notification shall be followed within five days of the date of the occurrence by a detailed written statement describing the cause of the slug discharge and measures being taken to prevent future occurrence. Such notification shall not relieve the user of liability for any expense, loss or damage to the POTW, natural resources, fish kills or any other damage to persons or property nor shall such notification relieve the user of any fines, civil penalties or other liability which may be imposed by this article or state or federal law.

(d) Significant industrial users are required to notify the director immediately of any changes at its facility affecting the potential for a slug discharge.

(e) Slug control plan. Any industrial user may be required to develop and implement an accidental discharge/slug control plan pursuant to 40 CFR 403.8(f)(2)(vi). At least once, the city shall evaluate whether any significant industrial user needs such a plan. New significant industrial users will be evaluated for such a plan within 12 months of the start of their operation. After the initial slug control plan is provided to the city, the city may periodically evaluate the significant industrial user for any changes that need to be made to the plan. Any industrial user required to develop and implement an accidental discharge/slug control plan shall submit a plan to the city which addresses at a minimum, the following:

(1) Description of discharge practices including nonroutine discharges;

(2) Description of all stored chemicals, including oil and fuel;

(3) Procedures for immediately notifying the POTW of slug discharges, including any discharge that would violate a prohibition under 40 CFR 403.5(b), with procedures for followup written notification within five days;

(4) Procedures to prevent adverse impact from any accidental spills, including inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading, operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants (including solvents), and measures and equipment for emergency response.

(f) Employers shall ensure that all employees who may cause, suffer or become aware of such slug discharges are aware of the emergency notification procedure.

(g) Failure to comply with this section shall constitute a violation of this article.

(Code 1981, § 26-114.5; Code 1998, § 106-384; Ord. No. 4573, § II, 9-1-1998; Ord. No. 5949, § XIII, 4-6-2010)

STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES
Davy Crockett Tower, 9th Floor
500 James Robertson Parkway
Nashville, Tennessee 37243

October 23, 2026

Mr. Tom Hensley
Assistant Utilities Director
City of Kingsport
620 W. Industry Dr.
Kingsport, TN 37660

SENT VIA ELECTRONIC MAIL TO: TomHensley@KingsportTN.gov

Re: Pretreatment Program Modifications – **Final Approval**
Kingsport Pretreatment Program
NPDES Permit No. TN0020095
Sullivan County

Dear Mr. Hensley,

The Division of Water Resources (Division) acknowledges receipt on October 21, 2026 of the City of Kingsport's (Kingsport's) proposed modifications to the Sewer Use Ordinance of Kingsport Pretreatment Program. The proposed changes are considered non-substantial modifications in accordance with Tennessee Rule 0400-40-14-.18 and public notification is not required. Therefore, the Division grants final approval for the modifications.

If you have any questions, please contact Thach Nguyen at 615-982-1756 or Thach.Nguyen@tn.gov. You may also contact me at 615-961-4440 or Samantha.ONeil@tn.gov.

Sincerely,

Samantha O'Neil
State Pretreatment Coordinator
Water-Based Systems

SLO:TQN

Cc: Ms. Catherine Simmons – DWR, Johnson City EFO – Catherine.Simmons@tn.gov
Mr. Gordon Holconb – DWR, Nashville CO – Gordon.Holcomb@tn.gov
Mr. Eric Vermillion – City of Kingsport – EricVermillion@KingsportTN.gov
Ms. Niki Ensor – City of Kingsport – NikiEnsor@KingsportTN.gov

KINGSPORT
TENNESSEE

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

Action Form No.:	AF-315-2026	Final Adoption:	November 17, 2026
Work Session:	November 2, 2026	Staff Work By:	Wilson
First Reading:	November 3, 2026	Presentation By:	McCartt

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Budget Ordinance

Executive Summary:
If approved, the ordinance will be final amendment to the FY 2026 budget to ensure compliance with state budget regulations.

General Fund be amended by increasing $782,000 in tangible personal property tax, transferring $45,002 to General Project Fund for fire truck outfitting, transferring $ 2,045,706 to Regional Sales Tax entities Meadowview Fund and Aquatics Fund to eliminate prior years due to/from amounts.

The Visitors Enhancement Fund be amended by appropriating $18,000 for consulting services.

The General Projects Fund be amended by accepting $145,000 from the general fund into the Future Projects Funding Project GP9999.

The Aquatic Center Fund be amended by accepting $1,821,271 from the General Fund.

The Meadowview Conference Center Fund be amended by accepting $224,435 from the General Fund.

Attachments:
1. Budget Ordinance
2. Ordinance Summary

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE
AMENDING THE 2025-2026 FISCAL YEAR BUDGET

WHEREAS, the City adopted the fiscal year 2025-2026 budget by passage of Ordinance No. 7208; and

WHEREAS, pursuant to the Tennessee state constitution, Section 24 of Article II, no public money shall be expended except pursuant to appropriations made by law; and

WHEREAS, pursuant to the Municipal Budget Law of 1982, as found in the Tennessee Code Annotated, Section 6-56-209, the Mayor and Board of Mayor and Aldermen have the authority to authorize the budget officer to transfer moneys from one appropriation to another within the same fund; and

WHEREAS, expenses and revenues are anticipated to vary from original budgeted amounts; and

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

SECTION I. Ordinance No. 7208 is hereby amended increasing(decreasing) the fiscal year 2025-2026 budget as follows:

General Fund: 110	**FY 2026 Budgeted**	**FY 2026 Estimated**	**Proposed Amendment**
Appropriations:			
Revenues			
110-0000-311.20-10 Tangible Personal Property Tax	9,060,000	9,842,000	782,000
Total	**$ 9,060,000**	**$ 9,842,000**	**$ 782,000**
Expenditures			
110-4024-462.20-56 Repair & Maint. Vehicles	490,000	935,000	445,000
110-4804-481.70-35 Transfer to Gen Proj Fund	4,859,599	4,904,601	45,002
110-4804-481.70-26 Transfer to Meadowview Fund	-	224,435	224,435
110-4804-481.70-39 Transfer to Aquatics Fund	-	1,821,271	1,821,271
110-1005-405.80-71 Aerospace Park	115,000	-	(115,000)
110-2505-435.10-10 Salaries and Wages	642,650	570,000	(72,650)
110-4043-462.20-20 Professional Consultant	145,475	40,000	(105,475)
110-4530-473.10-10 Salaries and Wages	926,250	753,510	(172,740)
110-3030-443.10-10 Salaries and Wages	5,161,375	5,065,000	(96,375)
110-3001-441.20-65 Red Light Camera Enforce	200,000	85,000	(115,000)
110-1013-404.20-57 Computer Repair	1,934,795	1,844,795	(90,000)
110-1005-405.80-80 Sullivan Co. Econ. Dev.	280,062	217,302	(62,760)
110-4810-481.20-34 Telephone	170,000	200,000	30,000
110-4806-481.10-10 Salaries and Wages	(800,000)	-	800,000
Total	**$ 14,125,206**	**$ 16,660,914**	**$ 2,535,708**
Change in Fund Balance			**$ (1,753,708)**

Visitor's Enhancement Fund: 135	FY 2026 Budgeted	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
	-	-	-
Total	**$ -**	**$ -**	**$ -**
Expenditures			
135-1015-405.20-20 Professional Consultant	-	18,000	18,000
Total	**$ -**	**$ 18,000**	**$ 18,000**
Change in Fund Balance	**$ -**	**$ -**	**$ (18,000)**

General Projects Fund: 311 Future Project Funding (GP9999)	FY 2026 Budgeted	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-391.01-00 From General Fund	289,123	434,123	145,000
Total	**$ 289,123**	**$ 434,123**	**$ 145,000**
Expenses			
311-0000-601.90-03 Improvements	301,901	446,901	145,000
Total	**$ 301,901**	**$ 446,901**	**$ 145,000**
Change in Project Fund Balance			$ -

Aquatic Center Fund: 419	FY 2026 Budgeted	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
419-0000-391.01-00 From General Fund	-	1,821,271	1,821,271
Total	**$ -**	**$ 1,821,271**	**$ 1,821,271**
Expenses			
	-	-	-
Total	**$ -**	**$ -**	**$ -**
Change in Project Fund Balance			$ 1,821,271

Meadowview Conference Center Fund: 420	FY 2026 Budgeted	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
420-0000-391.01-00 From General Fund	-	224,435	224,435
Total	**$ -**	**$ 224,435**	**$ 224,435**
Expenses			
	-	-	-
Total	**$ -**	**$ -**	**$ -**
Change in Project Fund Balance			$ 224,435

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

_____

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:

CITY OF KINGSPORT
FISCAL YEAR 2025-2026
BUDGET AMENDMENT AF-315-2026

ITEM ONE: Appropriate $782,000 in Tangible Personal Property Tax Revenue

Amend the General Fund budget to recognize $782,000 in tangible personal property tax revenue and authorize transfers to the General Projects Fund, MeadowView Conference Center Fund, and Aquatics Fund to address funding needs in those funds.

ITEM TWO: Appropriate $18,000 for Professional Consulting Services

Amend the Visitors Enhancement Fund budget to appropriate $18,000 for a professional consulting contract.

ITEM THREE: Transfer $145,000 to General Projects Fund for Future Projects

Amend the General Projects Fund budget to accept $145,000 from the General Fund and appropriate the funds to GP9999 – Future Projects to provide funding for future projects.

ITEM FOUR: Transfer $1,821,271 to the Aquatics Fund

Amend the Aquatics Fund budget to accept $1,821,271 from the General Fund to address the fund's negative cash balance at the end of FY2026.

ITEM FIVE: Transfer $224,435 to the MeadowView Conference Center Fund

Amend the MeadowView Conference Center Fund budget to accept $224,435 from the General Fund to address the fund's negative cash balance.

ITEM SIX: Transfer General Fund Budget Items Between Departments

Amend expenditure budgets closer to actuals.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2027

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-316-2026	Final Adoption:	November 17, 2026
Work Session:	November 2, 2026	Staff Work By:	Wilson
First Reading:	November 3, 2026	Presentation By:	McCartt

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Budget Ordinance

Executive Summary:
If approved, the ordinance will amend the FY 2027 budget as follows:

General Fund be amended by accepting $116,140 from the Capital Project Fund, reducing Tangible Personal Property Tax by $1,194,921, reducing Commercial Property Tax by $187,304 and increasing Residential Property Tax budget by $541,458., transferring $116,140 to UMTA Fund and decreasing transfer to the Debt Service Fund in the amount of $571,633.

The Urban Mass Transit Fund be amended by accepting $7,083 from General fund into FTA028 project, accepting $47,057 from General Fund into FTA038 project $472,000 from General Fund and $635,500 from Tennessee Dept of Transportation into FTA041.

The Debt Service Project be amended by decreasing transfer from General Fund in amount of $571,633.

The General Project Fund be amended by accepting $145,000 from the GP9999 Future Project Funding into Fire Truck Outfitting & Other Capital (GP2704) project and by appropriating $5,200,000 FIS Project (GP2705) for new FIS implementation costs.

Attachments:
1. Budget Ordinance
2. Ordinance Summary

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE
AMENDING THE 2026-2027 FISCAL YEAR BUDGET

WHEREAS, the City adopted the fiscal year 2026-2027 budget by passage of Ordinance No. 7267; and

WHEREAS, pursuant to the Tennessee state constitution, Section 24 of Article II, no public money shall be expended except pursuant to appropriations made by law; and

WHEREAS, pursuant to the Municipal Budget Law of 1982, as found in the Tennessee Code Annotated, Section 6-56-209, the Mayor and Board of Mayor and Aldermen have the authority to authorize the budget officer to transfer moneys from one appropriation to another within the same fund; and

WHEREAS, expenses and revenues are anticipated to vary from original budgeted amounts; and

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

SECTION I. Ordinance No. 7267 is hereby amended increasing(decreasing) the fiscal year 2026-2027 budget as follows:

General Fund: 110	**FY 2027 Budgeted**	**FY 2027 Estimated**	**Proposed Amendment**
Appropriations:			
Revenues			
110-0000-311.20-10 Tangible Personal Property Tax	10,645,500	9,450,579	(1,194,921)
110-0000-311.10-10 Commercial Property Tax	13,783,500	13,596,196	(187,304)
110-0000-311.10-30 Residential Property Tax	23,449,800	23,991,258	541,458
110-0000-391.36-00 From Capital Projects Fund	-	116,140	116,140
Total	**$ 47,878,800**	**$ 47,154,173**	**$ (724,627)**
Expenditures			
110-4804-481.70-29 To Debt Service Fund	11,679,634	11,108,001	(571,633)
110-2001-421.90-03 Capital Outlay	-	571,633	571,633
110-4804-481.70-13 To UMTA Fund	410,000	526,140	116,140
Total	**$ 12,089,634**	**$ 12,205,774**	**$ 116,140**
Change in Fund Balance	**$ (621,674)**	**$ (1,462,441)**	**$ (840,767)**

Urban Mass Transit Fund: 123 Vehicle Replacement (FTA028)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
123-0000-391.01-00 From General Fund	71,025	78,108	7,083
Total	**$ 71,025**	**$ 78,108**	**$ 7,083**
Expenditures			
123-5901-602.90-06 Purchases $5,000 & Over	740,758	747,841	7,083
Total	**$ 740,758**	**$ 747,841**	**$ 7,083**
Change in Fund Balance			$ -

Urban Mass Transit Fund: 123 5307 Operations/ Capital (FTA038)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Revenues			
123-0000-391.01-00 From General Fund	675,514	722,571	47,057
Total	**$ 675,514**	**$ 722,571**	**$ 47,057**
Expenditures			
123-5901-602.20-99 Miscellaneous	96,896	143,953	47,057
Total	**$ 96,896**	**$ 143,953**	**$ 47,057**
Change in Fund Balance			$ -

Urban Mass Transit Fund: 123 5307 Operations/ Capital 2027 (FTA041)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
123-0000-332.90-00 Department of Transportation	-	635,500	635,500
123-0000-391.01-00 From General Fund	-	472,000	472,000
Total	**$ -**	**$ 1,107,500**	**$ 1,107,500**
Expenditures			
123-5901-602.10-10 Salaries & Wages	-	600,000	600,000
123-5901-602.10-11 Overtime	-	30,000	30,000
123-5901-602.10-20 Social Security	-	47,500	47,500
123-5901-602.10-30 Group Health Insurance	-	100,000	100,000
123-5901-602.10-41 TCRS Retirement	-	56,325	56,325
123-5901-602.10-42 TCRS Hybrid Retirement	-	8,780	8,780
123-5901-602.10-43 ICMA Retirement	-	17,555	17,555
123-5901-602.10-44 TCRS Stabilization %	-	2,340	2,340
123-5901-602.10-50 Life Insurance	-	1,200	1,200
123-5901-602.10-52 Long Term Disability Ins	-	1,150	1,150
123-5901-602.10-60 Workmen's Compensation	-	800	800

123-5901-602.10-61 Unemployment Insurance	-	500	500
123-5901-602.20-10 Advertising & Publication	-	500	500
123-5901-602.20-11 Printing & Binding	-	1,500	1,500
123-5901-602.20-20 Professional/Consultant	-	4,000	4,000
123-5901-602.20-30 Electric Service	-	13,500	13,500
123-5901-602.20-33 Water & Sewer	-	5,500	5,500
123-5901-602.20-34 Telephone	-	4,000	4,000
123-5901-602.20-36 Natural Gas	-	6,000	6,000
123-5901-602.20-40 Travel Expense	-	5,000	5,000
123-5901-602.20-41 Registration Fees/Tuition	-	2,500	2,500
123-5901-602.20-42 Personal Vehicle Reimburse	-	150	150
123-5901-602.20-43 Dues & Memberships	-	3,750	3,750
123-5901-602.20-44 Literature/Subscriptions	-	500	500
123-5901-602.20-45 Training	-	4,000	4,000
123-5901-602.20-52 Medical Services	-	500	500
123-5901-602.20-54 Equipment Rental	-	3,000	3,000
123-5901-602.20-55 Repairs & Maintenance	-	6,000	6,000
123-5901-602.20-56 Repairs & Maint-Vehicles	-	70,000	70,000
123-5901-602.20-57 Computer Repairs/Mainten	-	2,000	2,000
123-5901-602.20-69 Stormwater Fee Expense	-	600	600
123-5901-602.20-75 Temporary Employees	-	5,000	5,000
123-5901-602.20-99 Miscellaneous	-	5,600	5,600
123-5901-602.30-10 Office Supplies	-	1,500	1,500
123-5901-602.30-11 Postage	-	250	250
123-5901-602.30-12 Food	-	2,000	2,000
123-5901-602.30-20 Operating Supplies & Tool	-	2,500	2,500
123-5901-602.30-22 Maintenance Supplies	-	12,000	12,000
123-5901-602.30-26 Sign Parts & Supplies	-	500	500
123-5901-602.30-29 Clothing & Uniforms	-	4,000	4,000
123-5901-602.50-99 Contract Services	-	75,000	75,000
Total	**$ -**	**$ 1,107,500**	**$ 1,107,500**
Change in Fund Balance			**$ -**

.

Debt Service Fund: 211	**FY 2027 Budgeted**	**FY 2027 Estimated**	**Proposed Amendment**
Revenues			
211-0000-39101-00 From General Fund	11,679,634	11,108,001	(571,633)
Total	**$ 11,679,634**	**$ 11,108,001**	**$ (571,633)**
Expenditures			
211-4805-481.40-06 Bond Principal - General	8,762,376	8,333,651	(428,725)
211-4805-481.40-08 Bond Interest - General	2,917,258	2,774,350	(142,908)
Total	**$ 11,679,634**	**$ 11,108,001**	**$ (571,633)**
Change in Fund Balance			$ -

General Project Fund: 311 Fire Truck Outfitting & Other Capital (GP2704)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-391.01-00 From General Fund	-	145,000	145,000
Total	**$ -**	**$ 145,000**	**$ 145,000**
Expenses			
311-0000-601.90-03 Improvements	-	145,000	145,000
Total	**$ -**	**$ 145,000**	**$ 145,000**
Change in Project Fund Balance			$ -

General Project Fund: 311 FIS (GP2705)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000.368.10-74 Bond Proceeds	-	5,200,000	5,200,000
Total	**$ -**	**$ 5,200,000**	**$ 5,200,000**
Expenses			
311-0000-601.90-03 Improvements	-	5,200,000	5,200,000
Total	**$ -**	**$ 5,200,000**	**$ 5,200,000**
Change in Project Fund Balance			$ -

General Project Fund: 311 Future Project Funding (GP9999)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-391.01-00 From General Fund	434,123	289,123	(145,000)
Total	**$ 434,123**	**$ 289,123**	**$ (145,000)**
Expenditures			
311-0000-601.70-01 To General Fund	-	116,140	116,140
311-0000-601.90-03 Improvements	446,901	185,761	(261,140)
Total	**$ 446,901**	**$ 301,901**	**$ (145,000)**
Change in Project Fund Balance			$ -

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

_____

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:

CITY OF KINGSPORT
FISCAL YEAR 2026-2027
BUDGET AMENDMENT AF-316-2026

ITEM ONE: Appropriate $5,200,000 in General Projects Fund for FIS Implementation Costs

Amend the General Projects Fund by appropriating $5,200,000 in future bond proceeds to GP2705 – FIS Project to cover one-time implementation costs for Tyler and UKG software systems.

ITEM TWO: Transfer $116,140 to the Urban Mass Transit Fund

Amend the General Fund budget to accept $116,140 from the Capital Projects Fund and transfer $116,140 to the Urban Mass Transit Fund for local match to Federal and State grants to support transit-related projects.

ITEM THREE: Appropriate Funding for Urban Mass Transit Projects

Amend the Urban Mass Transit Fund budget to accept and appropriate $7,083 from the General Fund to FTA028, $47,057 from the General Fund to FTA038, and $472,000 from the General Fund and $635,500 from the Tennessee Department of Transportation to FTA041 – 5307 Operations/Capital 2027.

ITEM FOUR: Transfer $145,000 to Fire Truck Outfitting and Other Capital

Amend the General Projects Fund budget to transfer $145,000 from GP9999 – Future Project Funding to GP2704 – Fire Truck Outfitting & Other Capital to fund necessary fire truck outfitting and turnout gear.

ITEM FIVE: Reduce Transfer to Debt Service Fund by $571,633

Amend the General Fund budget to decrease the transfer to the Debt Service Fund by $571,633 to provide funding for FY2027 annual FIS SaaS fees.

ITEM SIX: Reduce Revenue by $840,767

Amend the General Fund budget to decrease Tangible Personal Property Tax revenue by $1,194,921, reducing Commercial Property Tax by $187,304 and increasing Residential Property Tax budget by $541,458. This is because of the results of a recent tax reassessment.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of an Ordinance to Amend the FY 2027 School Nutrition Services Fund Budget

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-324-2026	Final Adoption:	November 17, 2026
Work Session:	November 2, 2026	Staff Work By:	David Frye
First Reading:	November 3, 2026	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Ordinance.

Executive Summary:
If approved, the School Nutrition Services Fund budget will be increased by $56,000. This amendment will fund a three percent bonus for the School Nutrition Services employees. This is the same bonus that all Kingsport City Schools employees will receive, but the bonus for these employees will be funded by the School Nutrition Services, Unreserved Fund Balance.

The School Nutrition Services Fund, Unreserved Fund Balance at June 30, 2026 was $2,830,198. With this appropriation the Unreserved Fund Balance will now be $2,774,198. This amount represents 4.25 months of operating expenses.

The Board of Education approved this budget amendment at their meeting on October 6, 2026.

Attachments:
1. Ordinance
2. BOE Budget Amendment Number Three – General Purpose School Funds FY 27

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

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE
AMENDING THE 2026-2027 FISCAL YEAR BUDGET

WHEREAS, the City adopted the fiscal year 2026-2027 budget by passage of Ordinance No. 7267; and

WHEREAS, pursuant to the Tennessee state constitution, Section 24 of Article II, no public money shall be expended except pursuant to appropriations made by law; and

WHEREAS, pursuant to the Municipal Budget Law of 1982, as found in the Tennessee Code Annotated, Section 6-56-209, the Mayor and Board of Mayor and Aldermen have the authority to authorize the budget officer to transfer moneys from one appropriation to another within the same fund; and

WHEREAS, expenses and revenues are anticipated to vary from original budgeted amounts; and

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

SECTION I. Ordinance No. 7267 is hereby amended increasing(decreasing) the fiscal year 2026-2027 budget as follows:

School Nutrition Services Fund: 147		**FY 2027 Current Budget**	**FY 2027 Proposed Budget**	**FY 2027 Proposed Amendment**
Appropriations:				
Revenues				
147-0000-392-01.00	Fund Balance Appropriations	202,705	258,705	56,000
	Total	**$ 202,705**	**$ 258,705**	**$ 56,000**
Expenses				
	Employee Bonus			
See Detail Tab		312,100	368,100	56,000
	Total	**$ 312,100**	**$ 368,100**	**$ 56,000**

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

_____
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:

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
147	7300	851	0188	School Nutrition Services	Dobyns-Bennett	Bonus Payments	0	10,900	10,900
147	7300	851	0201	School Nutrition Services	Dobyns-Bennett	Social Security	19,800	20,500	700
147	7300	851	0204	School Nutrition Services	Dobyns-Bennett	State Retirement	32,500	33,500	1,000
147	7300	851	0212	School Nutrition Services	Dobyns-Bennett	Medicare	4,600	4,750	150
147	7305	851	0188	School Nutrition Services	Robinson	Bonus Payments	0	4,650	4,650
147	7305	851	0201	School Nutrition Services	Robinson	Social Security	8,900	9,200	300
147	7305	851	0204	School Nutrition Services	Robinson	State Retirement	25,700	26,450	750
147	7305	851	0212	School Nutrition Services	Robinson	Medicare	2,100	2,150	50
147	7310	851	0188	School Nutrition Services	Sevier	Bonus Payments	0	2,850	2,850
147	7310	851	0201	School Nutrition Services	Sevier	Social Security	11,100	11,300	200
147	7310	851	0204	School Nutrition Services	Sevier	State Retirement	6,100	6,300	200
147	7310	851	0212	School Nutrition Services	Sevier	Medicare	2,600	2,650	50
147	7312	851	0188	School Nutrition Services	Adams	Bonus Payments	0	2,650	2,650
147	7312	851	0201	School Nutrition Services	Adams	Social Security	8,200	8,350	150
147	7312	851	0204	School Nutrition Services	Adams	State Retirement	6,400	6,500	100
147	7312	851	0212	School Nutrition Services	Adams	Medicare	2,900	2,950	50
147	7315	851	0188	School Nutrition Services	Jackson	Bonus Payments	0	2,350	2,350
147	7315	851	0201	School Nutrition Services	Jackson	Social Security	7,100	7,250	150
147	7315	851	0204	School Nutrition Services	Jackson	State Retirement	4,300	4,400	100
147	7315	851	0212	School Nutrition Services	Jackson	Medicare	1,700	1,750	50
147	7316	851	0188	School Nutrition Services	Roosevelt	Bonus Payments	0	2,100	2,100
147	7316	851	0201	School Nutrition Services	Roosevelt	Social Security	5,100	5,250	150
147	7316	851	0204	School Nutrition Services	Roosevelt	State Retirement	10,800	11,150	350
147	7316	851	0212	School Nutrition Services	Roosevelt	Medicare	1,200	1,250	50
147	7320	851	0188	School Nutrition Services	Jefferson	Bonus Payments	0	2,650	2,650
147	7320	851	0201	School Nutrition Services	Jefferson	Social Security	6,000	6,150	150
147	7320	851	0204	School Nutrition Services	Jefferson	State Retirement	4,600	4,750	150
147	7320	851	0212	School Nutrition Services	Jefferson	Medicare	1,400	1,450	50
147	7325	851	0188	School Nutrition Services	Johnson	Bonus Payments	0	1,350	1,350
147	7325	851	0201	School Nutrition Services	Johnson	Social Security	5,300	5,400	100
147	7325	851	0204	School Nutrition Services	Johnson	State Retirement	2,900	3,000	100

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
147	7325	851	0212	School Nutrition Services	Johnson	Medicare	1,300	1,350	50
147	7330	851	0188	School Nutrition Services	Kennedy	Bonus Payments	0	1,550	1,550
147	7330	851	0201	School Nutrition Services	Kennedy	Social Security	5,200	5,300	100
147	7330	851	0204	School Nutrition Services	Kennedy	State Retirement	13,800	14,200	400
147	7330	851	0212	School Nutrition Services	Kennedy	Medicare	1,200	1,250	50
147	7335	851	0188	School Nutrition Services	Lincoln	Bonus Payments	0	3,150	3,150
147	7335	851	0201	School Nutrition Services	Lincoln	Social Security	5,600	5,800	200
147	7335	851	0204	School Nutrition Services	Lincoln	State Retirement	2,800	2,900	100
147	7335	851	0212	School Nutrition Services	Lincoln	Medicare	1,300	1,350	50
147	7340	851	0188	School Nutrition Services	Washington	Bonus Payments	0	2,300	2,300
147	7340	851	0201	School Nutrition Services	Washington	Social Security	5,500	5,650	150
147	7340	851	0204	School Nutrition Services	Washington	State Retirement	3,900	4,050	150
147	7340	851	0212	School Nutrition Services	Washington	Medicare	900	950	50
147	7350	851	0188	School Nutrition Services	System Wide	Bonus Payments	0	7,900	7,900
147	7350	851	0201	School Nutrition Services	System Wide	Social Security	14,800	15,300	500
147	7350	851	0204	School Nutrition Services	System Wide	State Retirement	53,900	55,500	1,600
147	7350	851	0212	School Nutrition Services	System Wide	Medicare	3,500	3,600	100
147	7355	851	0188	School Nutrition Services	Warehouse	Bonus Payments	0	1,150	1,150
147	7355	851	0201	School Nutrition Services	Warehouse	Social Security	4,300	4,350	50
147	7355	851	0204	School Nutrition Services	Warehouse	State Retirement	2,200	2,250	50
147	7355	851	0212	School Nutrition Services	Warehouse	Medicare	3,100	3,150	50
147	7358	851	0188	School Nutrition Services	DB Excell	Bonus Payments	0	1,450	1,450
147	7358	851	0201	School Nutrition Services	DB Excell	Social Security	3,800	3,900	100
147	7358	851	0204	School Nutrition Services	DB Excell	State Retirement	2,800	2,900	100
147	7358	851	0212	School Nutrition Services	DB Excell	Medicare	900	950	50
				Totals			312,100	368,100	56,000

October 6, 2026

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2026-2027
BUDGET AMENDMENT NUMBER THREE

GENERAL PURPOSE SCHOOL FUNDS

ITEM ONE: NISWONGER FOUDATION - PROJECT ON TRACK GRANT

Kingsport City Schools has received a Project on Track grant from the Niswonger Foundation for $60,700. These funds are to be used to provide a high dosage/low ratio literacy tutoring program for identified students at Kennedy and Roosevelt Elementary Schools.

It is recommended that the estimated revenue for Other Local Revenue and the appropriations for teacher salaries and benefits and Instructional Supplies and Materials be increased by $60,700.

ITEM TWO: TENNESSEE ARTS COMMISSION GRANTS

Three of our elementary schools have received grants from the Tennessee Arts Commission. These grants will fund visiting artists or Barter performances. Roosevelt ($3,000), Jefferson ($2,500) and Lincoln ($3,000) have received grants.

It is recommended that the estimated revenue for Other State Grants and the appropriations for Principals Office – Other Charges be increased by $8,500.

ITEM THREE: BALLLAD HEALTH DONATION FOR RESET ROOM

We are receiving another donation from Ballad Health to fund an additional reset room for the Palmer Center. This donation is $4,500. Reset Rooms are provided to aid in positive mental health and stress reduction for students and teachers.

It is recommended estimated revenue for Other Local Revenue and the appropriations for Palmer Non-Instructional Equipment be increased by $4,500.

ITEM FOUR: JOHN ADAMS WALKING TRACK

The Adams PTO would like to construct a walking track at John Adams Elementary School. The PTO will fund this project by donating money to Kingsport City Schools and we will follow our normal procurement procedures. This will be a construction project and will require architectural design services. We have a proposal from Cain, Rash and West Architects for $9,300. The initial donations from the PTO will be $10,000.

It is recommended estimated revenue for Other Local Revenue and the appropriations for Adams Non-Instructional Equipment be increased by $10,000.

ITEM FIVE: EMPLOYEE BONUS

The FY 2026-27 budget included a 1% cost of living increase. The FY 2025-26 budget included

a 1% cost of living increase. The actual cost of living (consumer price index) over the last two years exceeded 3 percent for both years.

During school year 2025-26 Kingsport City Schools was recognized by the State of Tennessee as a high performing school district and was awarded $2,000,000 for this recognition. These funds have not been spent and were added to the Unreserved Fund Balance at the end of the FY 2025-26.

It is being recommended that the high performing schools funds be used to fund a 3% bonus for all Kingsport City Schools employees. The total cost of this bonus will be $2,327,700. The bonus for School Nutrition employees will be funded from the School Nutrition Services Fund. The cost for these employees is $56,000. The remaining $2,271,000 will be funded from the General Purpose School Fund. The amount in excess of the $2,000,000 high performing schools funds will be funded from the regular Unreserved Fund Balance.

It is recommended that the estimated revenue for Fund Balance Appropriations and appropriations for various salary and benefit accounts be increased by $2,271,700.

ITEM SIX: D-B BAND TRANSPORTATION

At the August Board of Education meeting the Board authorized the payment of $95,660 for the transportation of the Dobyns-Bennett Band to attend and march in the Macy's Thanksgiving Day parade. These funds were taken from funds in the originally approve budget**,** which did not include this expenditure. These funds need to be replaced with a supplemental appropriation from the Unreserved Fund Balance.

It is recommended that the estimated revenue for Fund Balance Appropriations and the appropriation for Dobyns-Bennett Student Travel be increased by $95,660.

ITEM SEVEN: BOOK BUS FUNDS

In August of 2024 KCS received $11,000 from the Governor's Early Literacy Foundation. These funds were to be used by the Coordinated School Health program to outfit a book bus. It has taken some time to be able to secure a surplus bus to be used for this purpose and in the meantime these funds were closed into the general Purpose School Fund's Fund Balance. The KCS Coordinated School staff have been working with our maintenance department on outfitting a bus to be used for this purpose and need access to these funds.

It is recommended estimated revenue for Fund Balance Appropriations the appropriation for Other Student Support - Capital outlay be increased by $11,000.

GENERAL PURPOSE SCHOOL FUND – FUND BALANCE

For informational purposes, below is a recap of the General Purpose School Fund, Unreserved Fund Balance. We ended FY 2026 with an unaudited Unreserved Fund Balance of $12,580,662. Since that time the following appropriations have been made from this account:

FY 2027 budget	$1,808,500
Prior year open purchase orders	412,094
Dobyns-Bennett Renovations	430,000
Lynn Garden Elementary School	270,000
3% Employee Bonus	2,271,700
Dobyns-Bennett Band Transportation	95,660
Book Bus Funds	11,000
Total	$5,298,954

The balance of the Unreserved Fund Balance account after these appropriations will be $7,281,708. This amount represents 6.75% of the FY 2027 operating budget.

SCHOOL NUTRITION SERVICES FUND

The employee bonus for School Nutrition Services employees will be funded from the School Nutrition Services Fund. The total cost of the bonus for these employees is $56,000. This will be funded from the SNS Unreserved fund Balance. The Unreserved Fund Balance on June 30, 2026, was $2,830,198. There was $200,000 appropriated to fund capital expenditures in the FY 2027 budget. This appropriation will bring the Unreserved Fund Balance to approximately $2,574,000. This amount represents 42 percent of the FY 2027 budget and is equal to 4.25 months of operating expenses.

It is recommended that the estimated revenue for Fund Balance Appropriations and the appropriations for various salary and benefit accounts be increased by $56,000.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of an Ordinance to Amend the FY 2027 School General Purpose Fund Budget

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-323-2026	Final Adoption:	November 17, 2026
Work Session:	November 2, 2026	Staff Work By:	David Frye
First Reading:	November 3, 2026	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Ordinance.

Executive Summary:
If approved, the General Purpose School Fund budget will be increased by $2,462,060. There is a donation of $4,500 from Ballad Health to a fund reset room at Palmer Center and a donation of $10,000 from the Adams Elementary School PTO to fund the design of a walking track at Adams Elementary. There is a grant from the Niswonger Foundation of $60,700 to fund the Project on Track tutoring program and a grant from the Tennessee Arts Commission of $8,500 to fund visiting artists at 3 elementary schools.

There is also an appropriation from the Unreserved Fund Balance of $2,378,360. $2,000,000 of these funds were from received from the State of Tennessee in the Spring of 2026 for Kingsport City Schools being recognized as a "High Preforming School District". 17 districts across the State were awarded these funds as a reward for more than half of their schools receiving a letter grade of "A" by the Tennessee Department of Education. These funds will be used to partially fund an employee bonus of three percent for all Kingsport City School Employees. The total cost to the General Purpose School Fund budget will be $2,271,700. Additional Fund Balance appropriations will be made to fund the transportation costs for the Dobyns-Bennett Band to march in the Macy's Thanksgiving Day parade ($95,660) and to fund the outfitting of a "Book Bus" ($11,000).

The General Purpose School Fund, Unreserved Fund Balance at June 30, 2026 was $12,580,662. With this and subsequent appropriations the Unreserved Fund Balance will now be $7,281,708. This amount represents 6.75% of the FY 2026-27 budget.

The Board of Education approved this budget amendment at their meeting on October 6, 2026.

Attachments:
1. Ordinance
2. BOE Budget Amendment Number Three – General Purpose School Funds FY 27

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

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE
AMENDING THE 2026-2027 FISCAL YEAR BUDGET

WHEREAS, the City adopted the fiscal year 2026-2027 budget by passage of Ordinance No. 7267; and

WHEREAS, pursuant to the Tennessee state constitution, Section 24 of Article II, no public money shall be expended except pursuant to appropriations made by law; and

WHEREAS, pursuant to the Municipal Budget Law of 1982, as found in the Tennessee Code Annotated, Section 6-56-209, the Mayor and Board of Mayor and Aldermen have the authority to authorize the budget officer to transfer moneys from one appropriation to another within the same fund; and

WHEREAS, expenses and revenues are anticipated to vary from original budgeted amounts; and

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

SECTION I. Ordinance No. 7267 is hereby amended increasing(decreasing) the fiscal year 2026-2027 budget as follows:

General Purpose School Fund: 141		**FY 2027 Current Budget**	**FY 2027 Proposed Budget**	**FY 2027 Proposed Amendment**
Appropriations:				
Revenues				
141-0000-338.69-80	Other State Grants	0	8,500	8,500
141-0000-369.49-90	Other Local Revenue	131,500	206,700	75,200
141-0000-392-01.00	Fund Balance Appropriations	2,920,594	5,298,954	2,378,360
	Total	**$ 3,052,094**	**$ 5,514,154**	**$ 2,462,060**
Expenses				
	Project on Track			
141-7116-711.01-16	Reg Inst-Roosevelt-Teacher Salaries	1,315,500	1,354,700	39,200
141-7116-711.02-01	Reg Inst-Roosevelt-Social Security	81,400	83,831	2,431
141-7116-711.02-04	Reg Inst-Roosevelt-State Retirement	101,000	104,528	3,528
141-7116-711.02-12	Reg Inst-Roosevelt-Medicare	19,000	19,569	569
141-7116-711.04-29	Reg Inst-Roosevelt-Inst Supplies	11,449	11,749	300
141-7130-711.01-16	Reg Inst-Kennedy-Teacher Salaries	1,306,800	1,319,120	12,320
141-7130-711.02-01	Reg Inst-Kennedy-Social Security	82,000	82,764	764
141-7130-711.02-04	Reg Inst-Kennedy-State Retirement	100,400	101,509	1,109
141-7130-711.02-12	Reg Inst-Kennedy-Medicare	19,200	19,379	179
141-7130-711.04-29	Reg Inst-Kennedy-Inst Supplies	13,396	13,696	300

	Tennesse Arts Commission			
141-7216-801.05-99	Principal's Office-Roosevelt-Other Charges	0	3,000	3,000
141-7220-801.05-99	Principal's Office-Jefferson-Other Charges	0	2,500	2,500
141-7235-801.05-99	Principal's Office-Lincoln-Other Charges	0	3,000	3,000
	Ballad Health Reset Room			
141-7645-871.07-90	Capital Outlay-Palmer-Non Inst Equip	5,000	9,500	4,500
	John Adams Walking Track			
141-7612-871.07-90	Capital Outlay-Adams-Non Inst Equip	10,158	20,158	10,000
	D-B Band Transportation			
141-7200-773.05-99	Other Std Supp-D B-Student Travel	34,000	129,660	95,660
	Book Bus			
141-7650-871.07-90	Capital Outlay-System Wide-Non Inst Equip	154,554	165,554	11,000
	Employee Bonus			
	See Detail Tab	10,539,300	12,811,000	2,271,700
	Total	**$ 13,793,157**	**$ 16,255,217**	**$ 2,462,060**

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

_____

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:

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7100	711	0188	Regular Education Instruction	Dobyns-Bennett	Bonus Payments	0	247,900	247,900
141	7100	711	0201	Regular Education Instruction	Dobyns-Bennett	Social Security	508,300	523,600	15,300
141	7100	711	0204	Regular Education Instruction	Dobyns-Bennett	State Retirement	610,600	627,700	17,100
141	7100	711	0212	Regular Education Instruction	Dobyns-Bennett	Medicare	119,000	122,600	3,600
141	7100	711	0217	Regular Education Instruction	Dobyns-Bennett	State Retirement - SRT	25,900	26,600	700
141	7105	711	0188	Regular Education Instruction	Robinson	Bonus Payments	0	114,000	114,000
141	7105	711	0201	Regular Education Instruction	Robinson	Social Security	224,700	231,800	7,100
141	7105	711	0204	Regular Education Instruction	Robinson	State Retirement	271,900	279,800	7,900
141	7105	711	0212	Regular Education Instruction	Robinson	Medicare	52,500	54,200	1,700
141	7105	711	0217	Regular Education Instruction	Robinson	State Retirement - SRT	15,800	16,200	400
141	7110	711	0188	Regular Education Instruction	Sevier	Bonus Payments	0	109,600	109,600
141	7110	711	0201	Regular Education Instruction	Sevier	Social Security	212,000	218,800	6,800
141	7110	711	0204	Regular Education Instruction	Sevier	State Retirement	275,400	283,700	8,300
141	7110	711	0212	Regular Education Instruction	Sevier	Medicare	49,500	51,100	1,600
141	7110	711	0217	Regular Education Instruction	Sevier	State Retirement - SRT	13,700	14,100	400
141	7112	711	0188	Regular Education Instruction	Adams	Bonus Payments	0	66,500	66,500
141	7112	711	0201	Regular Education Instruction	Adams	Social Security	126,900	131,000	4,100
141	7112	711	0204	Regular Education Instruction	Adams	State Retirement	144,600	149,000	4,400
141	7112	711	0212	Regular Education Instruction	Adams	Medicare	29,700	30,700	1,000
141	7112	711	0217	Regular Education Instruction	Adams	State Retirement - SRT	8,100	8,300	200
141	7115	711	0188	Regular Education Instruction	Jackson	Bonus Payments	108,000	173,800	65,800
141	7115	711	0201	Regular Education Instruction	Jackson	Social Security	140,800	144,900	4,100
141	7115	711	0204	Regular Education Instruction	Jackson	State Retirement	25,300	30,300	5,000
141	7115	711	0212	Regular Education Instruction	Jackson	Medicare	10,300	11,300	1,000
141	7115	711	0217	Regular Education Instruction	Jackson	State Retirement - SRT	0	300	300
141	7116	711	0188	Regular Education Instruction	Roosevelt	Bonus Payments	81,400	123,900	42,500
141	7116	711	0201	Regular Education Instruction	Roosevelt	Social Security	101,000	103,600	2,600
141	7116	711	0204	Regular Education Instruction	Roosevelt	State Retirement	19,000	21,800	2,800
141	7116	711	0212	Regular Education Instruction	Roosevelt	Medicare	9,100	9,700	600
141	7116	711	0217	Regular Education Instruction	Roosevelt	State Retirement - SRT	121,000	121,200	200
141	7120	711	0188	Regular Education Instruction	Jefferson	Bonus Payments	0	66,100	66,100
141	7120	711	0201	Regular Education Instruction	Jefferson	Social Security	121,000	125,100	4,100

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7120	711	0204	Regular Education Instruction	Jefferson	State Retirement	147,100	151,700	4,600
141	7120	711	0212	Regular Education Instruction	Jefferson	Medicare	28,300	29,300	1,000
141	7120	711	0217	Regular Education Instruction	Jefferson	State Retirement - SRT	8,100	8,300	200
141	7125	711	0188	Regular Education Instruction	Johnson	Bonus Payments	0	68,200	68,200
141	7125	711	0201	Regular Education Instruction	Johnson	Social Security	127,600	131,800	4,200
141	7125	711	0204	Regular Education Instruction	Johnson	State Retirement	150,400	155,100	4,700
141	7125	711	0212	Regular Education Instruction	Johnson	Medicare	29,800	30,800	1,000
141	7125	711	0217	Regular Education Instruction	Johnson	State Retirement - SRT	9,500	9,700	200
141	7130	711	0188	Regular Education Instruction	Kennedy	Bonus Payments	82,000	131,000	49,000
141	7130	711	0201	Regular Education Instruction	Kennedy	Social Security	100,400	103,400	3,000
141	7130	711	0204	Regular Education Instruction	Kennedy	State Retirement	19,200	22,800	3,600
141	7130	711	0212	Regular Education Instruction	Kennedy	Medicare	7,400	8,100	700
141	7130	711	0217	Regular Education Instruction	Kennedy	State Retirement - SRT	0	300	300
141	7135	711	0188	Regular Education Instruction	Lincoln	Bonus Payments	113,200	181,800	68,600
141	7135	711	0201	Regular Education Instruction	Lincoln	Social Security	135,800	140,100	4,300
141	7135	711	0204	Regular Education Instruction	Lincoln	State Retirement	26,500	31,400	4,900
141	7135	711	0212	Regular Education Instruction	Lincoln	Medicare	11,200	12,200	1,000
141	7135	711	0217	Regular Education Instruction	Lincoln	State Retirement - SRT	0	400	400
141	7140	711	0188	Regular Education Instruction	Washington	Bonus Payments	122,000	184,400	62,400
141	7140	711	0201	Regular Education Instruction	Washington	Social Security	148,300	152,200	3,900
141	7140	711	0204	Regular Education Instruction	Washington	State Retirement	28,500	33,000	4,500
141	7140	711	0212	Regular Education Instruction	Washington	Medicare	7,900	8,800	900
141	7140	711	0217	Regular Education Instruction	Washington	State Retirement - SRT	0	200	200
141	7145	711	0188	Regular Education Instruction	Palmer Center	Bonus Payments	0	6,700	6,700
141	7145	711	0201	Regular Education Instruction	Palmer Center	Social Security	0	400	400
141	7145	711	0204	Regular Education Instruction	Palmer Center	State Retirement	0	700	700
141	7145	711	0212	Regular Education Instruction	Palmer Center	Medicare	0	100	100
141	7145	711	0217	Regular Education Instruction	Palmer Center	State Retirement - SRT	0	50	50
141	7147	711	0188	Regular Education Instruction	Cora Cox	Bonus Payments	0	19,800	19,800
141	7147	711	0201	Regular Education Instruction	Cora Cox	Social Security	38,600	39,800	1,200
141	7147	711	0204	Regular Education Instruction	Cora Cox	State Retirement	52,500	54,100	1,600
141	7147	711	0212	Regular Education Instruction	Cora Cox	Medicare	9,000	9,300	300

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7147	711	0217	Regular Education Instruction	Cora Cox	State Retirement - SRT	1,200	1,250	50
141	7150	711	0188	Regular Education Instruction	System-Wide	Bonus Payments	0	25,600	25,600
141	7150	711	0201	Regular Education Instruction	System-Wide	Social Security	113,700	115,300	1,600
141	7150	711	0204	Regular Education Instruction	System-Wide	State Retirement	139,100	140,800	1,700
141	7150	711	0212	Regular Education Instruction	System-Wide	Medicare	26,600	27,000	400
141	7150	711	0217	Regular Education Instruction	System-Wide	State Retirement - SRT	10,200	10,250	50
141	7158	711	0188	Regular Education Instruction	DB Excel	Bonus Payments	0	27,700	27,700
141	7158	711	0201	Regular Education Instruction	DB Excel	Social Security	54,800	56,500	1,700
141	7158	711	0204	Regular Education Instruction	DB Excel	State Retirement	64,600	66,500	1,900
141	7158	711	0212	Regular Education Instruction	DB Excel	Medicare	12,800	13,200	400
141	7158	711	0217	Regular Education Instruction	DB Excel	State Retirement - SRT	3,700	3,800	100
141	7100	721	0188	Special Education Instruction	Dobyns-Bennett	Bonus Payments	0	37,900	37,900
141	7100	721	0201	Special Education Instruction	Dobyns-Bennett	Social Security	59,300	61,700	2,400
141	7100	721	0204	Special Education Instruction	Dobyns-Bennett	State Retirement	95,500	99,000	3,500
141	7100	721	0212	Special Education Instruction	Dobyns-Bennett	Medicare	13,900	14,500	600
141	7100	721	0217	Special Education Instruction	Dobyns-Bennett	State Retirement - SRT	4,700	4,900	200
141	7105	721	0188	Special Education Instruction	Robinson	Bonus Payments	0	23,100	23,100
141	7105	721	0201	Special Education Instruction	Robinson	Social Security	35,600	37,000	1,400
141	7105	721	0204	Special Education Instruction	Robinson	State Retirement	48,000	49,700	1,700
141	7105	721	0212	Special Education Instruction	Robinson	Medicare	8,300	8,600	300
141	7105	721	0217	Special Education Instruction	Robinson	State Retirement - SRT	4,500	4,600	100
141	7110	721	0188	Special Education Instruction	Sevier	Bonus Payments	0	21,200	21,200
141	7110	721	0201	Special Education Instruction	Sevier	Social Security	33,500	34,800	1,300
141	7110	721	0204	Special Education Instruction	Sevier	State Retirement	40,400	41,900	1,500
141	7110	721	0212	Special Education Instruction	Sevier	Medicare	7,900	8,200	300
141	7110	721	0217	Special Education Instruction	Sevier	State Retirement - SRT	2,400	2,500	100
141	7112	721	0188	Special Education Instruction	Adams	Bonus Payments	0	16,400	16,400
141	7112	721	0201	Special Education Instruction	Adams	Social Security	23,400	24,400	1,000
141	7112	721	0204	Special Education Instruction	Adams	State Retirement	30,300	31,500	1,200
141	7112	721	0212	Special Education Instruction	Adams	Medicare	5,500	5,700	200
141	7112	721	0217	Special Education Instruction	Adams	State Retirement - SRT	2,500	2,550	50
141	7115	721	0188	Special Education Instruction	Jackson	Bonus Payments	0	14,500	14,500

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7115	721	0201	Special Education Instruction	Jackson	Social Security	29,600	30,500	900
141	7115	721	0204	Special Education Instruction	Jackson	State Retirement	3,500	4,500	1,000
141	7115	721	0212	Special Education Instruction	Jackson	Medicare	7,000	7,200	200
141	7115	721	0217	Special Education Instruction	Jackson	State Retirement - SRT	1,900	1,950	50
141	7116	721	0188	Special Education Instruction	Roosevelt	Bonus Payments	0	6,900	6,900
141	7116	721	0201	Special Education Instruction	Roosevelt	Social Security	12,300	12,700	400
141	7116	721	0204	Special Education Instruction	Roosevelt	State Retirement	15,000	15,500	500
141	7116	721	0212	Special Education Instruction	Roosevelt	Medicare	2,900	3,000	100
141	7116	721	0217	Special Education Instruction	Roosevelt	State Retirement - SRT	1,500	1,550	50
141	7120	721	0188	Special Education Instruction	Jefferson	Bonus Payments	0	12,500	12,500
141	7120	721	0201	Special Education Instruction	Jefferson	Social Security	21,500	22,300	800
141	7120	721	0204	Special Education Instruction	Jefferson	State Retirement	27,100	28,300	1,200
141	7120	721	0212	Special Education Instruction	Jefferson	Medicare	5,000	5,200	200
141	7120	721	0217	Special Education Instruction	Jefferson	State Retirement - SRT	3,100	3,200	100
141	7125	721	0188	Special Education Instruction	Johnson	Bonus Payments	0	19,800	19,800
141	7125	721	0201	Special Education Instruction	Johnson	Social Security	28,900	30,100	1,200
141	7125	721	0204	Special Education Instruction	Johnson	State Retirement	37,100	38,600	1,500
141	7125	721	0212	Special Education Instruction	Johnson	Medicare	6,800	7,100	300
141	7125	721	0217	Special Education Instruction	Johnson	State Retirement - SRT	3,400	3,500	100
141	7130	721	0188	Special Education Instruction	Kennedy	Bonus Payments	0	10,300	10,300
141	7130	721	0201	Special Education Instruction	Kennedy	Social Security	20,700	21,300	600
141	7130	721	0204	Special Education Instruction	Kennedy	State Retirement	25,500	26,300	800
141	7130	721	0212	Special Education Instruction	Kennedy	Medicare	4,900	5,100	200
141	7130	721	0217	Special Education Instruction	Kennedy	State Retirement - SRT	1,900	1,950	50
141	7135	721	0188	Special Education Instruction	Lincoln	Bonus Payments	0	15,100	15,100
141	7135	721	0201	Special Education Instruction	Lincoln	Social Security	27,200	28,100	900
141	7135	721	0204	Special Education Instruction	Lincoln	State Retirement	33,400	34,500	1,100
141	7135	721	0212	Special Education Instruction	Lincoln	Medicare	6,400	6,600	200
141	7135	721	0217	Special Education Instruction	Lincoln	State Retirement - SRT	2,400	2,500	100
141	7140	721	0188	Special Education Instruction	Washington	Bonus Payments	0	23,300	23,300
141	7140	721	0201	Special Education Instruction	Washington	Social Security	35,600	37,000	1,400
141	7140	721	0204	Special Education Instruction	Washington	State Retirement	41,200	42,800	1,600

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7140	721	0212	Special Education Instruction	Washington	Medicare	8,300	8,600	300
141	7140	721	0217	Special Education Instruction	Washington	State Retirement - SRT	3,600	3,700	100
141	7145	721	0188	Special Education Instruction	Palmer Center	Bonus Payments	0	18,900	18,900
141	7145	721	0201	Special Education Instruction	Palmer Center	Social Security	33,200	34,400	1,200
141	7145	721	0204	Special Education Instruction	Palmer Center	State Retirement	42,100	43,700	1,600
141	7145	721	0212	Special Education Instruction	Palmer Center	Medicare	7,700	8,000	300
141	7145	721	0217	Special Education Instruction	Palmer Center	State Retirement - SRT	3,900	4,000	100
141	7147	721	0188	Special Education Instruction	Cora Cox	Bonus Payments	0	2,800	2,800
141	7147	721	0201	Special Education Instruction	Cora Cox	Social Security	4,000	4,200	200
141	7147	721	0204	Special Education Instruction	Cora Cox	State Retirement	5,600	5,800	200
141	7147	721	0212	Special Education Instruction	Cora Cox	Medicare	900	950	50
141	7150	721	0188	Special Education Instruction	System-Wide	Bonus Payments	0	1,100	1,100
141	7150	721	0201	Special Education Instruction	System-Wide	Social Security	6,900	7,000	100
141	7150	721	0204	Special Education Instruction	System-Wide	State Retirement	9,100	9,200	100
141	7158	721	0188	Special Education Instruction	DB Excel	Bonus Payments	0	4,300	4,300
141	7158	721	0201	Special Education Instruction	DB Excel	Social Security	5,700	6,000	300
141	7158	721	0204	Special Education Instruction	DB Excel	State Retirement	7,400	7,700	300
141	7158	721	0212	Special Education Instruction	DB Excel	Medicare	1,300	1,350	50
141	7100	731	0188	Vocational Education Instruction	Dobyns-Bennett	Bonus Payments	0	37,100	37,100
141	7100	731	0201	Vocational Education Instruction	Dobyns-Bennett	Social Security	80,600	82,900	2,300
141	7100	731	0204	Vocational Education Instruction	Dobyns-Bennett	State Retirement	102,400	105,300	2,900
141	7100	731	0212	Vocational Education Instruction	Dobyns-Bennett	Medicare	18,900	19,400	500
141	7100	731	0217	Vocational Education Instruction	Dobyns-Bennett	State Retirement - SRT	8,700	8,900	200
141	7105	731	0188	Vocational Education Instruction	Robinson	Bonus Payments	0	2,200	2,200
141	7105	731	0201	Vocational Education Instruction	Robinson	Social Security	3,900	4,000	100
141	7105	731	0204	Vocational Education Instruction	Robinson	State Retirement	5,000	5,100	100
141	7105	731	0212	Vocational Education Instruction	Robinson	Medicare	900	950	50
141	7110	731	0188	Vocational Education Instruction	Sevier	Bonus Payments	0	4,600	4,600
141	7110	731	0201	Vocational Education Instruction	Sevier	Social Security	3,800	4,100	300
141	7110	731	0204	Vocational Education Instruction	Sevier	State Retirement	4,800	5,100	300
141	7110	731	0212	Vocational Education Instruction	Sevier	Medicare	900	950	50
141	7250	771	0188	Attendance	System-Wide	Bonus Payments	0	2,300	2,300

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7250	771	0201	Attendance	System-Wide	Social Security	4,800	4,900	100
141	7250	771	0204	Attendance	System-Wide	State Retirement	26,000	26,800	800
141	7250	771	0212	Attendance	System-Wide	Medicare	1,100	1,150	50
141	7200	772	0188	Health Services	Dobyns-Bennett	Bonus Payments	0	2,200	2,200
141	7200	772	0201	Health Services	Dobyns-Bennett	Social Security	8,200	8,300	100
141	7200	772	0204	Health Services	Dobyns-Bennett	State Retirement	9,200	9,300	100
141	7200	772	0212	Health Services	Dobyns-Bennett	Medicare	1,900	1,950	50
141	7205	772	0188	Health Services	Robinson	Bonus Payments	0	1,800	1,800
141	7205	772	0201	Health Services	Robinson	Social Security	3,300	3,400	100
141	7205	772	0204	Health Services	Robinson	State Retirement	4,600	4,700	100
141	7205	772	0212	Health Services	Robinson	Medicare	800	850	50
141	7210	772	0188	Health Services	Sevier	Bonus Payments	0	2,100	2,100
141	7210	772	0201	Health Services	Sevier	Social Security	4,100	4,200	100
141	7210	772	0204	Health Services	Sevier	State Retirement	4,400	4,500	100
141	7210	772	0212	Health Services	Sevier	Medicare	1,000	1,050	50
141	7212	772	0188	Health Services	Adams	Bonus Payments	0	2,300	2,300
141	7212	772	0201	Health Services	Adams	Social Security	4,300	4,400	100
141	7212	772	0204	Health Services	Adams	State Retirement	4,900	5,000	100
141	7212	772	0212	Health Services	Adams	Medicare	1,000	1,050	50
141	7215	772	0188	Health Services	Jackson	Bonus Payments	0	2,100	2,100
141	7215	772	0201	Health Services	Jackson	Social Security	4,300	4,400	100
141	7215	772	0204	Health Services	Jackson	State Retirement	4,600	4,800	200
141	7215	772	0212	Health Services	Jackson	Medicare	1,000	1,050	50
141	7216	772	0188	Health Services	Roosevelt	Bonus Payments	0	2,200	2,200
141	7216	772	0201	Health Services	Roosevelt	Social Security	4,000	4,100	100
141	7216	772	0204	Health Services	Roosevelt	State Retirement	5,800	6,000	200
141	7216	772	0212	Health Services	Roosevelt	Medicare	900	950	50
141	7220	772	0188	Health Services	Jefferson	Bonus Payments	0	1,800	1,800
141	7220	772	0201	Health Services	Jefferson	Social Security	3,700	3,800	100
141	7220	772	0204	Health Services	Jefferson	State Retirement	4,700	4,800	100
141	7220	772	0212	Health Services	Jefferson	Medicare	900	950	50
141	7225	772	0188	Health Services	Johnson	Bonus Payments	0	2,100	2,100

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7225	772	0201	Health Services	Johnson	Social Security	4,400	4,500	100
141	7225	772	0204	Health Services	Johnson	State Retirement	5,600	5,800	200
141	7225	772	0212	Health Services	Johnson	Medicare	1,000	1,050	50
141	7230	772	0188	Health Services	Kennedy	Bonus Payments	0	4,400	4,400
141	7230	772	0201	Health Services	Kennedy	Social Security	4,000	4,300	300
141	7230	772	0204	Health Services	Kennedy	State Retirement	5,800	6,200	400
141	7230	772	0212	Health Services	Kennedy	Medicare	900	1,000	100
141	7230	772	0217	Health Services	Kennedy	State Retirement - SRT	700	750	50
141	7235	772	0188	Health Services	Lincoln	Bonus Payments	0	2,200	2,200
141	7235	772	0201	Health Services	Lincoln	Social Security	4,400	4,500	100
141	7235	772	0204	Health Services	Lincoln	State Retirement	5,700	5,800	100
141	7235	772	0212	Health Services	Lincoln	Medicare	1,000	1,050	50
141	7240	772	0188	Health Services	Washington	Bonus Payments	0	2,300	2,300
141	7240	772	0201	Health Services	Washington	Social Security	4,100	4,200	100
141	7240	772	0204	Health Services	Washington	State Retirement	6,100	6,300	200
141	7240	772	0212	Health Services	Washington	Medicare	1,000	1,050	50
141	7245	772	0188	Health Services	Palmer Center	Bonus Payments	0	1,300	1,300
141	7245	772	0201	Health Services	Palmer Center	Social Security	2,800	2,850	50
141	7245	772	0204	Health Services	Palmer Center	State Retirement	4,100	4,200	100
141	7250	772	0188	Health Services	System-Wide	Bonus Payments	0	8,300	8,300
141	7250	772	0201	Health Services	System-Wide	Social Security	17,500	18,000	500
141	7250	772	0204	Health Services	System-Wide	State Retirement	21,800	22,400	600
141	7250	772	0212	Health Services	System-Wide	Medicare	4,100	4,200	100
141	7250	772	0217	Health Services	System-Wide	State Retirement - SRT	1,400	1,450	50
141	7258	772	0188	Health Services	DB Excel	Bonus Payments	0	1,300	1,300
141	7258	772	0201	Health Services	DB Excel	Social Security	2,800	2,900	100
141	7258	772	0204	Health Services	DB Excel	State Retirement	4,100	4,200	100
141	7200	773	0188	Other Student Support	Dobyns-Bennett	Bonus Payments	0	30,000	30,000
141	7200	773	0201	Other Student Support	Dobyns-Bennett	Social Security	53,000	54,900	1,900
141	7200	773	0204	Other Student Support	Dobyns-Bennett	State Retirement	86,900	89,700	2,800
141	7200	773	0212	Other Student Support	Dobyns-Bennett	Medicare	12,400	12,800	400
141	7200	773	0217	Other Student Support	Dobyns-Bennett	State Retirement - SRT	1,300	1,350	50

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7205	773	0188	Other Student Support	Robinson	Bonus Payments	0	5,500	5,500
141	7205	773	0201	Other Student Support	Robinson	Social Security	9,600	9,900	300
141	7205	773	0204	Other Student Support	Robinson	State Retirement	23,800	24,600	800
141	7205	773	0212	Other Student Support	Robinson	Medicare	2,200	2,250	50
141	7205	773	0217	Other Student Support	Robinson	State Retirement - SRT	1,300	1,350	50
141	7210	773	0188	Other Student Support	Sevier	Bonus Payments	0	8,900	8,900
141	7210	773	0201	Other Student Support	Sevier	Social Security	9,200	9,800	600
141	7210	773	0204	Other Student Support	Sevier	State Retirement	11,200	11,800	600
141	7210	773	0212	Other Student Support	Sevier	Medicare	2,100	2,200	100
141	7210	773	0217	Other Student Support	Sevier	State Retirement - SRT	300	350	50
141	7212	773	0188	Other Student Support	Adams	Bonus Payments	0	2,400	2,400
141	7212	773	0201	Other Student Support	Adams	Social Security	4,900	5,000	100
141	7212	773	0204	Other Student Support	Adams	State Retirement	5,000	5,200	200
141	7212	773	0212	Other Student Support	Adams	Medicare	1,200	1,250	50
141	7215	773	0188	Other Student Support	Jackson	Bonus Payments	0	9,700	9,700
141	7215	773	0201	Other Student Support	Jackson	Social Security	5,000	5,600	600
141	7215	773	0204	Other Student Support	Jackson	State Retirement	5,200	5,900	700
141	7215	773	0212	Other Student Support	Jackson	Medicare	1,200	1,300	100
141	7216	773	0188	Other Student Support	Roosevelt	Bonus Payments	0	5,100	5,100
141	7216	773	0201	Other Student Support	Roosevelt	Social Security	4,800	5,100	300
141	7216	773	0204	Other Student Support	Roosevelt	State Retirement	5,300	5,700	400
141	7216	773	0212	Other Student Support	Roosevelt	Medicare	1,100	1,150	50
141	7220	773	0188	Other Student Support	Jefferson	Bonus Payments	0	1,800	1,800
141	7220	773	0201	Other Student Support	Jefferson	Social Security	3,700	3,800	100
141	7220	773	0204	Other Student Support	Jefferson	State Retirement	4,800	4,900	100
141	7225	773	0188	Other Student Support	Johnson	Bonus Payments	0	2,200	2,200
141	7225	773	0201	Other Student Support	Johnson	Social Security	4,300	4,400	100
141	7225	773	0204	Other Student Support	Johnson	State Retirement	5,900	6,100	200
141	7225	773	0212	Other Student Support	Johnson	Medicare	1,000	1,050	50
141	7230	773	0188	Other Student Support	Kennedy	Bonus Payments	0	4,200	4,200
141	7230	773	0201	Other Student Support	Kennedy	Social Security	4,300	4,600	300
141	7230	773	0204	Other Student Support	Kennedy	State Retirement	4,400	4,700	300

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7230	773	0212	Other Student Support	Kennedy	Medicare	1,000	1,050	50
141	7235	773	0188	Other Student Support	Lincoln	Bonus Payments	0	5,900	5,900
141	7235	773	0201	Other Student Support	Lincoln	Social Security	5,000	5,400	400
141	7235	773	0204	Other Student Support	Lincoln	State Retirement	6,400	7,800	1,400
141	7235	773	0212	Other Student Support	Lincoln	Medicare	1,200	1,300	100
141	7240	773	0188	Other Student Support	Washington	Bonus Payments	0	2,300	2,300
141	7240	773	0201	Other Student Support	Washington	Social Security	4,600	4,700	100
141	7240	773	0204	Other Student Support	Washington	State Retirement	4,900	5,000	100
141	7240	773	0212	Other Student Support	Washington	Medicare	1,100	1,150	50
141	7250	773	0188	Other Student Support	System-Wide	Bonus Payments	0	13,400	13,400
141	7250	773	0201	Other Student Support	System-Wide	Social Security	24,000	24,800	800
141	7250	773	0204	Other Student Support	System-Wide	State Retirement	65,400	67,300	1,900
141	7250	773	0212	Other Student Support	System-Wide	Medicare	5,700	5,900	200
141	7250	773	0217	Other Student Support	System-Wide	State Retirement - SRT	1,500	1,550	50
141	7200	781	0188	Regular Education Support	Dobyns-Bennett	Bonus Payments	0	12,200	12,200
141	7200	781	0201	Regular Education Support	Dobyns-Bennett	Social Security	30,200	31,000	800
141	7200	781	0204	Regular Education Support	Dobyns-Bennett	State Retirement	35,900	36,800	900
141	7200	781	0212	Regular Education Support	Dobyns-Bennett	Medicare	7,100	7,300	200
141	7200	781	0217	Regular Education Support	Dobyns-Bennett	State Retirement - SRT	2,400	2,450	50
141	7205	781	0188	Regular Education Support	Robinson	Bonus Payments	0	7,200	7,200
141	7205	781	0201	Regular Education Support	Robinson	Social Security	13,600	14,000	400
141	7205	781	0204	Regular Education Support	Robinson	State Retirement	254,600	255,300	700
141	7205	781	0212	Regular Education Support	Robinson	Medicare	3,200	3,300	100
141	7210	781	0188	Regular Education Support	Sevier	Bonus Payments	0	7,500	7,500
141	7210	781	0201	Regular Education Support	Sevier	Social Security	14,100	14,600	500
141	7210	781	0204	Regular Education Support	Sevier	State Retirement	25,400	26,100	700
141	7210	781	0212	Regular Education Support	Sevier	Medicare	3,300	3,400	100
141	7212	781	0188	Regular Education Support	Adams	Bonus Payments	0	5,800	5,800
141	7212	781	0201	Regular Education Support	Adams	Social Security	11,400	11,800	400
141	7212	781	0204	Regular Education Support	Adams	State Retirement	14,300	14,700	400
141	7212	781	0212	Regular Education Support	Adams	Medicare	2,600	2,700	100
141	7212	781	0217	Regular Education Support	Adams	State Retirement - SRT	600	650	50

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7215	781	0188	Regular Education Support	Jackson	Bonus Payments	0	5,800	5,800
141	7215	781	0201	Regular Education Support	Jackson	Social Security	11,600	12,000	400
141	7215	781	0204	Regular Education Support	Jackson	State Retirement	14,000	14,400	400
141	7215	781	0212	Regular Education Support	Jackson	Medicare	2,700	2,800	100
141	7215	781	0217	Regular Education Support	Jackson	State Retirement - SRT	1,100	1,150	50
141	7216	781	0188	Regular Education Support	Roosevelt	Bonus Payments	0	5,700	5,700
141	7216	781	0201	Regular Education Support	Roosevelt	Social Security	10,200	10,600	400
141	7216	781	0204	Regular Education Support	Roosevelt	State Retirement	14,300	14,700	400
141	7216	781	0212	Regular Education Support	Roosevelt	Medicare	2,400	2,500	100
141	7216	781	0217	Regular Education Support	Roosevelt	State Retirement - SRT	1,800	1,850	50
141	7220	781	0188	Regular Education Support	Jefferson	Bonus Payments	0	6,000	6,000
141	7220	781	0201	Regular Education Support	Jefferson	Social Security	11,300	11,700	400
141	7220	781	0204	Regular Education Support	Jefferson	State Retirement	14,100	14,500	400
141	7220	781	0212	Regular Education Support	Jefferson	Medicare	2,600	2,700	100
141	7225	781	0188	Regular Education Support	Johnson	Bonus Payments	0	6,000	6,000
141	7225	781	0201	Regular Education Support	Johnson	Social Security	11,800	12,200	400
141	7225	781	0204	Regular Education Support	Johnson	State Retirement	14,400	14,800	400
141	7225	781	0212	Regular Education Support	Johnson	Medicare	2,800	2,900	100
141	7230	781	0188	Regular Education Support	Kennedy	Bonus Payments	0	6,300	6,300
141	7230	781	0201	Regular Education Support	Kennedy	Social Security	10,900	11,300	400
141	7230	781	0204	Regular Education Support	Kennedy	State Retirement	12,400	12,800	400
141	7230	781	0212	Regular Education Support	Kennedy	Medicare	2,600	2,700	100
141	7230	781	0217	Regular Education Support	Kennedy	State Retirement - SRT	700	750	50
141	7235	781	0188	Regular Education Support	Lincoln	Bonus Payments	0	7,500	7,500
141	7235	781	0201	Regular Education Support	Lincoln	Social Security	14,300	14,800	500
141	7235	781	0204	Regular Education Support	Lincoln	State Retirement	16,400	16,900	500
141	7235	781	0212	Regular Education Support	Lincoln	Medicare	3,300	3,400	100
141	7240	781	0188	Regular Education Support	Washington	Bonus Payments	0	5,700	5,700
141	7240	781	0201	Regular Education Support	Washington	Social Security	10,100	10,500	400
141	7240	781	0204	Regular Education Support	Washington	State Retirement	12,500	12,900	400
141	7240	781	0212	Regular Education Support	Washington	Medicare	2,400	2,500	100
141	7245	781	0188	Regular Education Support	Palmer Center	Bonus Payments	0	5,200	5,200

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7245	781	0201	Regular Education Support	Palmer Center	Social Security	10,300	10,600	300
141	7245	781	0204	Regular Education Support	Palmer Center	State Retirement	11,700	12,100	400
141	7245	781	0212	Regular Education Support	Palmer Center	Medicare	2,400	2,450	50
141	7247	781	0188	Regular Education Support	Cora Cox	Bonus Payments	0	900	900
141	7247	781	0201	Regular Education Support	Cora Cox	Social Security	1,300	1,350	50
141	7247	781	0204	Regular Education Support	Cora Cox	State Retirement	2,000	2,050	50
141	7250	781	0188	Regular Education Support	System-Wide	Bonus Payments	0	36,000	36,000
141	7250	781	0201	Regular Education Support	System-Wide	Social Security	49,100	51,300	2,200
141	7250	781	0204	Regular Education Support	System-Wide	State Retirement	74,700	78,300	3,600
141	7250	781	0212	Regular Education Support	System-Wide	Medicare	11,600	12,100	500
141	7250	781	0217	Regular Education Support	System-Wide	State Retirement - SRT	1,800	1,850	50
141	7258	781	0188	Regular Education Support	DB Excel	Bonus Payments	0	1,600	1,600
141	7258	781	0201	Regular Education Support	DB Excel	Social Security	2,700	2,800	100
141	7258	781	0204	Regular Education Support	DB Excel	State Retirement	3,400	3,500	100
141	7200	782	0188	Special Education Support	Dobyns-Bennett	Bonus Payments	0	13,700	13,700
141	7200	782	0201	Special Education Support	Dobyns-Bennett	Social Security	10,300	11,200	900
141	7200	782	0204	Special Education Support	Dobyns-Bennett	State Retirement	12,400	13,300	900
141	7200	782	0212	Special Education Support	Dobyns-Bennett	Medicare	2,300	2,500	200
141	7200	782	0217	Special Education Support	Dobyns-Bennett	State Retirement - SRT	500	550	50
141	7205	782	0188	Special Education Support	Robinson	Bonus Payments	0	2,500	2,500
141	7205	782	0201	Special Education Support	Robinson	Social Security	2,500	2,700	200
141	7205	782	0204	Special Education Support	Robinson	State Retirement	3,200	3,300	100
141	7205	782	0212	Special Education Support	Robinson	Medicare	500	550	50
141	7225	782	0188	Special Education Support	Johnson	Bonus Payments	0	1,200	1,200
141	7225	782	0201	Special Education Support	Johnson	Social Security	0	100	100
141	7225	782	0204	Special Education Support	Johnson	State Retirement	0	100	100
141	7250	782	0188	Special Education Support	System-Wide	Bonus Payments	0	35,600	35,600
141	7250	782	0201	Special Education Support	System-Wide	Social Security	52,900	55,100	2,200
141	7250	782	0204	Special Education Support	System-Wide	State Retirement	81,000	84,100	3,100
141	7250	782	0212	Special Education Support	System-Wide	Medicare	12,400	12,900	500
141	7250	782	0217	Special Education Support	System-Wide	State Retirement - SRT	4,900	5,100	200
141	7200	783	0188	Vocational Education Support	Dobyns-Bennett	Bonus Payments	0	5,100	5,100

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7200	783	0201	Vocational Education Support	Dobyns-Bennett	Social Security	11,800	12,100	300
141	7200	783	0204	Vocational Education Support	Dobyns-Bennett	State Retirement	14,000	14,400	400
141	7200	783	0212	Vocational Education Support	Dobyns-Bennett	Medicare	2,800	2,850	50
141	7200	785	0188	Technology	Dobyns-Bennett	Bonus Payments	0	3,900	3,900
141	7200	785	0201	Technology	Dobyns-Bennett	Social Security	7,800	8,000	200
141	7200	785	0204	Technology	Dobyns-Bennett	State Retirement	29,100	30,000	900
141	7200	785	0212	Technology	Dobyns-Bennett	Medicare	1,800	1,850	50
141	7205	785	0188	Technology	Robinson	Bonus Payments	0	1,700	1,700
141	7205	785	0201	Technology	Robinson	Social Security	3,500	3,600	100
141	7205	785	0204	Technology	Robinson	State Retirement	4,600	4,700	100
141	7205	785	0212	Technology	Robinson	Medicare	800	850	50
141	7210	785	0188	Technology	Sevier	Bonus Payments	0	1,800	1,800
141	7210	785	0201	Technology	Sevier	Social Security	3,400	3,500	100
141	7210	785	0204	Technology	Sevier	State Retirement	4,700	4,800	100
141	7210	785	0212	Technology	Sevier	Medicare	800	850	50
141	7250	785	0188	Technology	System-Wide	Bonus Payments	0	23,800	23,800
141	7250	785	0201	Technology	System-Wide	Social Security	47,700	49,200	1,500
141	7250	785	0204	Technology	System-Wide	State Retirement	126,200	130,000	3,800
141	7250	785	0212	Technology	System-Wide	Medicare	11,200	11,500	300
141	7250	785	0217	Technology	System-Wide	State Retirement - SRT	3,200	3,300	100
141	7250	792	0188	Office of the Superintendent	System-Wide	Bonus Payments	0	15,700	15,700
141	7250	792	0201	Office of the Superintendent	System-Wide	Social Security	30,400	31,400	1,000
141	7250	792	0204	Office of the Superintendent	System-Wide	State Retirement	51,500	53,000	1,500
141	7250	792	0212	Office of the Superintendent	System-Wide	Medicare	7,100	7,300	200
141	7200	801	0188	Office of the Principal	Dobyns-Bennett	Bonus Payments	0	36,100	36,100
141	7200	801	0201	Office of the Principal	Dobyns-Bennett	Social Security	68,300	70,500	2,200
141	7200	801	0204	Office of the Principal	Dobyns-Bennett	State Retirement	78,000	80,400	2,400
141	7200	801	0212	Office of the Principal	Dobyns-Bennett	Medicare	16,000	16,500	500
141	7200	801	0217	Office of the Principal	Dobyns-Bennett	State Retirement - SRT	2,900	3,000	100
141	7205	801	0188	Office of the Principal	Robinson	Bonus Payments	0	13,500	13,500
141	7205	801	0201	Office of the Principal	Robinson	Social Security	27,300	28,100	800
141	7205	801	0204	Office of the Principal	Robinson	State Retirement	29,500	30,400	900

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7205	801	0212	Office of the Principal	Robinson	Medicare	6,400	6,600	200
141	7210	801	0188	Office of the Principal	Sevier	Bonus Payments	0	13,400	13,400
141	7210	801	0201	Office of the Principal	Sevier	Social Security	25,800	26,600	800
141	7210	801	0204	Office of the Principal	Sevier	State Retirement	30,200	31,100	900
141	7210	801	0212	Office of the Principal	Sevier	Medicare	6,000	6,200	200
141	7210	801	0217	Office of the Principal	Sevier	State Retirement - SRT	1,000	1,050	50
141	7212	801	0188	Office of the Principal	Adams	Bonus Payments	0	6,100	6,100
141	7212	801	0201	Office of the Principal	Adams	Social Security	11,200	11,600	400
141	7212	801	0204	Office of the Principal	Adams	State Retirement	21,300	21,900	600
141	7212	801	0212	Office of the Principal	Adams	Medicare	2,600	2,700	100
141	7215	801	0188	Office of the Principal	Jackson	Bonus Payments	0	6,100	6,100
141	7215	801	0201	Office of the Principal	Jackson	Social Security	11,500	11,900	400
141	7215	801	0204	Office of the Principal	Jackson	State Retirement	13,900	14,300	400
141	7215	801	0212	Office of the Principal	Jackson	Medicare	2,700	2,800	100
141	7216	801	0188	Office of the Principal	Roosevelt	Bonus Payments	0	5,800	5,800
141	7216	801	0201	Office of the Principal	Roosevelt	Social Security	11,400	11,800	400
141	7216	801	0204	Office of the Principal	Roosevelt	State Retirement	20,500	21,100	600
141	7216	801	0212	Office of the Principal	Roosevelt	Medicare	2,700	2,800	100
141	7220	801	0188	Office of the Principal	Jefferson	Bonus Payments	0	5,700	5,700
141	7220	801	0201	Office of the Principal	Jefferson	Social Security	11,200	11,600	400
141	7220	801	0204	Office of the Principal	Jefferson	State Retirement	13,100	13,500	400
141	7220	801	0212	Office of the Principal	Jefferson	Medicare	2,600	2,650	50
141	7225	801	0188	Office of the Principal	Johnson	Bonus Payments	0	5,400	5,400
141	7225	801	0201	Office of the Principal	Johnson	Social Security	10,200	10,500	300
141	7225	801	0204	Office of the Principal	Johnson	State Retirement	12,500	12,900	400
141	7225	801	0212	Office of the Principal	Johnson	Medicare	2,400	2,450	50
141	7230	801	0188	Office of the Principal	Kennedy	Bonus Payments	0	5,900	5,900
141	7230	801	0201	Office of the Principal	Kennedy	Social Security	10,800	11,200	400
141	7230	801	0204	Office of the Principal	Kennedy	State Retirement	26,400	27,200	800
141	7230	801	0212	Office of the Principal	Kennedy	Medicare	2,500	2,600	100
141	7235	801	0188	Office of the Principal	Lincoln	Bonus Payments	0	6,100	6,100
141	7235	801	0201	Office of the Principal	Lincoln	Social Security	11,200	11,600	400

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7235	801	0204	Office of the Principal	Lincoln	State Retirement	15,200	15,700	500
141	7235	801	0212	Office of the Principal	Lincoln	Medicare	2,600	2,700	100
141	7235	801	0217	Office of the Principal	Lincoln	State Retirement - SRT	1,300	1,350	50
141	7240	801	0188	Office of the Principal	Washington	Bonus Payments	0	5,700	5,700
141	7240	801	0201	Office of the Principal	Washington	Social Security	10,400	10,800	400
141	7240	801	0204	Office of the Principal	Washington	State Retirement	12,900	13,300	400
141	7240	801	0212	Office of the Principal	Washington	Medicare	2,400	2,450	50
141	7247	801	0188	Office of the Principal	Cora Cox	Bonus Payments	0	3,700	3,700
141	7247	801	0201	Office of the Principal	Cora Cox	Social Security	6,900	7,100	200
141	7247	801	0204	Office of the Principal	Cora Cox	State Retirement	7,600	7,800	200
141	7247	801	0212	Office of the Principal	Cora Cox	Medicare	1,600	1,650	50
141	7258	801	0188	Office of the Principal	DB Excel	Bonus Payments	0	4,000	4,000
141	7258	801	0201	Office of the Principal	DB Excel	Social Security	7,500	7,700	200
141	7258	801	0204	Office of the Principal	DB Excel	State Retirement	8,200	8,500	300
141	7258	801	0212	Office of the Principal	DB Excel	Medicare	1,800	1,850	50
141	7250	811	0188	Fiscal Services	System-Wide	Bonus Payments	0	14,200	14,200
141	7250	811	0201	Fiscal Services	System-Wide	Social Security	25,600	26,500	900
141	7250	811	0204	Fiscal Services	System-Wide	State Retirement	93,800	96,700	2,900
141	7250	811	0212	Fiscal Services	System-Wide	Medicare	6,000	6,200	200
141	7250	811	0217	Fiscal Services	System-Wide	State Retirement - SRT	1,600	1,650	50
141	7250	812	0188	Human Resources	System-Wide	Bonus Payments	0	9,900	9,900
141	7250	812	0201	Human Resources	System-Wide	Social Security	19,500	20,100	600
141	7250	812	0204	Human Resources	System-Wide	State Retirement	26,700	27,500	800
141	7250	812	0212	Human Resources	System-Wide	Medicare	4,600	4,700	100
141	7250	812	0217	Human Resources	System-Wide	State Retirement - SRT	3,200	3,300	100
141	7200	821	0188	Operation of Plant	Dobyns-Bennett	Bonus Payments	0	6,500	6,500
141	7200	821	0201	Operation of Plant	Dobyns-Bennett	Social Security	37,000	37,400	400
141	7200	821	0204	Operation of Plant	Dobyns-Bennett	State Retirement	86,300	87,100	800
141	7200	821	0212	Operation of Plant	Dobyns-Bennett	Medicare	8,700	8,800	100
141	7200	821	0217	Operation of Plant	Dobyns-Bennett	State Retirement - SRT	4,300	4,350	50
141	7205	821	0188	Operation of Plant	Robinson	Bonus Payments	0	6,000	6,000
141	7205	821	0201	Operation of Plant	Robinson	Social Security	13,300	13,700	400

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7205	821	0204	Operation of Plant	Robinson	State Retirement	18,800	19,300	500
141	7205	821	0212	Operation of Plant	Robinson	Medicare	3,100	3,200	100
141	7205	821	0217	Operation of Plant	Robinson	State Retirement - SRT	1,900	1,950	50
141	7210	821	0188	Operation of Plant	Sevier	Bonus Payments	0	9,400	9,400
141	7210	821	0201	Operation of Plant	Sevier	Social Security	17,800	18,400	600
141	7210	821	0204	Operation of Plant	Sevier	State Retirement	61,300	63,100	1,800
141	7210	821	0212	Operation of Plant	Sevier	Medicare	4,100	4,200	100
141	7210	821	0217	Operation of Plant	Sevier	State Retirement - SRT	1,600	1,650	50
141	7212	821	0188	Operation of Plant	Adams	Bonus Payments	0	2,900	2,900
141	7212	821	0201	Operation of Plant	Adams	Social Security	7,100	7,300	200
141	7212	821	0204	Operation of Plant	Adams	State Retirement	20,100	20,600	500
141	7212	821	0212	Operation of Plant	Adams	Medicare	1,600	1,650	50
141	7215	821	0188	Operation of Plant	Jackson	Bonus Payments	0	2,800	2,800
141	7215	821	0201	Operation of Plant	Jackson	Social Security	7,200	7,400	200
141	7215	821	0204	Operation of Plant	Jackson	State Retirement	10,200	10,400	200
141	7215	821	0212	Operation of Plant	Jackson	Medicare	1,700	1,750	50
141	7215	821	0217	Operation of Plant	Jackson	State Retirement - SRT	1,200	1,250	50
141	7216	821	0188	Operation of Plant	Roosevelt	Bonus Payments	0	2,200	2,200
141	7216	821	0201	Operation of Plant	Roosevelt	Social Security	5,700	5,800	100
141	7216	821	0204	Operation of Plant	Roosevelt	State Retirement	7,300	7,400	100
141	7216	821	0212	Operation of Plant	Roosevelt	Medicare	1,300	1,350	50
141	7220	821	0188	Operation of Plant	Jefferson	Bonus Payments	0	3,400	3,400
141	7220	821	0201	Operation of Plant	Jefferson	Social Security	9,100	9,300	200
141	7220	821	0204	Operation of Plant	Jefferson	State Retirement	34,700	35,300	600
141	7220	821	0212	Operation of Plant	Jefferson	Medicare	2,200	2,250	50
141	7225	821	0188	Operation of Plant	Johnson	Bonus Payments	0	2,900	2,900
141	7225	821	0201	Operation of Plant	Johnson	Social Security	8,800	9,000	200
141	7225	821	0204	Operation of Plant	Johnson	State Retirement	25,200	25,400	200
141	7225	821	0212	Operation of Plant	Johnson	Medicare	2,000	2,050	50
141	7230	821	0188	Operation of Plant	Kennedy	Bonus Payments	0	2,100	2,100
141	7230	821	0201	Operation of Plant	Kennedy	Social Security	7,400	7,500	100
141	7230	821	0204	Operation of Plant	Kennedy	State Retirement	23,000	23,200	200

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7230	821	0212	Operation of Plant	Kennedy	Medicare	1,700	1,750	50
141	7235	821	0188	Operation of Plant	Lincoln	Bonus Payments	0	3,900	3,900
141	7235	821	0201	Operation of Plant	Lincoln	Social Security	7,900	8,100	200
141	7235	821	0204	Operation of Plant	Lincoln	State Retirement	10,700	11,000	300
141	7235	821	0212	Operation of Plant	Lincoln	Medicare	18,000	18,050	50
141	7235	821	0217	Operation of Plant	Lincoln	State Retirement - SRT	1,300	1,350	50
141	7240	821	0188	Operation of Plant	Washington	Bonus Payments	0	3,100	3,100
141	7240	821	0201	Operation of Plant	Washington	Social Security	7,900	8,100	200
141	7240	821	0204	Operation of Plant	Washington	State Retirement	23,400	23,600	200
141	7240	821	0212	Operation of Plant	Washington	Medicare	1,900	1,950	50
141	7245	821	0188	Operation of Plant	Palmer Center	Bonus Payments	0	1,500	1,500
141	7245	821	0201	Operation of Plant	Palmer Center	Social Security	2,600	2,700	100
141	7245	821	0204	Operation of Plant	Palmer Center	State Retirement	16,600	17,100	500
141	7247	821	0188	Operation of Plant	Cora Cox	Bonus Payments	0	500	500
141	7247	821	0201	Operation of Plant	Cora Cox	Social Security	1,000	1,050	50
141	7247	821	0204	Operation of Plant	Cora Cox	State Retirement	1,300	1,350	50
141	7250	821	0188	Operation of Plant	System-Wide	Bonus Payments	0	3,300	3,300
141	7250	821	0201	Operation of Plant	System-Wide	Social Security	10,100	10,300	200
141	7250	821	0204	Operation of Plant	System-Wide	State Retirement	31,900	32,600	700
141	7250	821	0212	Operation of Plant	System-Wide	Medicare	2,400	2,450	50
141	7258	821	0188	Operation of Plant	DB Excel	Bonus Payments	0	1,300	1,300
141	7258	821	0201	Operation of Plant	DB Excel	Social Security	2,500	2,600	100
141	7258	821	0204	Operation of Plant	DB Excel	State Retirement	14,600	15,000	400
141	7250	822	0188	Maintenance of Plant	System-Wide	Bonus Payments	0	38,300	38,300
141	7250	822	0201	Maintenance of Plant	System-Wide	Social Security	77,700	80,100	2,400
141	7250	822	0204	Maintenance of Plant	System-Wide	State Retirement	298,700	306,500	7,800
141	7250	822	0212	Maintenance of Plant	System-Wide	Medicare	18,100	18,700	600
141	7250	822	0217	Maintenance of Plant	System-Wide	State Retirement - SRT	4,900	5,100	200
141	7250	831	0188	Transportation	System-Wide	Bonus Payments	0	20,700	20,700
141	7250	831	0201	Transportation	System-Wide	Social Security	55,400	56,700	1,300
141	7250	831	0204	Transportation	System-Wide	State Retirement	119,100	121,600	2,500
141	7250	831	0212	Transportation	System-Wide	Medicare	13,000	13,300	300

Employee Bonus Detail Appropriation Changes

Fund	Department	Activity	Object	Activity Description	Location Description	Object Description	FY 2027 Current Budget	FY 2027 Proposed Budget	FY 2027 Proposed Amendment
141	7250	831	0217	Transportation	System-Wide	State Retirement - SRT	5,400	5,500	100
141	7253	831	0188	Transportation	Special Education	Bonus Payments	0	8,800	8,800
141	7253	831	0201	Transportation	Special Education	Social Security	18,200	18,700	500
141	7253	831	0204	Transportation	Special Education	State Retirement	31,600	32,500	900
141	7253	831	0212	Transportation	Special Education	Medicare	4,200	4,300	100
141	7253	831	0217	Transportation	Special Education	State Retirement - SRT	1,600	1,650	50
141	7312	861	0188	Community Services	Adams	Bonus Payments	0	1,100	1,100
141	7312	861	0201	Community Services	Adams	Social Security	2,700	2,750	50
141	7312	861	0204	Community Services	Adams	State Retirement	3,400	3,450	50
141	7312	861	0212	Community Services	Adams	Medicare	700	750	50
141	7313	861	0188	Community Services	Adams	Bonus Payments	0	10,800	10,800
141	7313	861	0201	Community Services	Adams	Social Security	19,000	19,700	700
141	7313	861	0204	Community Services	Adams	State Retirement	25,600	26,400	800
141	7313	861	0212	Community Services	Adams	Medicare	4,500	4,700	200
141	7313	861	0217	Community Services	Adams	State Retirement - SRT	2,700	2,800	100
141	7325	861	0188	Community Services	Johnson	Bonus Payments	0	1,400	1,400
141	7325	861	0201	Community Services	Johnson	Social Security	4,600	4,700	100
141	7325	861	0204	Community Services	Johnson	State Retirement	20,900	21,400	500
141	7340	861	0188	Community Services	Washington	Bonus Payments	0	8,200	8,200
141	7340	861	0201	Community Services	Washington	Social Security	16,700	17,200	500
141	7340	861	0204	Community Services	Washington	State Retirement	39,800	41,000	1,200
141	7340	861	0212	Community Services	Washington	Medicare	3,900	4,000	100
141	7340	861	0217	Community Services	Washington	State Retirement - SRT	2,100	2,150	50
141	7341	861	0188	Community Services	Washington	Bonus Payments	0	3,700	3,700
141	7341	861	0201	Community Services	Washington	Social Security	6,000	6,200	200
141	7341	861	0204	Community Services	Washington	State Retirement	4,800	5,000	200
141	7341	861	0212	Community Services	Washington	Medicare	1,400	1,450	50
							10,539,300	12,811,000	2,271,700

October 6, 2026 KINGSPORT CITY SCHOOLS
FISCAL YEAR 2026-2027
BUDGET AMENDMENT NUMBER THREE

GENERAL PURPOSE SCHOOL FUNDS

ITEM ONE: NISWONGER FOUDATION - PROJECT ON TRACK GRANT

Kingsport City Schools has received a Project on Track grant from the Niswonger Foundation for $60,700. These funds are to be used to provide a high dosage/low ratio literacy tutoring program for identified students at Kennedy and Roosevelt Elementary Schools.

It is recommended that the estimated revenue for Other Local Revenue and the appropriations for teacher salaries and benefits and Instructional Supplies and Materials be increased by $60,700.

ITEM TWO: TENNESSEE ARTS COMMISSION GRANTS

Three of our elementary schools have received grants from the Tennessee Arts Commission. These grants will fund visiting artists or Barter performances. Roosevelt ($3,000), Jefferson ($2,500) and Lincoln ($3,000) have received grants.

It is recommended that the estimated revenue for Other State Grants and the appropriations for Principals Office – Other Charges be increased by $8,500.

ITEM THREE: BALLLAD HEALTH DONATION FOR RESET ROOM

We are receiving another donation from Ballad Health to fund an additional reset room for the Palmer Center. This donation is $4,500. Reset Rooms are provided to aid in positive mental health and stress reduction for students and teachers.

It is recommended estimated revenue for Other Local Revenue and the appropriations for Palmer Non-Instructional Equipment be increased by $4,500.

ITEM FOUR: JOHN ADAMS WALKING TRACK

The Adams PTO would like to construct a walking track at John Adams Elementary School. The PTO will fund this project by donating money to Kingsport City Schools and we will follow our normal procurement procedures. This will be a construction project and will require architectural design services. We have a proposal from Cain, Rash and West Architects for $9,300. The initial donations from the PTO will be $10,000.

It is recommended estimated revenue for Other Local Revenue and the appropriations for Adams Non-Instructional Equipment be increased by $10,000.

ITEM FIVE: EMPLOYEE BONUS

The FY 2026-27 budget included a 1% cost of living increase. The FY 2025-26 budget included

a 1% cost of living increase. The actual cost of living (consumer price index) over the last two years exceeded 3 percent for both years.

During school year 2025-26 Kingsport City Schools was recognized by the State of Tennessee as a high performing school district and was awarded $2,000,000 for this recognition. These funds have not been spent and were added to the Unreserved Fund Balance at the end of the FY 2025-26.

It is being recommended that the high performing schools funds be used to fund a 3% bonus for all Kingsport City Schools employees. The total cost of this bonus will be $2,327,700. The bonus for School Nutrition employees will be funded from the School Nutrition Services Fund. The cost for these employees is $56,000. The remaining $2,271,000 will be funded from the General Purpose School Fund. The amount in excess of the $2,000,000 high performing schools funds will be funded from the regular Unreserved Fund Balance.

It is recommended that the estimated revenue for Fund Balance Appropriations and appropriations for various salary and benefit accounts be increased by $2,271,700.

ITEM SIX: D-B BAND TRANSPORTATION

At the August Board of Education meeting the Board authorized the payment of $95,660 for the transportation of the Dobyns-Bennett Band to attend and march in the Macy's Thanksgiving Day parade. These funds were taken from funds in the originally approve budget**,** which did not include this expenditure. These funds need to be replaced with a supplemental appropriation from the Unreserved Fund Balance.

It is recommended that the estimated revenue for Fund Balance Appropriations and the appropriation for Dobyns-Bennett Student Travel be increased by $95,660.

ITEM SEVEN: BOOK BUS FUNDS

In August of 2024 KCS received $11,000 from the Governor's Early Literacy Foundation. These funds were to be used by the Coordinated School Health program to outfit a book bus. It has taken some time to be able to secure a surplus bus to be used for this purpose and in the meantime these funds were closed into the general Purpose School Fund's Fund Balance. The KCS Coordinated School staff have been working with our maintenance department on outfitting a bus to be used for this purpose and need access to these funds.

It is recommended estimated revenue for Fund Balance Appropriations the appropriation for Other Student Support - Capital outlay be increased by $11,000.

GENERAL PURPOSE SCHOOL FUND – FUND BALANCE

For informational purposes, below is a recap of the General Purpose School Fund, Unreserved Fund Balance. We ended FY 2026 with an unaudited Unreserved Fund Balance of $12,580,662. Since that time the following appropriations have been made from this account:

FY 2027 budget	$1,808,500
Prior year open purchase orders	412,094
Dobyns-Bennett Renovations	430,000
Lynn Garden Elementary School	270,000
3% Employee Bonus	2,271,700
Dobyns-Bennett Band Transportation	95,660
Book Bus Funds	11,000
Total	$5,298,954

The balance of the Unreserved Fund Balance account after these appropriations will be $7,281,708. This amount represents 6.75% of the FY 2027 operating budget.

SCHOOL NUTRITION SERVICES FUND

The employee bonus for School Nutrition Services employees will be funded from the School Nutrition Services Fund. The total cost of the bonus for these employees is $56,000. This will be funded from the SNS Unreserved fund Balance. The Unreserved Fund Balance on June 30, 2026, was $2,830,198. There was $200,000 appropriated to fund capital expenditures in the FY 2027 budget. This appropriation will bring the Unreserved Fund Balance to approximately $2,574,000. This amount represents 42 percent of the FY 2027 budget and is equal to 4.25 months of operating expenses.

It is recommended that the estimated revenue for Fund Balance Appropriations and the appropriations for various salary and benefit accounts be increased by $56,000.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2027

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-287-2026	Final Adoption:	November 3, 2026
Work Session:	October 5, 2026	Staff Work By:	Wilson
First Reading:	October 6, 2026	Presentation By:	McCartt

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Budget Ordinance

Executive Summary:
If approved, the ordinance will amend the FY 2027 budget as follows:

General Fund be amended by accepting $51,627 from the Noncapital Project Fund, by transferring $67,445 to General Project Fund and $85,450 to the Community Development Fund.

The State Street Aid Fund be amended by accepting $20,560 in miscellaneous income.

The Noncapital Project Fund be amended by transferring $51,627 to the General Fund and by receiving $1,000,000 from the State of TN and transferring to the KEDB.

The Community Development Fund be amended by accepting $119,001 from US Housing and Urban Development and $85,450 from the General fund and opening CD717 Project.

The General Project Fund be amended by accepting $51,627 from the General Fund, by reducing total TDOT revenue and associated expenditures, by accepting $191,700 in TN State Parks Grant and accepting Assistance to Firefighters Grant in the amount of $158,182.

The Parks & Recreation Fund be amended by accepting $28,450 from the State of TN Arts Commission.

The Insurance Reserve Fund be amended by transferring $25,000 to the Health Insurance Fund.

The Health Insurance Fund be amended by accepting $25,000 from the Insurance Reserve Fund

Attachments:
1. Budget Ordinance
2. Ordinance Summary

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE
AMENDING THE 2026-2027 FISCAL YEAR BUDGET

WHEREAS, the City adopted the fiscal year 2026-2027 budget by passage of Ordinance No. 7267; and

WHEREAS, pursuant to the Tennessee state constitution, Section 24 of Article II, no public money shall be expended except pursuant to appropriations made by law; and

WHEREAS, pursuant to the Municipal Budget Law of 1982, as found in the Tennessee Code Annotated, Section 6-56-209, the Mayor and Board of Mayor and Aldermen have the authority to authorize the budget officer to transfer moneys from one appropriation to another within the same fund; and

WHEREAS, expenses and revenues are anticipated to vary from original budgeted amounts; and

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

SECTION I. Ordinance No. 7267 is hereby amended increasing(decreasing) the fiscal year 2026-2027 budget as follows:

General Fund: 110	**FY 2027 Budgeted**	**FY 2027 Estimated**	**Proposed Amendment**
Appropriations:			
Revenues			
110-0000-391.35-00 From Noncaptial Projects Fund	7,000	58,627	51,627
Total	**$ 7,000**	**$ 58,627**	**$ 51,627**
Expenditures			
110-3001-441.10-10 Salaries & Wages	1,296,232	1,234,663	(61,569)
110-3001-441.10-20 Social Security	99,164	94,454	(4,710)
110-3001-441.10-30 Group Health Insur	149,688	136,224	(13,464)
110-3001-441.10-42 TCRS Hybrid Retirement	386,386	384,508	(1,878)
110-3001-441.10-43 ICMA Retirement	7,232	4,154	(3,078)
110-3001-441.10-44 TCRS Stabilization %	2,253	1,668	(585)
110-3001-441.10-50 Life Insurance	5,035	4,912	(123)
110-3001-441.10-60 Workmen's Comp	392	380	(12)
110-3001-441.10-61 Unemployment Insur	710	679	(31)
110-4804-481.70-55 Transfer to CDBG Fund	43,344	128,794	85,450
110-4804-481.70-36 To General Project Fund	1,242,096	1,309,541	67,445
Total	**$ 3,232,532**	**$ 3,299,977**	**$ 67,445**
Change in Fund Balance	**$ (605,856)**	**$ (621,674)**	**$ (15,818)**

Item IX1.

State Street Aid: 121	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
121-0000-368.99-00 Misc. Income	-	20,560	20,560
Total	**$ -**	**$ 20,560**	**$ 20,560**
Expenditures			
121-4024-461.30-27 Traffic Signal Supplies	144,556	165,116	20,560
Total	**$ 144,556**	**$ 165,116**	**$ 20,560**
Change in Fund Balance	**$ -**	**$ -**	**$ -**

Noncapital Project Fund: 111 AEP - Streets & Landscape (NC2701)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Expenditures			
111-0000-601.20-22 Construction Contracts	4,063,000	4,011,373	(51,627)
111-0000-601.70-01 To General Fund	-	51,627	51,627
Total	**$ 4,063,000**	**$ 4,063,000**	**$ -**
Change in Project Fund Balance	**$ -**	**$ -**	**$ -**

Noncapital Project Fund: 111 Dental Clinic Grant (NC2705)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
111-0000-332.69-00 Misc. Other State	-	1,000,000	1,000,000
Total	**$ -**	**$ 1,000,000**	**$ 1,000,000**
Expenditures			
111-0000-601.80-78 KEDB	-	1,000,000	1,000,000
Total	**$ -**	**$ 1,000,000**	**$ 1,000,000**
Change in Project Fund Balance	**$ -**	**$ -**	**$ -**

Community Development Fund: 124 EMERGENCY SOLUTIONS GRANT (CD2717)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
124-0000-337.49-00 Housing and Urban Dev	-	119,001	119,001
124-0000-391.01-00 From General Fund	-	85,450	85,450
Total	**$ -**	**$ 204,451**	**$ 204,451**
Expenditures			
124-0000-603.10-10 Salaries and Wages	-	147,313	147,313
124-0000-603.10-20 Social Security	-	11,269	11,269
124-0000-603.10-30 Group Health Insurance	-	32,215	32,215
124-0000-603.10-42 TCRS Hybrid Retirement	-	4,493	4,493
124-0000-603.10-43 ICMA Retirement	-	7,366	7,366
124-0000-603.10-44 TCRS Stabilization %	-	1,399	1,399
124-0000-603.10-50 Life Insurance	-	295	295
124-0000-603.10-60 Workmen's Comp	-	29	29
124-0000-603.10-61 Unemployment Insurance	-	72	72
Total	**$ -**	**$ 204,451**	**$ 204,451**
Change in Project Fund Balance	**$ -**	**$ -**	**$ -**

General Project Fund: 311 Island Road Improvements (GP1926)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-337.90-10 TDOT	2,800,000	913,990	(1,886,010)
311-0000-368.10-54 Series 2016 GO	70,203	70,203	-
311-0000-391.01-00 From General Fund	-	51,627	51,627
Total	**$ 2,870,203**	**$ 1,035,820**	**$ (1,834,383)**
Expenditures			
311-0000-601.20-22 Construction Contracts	-	874,820	874,820
311-0000-601.20-23 Engineering	550,000	86,000	(464,000)
311-0000-601.90-01 Land	470,203	-	(470,203)
311-0000-601.90-03 Improvements	1,850,000	75,000	(1,775,000)
Total	**$ 2,870,203**	**$ 1,035,820**	**$ (1,834,383)**
Change in Project Fund Balance	**$ -**	**$ -**	**$ -**

General Project Fund: 311 Bike Park (GP2610)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-332.49-00 TN State Parks Grant	397,500	589,200	191,700
Total	**$ 397,500**	**$ 589,200**	**$ 191,700**
Expenditures			
311-0000-601.90-03 Improvements	809,549	1,001,249	191,700
Total	**$ 809,549**	**$ 1,001,249**	**$ 191,700**
Change in Project Fund Balance	**$ -**	**$ -**	**$ -**

General Project Fund: 311 Assistance to Firefighters Grant (GP2703)	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-331.31-04 Assist to Firefighters	-	158,182	158,182
311-0000-391.01-00 From General Fund	-	15,818	15,818
Total	**$ -**	**$ 174,000**	**$ 174,000**
Expenditures			
311-0000-601.90-04 Equipment	-	174,000	174,000
Total	**$ -**	**$ 174,000**	**$ 174,000**
Change in Project Fund Balance	**$ -**	**$ -**	**$ -**

Parks & Recreation Fund: 613	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
613-0000-332.32-00 TN Arts Commission	-	28,450	28,450
Total	**$ -**	**$ 28,450**	**$ 28,450**
Expenditures			
613-4557-472.20-20 Professional Services	-	28,450	28,450
Total	**$ -**	**$ 28,450**	**$ 28,450**
Change in Fund Balance	**$ -**	**$ -**	**$ -**

Insurance Reserve Fund: 615	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Expenditures			
615-4804-481.70-91 To Health Insurance Fund	-	25,000	25,000
615-1601-413.20-61 Wellness Program	25,000	-	(25,000)
Total	**$ 25,000**	**$ 25,000**	**$ -**
Change in Fund Balance	**$ -**	**$ -**	**$ -**

Health Insurance Fund: 625	FY 2027 Budgeted	FY 2027 Estimated	Proposed Amendment
Appropriations:			
Revenues			
625-0000-391.02-00 From Ins Reserve Fund	-	25,000	25,000
Total	**$ -**	**$ 25,000**	**$ 25,000**
Expenditures			
625-1604-413.20-50 Empl Med Eval/ Test	60,000	30,000	(30,000)
625-1604-413.20-61 Wellness Program	30,000	85,000	55,000
Total	**$ 90,000**	**$ 115,000**	**$ 25,000**
Change in Fund Balance	**$ -**	**$ -**	**$ -**

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

_____

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:

CITY OF KINGSPORT
FISCAL YEAR 2026-2027
BUDGET AMENDMENT AF-287-2026

ITEM ONE: Transfer $67,445 to General Projects Fund

Amend the General Fund budget to appropriate $15,818 to GP2703 – Assistance to Firefighters Grant to provide the City's required 10% match for the grant and $51,627 to Noncapital Projects Fund for GP1926 – Island Road Improvements to provide the remaining City match required for the TDOT grant.

ITEM TWO: Transfer $85,450 to the Community Development Fund

Amend the General Fund budget to appropriate $85,450 to CD2717 – Emergency Solutions Grant to provide the City's required match for salaries and personnel costs associated with the Homeless Outreach Liaison position.

ITEM THREE: Receive $20,560 in Insurance Reimbursement

Amend the State Street Aid Fund budget to recognize $20,560 in insurance reimbursement revenue and appropriate the funds for traffic signal supplies.

ITEM FOUR: Transfer $51,627 from NC2701 to General Fund.

Amend the Noncapital Projects Fund to transfer $51,627 from NC2701 – AEP – Streets & Landscape to the General Fund. Additionally, reduce the project's budgeted revenues and expenditures to reflect a change in the scope of the project from a complete overhaul to improvements and repaving.

ITEM FIVE: Receive $1,000,000 in Misc. Other State Grants and Transfer to KEDB

Amend the Noncapital Projects Fund to accept two $500,000 direct appropriation grants from the State of Tennessee and appropriate the funds to the Kingsport Economic Development Board (KEDB) for use toward the Dental School Project.

ITEM SIX: Receive $191,700 in TN State Parks Grants

Amend the Capital Projects Fund to accept $191,700 in Local Parks and Recreation Fund (LPRF) grant funds from the State of Tennessee and appropriate the funds to GP2610 – Bike Park Project.

ITEM SEVEN: Receive $158,182 in Assistance to Firefighters Grant

Amend the Capital Projects Fund to accept $158,182 in Assistance to Firefighters Grant funds for GP2703 – Assistance to Firefighters Grant Project. The project will also receive $15,818 from the General Fund as the City's required 10% match. Funds will be used to replace nonfunctional diesel exhaust removal systems at four fire stations.

ITEM EIGHT: Transfer $25,000 from Insurance Reserve Fund to the Health Insurance Fund

Amend the Insurance Reserve Fund (Risk Management Fund) to transfer $25,000 from the wellness program expenditure line to the Health Insurance Fund. This adjustment corrects the budget classification because the expense is not related to the Risk Management Fund.

ITEM NINE: Receive $28,450 in TN State Art Commission Grants

Amend the Parks & Recreation Commission Fund to accept $28,450 in TN State Art Commission Grants for Partnership Support and Arts Education Project Support.

AGENDA ACTION FORM

Consideration of an Ordinance Amending Section K: Winter Sewer Average of Ordinance No. 7268

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-290-2026	Final Adoption:	November 3, 2026
Work Session:	October 5, 2026	Staff Work By:	Travis Bishop
First Reading:	October 6, 2026	Presentation By:	Chris McCartt

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Ordinance.

Executive Summary:
In June of 2026, the City established by Ordinance 7268, the current water and sewer rates and included a **Winter Sewer Average** for All Customers in Section K:5 of the ordinance. The Winter Sewer Average is intended to provide customers with a discount during the summer months when customers are watering yards and filling swimming pools. Historically, the Winter Sewer Average plus up to an additional 3,000 gallons has been charged to a customer's account when the customer consumed more than the Winter Sewer Average. This process has been applied for the entire year and has been in effect for many years. An amendment to Section K:5 of the Ordinance is necessary with the new CIS billing software requirements and to comply with best billing practices.

If approved, Ordinance 7268 will be amended to provide that each customer's individual Winter Sewer Average will be applied only to billing months **May through September**. The additional 3,000 gallons of consumption will no longer be added to the customer's sewer billing calculation. The amendment will also clarify the period of time used to establish the Winter Sewer Average, providing greater consistency and clarity in the calculation and application of the average.

During the billing months **May through September of 2026,** customers were charged for actual usage or the Winter Sewer Average, whichever was less. The 3,000 additional consumption has not been applied to customer's bills since the launch of the new Customer Information System (CIS) in April of 2026. This change was needed to accommodate the CIS and is common with other utility billing systems.

Attachments:
Ordinance

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

PRE-FILED
CITY RECORDER

ORDINANCE NO._____

A ORDINANCE AMENDING ORDINANCE NO 7268 BY SETTING THE WINTER SEWER AVERAGE

WHEREAS, the City of Kingsport (the "City") operates a utility system which provides water, sewer, and stormwater services to residents of the City and the service areas outside the corporate limits of the City; and

WHEREAS, Tennessee Code Annotated § 7-35-414(a), authorizes the governing body to set just and equitable water and sewer rates to fund all necessary expenses including operation, maintenance, debt service, and depreciation to be periodically adjusted by ordinance; and

WHEREAS, the City adopted Ordinance NO 7268 on June 16, 2026 setting sewer rates and setting the winter cap average for all residential customers; and

WHEREAS, the Section K.5. Winter Sewer Average for All Residential Customers requires amending to comply with our current billing; and

BE IT ORDAINED BY THE CITY OF KINGSPORT,

SECTION I. Section K.5. Winter Sewer Average for All Residential Customers is hereby amended as follows:

K.5. Winter Sewer Average for All Residential Customers

(a) An average base figure on water consumption will be established for residential customers. This figure will be calculated by using the consumption of each metered customer during the five-month billing periods of December to April when water usage is reasonably stable, and when most water enters the sewer system.

- A minimum of three-monthly readings is needed to determine the winter sewer average. The months of October and November will be included in the determination of the winter average if a minimum of three eligible readings cannot be obtained between December to April.
- For a reading to be included in the winter sewer average, a reading must be a minimum of 1,000 gallons and shall not exceed 10,000 gallons of consumption.

(b) Once established, the final average will be used as the individual sewer average for the billing months of May through September. A new average will be established annually.

(c) Three months of billing history will be needed to establish the winter sewer average for any new customer.

SECTION IV. 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_____

5. Winter Sewer Average for All Residential Customers

(a) An average base figure on water consumption will be established for ~~individual~~ residential customers. This figure will be calculated by using the consumption ~~by~~ of each metered customer during the five-month billing periods of December to April~~,~~ ~~winter months~~ when water usage is reasonably stable, and when most water enters the ~~City~~ sewer system.

- A minimum of three-monthly readings is needed to determine the winter sewer average. The months of October and November will be included in the determination of the winter average if a minimum of three eligible readings cannot be obtained between December to April.
- For a reading to be included in the winter sewer average, a reading must be a minimum of 1,000 gallons and shall not exceed 10,000 gallons of consumption.

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(b) ~~A 3,000-gallon amount will be added to the average of each customer to arrive at a final individual consumption average.~~

(c) Once established, the final average will be used as the ~~annual~~ individual sewer average for the ~~following year~~ billing months of May through September. A new average will be established annually ~~during each winter period and the procedure will be repeated~~.

(d) ~~Six~~ Three months of billing history will be needed to establish the winter sewer average for any new customer.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution for Amendment Number 2 to TDOT Agreement for Island Road Improvements 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-309-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
Approval of this resolution will extend the contract date with the Tennessee Department of Transportation for the Island Road Improvements project to June 30, 2027.

On May 21, 2019 the Kingsport Board of Mayor and Aldermen entered into a contract with the Tennessee Department of Transportation for Island Road Improvements inside Kingsport City Limits using Metropolitan Transportation Planning Organization funds (AF-97-2019). This allows Kingsport to spend eighty percent federal dollars on eligible/classified roadways with a twenty percent match by the City. The original contract expired on April 30, 2024 and was extended to December 31, 2026 (AF-10-2025). With improvements under construction, in order for the City to be eligible for reimbursement of funds spent and complete the contract closeout process, the contract date must be extended to cover this remaining work. Therefore, amendment number two to the contract is being brought forth to extend the completion date until June 30, 2027.

Staff requests approval of Amendment Number 2; Agreement No. 190070; Federal Project No. STP-M-9108(49); State Project No. 82LPLM-F3-088; PIN 128742.00.

Attachments:
1. Resolution
2. TDOT Contract Amendment

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION APPROVING AMENDMENT 2 TO AGREEMENT NUMBER 190070 WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR THE ISLAND ROAD IMPROVEMENTS AND AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, in May, 2019, the board approved Resolution No. 2019-186 which approved entering into Agreement No. 190070 with the State of Tennessee Department of Transportation ("TDOT") for the Island Road Improvements inside Kingsport City limits (the "Island Road Improvement Project"); and

WHEREAS, in January, 2025, the board approved Resolution No. 2025-131, which extend the expiration date to December 31, 2026; and

WHEREAS, while the Island Road Improvement Project is still under construction, the Agreement with TDOT will expire on December 31, 2026 and to maintain eligibility for reimbursement of funds, the expiration date of the project must be extended to cover the remaining work associated with this project;

WHEREAS, this amendment will to extend the expiration date to June 30, 2027.

Now therefore,

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

SECTION I. That Amendment 2 to Agreement Number 190070 with the agreement with State of Tennessee Department of Transportation for the Island Road Improvement Project, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, Amendment 2 to Agreement Number 190070 with the agreement with State of Tennessee Department of Transportation for the Island Road Improvement Project, 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:

Amendment Number: 2
Agreement Number: 190070
Project Identification Number: 128742.00
Federal Project Number: STP-M-9108(49)
State Project Number: 82LPLM-F3-088

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 among the parties of their respective obligations related to the management of the project described as:

Island Road, from SR-126 (Memorial Boulevard) to the Kingsport City Limits

1. The language of Agreement # 190070 Al dated January 23, 2025 Section B.2 a) is hereby

deleted in its entirety.
2. The following is added as B.2 a).
B.2 a) The Agency agrees to complete the herein assigned phases of the Project on or before **June 30, 2027.** If the Agency does not complete the herein described phases of the Project within this time period, this Agreement will expire on the last day of scheduled completion as provided in this paragraph unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of the Agreement. An extension of the term of this Agreement will be effected through an amendment to the Agreement. Expiration of this Agreement will be considered termination of the Project. The cost of any work performed after the expiration date of the Agreement will not be reimbursed by the Department.
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 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 3rd day of November, 2026.

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
12TH FLOOR, WILLIAM R. SNODGRASS TOWER
312 ROSA L. PARKS AVENUE
NASHVILLE, TENNESSEE 37243
(615) 741-2208

WILL REID
COMMISSIONER

BILL LEE
GOVERNOR

October 13, 2026

The Honorable Paul W. Montgomery
Mayor, City of Kingsport
415 Broad Street
Kingsport, TN 37660

Re: Island Road, from SR-126 (Memorial Boulevard) to the Kingsport City Limits
Kingsport, Sullivan County
PIN: 128742.00
Federal Project Number: STP-M-9108(49)
State Project Number: 82LPLM-F3-088
Agreement Number: 190070

Dear Mayor Montgomery:

I am attaching an amendment to the original contract to this letter. The amendment extends the expiration date of the contract. 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 Cody Mitchell at 615-253-5376 or cody.mitchell@tn.gov.

Sincerely,

Mike Gilbert
Manager, Local Programs & Community Investments Division

Attachment

Amendment Number: 2

Agreement Number: 190070

Project Identification Number: 128742.00

Federal Project Number: STP-M-9108(49)

State Project Number: 82LPLM-F3-088

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 among the parties of their respective obligations related to the management of the project described as:

Island Road, from SR-126 (Memorial Boulevard) to the Kingsport City Limits

1. The language of Agreement # 190070 A1 dated January 23, 2025 Section B.2 a) is hereby deleted in its entirety.

2. The following is added as B.2 a) .

B.2 a) The Agency agrees to complete the herein assigned phases of the Project on or before **June 30, 2027**. If the Agency does not complete the herein described phases of the Project within this time period, this Agreement will expire on the last day of scheduled completion as provided in this paragraph unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of the Agreement. An extension of the term of this Agreement will be effected through an amendment to the Agreement. Expiration of this Agreement will be considered termination of the Project. The cost of any work performed after the expiration date of the Agreement will not be reimbursed by the Department.

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

By: _____ _____
Paul W. Montgomery **Date**
Mayor

STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION

By: _____ _____
Will Reid **Date**
Commissioner

APPROVED AS TO
FORM AND LEGALITY

By: _____ _____
Rodney B. Rowlett, III **Date**
Attorney

APPROVED AS TO
FORM AND LEGALITY

By: _____ _____
Leslie South **Date**
General Counsel

ATTESTED BY:

_____ _____
Angie Marshall **Date**
Deputy City Recorder

By: _____ _____
Steve Allen **Date**
Director, Local Programs
& Community Investments
Division

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution for Amendment Number 2 to TDOT Agreement for North Eastman Road and Clinchfield Street Project and Authorizing the Mayor to Sign all Applicable Documents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-312-2026
Work Session: November 2, 2026
First Reading: N/A

Final Adoption: November 3, 2026
Staff Work By: Committee
Presentation By: Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved the City will enter into a second contract amendment with the Tennessee Department of Transportation (TDOT) that updates the "Exhibit A" cost breakdown for project pin 132587.00.

On December 5, 2022 the Kingsport Board of Mayor and Aldermen entered into a contract with the Tennessee Department of Transportation for the resurfacing of North Eastman Road and Clinchfield Street using Metropolitan Transportation Planning Organization funds (AF-367-2022). This allowed Kingsport to spend eighty percent (80%) federal dollars on eligible/classified roadways with a twenty percent (20%) match by the City. In December of 2025, Amendment number 1 (AF-271-2025) came before the BMA to reduce the scope of work in the project to allow the City to self-perform work prior to construction at an estimated cost savings of approximately $440,000.

This Amendment number 2 updates the costs breakdown in "Exhibit A" for this project. The changes are in the Construction Phase lines and in the TDOT Engineering Services line to reflect actual dollars appropriated for this project by the City and Federal Highway.

Staff requests approval of Amendment Number 2; Agreement No. 220034; Federal Project No. STP-M-9108(53); State Project No. 82LPLM-F3-101; PIN 132587.00.

Attachments:
1. Resolution
2. TDOT Contract Amendment

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING AMENDMENT 2 TO THE AGREEMENT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR THE NORTH EASTMAN ROAD AND CLINCHFIELD STREET ROAD RESURFACING PROJECT; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, on December 6, 2022, the board approved Resolution No.: 2023-119 authorizing the mayor to sign an agreement with the Tennessee Department of Transportation (TDOT) for the resurfacing of North Eastman Road and Clinchfield Street; and

WHEREAS, on December 16, 2025, the board approved Resolution No.: 2025-130 amending the scope of work to allow city personnel to perform sidewalk/ADA compliance along North Eastman Road and Clinchfield Street prior to resurfacing; and

WHEREAS, this Amendment Number 2 updates the cost breakdown in “Exhibit A” for this project to reflect actual dollars appropriated for this project by the city and TDOT.

Now therefore,

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

SECTION I. That Amendment 2 to the agreement with the Tennessee Department of Transportation (TDOT) for the resurfacing of North Eastman Road and Clinchfield Street 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, Amendment 2 to the Agreement with the Tennessee Department of Transportation (TDOT) for the resurfacing of North Eastman Road and Clinchfield Street, 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: 2
Agreement Number: 220034
Project Identification Number: 132587.00
Federal Project Number: STP-M-9108(53)
State Project Number: 82LPLM-F3-101

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 among the parties of their respective obligations related to the management of the project described as:

North Eastman Road, from Lincoln Street to SR-1 (US-11W, East Stone Drive); and Clinchfield Street, from SR-36 (West Center Street) to SR-1 (US-11W, East Stone Drive)

1. The language of Agreement # 220034 Al dated January 5, 2026 Exhibit A is hereby deleted in its entirety and replaced with the attached Exhibit A for Amendment 2 .

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 3rd day of November, 2026.

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
12TH FLOOR, WILLIAM R. SNODGRASS TOWER
312 ROSA L. PARKS AVENUE
NASHVILLE, TENNESSEE 37243
(615) 741-2208

WILL REID
COMMISSIONER

BILL LEE
GOVERNOR

October 15, 2026

The Honorable Paul Montgomery
Mayor, City of Kingsport
415 Broad Street
Kingsport, TN 37660

Re: North Eastman Road, from Lincoln Street to SR-1 (US-11W, East Stone Drive); and Clinchfield Street, from SR-36 (West Center Street) to SR-1 (US-11W, East Stone Drive)
Kingsport, Sullivan County
PIN: 132587.00
Federal Project Number: STP-M-9108(53)
State Project Number: 82LPLM-F3-101
Agreement Number: 220034

Dear Mayor Montgomery:

I am attaching an amendment to the original contract to this letter. The amendment 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 Cody Mitchell at 615-253-5376 or cody.mitchell@tn.gov.

Sincerely,

Mike Gilbert
Manager, Local Programs & Community Investments Division

Attachment

Amendment Number: **2**

Agreement Number: **220034**

Project Identification Number: **132587.00**

Federal Project Number: **STP-M-9108(53)**

State Project Number: **82LPLM-F3-101**

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 among the parties of their respective obligations related to the management of the project described as:

North Eastman Road, from Lincoln Street to SR-1 (US-11W, East Stone Drive); and Clinchfield Street, from SR-36 (West Center Street) to SR-1 (US-11W, East Stone Drive)

1. The language of Agreement # 220034 A1 dated January 5, 2026 Exhibit A is hereby deleted in its entirety and replaced with the attached Exhibit A for Amendment 2 .

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

By: _____ _____
Paul W. Montgomery **Date**
Mayor

STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION

By: _____ _____
Will Reid **Date**
Commissioner

APPROVED AS TO
FORM AND LEGALITY

By: _____ _____
Rodney B. Rowlett, III **Date**
Attorney

APPROVED AS TO
FORM AND LEGALITY

By: _____ _____
Leslie South **Date**
General Counsel

ATTESTED BY:

_____ _____
Angie Marshall **Date**
Deputy City Recorder

By: _____ _____
Steve Allen **Date**
Director, Local Programs
& Community Investments
Division

EXHIBIT "A" for AMENDMENT 2

Agreement #: **220034**
Project Identification #: **132587.00**
Federal Project #: **STP-M-9108(53)**
State Project #: **82LPLM-F3-101**

Project Description: North Eastman Road, from Lincoln Street to SR-1 (US-11, East Stone Drive); and Clinchfield Street, from SR-36 (West Center Street) to SR-1 (US-11W, East Stone Drive). Resurfacing of various functionally classified roadways including milling, grading, repairing, striping and signage. Roadway listing and classifications as follows: N. Eastman Road - Urban Minor Arterial - from Lincoln Street to East Stone Drive (SR-1) Clinchfield Street - Urban Minor Arterial - from West Center Street (SR-36) to East Stone Drive (SR-1).

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	$44,690.00
PE-DESIGN	STBG-U	80	0	20	$85,383.00
CONSTRUCTION	STBG-U	80	0	20	$2,086,795.00
CONSTRUCTION	LOCAL	0	0	100	$273,205.00
CEI	STBG-U	80	0	20	$79,605.00
TDOT ES	STBG-U	80	0	20	$23,600.00

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.

AGENDA ACTION FORM

Consideration of a Resolution to Purchase One (1) Kubota KX080 Excavator Utilizing Sourcewell Contract

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-320-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	R. McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this resolution authorizes the purchase of One (1) Kubota KX080 Excavator from Kubota of Kingsport utilizing Sourcewell Contract #112624-KBA in the amount of $123,845.73.

The estimated delivery for this unit is 30 days after receipt of the PO. This purchase will replace unit 2257 for use by the Stormwater Department. The replacement cost reflects a 16% increase over the original purchase in 2015.

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 Contract.

Funding is identified in Project/Account # 51150085019010

Attachments:
1. Resolution
2. Recommendation Memo
3. Replacement Form
4. Quote
5. Sourcewell Contract

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER TO KUBOTA OF KINGSPORT UTILIZING SOURCEWELL COOPERATIVE PURCHASING AGREEMENT NO. 11624-KBA FOR ONE KUBOTA KX080 EXCAVATOR FOR USE BY THE STORMWATER DEPARTMENT

WHEREAS, staff recommends the purchase of one (1) Kubota KX080 Excavator utilizing Sourcewell Contract #11624-KBA for use by the stormwater 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, this purchase will replace unit 2257 for use by the Stormwater Department; and

WHEREAS, in order to purchase the equipment, a purchase order needs to be issued to Kubota of Kingsport**,** in the amount of $123,845.73; 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 Kubota of Kingsport for one (1) Kubota KX080 Excavator utilizing Sourcewell Contract #11624-KBA for use by the stormwater department in the amount of $123,845.73.

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

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

ADOPTED this the 3rd day of November, 2026.

_____
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: October 5, 2026

Re: Fleet Replacement Unit of 2257 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement of unit # 2257 in the amount of $123,845.73. The unit bid meets the expectations of the Storm Water and will fulfill the requirements of their operational needs. This unit will be purchased utilizing Sourcewell Contract # 112624-KBA. A copy of the Sourcewell Contract is attached. The estimated delivery is 30 days.

Item	Quantity	Description	Award to Vendor	Fuel Economy
1	1	Kubota KX 080 Excavator	Kubota of Kingsport	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 Adam Williams and he is in agreement with this recommendation.

Fuel Economy Improvement

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

Sourcewell Contract 112624-KBA

Replacements

2257	2015 Kubota Compact Excavator	Hours	3,274

2257 was purchased in 2015 for $106,709.65 the replacement cost is a 16% increase.

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

Thank you.


Kubota

Sourcewell
Ground Maintenance, CE, Utility Tractors, Mowers, RTV's - 112624-KBA
Ag Tractors with Related Attachments - 082923-KBA
NJPA Arkansas 4600055337
Nebraska 14777 (OC)
Mississippi 8200067336

KX080-5R3A WEB QUOTE #3002784
Date: 10/2/2026 12:47:18 PM
-- Customer Information --
LEONARD, STEVE
29779
CITY OF KINGSPORT
steveleonard@kingsporttn.gov
4232299421

Quote Provided By
KUBOTA OF KINGSPORT
DOROTHY TIPTON
921 E. STONE DR.
KINGSPORT, TN 37660
email: dtipton@kubotaofkingsport.com
phone: 4233786100

-- Standard Features --

Kubota

K Series KX080-5R3A

* * * EQUIPMENT IN STANDARD MACHINE * * *

PLEASE CONTACT YOUR AUTHORIZED KUBOTA DEALER FOR AVAILABILITY AS QUANTITIES ARE LIMITED

FEATURES

Auto Idler
Rubber Or Steel Track Models
Air Conditioned ROPS/OPG (Top Guard, Level I) Cab
Cloth Suspension Seat
Kubota 2 Hydraulic Pump Load Sensing System
2 Variable Displacement Pumps
All Controls Hydraulic Pilot Controls
Two Operating Pattern Selection System
Accumulator
Standard Front Dozer Blade w/ Float
Optional Float Angle Blade w/ Bolt-on Cutting Edge
360 Degree Full Rotation
70 Degree Left, 60 Degree Right Boom Swing
26.4 gpm Adjustable Auxiliary Hydraulics Port 1
14.7 gpm Adjustable Auxiliary Hydraulics Port 2
Thumb Bracket and Relief Valves
Five-Second Quick Preheat System
Key Switch Stop System
Half Pitch Rubber Tracks
Self-Bleed Fuel System
Auto-Downshift Two-Speed Travel System
Swivel Negative Brake
Travel Negative Brake
Third Line
Keyless Start - Standard
Rearview Camera - Standard
Air Ride Suspension Seat - Standard
Adjustable Seat and Console Controls - Standard
Telematics Wiring & Modem - Standard
7" LCD Color Display - Standard
LED Work Lights
Auto-shut off

DIMENSIONS AND OPERATING WEIGHT

KX080-5R3, Rubber Tracks, Air Cond. ROPS/OPG (Top Guard, Level 1) Cab, Dozer Blade, Dipper Arm, Counterweight
Overall Length 21' 1.9"
Overall Width 7' 2.6"
Overall Height 8' 4"
Operating Weight 18,280 lbs.*
Ground Clearance 15.4"
* Includes operator's weight, 175 lbs.

ENGINE

V3307 Kubota DI CRS Turbo Tier 4 Final Diesel Engine
4 Cylinder, 4 Cycle
66.6 Gross HP @ 2000 rpm (SAE J1995)

OPERATIONAL DIMENSIONS

Max Digging Depth 15' 1"
Max Digging Radius @ Ground Level 23' 6.3"
Max Vertical Digging Depth 12' 7.6"
Max Dumping Height 17' 2.7"

DOZER BLADE DIMENSIONS

Width 86.6"
Height 19.7"
Lift Above Ground 19.7"
Drop Below Ground 19.7"

PERFORMANCE

Digging Force @ Bucket (K7427) 14,660 lbs.
Digging Force @ Dipper Arm 8,554 lbs.
Travel Speed (Low) 1.7 mph
Travel Speed (High) 3.1 mph
Climbing Ability 36% / 20°
Lift Capacity 6,500 lbs.
Over Front
Blade Grounded
4.0 Ft. Load Point Height
12.0 Ft. Load Radius

-- Custom Options --

KX080-5R3A Base Price:	$145,124.00
Selected Kubota Attachments	
(1) AT&T TIER 3 TELEMATICS MODEM DCU6770-AT&T TIER 3 TELEMATICS MODEM	$490.00
(1) QUICK ATTACH COUPLER K7402A-QUICK ATTACH COUPLER	$2,602.00
(1) 24" QUICK ATTACH TRENCHING BUCKET K7427-24" QUICK ATTACH TRENCHING BUCKET	$3,452.00
(1) TRAVEL ALARM FOR KX080-5 K7400-TRAVEL ALARM FOR KX080-5	$171.00
(1) HYD THUMB KIT K7405A-HYD THUMB KIT	$6,812.00
Total Kubota Attachments:	$13,527.00
Total Attachments:	$13,527.00
Configured Price:	$158,651.00
Sourcewell Discounts:	
Kubota Items:	($38,076.24)
Total Discount:	($38,076.24)
SUBTOTAL:	$120,574.76
Kubota Item Fees:	
Dealer Assembly:	$247.50
Freight Cost:	$1,931.25
PDI:	$400.00
FACTORY ASSEMBLY	$422.00
ADDITIONAL FREIGHT	$270.22
Total Unit Price:	$123,845.73
Quantity Ordered:	1
Final Sales Price:	$123,845.73

Purchase Order Must Reflect Final Sales Price.

To order, place your Purchase Order directly with the quoting dealer

DRAFT

***All equipment specifications are as complete as possible as of the date on the quote. Additional attachments, options, or accessories may be added (or deleted) at the discounted price.** All specifications and prices are subject to change. Taxes are not included. The PDI fees and freight for attachments and accessories quoted may have additional charges added by the delivering dealer. These charges will be billed separately. Prices for product quoted are good for 60 days from the date shown on the quote. All equipment as quoted is subject to availability.

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198.143.39.16

DRAFT

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MASTER AGREEMENT #112624
CATEGORY: Grounds Maintenance Equipment and Related Attachments
SUPPLIER: Kubota Tractor Corporation

This Master Agreement (Agreement) is between Sourcewell, a Minnesota service cooperative located at 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Kubota Tractor Corporation, 1000 Kubota Drive, Grapevine, TX 76051 (Supplier).

Sourcewell is a local government and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) offering a Cooperative Purchasing Program to eligible participating government entities.

Under this Master Agreement entered with Sourcewell, Supplier will provide Included Solutions to Participating Entities through Sourcewell's Cooperative Purchasing Program.

Article 1: General Terms

The General Terms in this Article 1 control the operation of this Master Agreement between Sourcewell and Supplier and apply to all transactions entered by Supplier and Participating Entities. Subsequent Articles to this Master Agreement control the rights and obligations directly between Sourcewell and Supplier (Article 2), and between Supplier and Participating Entity (Article 3), respectively. These Article 1 General Terms control over any conflicting terms. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Purpose.** Pursuant to Minnesota law, the Sourcewell Board of Directors has authorized a Cooperative Purchasing Program designed to provide Participating Entities with access to competitively awarded cooperative purchasing agreements. To facilitate the Program, Sourcewell has awarded Supplier this cooperative purchasing Master Agreement following a competitive procurement process intended to meet compliance standards in accordance with Minnesota law and the requirements contained herein.

2) **Intent.** The intent of this Master Agreement is to define the roles of Sourcewell, Supplier, and Participating Entity as it relates to Sourcewell's Cooperative Purchasing Program.

3) **Participating Entity Access.** Sourcewell's Cooperative Purchasing Program Master Agreements are available to eligible public agencies (Participating Entities). A Participating Entity's authority to access Sourcewell's Cooperative Purchasing Program is determined through the laws of its respective jurisdiction.

4) **Supplier Access.** The Included Solutions offered under this Agreement may be made available to any Participating Entity. Supplier understands that a Participating Entity's use of this Agreement is at the Participating Entity's sole convenience. Supplier will educate its sales and service forces about Sourcewell eligibility requirements and required documentation. Supplier will be responsible for ensuring sales are with Participating Entities.

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5) **Term.** This Agreement is effective upon the date of the final signature below. The term of this Agreement is four (4) years from the effective date. The Agreement expires at 11:59 P.M. Central Time on January 31, 2029, unless it is cancelled or extended as defined in this Agreement.

   a) **Extensions.** Sourcewell and Supplier may agree to up to three (3) additional one-year extensions beyond the original four-year term. The total possible length of this Agreement will be seven (7) years from the effective date.

   b) **Exceptional Circumstances.** Sourcewell retains the right to consider additional extensions as required under exceptional circumstances.

6) **Survival of Terms.** Notwithstanding the termination of this Agreement, the obligations of this Agreement will continue through the performance period of any transaction entered between Supplier and any Participating Entity before the termination date.

7) **Scope.** Supplier is awarded a Master Agreement to provide the solutions identified in RFP #112624 to Participating Entities. In Scope solutions include:

   a) Lawn and garden equipment for all types of lawn, field and turf care, golf course, landscape, sidewalk, walking path, and parking lot maintenance, and snow removal;

   b) Irrigation and aeration equipment, systems, parts, and installation; and

   c) Beach and waterfront maintenance equipment and accessories.

8) **Included Solutions.** Supplier's Proposal to the above referenced RFP is incorporated into this Master Agreement. Only those Solutions included within Supplier's Proposal and within Scope (Included Solutions) are included within the Agreement and may be offered to Participating Entities.

9) **Indefinite Quantity.** This Master Agreement defines an indefinite quantity of sales to eligible Participating Entities.

10) **Pricing.** Pricing information (including Pricing and Delivery and Pricing Offered tables) for all Included Solutions within Supplier's Proposal is incorporated into this Master Agreement.

11) **Not to Exceed Pricing.** Suppliers may not exceed the prices listed in the current Pricing List on file with Sourcewell when offering Included Solutions to Participating Entities. Participating Entities may request adjustments to pricing directly from Supplier during the negotiation and execution of any transaction.

12) **Open Market.** Supplier's open market pricing process is included within its Proposal.

13) Supplier Representations:

   i) **Compliance.** Supplier represents and warrants it will provide all Included Solutions under this Agreement in full compliance with applicable federal, state, and local laws and regulations.

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ii) **Licenses.** As applicable, Supplier will maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of Supplier's business with Participating Entities. Participating Entities may request all relevant documentation directly from Supplier.

iii) **Supplier Warrants.** Supplier warrants that all Included Solutions furnished under this Agreement are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Solutions are suitable for and will perform in accordance with the ordinary use for which they are intended.

14) **Bankruptcy Notices.** Supplier certifies and warrants it is not currently in a bankruptcy proceeding. Supplier has disclosed all current and completed bankruptcy proceedings within the past seven years within its Proposal. Supplier must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the term of this Agreement.

15) **Debarment and Suspension.** 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 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 Agreement. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time during the term of this Agreement.

16) **Provisions for non-United States federal entity procurements under United States federal awards or other awards (Appendix II to 2 C.F.R § 200).** Participating Entities that use United States federal grant or other federal funding to purchase solutions from this Agreement 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 Section, all references to "federal" should be interpreted to mean the United States federal government. The following list applies when a Participating Entity accesses Supplier's Included Solutions with United States federal funds.

i) **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all agreements 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.

ii) **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,

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"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 comply with all applicable Davis-Bacon Act provisions.

iii) **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, 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 Agreement. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

iv) **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 Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

v) **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

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$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 Agreement it will comply with applicable requirements as referenced above.

vi) **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.

vii) **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).

viii) **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.

ix) **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.

x) **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.

xi) **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 Agreement for the purpose of making audits, examinations, excerpts, and transcriptions. The

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right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

xii) **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.

xiii) **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.

xiv) **NO OBLIGATION BY FEDERAL GOVERNMENT.** The U.S. federal government is not a party to this Agreement 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 Agreement or any purchase by an authorized user.

xv) **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 Agreement or any purchase by a Participating Entity.

xvi) **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.

xvii) **CONFLICTS OF INTEREST.** The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Agreement or any aspect related to the anticipated work under this Agreement 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.

xviii) **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.

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

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

Article 2:
Sourcewell and Supplier Obligations

The Terms in this Article 2 relate specifically to Sourcewell and its administration of this Master Agreement with Supplier and Supplier's obligations thereunder.

1) **Authorized Sellers**. Supplier must provide Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers which may complete transactions of Included Solutions offered under this Agreement. Sourcewell may request updated information in its discretion, and Supplier agrees to provide requested information within a reasonable time.

2) **Product and Price Changes Requirements.** Supplier may request Included Solutions changes, additions, or deletions at any time. All requests must be made in writing by submitting a Sourcewell Price and Product Change Request Form to Sourcewell. At a minimum, the request must:
   - Identify the applicable Sourcewell Agreement number;
   - Clearly specify the requested change;
   - Provide sufficient detail to justify the requested change;
   - Individually list all Included Solutions affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
   - Include a complete restatement of Pricing List with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Included Solutions 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 Agreement and will be incorporated by reference.

3) **Authorized Representative.** Supplier will assign an Authorized Representative to Sourcewell for this Agreement and must provide prompt notice to Sourcewell if that person is changed. The Authorized Representative will be responsible for:
   - Maintenance and management of this Agreement;
   - Timely response to all Sourcewell and Participating Entity inquiries; and
   - Participation in reviews with Sourcewell.

   Sourcewell's Authorized Representative is its Chief Procurement Officer.

4) **Performance Reviews.** Supplier will perform a minimum of one review with Sourcewell per agreement year. The review will cover transactions to Participating Entities, pricing and terms, administrative fees, sales data reports, performance issues, supply chain issues, customer issues, and any other necessary information.

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5) **Sales Reporting Required.** Supplier is required as a material element to this Master Agreement to report all completed transactions with Participating Entities utilizing this Agreement. Failure to provide complete and accurate reports as defined herein will be a material breach of the Agreement and Sourcewell reserves the right to pursue all remedies available at law including cancellation of this Agreement.

6) **Reporting Requirements.** Supplier must provide Sourcewell an activity report of all transactions completed utilizing this Agreement. Reports are due at least once each calendar quarter (Reporting Period). Reports must be received no later than 45 calendar days after the end of each calendar quarter. Supplier may report on a more frequent basis in its discretion. Reports must be provided regardless of the amount of completed transactions 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;
   - Sourcewell Participating Entity Account Number;
   - Transaction Description;
   - Transaction Purchased Price;
   - Sourcewell Administrative Fee Applied; and
   - Date Transaction was invoiced/sale was recognized as revenue by Supplier.

   If collected by Supplier, the Report may include the following fields as available:
   - Participating Entity Contact Name;
   - Participating Entity Contact Email Address;
   - Participating Entity Contact Telephone Number;

7) **Administrative Fee.** In consideration for the support and services provided by Sourcewell, Supplier will pay an Administrative Fee to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. Supplier will include its Administrative Fee within its proposed pricing. Supplier may not directly charge Participating Entities to offset the Administrative Fee.

8) **Fee Calculation.** Supplier's Administrative Fee payable to Sourcewell will be calculated as a stated percentage (listed in Supplier's Proposal) of all completed transactions utilizing this Master Agreement within the preceding Reporting Period. For certain categories, a flat fee may be proposed. The Administrative Fee will be stated in Supplier's Proposal.

9) **Fee Remittance.** Supplier will remit fee to Sourcewell no later than 45 calendar days after the close of the preceding calendar quarter in conjunction with Supplier's Reporting Period obligations defined herein. Payments should note the Supplier's name and Sourcewell-assigned Agreement number in the memo; and must be either mailed to Sourcewell above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions.

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10) **Noncompliance.** Sourcewell reserves the right to seek all remedies available at law for unpaid or underpaid Administrative Fees due under this Agreement. Failure to remit payment, delinquent payments, underpayments, or other deviations from the requirements of this Agreement may be deemed a material breach and may result in cancellation of this Agreement and disbarment from future Agreements.

11) **Audit Requirements.** Pursuant to Minn. Stat. § 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell and the Minnesota State Auditor for a minimum of six years from the end of this Agreement. Supplier agrees to fully cooperate with Sourcewell in auditing transactions under this Agreement to ensure compliance with pricing terms, correct calculation and remittance of Administrative Fees, and verification of transactions as may be requested by a Participating Entity or Sourcewell.

12) **Assignment, Transfer, and Administrative Changes.** Supplier may not assign or otherwise transfer its rights or obligations under this Agreement without the prior written consent of Sourcewell. Such consent will not be unreasonably withheld. Sourcewell reserves the right to unilaterally assign all or portions of this Agreement within its sole discretion to address corporate restructurings, mergers, acquisitions, or other changes to the Responsible Party and named in the Agreement. Any prohibited assignment is invalid. Upon request Sourcewell may make administrative changes to agreement documentation such as name changes, address changes, and other non-material updates as determined within its sole discretion.

13) **Amendments.** Any material change to this Agreement must be executed in writing through an amendment and will not be effective until it has been duly executed by the parties.

14) **Waiver.** Failure by Sourcewell to enforce any right under this Agreement 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.

15) **Complete Agreement.** This Agreement represents the complete agreement between the parties for the scope as defined herein. Supplier and Sourcewell may enter into separate written agreements relating specifically to transactions outside of the scope of this Agreement.

16) **Relationship of Sourcewell and Supplier.** This Agreement does not create a partnership, joint venture, or any other relationship such as employee, independent contractor, master-servant, or principal-agent.

17) **Indemnification.** Supplier must indemnify, defend, save, and hold Sourcewell, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell, arising out of any act or omission in the performance of this Agreement 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 design, condition, or performance of Included Solutions under this Agreement. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

18) **Data Practices.** Supplier and Sourcewell acknowledge Sourcewell is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. As it applies to all data created and

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maintained in performance of this Agreement, Supplier may be subject to the requirements of this chapter.

19) **Grant of License.**
   a) **During the term of this Agreement:**
      i) **Supplier Promotion.** 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, promotional materials, and informational sites for the purpose of marketing Sourcewell's Agreement with Supplier.

      ii) **Sourcewell Promotion.** Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising, promotional materials, and informational sites for the purpose of marketing Supplier's Agreement with Sourcewell.

   b) **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, partners, or agents (collectively "Permitted Sublicensees") in advertising, promotional, or informational materials for the purpose of marketing the Parties' relationship. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this section by any of their respective sublicensees.

   c) **Use; Quality Control.**
      i) 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.

      ii) 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. Each party may make written notice to the other regarding misuse under this section. The offending party will have 30 days of the date of the written notice to cure the issue or the license/sublicense will be terminated.

   d) **Termination.** Upon the termination of this Agreement 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.

20) **Venue and Governing law between Sourcewell and Supplier Only.** The substantive and procedural laws of the State of Minnesota will govern this Agreement between Sourcewell and Supplier. Venue for all legal proceedings arising out of this Agreement between Sourcewell and Supplier will be in court of competent jurisdiction within the State of Minnesota. This section does not apply to any dispute between Supplier and Participating Entity. This Agreement reserves the right for Supplier and Participating Entity to negotiate this term to within any transaction documents.

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21) **Severability.** If any provision of this Agreement 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 Agreement is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

22) **Insurance Coverage.** At its own expense, Supplier must maintain valid insurance policy(ies) during the performance of this Agreement 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:

a) **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 Agreement.

- $1,500,000 each occurrence Bodily Injury and Property Damage
- $1,500,000 Personal and Advertising Injury
- $2,000,000 aggregate for products liability-completed operations
- $2,000,000 general aggregate

b) **Certificates of Insurance.** Prior to execution of this Agreement, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Agreement. 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 provided to in an alternative manner as directed by Sourcewell. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. Failure of Supplier to maintain the required insurance and documentation may constitute a material breach.

c) **Additional Insured Endorsement and Primary and Non-contributory Insurance Clause.** Supplier agrees to list Sourcewell, including its 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 Agreement 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.

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e) **Umbrella/Excess Liability/SELF-INSURED RETENTION.** The limits required by this Agreement can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

23) **Termination for Convenience.** Sourcewell or Supplier may terminate this Agreement upon 60 calendar days' written notice to the other Party. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

24) **Termination for Cause.** Sourcewell may terminate this Agreement upon providing written notice of material breach to Supplier. Notice must describe the breach in reasonable detail and state the intent to terminate the Agreement. Upon receipt of Notice, the Supplier will have 30 calendar days in which it must cure the breach. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

Article 3:
Supplier Obligations to Participating Entities

The Terms in this Article 3 relate specifically to Supplier and a Participating Entity when entering transactions utilizing the General Terms established in this Master Agreement. Article 1 General Terms control over any conflict with this Article 3. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Quotes to Participating Entities.** Suppliers are encouraged to provide all pricing information regarding the total cost of acquisition when quoting to a Participating Entity. Suppliers and Participating Entities are encouraged to include all cost specifically associated with or included within the Suppliers proposal and Included Solutions within transaction documents.

2) **Shipping, Delivery, Acceptance, Rejection, and Warranty.** Supplier's proposal may include proposed terms relating to shipping, delivery, inspection, and acceptance/rejection and other relevant terms of tendered Solutions. Supplier and Participating Entity may negotiate final terms appropriate for the specific transaction relating to non-appropriation, shipping, delivery, inspection, acceptance/rejection of tendered Solutions, and warranty coverage for Included Solutions. Such terms may include, but are not limited to, costs, risk of loss, proper packaging, inspection rights and timelines, acceptance or rejection procedures, and remedies as mutually agreed include notice requirements, replacement, return or exchange procedures, and associated costs.

3) **Applicable Taxes.** Participating Entity is responsible for notifying supplier of its tax-exempt status and for providing Supplier with any valid tax-exemption certification(s) or related documentation.

4) **Ordering Process and Payment.** Supplier's ordering process and acceptable forms of payment are included within its Proposal. Participating Entities will be solely responsible for payment to Supplier and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

5) **Transaction Documents.** Participating Entity may require the use of its own forms to complete transactions directly with Supplier utilizing the terms established in this Agreement. Supplier's

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standard form agreements may be offered as part of its Proposal. Supplier and Participating Entity may complete and document transactions utilizing any type of transaction documents as mutually agreed. In any transaction document entered utilizing this Agreement, Supplier and Participating Entity must include specific reference to this Master Agreement by number and to Participating Entity's unique Sourcewell account number.

6) **Additional Terms and Conditions Permitted.** Participating Entity and Supplier may negotiate and include additional terms and conditions within transaction documentation as mutually agreed. Such terms may supplant or supersede this Master Agreement when necessary and as solely determined by Participating Entity. Sourcewell has expressly reserved the right for Supplier and Participating Entity to address any necessary provisions within transaction documents not expressly included within this Master Agreement, including but not limited to transaction cancellation, dispute resolution, governing law and venue, non-appropriation, insurance, defense and indemnity, force majeure, and other material terms as mutually agreed.

7) **Subsequent Agreements and Survival.** Supplier and Participating Entity may enter into a separate agreement to facilitate long-term performance obligations utilizing the terms of this Master Agreement as mutually agreed. Such agreements may provide for a performance period extending beyond the full term of this Master Agreement as determined in the discretion of Participating Entity.

8) **Participating Addendums.** Supplier and Participating Entity may enter a Participating Addendum or similar document extending and supplementing the terms of this Master Agreement to facilitate adoption as may be required by a Participating Entity.

Sourcewell	Kubota Tractor Corporation
Signed by: Jeremy Schwartz C0FD2A139D06489...	Signed by: Paul Manger DB2930A6B34543B...
By: _____	By: _____
Jeremy Schwartz	Paul Manger
Title: Chief Procurement Officer	Title: Executive Director
Date: 1/28/2025 | 7:10 PM CST	Date: 1/28/2025 | 3:12 PM CST

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RFP 112624 - Grounds Maintenance Equipment and Related Attachments

Vendor Details

Company Name:	Kubota Tractor Corporation
Address:	1000 Kubota Drive Grapevine, Texas 76051
Contact:	Trisha Davis
Email:	trisha.davis@kubota.com
Phone:	817-532-3879
Fax:	888-458-2682
HST#:	9 5 2 8 0 1 5 1 3

Submission Details

Created On:	Tuesday October 22, 2024 13:18:58
Submitted On:	Monday November 25, 2024 13:26:15
Submitted By:	Michael Bond
Email:	michael.bond@kubota.com
Transaction #:	6c8c299d-1c2e-4d96-808b-702dddc44484
Submitter's IP Address:	209.249.99.117

Specifications

Table 1: Proposer Identity & Authorized Representatives (Not Scored)

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).

Table 1 Specific Instructions. Sourcewell requires identification of all parties responsible for providing Solutions under a resulting master agreement(s) (Responsible Supplier). Proposers are strongly encouraged to include all potential Responsible Suppliers including any corporate affiliates, subsidiaries, D.B.A., and any other authorized entities within a singular proposal. All information required under this RFP must be included for each Responsible Supplier as instructed. Proposers with multiple Responsible Supplier options may choose to respond individually as distinct entities, however each response will be evaluated individually and only those proposals recommended for award may result in a master agreement award. Unawarded entities will not be permitted to later be added to an existing master agreement through operation of Proposer's corporate organization affiliation.

Line Item	Question	Response *	
1	Provide the legal name of the Proposer authorized to submit this Proposal.	Kubota Tractor Corporation	*
2	In the event of award, is this entity the Responsible Supplier that will execute the master agreement with Sourcewell? Y or N.	Yes - Kubota Tractor Corporation	*
3	Identify all subsidiaries, D.B.A., authorized affiliates, and any other entity that will be responsible for offering and performing delivery of Solutions within this Proposal (i.e. Responsible Supplier(s) that will execute a master agreement with Sourcewell).	Kubota Tractor Corporation	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	N/A	*
5	Provide your NAICS code applicable to Solutions proposed.	423820 others apply as well	
6	Proposer Physical Address:	1000 Kubota Drive Grapevine, TX 76051	*
7	Proposer website address (or addresses):	www.kubotausa.com	*
8	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):	Paul Manger Executive Director 1000 Kubota Drive, Grapevine, TX 76051 Paul.Manger@kubota.com (817) 756-1171	*
9	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Trisha Davis National Accounts Gov't Specialist 1000 Kubota Drive; Grapevine, TX 76051 Trisha.Davis@kubota.com (817) 876-5819	*
10	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Mark Adams Manager, National Accounts Sales 1000 Kubota Drive; Grapevine, TX 76051 Mark.Adams@kubota.com (630) 488-8001	*

Table 2A: Financial Viability and Marketplace Success (50 Points)

Line Item	Question	Response *	

11	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested Solutions.	Who Kubota is, and will continue to be, is summed up in this statement - We are dedicated to food, water, and life. Kubota Corporation was established in 1890 as a metal casting business. When cholera was spreading through Japan, Kubota began mass domestic production of the nation's first cast iron pipes to help people avoid the disease. The company's founder Gonshiro Kubota believed, "Products that help the country prosper cannot be born without pouring all of your knowledge and soul into its development." He also believed, "Our products should not only be technically excellent, but also useful for the good of society." Inheriting these philosophies, the company has always stood up to social issues. Kubota Corporation developed agricultural machinery to combat the food shortage in post-war Japan, and established water and waste management, as well as an urban infrastructure development business to deal with the rapid economic growth of the country. Starting at the turn of the century, Kubota Corporation began expanding its global operations. In 2021, overseas revenue ratio reached 78%, spanning 120 countries and regions around the world where it is tackling sophisticated local climate and environmental challenges. Currently, Kubota Corporation treats food, water, and environment as one business area that leverages each other and is developing new solutions to combat the challenging and complex issues. In 1972 Kubota established the first overseas tractor sales base in the United States As Kubota had been approached by the American company Ford about the OEM supply of small tractors in 1967, it had been decided to enter the North American market with its own brand. The demand there was overwhelmingly for petrol engines, but Kubota had completed a multi-cylinder, lightweight and compact engine that overcame the problems with diesel engines, so it decided to limit exports to these diesel products. The company's compact diesel tractors were highly rated as having a performance and usability in line with larger models, and they became established in the American market, with over 2,000 sold in 1972. The company therefore created the Kubota Tractor Corporation (KTC) in Compton City, California, as a joint operation with the Marubeni Corporation, an export partner. KTC acted as a sales base and greatly expanded the market for the products. In 1974 In order to rebuild the company's construction machinery business, a decision was made to focus on compact vehicles, and the organization, production bases and sales system were all renewed. The KH1 fully-rotating mini back-hoe (compact pneumatic shovel) was completed in 1974, and would become the base machine for the company. In the latter half of the 1970s, the opportunities for the use of the mini back-hoe increased as there was an increase in small-scale construction work ordered by local authorities and urban-style construction for the improvement of the living environment. As Kubota had been first in the market, the sales volumes rose steadily. In 1979, a new construction machinery division was created to bring together the technology, sales and manufacturing of the products. For a full selection of Kubota literature please referee to KubotaUSA.com and kubotaengine.com for up to date history and product knowledge.	*

12	What are your company's expectations in the event of an award?	Kubota Tractor Corporation is honored to have served our Sourcewell partnership and its prospective members who have purchased our Kubota equipment through Sourcewell since 2012. Kubota expects to meet and exceed the expectations of Sourcewell members for products, services, and support. Kubota will position Sourcewell as our first and best solution for cooperative purchasing. Our dedicated National Account Manager for Municipal and Business Development makes our Sourcewell contracts a focus for sales growth throughout the United States. Kubota is committed to supporting Sourcewell members wherever they are located at a level that meets and exceeds their expectations. Kubota has an extensive array of dealer training tools to support continued growth. Sourcewell member aftersales support, and marketing direction to ensure success. We will engage our 1,100 dealers to promote our contract, and support Sourcewell members to the greatest extent possible. Kubota will engage government entities in the adoption of our Sourcewell contract in place of establishing individual government contracts. Kubota and the National Account Team for Municipal and New Business will partner with Sourcewell for marketing materials and trade show support. Kubota looks forward to attending and supporting Sourcewell "Get to Know Us" forums and will encourage dealer participation to understand the value of contract purchasing with Sourcewell members. Kubota will incorporate all Sourcewell marketing materials, resources, and tools (e.g. training videos, Talking Tactics, Webinars, etc.) into dealer education and business development. Lastly, Kubota's expectations are when Sourcewell members reach out to their local Kubota dealer, the dealer knows who they are and how they can help. Kubota's expectations in the event of an award would be to focus on customer needs and continued growth across all our governmental segments. Sourcewell has built a strong reputation within the industry that has shown the importance of how this cooperative contract delivers upon customer needs. This contract will be a top factor in our go to market strategy within our strong Kubota dealer network of over 1,100 plus dealers. If awarded, we will send out an internal Dealer Bulletin to our entire dealer network and Kubota salesforce, applicable to governmental, introducing the contract along with ways to train our salesforce, market and grow the contract. We are looking forward to this exciting opportunity to further grow our Kubota business and serve member needs together with our Dealer Network in the new RFP 112624 - Grounds Maintenance Equipment and Related Attachments. If awarded, we will be able to offer a wide array of equipment to fit the needs of Sourcewell members.	*
13	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. DO NOT PROVIDE ANY TAX INFORMATION OR PERSONALLY IDENTIFIABLE INFORMATION.	Financial information has been uploaded. These documents include general information such as Dunn and Bradstreet number, and federal ID numbers. As well as more specific financial information such as creditors and banking information.	*
14	What is your US market share for the Solutions that you are proposing?	Kubota Tractor Corporation considers its market share data to be proprietary information. While we do not publicly release market share information, Kubota Tractor Corporation holds a top-level market share position across our entire product portfolio's in the US.	*
15	What is your Canadian market share for the Solutions that you are proposing?	Kubota Tractor Corporation considers its market share data to be proprietary information. While we do not publicly release market share information, Kubota Tractor Corporation holds a top-level market share position across our entire Ag & Turf product portfolio in Canada.	*
16	Disclose all current and completed bankruptcy proceedings for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the pendency of this RFP evaluation.	No, Kubota Tractor Corporation has never petitioned for bankruptcy protection.	*

17	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer the question that best applies to your organization, either a) or b). 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? 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?	Kubota Tractor Corporation is a United States licensed Distributor and marketer of Kubota Japan (KBT). We are supported by our 1,100 plus dealer network which is independent of Kubota Tractor Corporation. Our dealers are independently owned companies who are able to support a wide variety of customers, markets, and product support including technical, parts, service, and onsite warranty work. Our dealerships have been proudly transacting and serving Sourcewell customers for many years,and look forward to a continued and prosperous partnership under this RFP. Our Kubota dealers are very experienced in properly quoting and transacting Sourcewell bids,and have formed many long - term relationships over the years with the Sourcewell purchasing entities. We at Kubota Tractor Corporation are fully authorized by Kubota Japan to transact on their behalf as their fully authorized USA distributor. Kubota also has a dedicated full time staffed government department to represent all governmental needs.
18	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.	Kubota maintains all licenses and certifications necessary to conduct business in the U.S. and Canada. Our commitment to environmental excellence is witnessed in achieving our SO 14001 environmental certifications. SO 14001 certification has been achieved at all domestic sites and 14 production sites in Japan. ISO 14001 certification is an environmental certification issued by the International Organization for Standardization. Additionally, all divisions have achieved SO 9001 certification. 24 Kubota Group companies whose primary operation is manufacturing have acquired certification. Certifications demonstrate Kubota s commitment to excellence in quality and design, development, and environmental sustainability. Some examples include employing DRBFM, a cross functional disciplined process to evaluate proposed changes to designs. Kubota self-audits quality, quality compliance, cross audits, and audits at short notice. This focus on auditing and compliance is to achieve operational excellence. It is these kinds of actions that result in Kubota's operational excellence and our certifications
19	Disclose all current and past debarments or suspensions for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a debarment or suspension status any time during the pendency of this RFP evaluation.	None - Not Applicable
20	Describe any relevant industry awards or recognition that your company has received in the past five years.	CSS Design Awards is one of the top three global web design awards alongside FWA (Favorite Website Awards) and awards. Judges from around the world evaluate websites on three categories: UI Design, UX Design, and Innovation. Kubota's Kubota Future Cube was ranked eighth out of 365 entries for 2022's Website of the Year. Furthermore, the cutting-edge website was awarded the Best Innovation award. Kubota is the first Japanese company to receive the annual award from CSS Design Awards. #1 selling compact excavator in the world for 18 years; #1 selling sub-compact tractor in the US; #1 rated reliability and durability by Progressive Farmer; Highest resale value for select construction equipment. Kubota Tractor Corporation has beefed up its compact tractor lineup with four new models. The company announced the addition of a new LX20 Series, with the LX3520 and LX4020 as the first two entrants. It also is expanding its popular LO2 Series, with the introduction of the L2502 and L4802. The two models added to the LX20 Series offer a multitude of improvements. Along with new horsepower offerings of 35 and 40, both are available in a factory-installed cab or ROPS configuration. A "special utility," or SU, model cab option is available for the LX3520. 2023 - U10-5 Rental Equipment Register, Innovation Award, 2023 - CE Attachments Concrete Contractor: Top Product Award, 2023 (plate compactors)-F3710 Front Mount Mower Landscape Business: 20 for 2023 Award, - F3710 Front Mount Mower Green Industry Pros: Editor's Choice Award2022 - L47 TLB: Equipment Watch: Highest Retained Value Awards, 2022 - U10-5 Landscape Business: 20 for 2022 Awards, 2022 - U10-5 Green Industry Pros: Editor's Choice Awards, 2022 - U10-5Rental Magazine: Editor's Choice Awards, 2022 - U10-5 Equipment Today: Contractor's Top 50 New Products, 2022 - U10-5 Construction Equipment: Top 100 New Products, 2022 - U10-5 Compact Equipment: Innovative Iron Awards, 2022 - K008-5 Green Industry Pros: Editor's Choice Awards, 2022 2021 - SSV Series: Equipment Watch: Highest Retained Value Awards, 2021 - SVL97-2 Equipment Today: Contractor's Top Products, 2021 - SVL97-2 Rental Magazine: Editor's Choice Awards, 2021

		- KX057-5 Rental Magazine: Editor's Choice Awards, 2021 - KX057-5 Construction Equipment: Top 100 New Products, 2021 - U55-5 Rental Magazine: Editor's Choice Awards, 2021 - U55-5 Construction Equipment: Top 100 New Products, 2021 - RTV-520 Pro Tools Review: Innovation Awards, 2021 - SZ Series Landscape Business: 20 for 2021 New Product Awards, 2021 - SZ Series Green Industry Pros: Editor's Choice Awards, 2021 - Z422 Zero Turn Mower Pro Tools Review: Innovation Awards, 20212020 - SZ Series Pro Tools Review: Innovation Awards, 2020 - SVL65-2 Rental Equipment Register: Innovative Product Awards, 2020 - SCL1000 Landscape Business: 20 for 2020 New Product Awards, 2020 - SCL1000 Construction Equipment: Innovative Iron Showcase, 2020 - SCL1000 Construction Equipment: Top 100 New Products, 2020 - SCL1000 Green Industry Pro's: Editor's Choice Awards, 2020 - SCL1000 Rental Magazine: Editor's Choice Awards, 2020 - SCL1000 Equipment Today: Contractor's Top 50 New Products, 2020 - CE Attachments Construction Equipment: Attachments Awards, 2020 - RTV-XG850 Sidekick Pro Tools Review: Innovation Awards, 2020 2019 - U35-4: Equipment Watch: Highest Retained Value Awards, 2019 - SVL65-2 Equipment Today: Top 50 New Products, 2019 - SVL65-2 Rental Equipment Register: Innovative Product Awards, 2019 - SVL65-2Rental Magazine: Editor's Choice Awards, 2019 - SZ Series Green Industry Pros: Editor's Choice Awards, 2019 - B01 Series Construction Equipment: Top 100 New Products, 2019 2018 - SVL Series: Equipment Watch: Highest Retained Value Awards, 2018 - RTV-XG850 Sidekick Equipment Today: Contractor's Top 50, 2018 - RTV-XG850 Sidekick Compact Equipment: Innovative Iron Awards, 2018 - RTV-XG850 Sidekick Construction Equipment: Top 100 New Products, 2018 - RTV-X1120 Construction Equipment: Top 100 New Products, 2018 By Product Line: ZD Series - ZD Series mowers rank as the number one selling diesel zero-turn mower series for more than 5 years." - Claim is based on Outdoor Power Equipment Institute market statistics from 2017 - 2021 unit shipments. Z400 Series - "Class-leading speed." - Claim is based on speeds published on company websites as of 11/08/2021 for the following 52"- 54" zero-turn models Gravely Pro-Turn ZX, Scag Patriot, Exmark Radius S Series, Toro Titan HD 2000 Series, Hustler Fastrak SDX, John Deere ZTrak. BX Series- #1 selling sub-compact tractor in the U.S. for over Ten years. Disclaimer: Based on EDA tractor sales data of under 20 horsepower models from 2009 to 2020 -Rated #1 for durability and owner experience - Disclaimer: Award based on 2021 Progressive Farmer Reader Insights Study. - #1 rated reliability under 100 HP tractors in the USA." Disclaimer: 2020 Progressive Farmer Reader Insights Awards for Fewest Report Problems Overall in the category of Small Tractor (Under 100 Horse Power). Award based on 2020 Progressive Farmer Readers Insights Tractor Study. " B series - "#1 rated reliability under 100 HP tractors in the USA." - 2020 Progressive Farmer Reader Insights Awards for Fewest Reported Problems Overall in the category of Small Tractor (Under 100 Horse Power). Award based on 2020	
21	What percentage of your sales are to the governmental sector in the past three years?	Due to Kubota Tractor Corporation's proprietary information, we would prefer not to provide the governmental sector sales volume history of our valued customers. We are a partner who is fully committed to our governmental customer purchase requirements. With our dedicated team we work solely with our government customers and our dealer network as we continue to increase our sales volume in this key segment.	*
22	What percentage of your sales are to the education sector in the past three years?	Due to Kubota Tractor Corporation's proprietary information, we would prefer not to provide the educational sector sales volume history of our valued customers. We are a partner who is fully committed to our educational customer purchase requirements. With our dedicated team we work solely with our educational customers and our dealer network as we continue to increase our sales volume in this key segment.	*
23	List all state, cooperative purchasing agreements that you hold. What is the annual sales volume for each of these agreement over the past three years?	Kubota holds a variety of state participating addendums. Including but not limited to New York state, Nevada, Kentucky, and Arkansas.	*
24	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?	KTC dealerships individually hold specific GSA and SOSA contracts and act independently in their transactions under these contracts.	*

Table 2B: References/Testimonials

Line Item 25. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Miami-Dade County	Bernalt Velasquez	(305) 794-2051	*
City of Hollywood	Jacques Pierre-Louis	(305) 761-9737	*
Arlington Independent School District	Todd Lane	(214) 435-8368	*

Table 3: Ability to Sell and Deliver Solutions (150 Points)

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 *	
26	Sales force.	Kubota's has over 1,100 dealer locations nationwide as well as our sales force within the Kubota Tractor Corporation National Accounts department. The sales coverage is in place for all 50 states and Canada by both our dealers sales force which averages four sales representatives per location which conservatively averages over 4,000 representatives. Kubota in Canada has 155 dealer locations with similar sales force averages. Additionally, Kubota Tractor Corporation directly employs 51 regional sales managers, five district sales managers, and five division sales managers. The Kubota sales force is essential for educating and instructing dealers in promoting and supporting government, educational,and non-profit entities. This combined sales effort will also drive new Sourcewell member growth and engagement with our Global Major Brand. Kubota dealers are also supported by a network of product sales specialist specific in Agricultural, Construction equipment business development managers, Compact Utility Specialist, Hay Tool Specialist, Turf Field Staff and Utility Vehicle Product and Sales Team Specialist throughout the United States and Canada. All positions are designed to fully support our dealers in market trends, relevant industry updates and sales campaigns, market support and pricing to better position our dealers for sustained sales growth within their regions. The Kubota dealers are all fully authorized sellers on our contract and can quote, accept PO's, and invoice Sourcewell member entities.	*
27	Describe the network of Authorized Sellers who will deliver Solutions, including dealers, distributors, resellers, and other distribution methods.	The Kubota dealer network encompasses approx. 500 dealer owners with approx. 1,145 dealer locations throughout the USA. Over 60% of our dealer owners own multiple dealer locations, and average 25 or more years of industry experience.	*
28	Service force.	Kubota places a high level of importance on quality, dependability and service support. Kubota dealers average over twice as many service technicians as sales representatives. Kubota dealers invest heavily in training and recruiting of service technicians, with each averaging 9 service technicians on average. This has resulted in nearly 10,000 certified service technicians across Kubota's dealer network. Many of these have mobile service vehicles as well to service onsite. Kubota's Canadian dealer network has similar averages of service technicians in its 150 plus dealerships. Kubota internally employs approximately 50 field-based technical service representatives to assist the dealer network with ensuring maximum up time and value for Kubota users. Kubota has stringent dealer requirements to provide a strong customer service support and obligations are high. Each dealership is required to have a factory trained service technician on staff at all times. The factory training is facilitated by the Kubota Corporate technical service center in Grapevine, TX. A corporate service training staff ensures dealers have access to, and take advantage of, world-class service training. Every dealer is also required to participate annually in service training school which last multiple days. These requirements ensure Kubota dealers meet our stated service goals and expectations. Kubota also provides training on all equipment within our Kubota University entity who holds an annual training in Florida for both US and Canada dealers in the months of January through February where dealers are allowed to learn about Kubota's products as well as the competitor's equipment.	*

29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	All of the Sourcewell transactions are handled by our dealer network directly. This allows Sourcewell members the opportunity to interact with their local Kubota dealerships. The local dealers within Kubota are very active members of their local communities, and have strong ties to them. Any purchasing entity that requests quotations from Kubota Tractor is automatically redirected to their local Kubota dealership for follow up, including them gaining an understanding of what the purchasing entity is seeking, including what kind of attachments and accessories it seeks. From there, the dealership is able to build an accurate quote based on what the Sourcewell member has requested. If the Sourcewell member approves of the quotation, our Kubota dealers are well skilled to not only procure the equipment internally, but also very capable in assembling the requested attachments and accessories. Once fully assembled and inspected, our dealers not only provide transportation to the Sourcewell member, but will also assist them with equipment familiarization, maintenance tips, and any other assistance in the safe operation of the equipment. Kubota offers extensive maintenance contracts for those purchasing entities for those who choose it. It allows Sourcewell members to take their equipment to the dealer of their choice to provide routine maintenance at various usage thresholds (50 hours, 100 hours, etc.) Sourcewell members will contact their local Kubota dealers directly for a quote. If Kubota National Accounts are contacted by a Sourcewell member, we assist them in directing them to their local dealer. The local Kubota dealership will provide the Sourcewell member with a Kubota authorized quotation, reflecting the proper discounts on the contract. The quotes are created utilizing the internal quote tool utilized by Kubota, "Build My Kubota (BMK) quote tool.	*
30	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.	The customer service aspect of our Sourcewell relationship remains vital to our dealer network. Our dealers work on the front line for KTC by handling customers at a personal level. Our dealer metrics program has been updated for 2025 and will reward our top performing dealers, giving them the incentive to be the best in multiple categories. Beyond our dealers, support is provided by the various departments at KTC. Customer service outlets such as the Technical Service Center, Customer Satisfaction, parts/warranty departments are there to provide Sourcewell a quick solution. Response time during business hours will be typically be immediate, and never to exceed 4 hours.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities.	Kubota will provide full service and support to all Sourcewell members in all 50 states in the US.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Kubota Canada Ltd. is able to provide all Sourcewell member full service and support in Canada.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed agreement.	Kubota will fully service all geographic areas of the United States and Canada with the proposed Sourcewell Contract.	*
34	Identify any account type of Participating Entity which will not have full access to your Solutions if awarded an agreement, and the reasoning for this.	Kubota will fully service and honor all Participating Entities if awarded under this contract.	*
35	Define any specific requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	There are no specific contract restrictions to supporting Sourcewell members in Alaska and Hawaii. Kubota has dealers located in both states to support Sourcewell members efficiently.	*
36	Will Proposer extend terms of any awarded master agreement to nonprofit entities?	Kubota is able to provide service to all participating entities including state/county/local government, educational, and non-profit sectors. As a Global Major Brand with a global presence, Kubota is committed to serving all Sourcewell members equally and fully in the US and Canada.	*

Table 4: Marketing Plan (100 Points)

Line Item	Question	Response *	

37	Describe your marketing strategy for promoting this opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	This marketing plan leverages Kubota's established reputation, government and educational sector growth, and Sourcewell's cooperative purchasing advantages to attract and retain government, educational, and non-profit clients. 1. Marketing Strategy for Sourcewell Opportunities • Targeted Outreach to Government and Educational Entities: Kubota's marketing approach includes promoting Sourcewell cooperative contracts to government agencies, municipalities, non-profit organizations, and educational institutions to highlight streamlined purchasing processes, competitive pricing, and high-quality equipment that Sourcewell contracts offer. • Local Dealer Involvement and Training: Kubota collaborates with its extensive dealer network to ensure they are knowledgeable about Sourcewell contracts. Dealers are trained to reach out to local government, school districts, and non-profits to showcase the ease and benefits of using Sourcewell contracts for their equipment needs. • Digital Marketing and Online Visibility: Kubota leverages its online platform and digital advertising to target Sourcewell-eligible organizations. This includes informative content on Kubota's website, social media channels, and educational videos on how government and educational entities can benefit from Sourcewell contracts. • Trade Shows and Industry Events: Kubota participates in trade shows focused on municipal, educational, and non-profit sectors, showcasing equipment suitable for these audiences and providing Sourcewell information directly to attendees. • Cooperative Purchasing Webinars: Kubota hosts webinars or partners with Sourcewell to conduct informational sessions aimed at educating prospective buyers on the benefits of cooperative purchasing. This includes case studies of successful implementations in similar entities. 2. Growth in Government, Non-Profit, and Educational Sales • Government Sales Growth: Kubota has seen growth in government sales, driven largely by increased awareness of cooperative purchasing benefits through Sourcewell. This includes increased contracts with municipal maintenance departments for equipment such as mowers, compact tractors, and utility vehicles that support grounds maintenance, landscaping, and snow removal. • Non-Profit Sector Sales: Kubota's partnerships with non-profit organizations have expanded, particularly in sectors needing durable outdoor equipment, like conservation organizations and community development groups. The Sourcewell contract's streamlined process allows non-profits to acquire essential equipment within budget constraints. • Educational Institutions: Kubota has seen increased interest from K-12 schools, universities, and other educational facilities for groundskeeping and facility maintenance solutions. School districts, in particular, benefit from using Sourcewell contracts to purchase mowers, compact tractors, and utility vehicles for campus upkeep. 3. Contracts and Initiatives Supporting Growth • Dedicated Sourcewell Contracts: Kubota's dedicated Sourcewell contract enables eligible entities to access equipment at pre-negotiated rates without a lengthy bid process. This contract has facilitated growth in Kubota's public sector sales by providing a reliable framework for purchasing. • Sustainability Initiatives: Kubota's commitment to environmentally friendly technology has supported growth in the non-profit sector, as organizations increasingly seek eco-friendly options. Kubota promotes its energy-efficient engines and low-emission equipment in marketing materials targeting these sectors. • Community and Educational Support Programs: Kubota has initiated community outreach programs, including partnerships with technical schools and universities. These initiatives not only promote Kubota's equipment but also support educational development in agricultural and construction fields. 4. Messaging and Key Selling Points for Sourcewell-Eligible Entities • Emphasis on Ease and Efficiency of Cooperative Purchasing: Kubota's marketing emphasizes the simplicity and time savings of using Sourcewell contracts, which eliminate the need for a lengthy bid process. • Showcasing Product Reliability and Versatility: Marketing materials emphasize Kubota's reputation for durable, versatile equipment, which is ideal for government and educational needs. Examples include tractors and mowers that can be used across multiple applications, from landscaping to snow removal. • Highlighting Long-Term Value and Service Commitment: Kubota promotes its long-term value proposition by highlighting service plans, genuine parts availability, and extended warranties, which are particularly appealing to budget-conscious government and non-profit buyers.

38	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Kubota uses a range of digital technologies to support and enhance its Sourcewell marketing efforts, effectively reaching government, non-profit, and educational entities. Through these technology-driven strategies, Kubota enhances its Sourcewell marketing by building awareness, engaging directly with potential buyers, and providing convenient resources for decision-making. This integrated approach improves Kubota's reach and effectiveness in the public and institutional market segments. Here are some key strategies and examples of Kubota's technology-driven marketing efforts: 1. Social Media for Brand Awareness and Engagement • Targeted Content on Social Media Platforms: Kubota actively uses social media channels, including LinkedIn, Facebook, Twitter, and Instagram, to promote Sourcewell opportunities to government and educational entities. LinkedIn, for example, allows Kubota to connect directly with public sector professionals and share relevant posts about cooperative purchasing benefits and case studies of successful Sourcewell partnerships. • Campaigns Highlighting Sourcewell Benefits: Kubota runs targeted ad campaigns focused on Sourcewell contracts, emphasizing the streamlined purchasing process and cost savings. These campaigns may highlight specific equipment suitable for government and educational use (e.g., mowers for school campuses, utility vehicles for municipalities). • Customer Testimonials and Case Studies: Kubota shares posts and videos on social media that showcase real-life testimonials from Sourcewell users in government and non-profit organizations, creating relatable content that resonates with potential buyers. 2. Metadata and SEO to Improve Online Visibility • Optimized Website Content for Sourcewell Searches: Kubota's website content, especially pages related to government and institutional purchasing, is optimized with keywords like "Sourcewell contracts," "government equipment purchasing," and "Kubota cooperative contracts." This helps Kubota rank higher in search results for public procurement professionals looking for relevant information. • Structured Data and Meta Tags: Kubota uses metadata, structured data, and meta tags to provide search engines with clear signals about their Sourcewell offerings. By tagging pages with terms that are commonly searched by municipal and educational buyers, Kubota can increase organic visibility for users researching cooperative purchasing options. • Landing Pages and Conversion Optimization: Kubota has developed specific landing pages that detail the benefits of Sourcewell contracts, making it easy for visitors to access relevant information and connect with a representative. These pages are optimized for conversions, with clear calls to action, contact forms, and interactive tools to locate nearby dealers. 3. Email Marketing for Direct Outreach • Targeted Email Campaigns: Kubota uses email marketing to target Sourcewell-eligible entities, such as government departments, school districts, and non-profits. By segmenting these lists, Kubota can deliver personalized content, like special contract offers, product updates, and case studies showing the impact of Kubota equipment in similar sectors. • Automated Drip Campaigns: Email automation allows Kubota to nurture leads over time. For example, if a government official downloads a Sourcewell brochure, they may enter a series of follow-up emails with information on specific products, dealer contacts, and the benefits of cooperative purchasing. 4. Website and Analytics Tools • Sourcewell Resource Pages with Downloadable Content: Kubota's website features dedicated Sourcewell resource pages that include downloadable PDFs, video case studies, and product catalogs tailored to government and institutional buyers. This content provides valuable information while giving Kubota insights into user engagement through download tracking. • Analytics and Conversion Tracking: Using analytics tools like Google Analytics, Kubota tracks the effectiveness of their Sourcewell-related web traffic, measuring conversion rates, page views, and user flow. This data helps Kubota refine its content strategy to better attract and convert potential Sourcewell buyers. 5. Geotargeting and Digital Ads • Geotargeted Digital Ad Campaigns: Kubota uses geotargeted ads to reach Sourcewell-eligible entities within specific states or regions. These ads highlight the unique advantages of Sourcewell contracts and the equipment suited to local government needs. • Programmatic Advertising: Kubota leverages programmatic advertising to display ads to users who have shown interest in government and institutional procurement. This approach helps Kubota maximize ad spend efficiency by reaching users likely to benefit from Sourcewell opportunities. 6. Webinars and Virtual Demos • Educational Webinars on Sourcewell Contracts: Kubota conducts webinars to explain the Sourcewell contract process, with presentations on cooperative purchasing benefits, equipment overviews, and case studies. These webinars are recorded and hosted on Kubota's website for future access, creating a valuable resource for ongoing engagement. • Virtual Demos of Equipment: Kubota offers virtual demonstrations of equipment well-suited to government, non-profit, and educational uses, such as mowers, tractors, and UTVs. These demos are accessible online, allowing buyers to view equipment capabilities remotely and understand their practical applications in their respective sectors.	*
39	In your view, what is Sourcewell's role in promoting agreements arising out of this RFP? How will you integrate a Sourcewell-awarded agreement into your sales process?	Kubota can expect Sourcewell to actively promote their contracts through a variety of established channels and initiatives. Sourcewell has a dedicated team and platform specifically designed to help suppliers reach government, non-profit, and educational sectors. By leveraging Sourcewell's promotional efforts, Kubota can strengthen its sales and marketing processes to maximize engagement and effectiveness.	

Sourcewell's promotional efforts create a strong foundation for Kubota to build upon, providing access to a large network of public sector buyers. By closely aligning Kubota's sales and marketing processes with Sourcewell's channels, messaging, and events, Kubota can increase its market penetration in government, educational, and non-profit sectors. Kubota's proactive use of Sourcewell promotions will reinforce its reputation as a cooperative-friendly supplier, making it easier for public entities to choose Kubota for their equipment needs.

1. Sourcewell's Marketing and Outreach Initiatives

- Website Promotion and Contract Listings: Sourcewell lists Kubota's contracts on their website, which is a central hub for government, education, and non-profit buyers seeking cooperative purchasing options. This exposure helps prospective buyers discover Kubota's offerings and understand the benefits of the contract.
- Email Campaigns to Eligible Entities: Sourcewell conducts targeted email campaigns to promote new and existing contracts to eligible entities. These emails reach municipal, educational, and non-profit organizations nationwide, raising awareness of Kubota's available equipment under Sourcewell.
- Direct Outreach through Representatives: Sourcewell has a team of regional representatives who work directly with public sector organizations to introduce them to new contracts. These representatives can present Kubota's contract to potential buyers, answer questions, and highlight the advantages of cooperative purchasing.
- Trade Shows and Conferences: Sourcewell participates in industry trade shows and conferences where government, educational, and non-profit decision-makers gather. Kubota's Sourcewell contract may be featured in these events, further increasing its visibility.
- Educational Webinars and Training: Sourcewell hosts webinars to educate potential buyers on cooperative purchasing, sometimes inviting suppliers to participate. This provides a valuable platform for Kubota to present its product lineup, demonstrate value, and interact with potential buyers directly.

2. Using Sourcewell's Promotion in Kubota's Sales and Marketing

Kubota can maximize the impact of Sourcewell's promotional efforts by integrating them into their own sales and marketing strategies as follows:

- Link to Sourcewell Contracts in Digital Campaigns: Kubota can link to their Sourcewell contract page from digital campaigns, including social media posts, email marketing, and targeted ads. This direct connection provides immediate access for potential buyers, emphasizing the ease of the cooperative purchasing process.
- Highlight Sourcewell Partnership in Sales Presentations: Sales representatives can incorporate Sourcewell's role and promotional efforts in their presentations to public sector clients. Emphasizing this partnership can assure buyers that Kubota is well-integrated with a respected cooperative purchasing agency, making it a reliable and simplified choice.
- Collaborate on Joint Marketing Materials: Kubota can create joint marketing materials with Sourcewell's brand and logo, highlighting that Kubota equipment is readily accessible under an established cooperative contract. These materials can be distributed at trade shows, conferences, and in digital format, lending credibility to Kubota's public sector offerings.
- Leverage Sourcewell's Trade Show Presence: Since Sourcewell attends major trade shows, Kubota can work with Sourcewell representatives to ensure that their booth and promotional materials feature Kubota's equipment prominently. Kubota's team can also attend these shows, using Sourcewell's presence as a strategic advantage to connect with more leads.
- Incorporate Sourcewell Testimonials and Case Studies: Sourcewell's direct outreach may result in testimonials or case studies from satisfied buyers in government, educational, or non-profit sectors. Kubota can incorporate these testimonials into its marketing collateral, showcasing real-world examples of successful Sourcewell purchases to build trust and demonstrate proven benefits.

3. Process Enhancements to Align with Sourcewell Promotion

- Streamline Sales Training on Sourcewell Benefits: Kubota should train its sales team extensively on the benefits and process of Sourcewell contracts so they can confidently discuss the cooperative purchasing option with prospects. This will enhance sales readiness and ensure representatives can answer any questions buyers may have about Sourcewell.
- Use Sourcewell Contract as a Selling Point: Emphasizing Sourcewell's streamlined purchasing process as part of Kubota's value proposition can speed up sales cycles and help prospects understand the simplicity of acquiring Kubota equipment.
- Track Leads from Sourcewell Channels: By closely tracking leads that originate from Sourcewell promotions (e.g., inquiries from Sourcewell's website or trade shows), Kubota can evaluate the effectiveness of this partnership and refine its strategy based on the data.

4. Collaborative Events and Campaigns

- Join Sourcewell in Webinars and Educational Sessions: Kubota can co-host or participate in Sourcewell's webinars and educational sessions, offering direct insights to potential buyers. By showcasing their expertise and specific product offerings in these forums, Kubota can build rapport with a wider public sector audience.
- Coordinate Seasonal Campaigns with Sourcewell: Kubota can plan seasonal campaigns (e.g., promoting snow removal equipment in winter) in coordination with Sourcewell's outreach to maximize visibility. These campaigns can highlight relevant products, demonstrate their application in municipal and educational settings, and align with seasonal needs.

40	Are your Solutions available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	E-Procurement Access for Sourcewell Members Kubota works with its dealers and partners to ensure that Sourcewell members can order through e-procurement platforms, allowing for an efficient and compliant purchasing experience. Kubota products are accessible to Sourcewell members through authorized dealers who support various e-procurement platforms. This approach aligns with Kubota's focus on streamlined cooperative purchasing, allowing government and institutional buyers to complete purchases with ease and compliance through the systems they commonly use. Here's how this typically functions: 1. Dedicated Sourcewell Contract Platform: Kubota's Sourcewell contract details are available on the Sourcewell website, which links directly to Kubota's authorized dealer network. This network facilitates ordering for Sourcewell members by providing transparent pricing and pre-negotiated terms. 2. Integration with E-Procurement Systems: While Kubota does not have a direct e-commerce site, many of Kubota's authorized dealers and suppliers are integrated with various public-sector e-procurement platforms used by Sourcewell members, such as ProcureNow or OpenGov. Through these systems, Sourcewell members can browse Kubota equipment options, review pricing, and place orders with ease. 3. Simplified Quote and Purchase Order Process: For Sourcewell members, Kubota's streamlined purchasing process includes the ability to request quotes and complete purchase orders directly with authorized dealers. These dealers handle all necessary paperwork and contract compliance with Sourcewell terms, providing a simplified experience. 4. Support for Cooperative Purchasing Platforms: Kubota's dealers also provide direct support for cooperative purchasing platforms, guiding Sourcewell members through any specific procurement steps. This includes assistance with purchase orders, invoicing, and contract compliance, all compatible with the e-procurement systems preferred by public sector entities. 5. Future E-Procurement Advancements: Kubota continues to explore additional ways to facilitate e-procurement for Sourcewell contracts. For example, some dealers are actively working toward creating more seamless online ordering solutions, including online product catalogs and virtual ordering portals tailored to Sourcewell members' needs.	*

Table 5A: Value-Added Attributes (100 Points)

Line Item	Question	Response *	
41	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.	Kubota Tractor Corporation and your local Kubota dealer are dedicated to delivering exceptional service to meet your needs. Our dealer technicians are connected to a state-of-the-art online Service Center, granting them access to vital technical information. They also undergo extensive hands-on training from factory-certified instructors to enhance and maintain their expertise. We pride ourselves on providing timely and accurate diagnostics and repairs whenever necessary. Training is available for all products listed in this contract through our dealer network, tailored to each member's current knowledge and needs. Operator training is included with the delivery of every product, and more advanced training options can be requested. Additional on-site training can also be arranged and discussed with dealers, potentially included as a separate line item in a Sourcewell member quote. Additionally Kubota will be instituting a national accounts training program geared towards assisting Sourcewell entities on Kubota diagnostic, service, and warranty processes. The MyKubota app is a free tool available on iOS and Android through the Apple App Store and Google Play Store. It offers features like equipment tracking, browsing compatible attachments, and more. KubotaNOW Telematics provides advanced reporting and insights for select equipment models, enhancing customer awareness of their machinery's performance, with costs varying by equipment type. You can also purchase Kubota On Board Diagnostic Software, repair manuals, and specialized tools through your local dealer for self-diagnosis and repair of your equipment.	*
42	Describe any technological advances that your proposed Solutions offer.	Kubota is dedicated to crafting solutions that herald a new era in agriculture, providing enhanced value and inspiration to all participants across various scales of the industry. With a steadfast commitment to innovation, the company continually refines its products. As information and communications technology (ICT) significantly reshapes societal and economic structures both domestically and internationally, Kubota is pioneering precision farming techniques that leverage ICT. In Japan, the agricultural sector grapples with a declining and aging labor force, alongside the pressing need to improve cost-effectiveness and production efficiency. The traditional reliance on the expertise of seasoned farmers and intuitive practices has become increasingly untenable. Consequently, there is considerable optimism surrounding the potential of data-driven management approaches that scientifically analyze and visualize agricultural processes, positioning them as a vital force for the industry's future.	*

43	Describe any “green” initiatives that relate to your company or to your Solutions, and include a list of the certifying agency for each.	The Kubota Group aspires to enhance its value by contributing to societal advancement and environmental sustainability, particularly within the realms of food, water, and environmental management. As part of our commitment, we prioritize environmental conservation as a core tenet of our business strategy, undertaking the following initiatives: 1. Commitment to a Decarbonized Society (1) The Kubota Group is dedicated to achieving net-zero greenhouse gas emissions across our value chains by 2050. We will also transparently report on our efforts to reduce emissions across Scopes 1, 2, and 3. (2) By 2025, our global production facilities aim to reduce CO_2 emissions per production value by at least 25% compared to 2014 levels. (3) Additionally, we target an 18% reduction in energy consumption per production value by 2025, compared to 2014 benchmarks. (4) Our facilities will increase renewable energy usage to at least 1% of total electricity consumption by 2025. (5) For our Japanese operations, we have set a long-term goal of reducing CO_2 emissions by 30% by 2030, based on 2014 levels. (6) To meet these goals, we are leveraging cutting-edge technologies to enhance the efficiency of production equipment, HVAC, and lighting systems; adopting cleaner fuels; improving building insulation; monitoring and minimizing energy use; capturing waste heat; and implementing solar and green electricity solutions. (7) In alignment with our global mission, we will quantify our greenhouse gas reduction impacts and share this data with stakeholders worldwide. This information aims to promote decarbonization by encouraging the adoption of eco-friendly products, services, and technologies. Our efforts include improving fuel efficiency in agricultural and construction machinery, advancing smart agriculture through robotics and ICT, and developing decarbonized energy solutions, including electrification, hybridization, and fuel cell applications. (8) Finally, we endorse the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures) and actively disclose our climate-related strategies and progress. Through these initiatives, the Kubota Group is determined to drive meaningful change toward a sustainable, low-carbon future for the communities we serve. 2030 Targets: Reduce CO2 emissions from the Kubota Group by 50% compared to the base year FY2014; In FY 2023, CO2 emissions of the Kubota Group were reduced by 28% compared to the base year FY2014. In FY 2023, Kubota designated 37 new Eco-Products, bringing the sales ratio of Eco-Products to 70.1% globally.	*
44	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the Solutions included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Kubota Group Environmental Charter: -The Kubota Group aspires to create a society where sustainable development is possible on a global scale. -The Kubota Group contributes to the conservation of global and local environments through its environmentally friendly operations, products, technologies, services, and global activities. The following are a select few products that where certified as Eco-Products in 2023: -M5002 Series: Compliant with exhaust gas regulations(North America) -LX2620: Compliant with exhaust gas regulations(North America) -M7 Series: Compliant with exhaust gas regulations(North America) -RTV-X: Compliant with exhaust gas regulations(North America) -RTV-X1130: Compliance with RoHS -SVL 75-3: Compliant with exhaust gas regulations(North America) -Diesel Engine EP-2309: Fuel consumption reduced by 12%	*
45	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?	Kubota’s advanced and reliable engines offer exceptional horsepower and performance with low noise, vibration, and outstanding fuel efficiency. Anti-Theft System: The engine can only be started with “programmed keys.” Even if a key has the same shape, it won’t start the engine unless it’s properly programmed. If an unprogrammed key is used, the anti-theft alarm will activate and continue until a programmed key is inserted and the engine is started. Auto Idling System: Save fuel with Kubota’s Auto Idle feature, which automatically lowers engine RPM when full power isn’t needed. After four seconds of inactivity with the control levers in neutral, the engine idles. Moving any control lever will instantly restore the engine to full RPM. This feature reduces noise and emissions, enhancing operational efficiency. Eco Plus: Kubota’s unique ECO PLUS feature maximizes fuel efficiency and supports environmental responsibility. With a simple switch, you can activate ‘Eco Mode’ for enhanced fuel savings over the standard mode.	*
46	Describe the safety features your equipment offers such as emergency stop, operator presence control, roll over protection systems, guarding, noise reduction, stability controls, warning lights, etc.	Safety is a top priority at Kubota. All machines come from the factory with Roll over protection system(ROPS), Seatbelt, OPC/Neutral safety switches, and any other necessary safety equipment to keep the operator safe. Seat belts are an integral part of any ROPS and should always be used. However, the seat belt should not be used when a foldable ROPS is down or a fixed ROPS is removed. All PTO shafts feature a safety guard and should be used at all times. The Anti-Stall system and other stability assistance features ensure the smooth operation of the machine. New models, such as the LX3310, feature enhanced noise reduction with improved window seals and the 4-pillar design with rounded glass offers more space and panoramic views of your surroundings. Kubota also offers various safety option kits such as backup/travel alarms, lights, etc. to further workspace safety.	

47	Describe any ergonomic features your equipment has such as anti-vibration, suspension and swivel seating, adjustable handles, ergonomic control layout for ease of reach, padded shoulder straps or harnesses, easy pull-start cords, etc.	The BX2380 and BX2680 models feature a deluxe operator's station, equipped with tilt steering and a high-back seat with armrests, creating a comfortable operator experience that transforms any chore into an enjoyable task. Meanwhile, the LX20 Series' factory-installed cab enhances year-round comfort, providing premium amenities such as air conditioning, heating, front LED headlights, and work lights. Its wide, spacious flat deck, reclining high-back suspension seat with armrests, tilt steering, and cruise control ensure that operators remain at ease. Additional features include telescopic stabilizers, mid and rear PTO, an integrated loader joystick, and intuitive, color-coded controls. The SCL1000 model offers a 4.3" color LCD monitor with keyless start, passcode protection, and consolidated machine monitoring with service reminders, making it easy to keep the equipment in top condition. A convenient 12-volt charging port comes standard. The patented T-drive handle delivers intuitive, ergonomic steering, while hydraulic pilot-operated loader and drive control valves ensure precise, responsive operation. In the SVL Series, operators enjoy a spacious cab with a luxurious, adjustable full-suspension seat and ample legroom, designed for comfort and convenience. This is reflected in the SVL 97-3 that contains a one piece cab that reduces dust collection in the cab, reduces decibels within the cab, and allows for easy clean out. Lastly for excavator operators, the KX033-4 model offers a redefined experience with a larger entrance, more legroom, and enhanced ergonomics that make routine tasks simpler. Its refined cabin combines functionality and comfort, setting a new standard in operator satisfaction. Finally, the RTV product line has received notable enhancements with the release of the new 2025 RTV-X series. This updated series now features a redesigned T-handle parking brake, strategically positioned to the left of the steering wheel for improved accessibility and ease of use. Additionally, the headrest has been refined, offering a fresh upgrade to enhance comfort and support.
48	Describe features your equipment offers that positively impact the environment such as low-emission engines, battery powered and electric, eco-mode settings, biodegradable fuel use, water conservation technology, solar powered charging capability, smart technology, auto-shut off/no-idling systems, etc.	Kubota offers three core solutions—Pure Engine Solutions, Hybrid Solutions, and Fuel Solutions—each uniquely designed to advance carbon neutrality. Pure Engine Solutions aim to enhance the fuel efficiency of existing engines. A notable example is the D902-K, an electronically controlled small engine, which entered mass production in 2022. It utilizes Kubota's proprietary combustion system, TVCR, which incorporates a common rail electronic control system typically found in larger diesel engines, adapted specifically for smaller engines. This technology minimizes black smoke emissions, reduces fuel consumption, and maintains a compact engine design. Hybrid Solutions integrate an engine with an electric motor to optimize performance. In scenarios requiring immediate high output and load, the electric motor supplements the engine's power, allowing a smaller engine—such as a 2.4L or 1.8L class—to replace a 3L class engine. This approach promotes downsizing and greater fuel efficiency. Fuel Solutions focus on alternative fuels to reduce reliance on fossil fuels. For example, the D1105-K engine runs on hydrotreated vegetable oil (HVO), a fuel produced by introducing hydrogen to vegetable oil. As plants, the source of HVO, absorb CO_2 while growing, this fuel essentially offsets the CO_2 released during combustion, making HVO-compatible engines a sustainable, carbon-neutral solution. In addition, Kubota is developing hydrogen-fueled industrial engines, drawing on its long standing expertise. These engines emit no CO_2 during combustion, marking a significant step toward decarbonization. Kubota is also committed to sustainable manufacturing by utilizing recycled materials in engine components. Ductile iron pipes, fittings, and various machine-cast products—such as crankcases, cylinder heads, and transmission cases—are produced primarily from recycled scrap iron, sourced both internally and externally. The recycling process effectively removes impurities, preserving the quality of the iron. As part of Kubota's Medium-Term Environmental Conservation Targets for 2025, the company aims to maintain a recycled material usage rate of at least 70%, promoting sustainability in production. (**See supporting documents for more information**)
49	Describe the serviceability of the products included in your proposal (parts availability, warranty and technical support, etc.)	Kubota's dealer network ensures efficient access to parts and service, enabling timely support for all machines. Dealers are equipped with KPAD and a streamlined parts ordering system to enhance order processing speed. Additionally, with the integration of Smart Supply in select partner dealerships, Kubota aims to proactively stock high-demand parts—helping dealers maintain inventory before shortages arise. For any questions or assistance with parts ordering, Kubota offers dedicated technical support through our divisional offices. *For details on warranty information, please refer to the supporting documents.*

Table 5B: Value-Added Attributes

Line Item	Question	Certification	Offered	Comment	
50	Select 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 and a listing of dealerships, HUB partners or re-sellers if available. Select all that apply.		○ Yes ◉ No	Kubota Tractor Corporation fully supports all Women- and Minority-Owned Business Enterprises (WMBE) and Small Business Enterprises (SBE). However, as a subsidiary of Kubota Japan, we do not currently track this information internally. Nonetheless, we remain fully committed to supporting these businesses.	*
51		Minority Business Enterprise (MBE)	○ Yes ◉ No	In regards to MBE Kubota dealerships are independently owned and operated. Under Kubota's business model, dealerships retain the right and discretion to conduct business with parties of their choosing.	*
52		Women Business Enterprise (WBE)	◉ Yes ○ No	In regards to WBE Kubota dealerships are independently owned and operated. Under Kubota's business model, dealerships retain the right and discretion to conduct business with parties of their choosing.	*
53		Disabled-Owned Business Enterprise (DOBE)	○ Yes ◉ No	In regards to DOBE Kubota dealerships are independently owned and operated. Under Kubota's business model, dealerships retain the right and discretion to conduct business with parties of their choosing.	*
54		Veteran-Owned Business Enterprise (VBE)	○ Yes ◉ No	Even though Kubota is not a VBE Kubota strives to help the veteran community whenever possible. Most recently reflected with a partnership with Boot Campaign, designed to help and support military families.	*
55		Service-Disabled Veteran-Owned Business (SDVOB)	○ Yes ◉ No	In regards to SDVOB Kubota dealerships are independently owned and operated. Under Kubota's business model, dealerships retain the right and discretion to conduct business with parties of their choosing.	*
56		Small Business Enterprise (SBE)	○ Yes ◉ No	In regards to SBE Kubota dealerships are independently owned and operated. Under Kubota's business model, dealerships retain the right and discretion to conduct business with parties of their choosing.	*
57		Small Disadvantaged Business (SDB)	○ Yes ◉ No	In regards to SDB Kubota dealerships are independently owned and operated. Under Kubota's business model, dealerships retain the right and discretion to conduct business with parties of their choosing.	*
58		Women-Owned Small Business (WOSB)	○ Yes ◉ No	In regards to WOSB Kubota dealerships are independently owned and operated. Under Kubota's business model, dealerships retain the right and discretion to conduct business with parties of their choosing.	*

Table 6: Pricing (400 Points)

Provide detailed pricing information in the questions that follow below.

Line Item	Question	Response *	
59	Describe your payment terms and accepted payment methods.	Kubota Tractor Corporation payment terms of sale are net thirty days and accepted payments may vary based on individual dealer network. The standard is cash typically by check or ACH payment, P-Card or Business credit card as well as finance and lease options via Kubota Credit Corporation (KCC).	*

60	Describe any leasing or financing options available for use by educational or governmental entities.	Kubota offers financing and leasing options to Sourcewell members through Kubota Credit Corporation (KCC). The target customer base of Sourcewell are municipal/government customers, educational and non-profits and for those type customers we only offer stamdard lease options. This special language in our lease agreements allow the entity to exit the lease if the government cuts funding for the project, and this is essential as this type of customer only approve budgets yearly and therefore need this language. When we talk about our municipal leases, we have two options. First let's discuss the Full Payout lease. This is like a loan, the customer makes regular payments and then at the end owns the equipment for $100. This is the option for the customer looking to own it at the end like a loan. The second option is the FPPO (Fixed Purchase Price Option) lease. This option gives the customer a lower payment and then at the end of the term, the customer can choose to purchase the equipment for a locked in purchase price (that is stated on their lease from the start) or they can turn the equipment back. If you have a Sourcewell customer who is not a true govt/muni - the product options would be different as they'd only have the FPPO option available for leasing but they would be eligible for a loan using the standard rates. When you select these options, there are two pricing program options. A dealer working this up can choose "muni lease promo" or "muni lease standard". Promo is our promotional pricing that can only be used in sales with govt customers who are not taking discounts that make them ineligible (like the KTC governmental discount). When using Sourcewell, the dealer MUST select the "muni standard rates" . This is because they are getting the advantage of the Sourcewell pricing (discount) and cannot be combined with any additonal promotions. Once this is entered, they can select terms from 24-60 months. They can choose four options that are available on intervals of 300, 600, 900,1200, (and sometimes offered in 1500, and 2000 depending on term/model). . Dealers can access this by entering the deal in Showroom, but this program is posted in Kubotalink. We have some current changes which took efferct on October 1, 2024 as follows: Promo Municipal Leasing Leasing APRs for the Promo Municipal Leasing Program are being lowered to match the current APRs for the Commercial Leasing Program. This change will lower the price point for this program across all models and reduce the complexity of managing different rates across promo programs. Standard Municipal Leasing Leasing APRs for the Standard Municipal Leasing Program have been lowered, and residuals have been increased to match the residuals on the Promo Municipal Leasing Program. These changes are designed to significantly reduce the price point for this program across all models and, when combined with the government discount, make price points more consistent with the Promo Leasing Program for most models. Please refer to RFB-2024-L03-R2 for complete details on these updates and refer to the applicable sales bulletins for incentive eligibility rules.	*
61	Describe any standard transaction documents that you propose to use in connection with an awarded agreement (order forms, terms and conditions, service level agreements, etc.). Upload all template agreements or transaction documents which may be proposed to Participating Entities.	Kubota Dealers utilize our internal Integrated Kubota Quote (IKQ) or Build My Kubota (BMK) configurator for standard quotes to our Sourcewell customers. Each dealership salesperson has their individual access and login to this quote tool which provides the Dealer Name, Address, Salesperson's Name and Email address along with phone number for ease of identifying the quoting dealer and how to reach them directly for questions or confirmation of purchase. The individual dealer invoices and accepts purchase orders and payments directly from their individual customer's and handle the transaction from start of quote to final billing directly with the Sourcewell customer. Please see a sample of an attached Kubota integrated web quote.	*

62	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?	Kubota dealers may, at their discretion, accept the P-card procurement and payment process. Kubota encourages dealers to accept the P-card and encourages Sourcewell members to consult with their local supporting dealer for participation. Each dealership operates independently and therefore it's at the dealer discretion whether the finance charges assessed by the credit card (P-Card) transaction will be passed on to the customer or absorbed by the dealership. This fee should be a separate line item identified by the dealership and can range from 3 -5 percent in processing fees. The Sourcewell customer should confirm these fees if any with the participating dealership.	*
63	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.	Kubota pricing structure will range from 22-24 percent discount off Published MSRP price for each series and product family in our proposed solution. These discounts can be found in the supporting pricing documentation submitted.	*
64	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.	Kubota will offer a specific discount from our published list price for each series and product family in our proposed solution. These discounts from MSRP can be found in the supporting pricing documentation submitted in the documents step. The discount from published list price is as follows: Tractors B series - 22% BX series - 22% L series - 22% M series - 22% Turf F Series - 22%, GR Series - 22%, T Series - 22%, Z Series - 22% TLB series - B26, L47 & M62 - 22% Land Management Disc mowers - 22%, Rotary tedders - 22%, Rotary rakes - 22%, Spreaders - 22% We offer a 24% across the board for all Construction Equipment.	*
65	Describe any quantity or volume discounts or rebate programs that you offer.	Kubota will offer it's best and last pricing for individual units without requiring Sourcewell members to buy in volume or apply for rebates after the sale.	*
66	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or "non-contracted items". 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.	Kubota Requests for open market "sourced" or non-standard items can be added to Sourcewell members quotes at their request in order to complete the purchase of a Kubota item. Acceptance of these quoted sourced/non-standard items will be at the discretion of each Sourcewell members and their dealer who will provide a separate line item below the configured Kubota pricing structure for each sourced "open market" item.	*
67	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.	Pre-delivery inspections and freight will be shown on all Sourcewell member quotes to ensure complete costs of acquisition and complete transparency prior to Sourcewell member taking acquisition. These items will be clearly shown as line items on the customers web quote from Build My Kubota web quote form. All common accessories and attachments have a standard labor time associated with the installation of accessories. Dealer labor rates will vary due to regional economic differences (e.g. Seattle, WA and New York, NY labor rates are typically higher than Greenville, SC or Bowling Green, KY). Kubota reviews all dealer labor rate differences and ensures that all dealer rates are justified and compliant with normal regional economic conditions. Kubota strives to maintain a labor rate relative to $110./hour. All charges will be turnkey solutions with no hidden costs and will be clearly identified on all Sourcewell members quotes prior to solution acquisition.	*
68	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Freight charges will be shown on every Sourcewell member quote and based on prior to acquisition. Kubota's proposed solution includes many various models with great weight and size disparities (e.g. a Z242KW-48 Zero Turn Mower weights 900lbs, an M6-101DTC-F-1 Tractor weighs 11,387lbs). These units will be shipped from east coast, west coast, and central US warehouses to all 50 states, territories, Canada, and wherever Sourcewell members dealerships are located. A flat rate charge to ensure costs are covered would be prohibitively and artificially high. Our solution is a freight pricing model of showing freight charges tailored by size, model, weight, to a specific location. This solution best addresses the logistical variances in supporting all Sourcewell members equally.	*

69	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	The freight pricing model for Alaska Hawaii, Canada, and all offshore deliveries will be to show all freight charges on Sourcewell member quotes prior to acquisition. Freight in Canada by Kubota Canada Ltd. will follow this process. Freight for Hawaii and Alaska will be provided by a freight forwarder and shown on all quotes prior to acquisition by our quoting dealer network.	*
70	Describe any unique distribution and/or delivery methods or options offered in your proposal.	An innovative and unique aspect of Kubota's distribution method is having new forward inventory placed within our Kubota dealer network. Many products, attachments, accessories, and solutions are already in place and close to Sourcewell Members within our 1,100 plus location dealer network. This ultimately allows for a Sourcewell members to visit local dealers and many times have a hands-on opportunity with a solution prior to acquisition. While Kubota does ship products from its three US warehoused (California, Georgia, and Kansas) and one in Canada (greater Toronto area), this access to solutions locally is an added benefit to our Sourcewell Members. Additionally, having a local, servicing dealer allows for specialization of products to meet local and unique Sourcewell member needs and requirements prior to delivery (e.g. dealers based in and familiar with local subzero winterization requirements).	*
71	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed agreement with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing.	All of our Kubota dealers are authorized to become seller's off the Sourcewell contract by logging into their Sales portal with access to our contractual pricing agreement. Each Sourcewell member receives their equipment quotes directly from their local Kubota dealer. The quotation tool has all the necessary contract information embedded in the quote tool (discount %, eligible equipment, applicable contract #'s). Kubota self-audits multiple product groups regularly reviewing and auditing pricing along with our digital marketing group that manages our electronic pricing database. In addition, the National Accounts group regularly reviews dealer quoting for pricing and accuracy. These multiple layers of self-audit and review process elevate accuracy and compliance. Kubota dealers are not paid for their sales using the Sourcewell program without submitting all of the required information to report accurately on the Sourcewell contract usage reports. This information is in turn downloaded to create our usage reports for the Sourcewell program. This series of overlapping auditing for pricing and reporting drives contract compliance.	*
72	If you are awarded an agreement, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the agreement.	Kubota tracks all Sourcewell transactions which are reported to our Division offices and are downloaded on a weekly basis. These sales are tracked by Kubota dealers, purchasing entity, type of equipment purchased, and transaction amount. Quarterly sales reports are reviewed to compare the Sourcewell contract sales growth quarter over quarter and year over year.	*
73	Provide a proposed Administration Fee payable to Sourcewell. The Fee is in consideration for the support and services provided by Sourcewell. The propose an Administrative Fee will be payable to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. The Administrative Fee will be calculated as a stated percentage, or flat fee as may be applicable, of all completed transactions utilizing this Master Agreement within the preceding Reporting Period defined in the agreement.	Kubota proposes paying a 1.5% administrative fee of the total sales generated from this contract less freight, assembly fees, and pre-delivery inspection fees for Kubota products only. Kubota has been a strategic partner of Sourcewell's for the past 14 years. The Sourcewell contracts Kubota holds have seen continued growth year over year and are very popular with our customers and frequently used by our 1,100 plus dealer network. The utilization of our Sourcewell contracts continues to grow and expand.	*

Table 7: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
74	The pricing offered is consistent with standard market pricing typically offered to individual municipalities, universities, or school districts.	The pricing offered on behalf of Kubota Tractor Corporation is a specified discount from the published list price for each series and product family in our proposed solution. The discount from MSRP can be found in the supporting pricing documentation. We offer the the best and last pricing for individual units without requiring Sourcewell members to buy in volume or apply for rebates after the sale.

Table 8A: Depth and Breadth of Offered Solutions (200 Points)

Line Item	Question	Response *

75	Provide a detailed description of all the Solutions offered, including used, offered in the proposal.	1. Products: Kubota USA offers a wide range of products, primarily focused on equipment for agriculture, construction, landscaping, and turf management. Including: • Agricultural Equipment: Tractors (small to large), combines, hay tools, and other implements for farming and crop production. • Construction Equipment: Excavators, skid-steer loaders, wheel loaders, backhoes, and compact track loaders. • Lawn & Garden Equipment: Zero-turn mowers, riding mowers, and garden tractors. • Utility Vehicles: RTV (Rough Terrain Vehicles) for off-road work environments. • Attachments and Implements: Wide variety of attachments like loaders, backhoes, mowers, and snow blowers that are compatible with Kubota equipment. 2. Parts: KubotaUSA ensures that all parts and components are readily available for their equipment. This includes: • Genuine Kubota Parts: Original equipment manufacturer (OEM) parts designed to maintain optimal performance and ensure the longevity of Kubota products. • Parts Availability: Extensive availability of parts across the network of dealers and online through Kubota's website. • Online Parts Catalog: Kubota provides an easy-to-navigate parts catalog to help customers find the right components quickly. 3. Service: KubotaUSA's service offering includes a network of authorized service centers and highly trained technicians. Key features include: • Dealer Network: A nationwide network of Kubota dealers who are trained to provide repair, maintenance, and troubleshooting services. • Maintenance Packages: Kubota offers maintenance schedules and service packages to ensure that products are serviced on time and run smoothly. • Mobile Service: In some areas, Kubota offers mobile service for on-site repairs, minimizing downtime for customers. 4. Warranty: Kubota offers comprehensive warranty coverage for their products, which varies depending on the type of equipment. Key points to highlight include: • Standard Warranty Coverage: Kubota typically provides a 2-year or 3-year limited warranty on most equipment, with extended warranty options available. • Powertrain Warranty: Some Kubota products offer a separate powertrain warranty for components like engines, transmissions, and drive systems. • Warranty Transferability: Kubota allows warranty coverage to be transferred if the equipment is sold, offering peace of mind for new owners. 5. Financing: KubotaUSA provides a range of financing options to help customers purchase equipment, including: • Kubota Credit Corporation (KCC): A subsidiary of Kubota that offers flexible financing solutions tailored to both personal and business needs. • Leasing Options: Kubota offers leasing plans with flexible terms, including seasonal payments for agricultural customers. • Special Promotions: Kubota frequently runs promotional offers, such as low-interest rates or deferred payment plans, depending on the season and equipment type. 6. Customer Support: Kubota USA offers comprehensive customer support options to help customers with everything from product inquiries to troubleshooting. • Online Support Center: A resource-rich website with FAQs, manuals, parts diagrams, and how-to guides for all Kubota products. • 24/7 Support: Some customer service is available outside of normal business hours to provide urgent assistance. • Training and Education: Kubota offers product training for dealers and customers, covering everything from safe operation to equipment maintenance. • Customer Service: A dedicated customer service hotline for troubleshooting, warranty issues, and general inquiries.
76	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	1. Products - Land Pride Attachments: Land Pride offers a wide range of attachments that are compatible with Kubota tractors and other Kubota equipment. These products are designed to enhance the versatility and performance of Kubota machines across various applications, from agriculture to landscaping. Including: • Mowers & Finish Mowers: o Finish Mowers: Land Pride's finish mowers provide a clean, precise cut for residential and commercial lawns. o Rough Cut Mowers: These mowers are ideal for clearing overgrown fields, pastures, and roadways. o Flail Mowers: Land Pride's flail mowers are designed for more challenging environments and are great for mowing thick vegetation and brush.

		• Tillage Equipment: o Disc Harrows: Land Pride offers disc harrows that provide high-efficiency soil cultivation and are easy to adjust for different soil conditions. o Cultivators: Used for seedbed preparation, these tillers are available in various widths and configurations for Kubota tractors. • Post-Hole Diggers: o Land Pride post-hole diggers are designed to handle the toughest digging jobs and are ideal for fencing, landscaping, or planting applications. • Snow Removal Equipment: o Snow Blowers: High-performance snow blowers that are designed for heavy snow removal, particularly in agricultural or rural settings. o Snow Pushers: Heavy-duty snow pushers designed for clearing snow from large surfaces quickly and efficiently. • Landscape and Construction Attachments: o Box Blades: Used for grading and leveling, these are essential for landscaping and roadwork projects. o Rear Blades: A versatile tool for grading, backfilling, and snow removal. o Skid Steer Attachments: A range of attachments like pallet forks, buckets, and grapples that fit Kubota skid steer loaders. • Forks and Pallet Forks: o Land Pride offers a variety of forks and pallet forks to help Kubota owners move materials, whether for farming, construction, or landscaping. • Loaders & Loader Attachments: o Loader buckets, forks, and grapple attachments are specifically designed to enhance Kubota's compact loaders and tractors. 2. Parts: Land Pride, like Kubota, emphasizes the importance of using high-quality, genuine parts for their attachments. Here's what to include: • Genuine Land Pride Parts: Land Pride offers OEM parts to ensure the continued performance and longevity of their attachments. • Parts Availability: These parts are available through Kubota dealers and Land Pride dealers across the country. • Easy Access to Parts Catalog: Land Pride provides a detailed parts catalog that helps customers easily find replacement components for their attachments. 3. Service: Land Pride attachments are supported by a network of Kubota dealers, who can assist with installation, maintenance, and repairs. • Dealer Network Support: Land Pride attachments are serviced by Kubota-authorized dealers, who are trained to maintain and repair both Kubota equipment and Land Pride attachments. • Installation Services: Many Kubota dealers offer installation services for Land Pride attachments, ensuring they are properly fitted and ready for use. • Maintenance and Repairs: Routine maintenance and repair services are available for Land Pride attachments, ensuring long-lasting performance. 4. Warranty: Land Pride attachments typically come with a 1-year limited warranty from the date of purchase, with some exceptions for specific attachments. • Warranty Coverage: The warranty typically covers defects in material and workmanship under normal use and service. • Transferability: Like Kubota's equipment warranties, Land Pride's warranty may be transferable when the equipment is sold, adding value for used equipment buyers. • Extended Warranty: Some Kubota dealers offer extended warranty options for Land Pride attachments. 5. Financing: Kubota offers financing options for Land Pride attachments through Kubota Credit Corporation (KCC), similar to financing for Kubota equipment. • Flexible Payment Plans: KCC provides financing solutions with flexible payment options to fit a customer's budget. • Promotional Financing: Kubota and KCC frequently offer seasonal promotional financing, such as low-interest rates or deferred payments, to help customers purchase Land Pride attachments. • Leasing Options: Leasing may also be available for Land Pride attachments, offering flexibility for businesses or customers with changing needs. 6. Customer Support: Kubota provides robust customer support for both Kubota equipment and Land Pride attachments, ensuring that customers have access to the help they need. • Online Resources: Customers can access parts catalogs, service manuals, and troubleshooting guides for Land Pride attachments on the Kubota and Land Pride websites. • Dealer Support: Kubota dealers provide direct customer support for issues related to both Kubota equipment and Land Pride attachments. • Technical Assistance: Technical support is available for installation, maintenance, and troubleshooting of Land Pride attachments, either through the dealer network or Kubota's customer service.	*

Table 8B: Depth and Breadth of Offered Solutions

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

Line Item	Category or Type	Offered *	Comments
77	Lawn and garden equipment for all types of lawn, field and turf care, golf course, landscape, sidewalk, walking path, and parking lot maintenance, and snow removal	(•) Yes ( ) No	1. Mowers & Lawn Equipment • Zero-Turn Mowers: Kubota's zero-turn mowers come in both commercial and residential models. The Z700 Series is built for professional landscapers with high horsepower and large cutting decks, while the Z200 Series caters to residential use with user-friendly controls and powerful performance for larger lawns. • Stand-On Mowers: The SZ Series of stand-on mowers is designed for maneuverability and efficiency in tight spaces. These mowers offer excellent visibility and quick controls, perfect for landscapers working on residential properties. • Walk-Behind Mowers: The W Series includes commercial-grade walk-behind mowers. They're compact and designed for precision cutting in smaller or complex landscape areas, such as around flower beds or obstacles. • Compact Mowers: The T Series lawn tractors are designed for homeowners with small- to medium-sized lawns, featuring easy-to-use controls, comfortable seating, and smooth operation. • Grass-Cutting Attachments: In addition to their mower lineup, Kubota offers various grass-cutting attachments and accessories, including mulching kits, bagging systems, and striping kits, to enhance cutting performance and versatility. 2. Hay and Farm Implements • Hay Balers: Kubota's balers, such as the BV4160 and BV4180 series, are designed for high-density baling with features like low horsepower requirements and simplified controls, making them suitable for small to mid-sized farms. • Disc Mowers: The DM Series disc mowers are designed to work efficiently in a variety of crop types. These mowers are built for low maintenance and high-speed cutting, helping operators cover more ground quickly. • Tedders and Rakes: The TE Series tedders spread and aerate hay to promote drying, while the RA Series rotary rakes gather the hay into windrows, ensuring it's ready for efficient baling. • Wrappers: Kubota offers wrappers like the WR1100, which wrap bales in protective film to maintain hay quality during storage. • Spreaders and Seeders: Kubota's VS Series spreaders provide even distribution of fertilizer or seed over large fields, while their seeders ensure precision and control, improving crop yield. • Cultivators and Plows: Kubota

offers a range of tillage equipment, such as plows and cultivators, to prepare fields for planting by aerating the soil, reducing compaction, and supporting root growth.
3. Utility Vehicles (UTVs)
• RTV-X Series: Known for rugged durability, the RTV-X Series includes models like the RTV-X1140, which can be converted from a 2-passenger to a 4-passenger configuration. It features a robust suspension system, high ground clearance, and an integrated cargo bed, making it ideal for heavy-duty off-road applications.
• RTV500: The RTV500 is compact and fuel-efficient, equipped with a liquid-cooled EFI engine and an independent suspension system. It's a great fit for light-duty tasks around farms, parks, and properties with tight spaces.
• RTV900 Series: This series, featuring the RTV900XT, is a powerful workhorse with a diesel engine, high torque, and excellent hauling capabilities, designed for transporting tools, supplies, or workers over rough terrain.
• Specialty Models (RTV-XG850 Sidekick): This model provides a high-speed option with a 48-horsepower gasoline engine, perfect for users who need speed and efficiency for larger properties or event management.
• Attachments for UTVs: Kubota offers a variety of utility vehicle attachments, such as snowblades, winches, and cargo racks, allowing operators to customize their UTVs for various tasks and conditions.
4. Lawn, Field, and Turf Care
• Zero-Turn Mowers: Kubota's Z-Series zero-turn mowers offer options for both commercial and residential turf care, with models capable of covering large fields efficiently. The mowers provide precise cutting, high horsepower, and are suitable for large estates, parks, and sports fields.
• Stand-On and Walk-Behind Mowers: The SZ Series (stand-on) and W Series (walk-behind) mowers provide flexibility and maneuverability, ideal for smaller or more intricate turf areas like residential lawns, commercial properties, and tight spaces on landscapes.
• Tractors with Turf Tires: Kubota's compact and sub-compact tractors can be equipped with turf tires to minimize ground impact, allowing them to work on golf courses and delicate lawns without damaging the turf.
5. Golf Course Maintenance
• Precision Mowers: Kubota's range of mowers, especially the zero-turn models, can provide the close, consistent cut required for golf course fairways, greens, and roughs.
• Utility Vehicles (UTVs): The RTV series UTVs, with their low impact on turf and utility bed options, are ideal for transporting tools and materials around golf courses efficiently.

*

			• Compact Tractors and Attachments: These tractors can handle a variety of golf course maintenance tasks, from seeding and aeration to topdressing. Kubota's compact tractors are equipped to manage tight fairway turns and maintain precise control, essential for golf course upkeep. 6. Landscape and Garden Maintenance • Multi-Use Tractors and Attachments: Kubota's BX and B Series compact tractors support a wide array of attachments such as loaders, backhoes, and tillers. These are versatile tools for landscapers working on tasks like planting, mulching, or grading. • Tillers and Cultivators: Kubota offers tillers and cultivators that help in soil preparation for gardens, flower beds, and landscaping projects. • Front-Mounted Blades and Loaders: Attachments like front-mounted blades, loaders, and grapples allow for efficient clearing and shaping of landscapes. 7. Sidewalk, Walking Path, and Parking Lot Maintenance • Compact Tractors and Attachments for Path Maintenance: Compact and sub-compact tractors are perfect for maintaining sidewalks and walking paths. They can handle a variety of attachments, such as brushes, blowers, and sweeper attachments, which are effective in keeping paths clear. • Sweepers and Brooms: Kubota offers sweeper and rotary broom attachments that are ideal for cleaning up sidewalks, parking lots, and walking paths, removing debris, leaves, and dirt. • RTV Series Utility Vehicles: These UTVs are perfect for transporting maintenance tools across paths and lots while minimizing the impact on pathways. They also offer snow removal options, making them versatile for year-round maintenance. 8. Snow Removal Equipment • Snowblowers and Snow Blades: Kubota offers snowblowers and snow blade attachments for both tractors and UTVs, suitable for sidewalks, driveways, parking lots, and larger open areas. • Utility Vehicles with Snow Attachments: Kubota's RTV-X Series utility vehicles can be equipped with snowblades and spreaders, providing an efficient snow removal solution for tight areas such as sidewalks and parking lots. • Compact Tractors with Front-Mounted Blades: Kubota's compact tractors can also be fitted with front-mounted snow blades or snow blowers, allowing operators to clear snow in more confined areas such as paths and lots.		

78	Irrigation and aeration equipment, systems, parts, and installation	(•) Yes ( ) No	While Kubota itself doesn't offer standalone irrigation and aeration systems, their equipment supports these applications effectively when combined with compatible attachments and third-party systems. If you're considering a specific type of irrigation or aeration solution, local Kubota dealers can often provide recommendations for compatible attachments and equipment to meet these needs. 1. Aeration • Compatible Aerator Attachments: Kubota's compact and sub-compact tractors (such as the BX and B Series) can be fitted with aerator attachments from third-party manufacturers. These attachments work well for golf courses, sports fields, and landscapes that require regular aeration to maintain soil health. • Pull-Behind Aerators for Tractors: Many users add pull-behind aerators to Kubota tractors. This setup enables efficient aeration for large turf areas, golf courses, and other fields, providing deep soil penetration for optimal water and nutrient absorption. • Compact Tractors for Golf and Lawn Aeration: Kubota's smaller tractors with turf tires help prevent turf damage, making them suitable for delicate aeration work on golf courses and lawns. 2. Irrigation Systems and Parts • Irrigation-Related Attachments and Implements: While Kubota does not manufacture irrigation systems, their tractors and utility vehicles can transport irrigation parts and systems for installation and repair projects. Compact and sub-compact models work well for maneuvering in tighter spaces often found in landscaping and golf course maintenance. • Utility Vehicles for Irrigation Maintenance: Kubota's RTV utility vehicles can assist maintenance teams by transporting irrigation equipment and supplies across expansive properties like golf courses, farms, and parks. 3. Installation and Support Capabilities • Use of Kubota Tractors in Installation: Kubota tractors are useful for preparing the ground for irrigation installation by grading, trenching, or digging as needed. They can be paired with third-party trenching and digging attachments for efficient setup of irrigation lines. • Dealer Network for Support: Kubota's extensive dealer network provides guidance and support, often working with landscape and agricultural professionals who can suggest compatible aeration and irrigation equipment from partner brands. *
79	Beach and waterfront maintenance equipment and accessories	(•) Yes ( ) No	Although Kubota doesn't directly manufacture beach and waterfront maintenance equipment, their tractors, UTVs, and attachments can support a range of tasks commonly associated with waterfront care when paired with

			the appropriate third-party accessories. For specific beach grooming and waterfront solutions, it's often helpful to consult with a Kubota dealer who may have local recommendations for compatible tools and attachments. 1. Sand Grooming and Beach Cleaning • Compact and Sub-Compact Tractors with Compatible Attachments: Kubota's BX and B Series tractors can be paired with third-party beach grooming attachments, like sand rakes and groomers, to help clean and level sandy areas on beaches. • Box Blades and Land Planes: These attachments are available for Kubota tractors and can assist in leveling sand and smoothing surfaces on beachfront areas, though they aren't specifically beach groomers. 2. Waterfront Vegetation Control • Mowers and Brush Cutters: For areas near water that require vegetation control, Kubota's zero-turn mowers or compact tractors with brush cutters can manage grassy, brushy areas near the shore. • Tractors with Flail Mowers: Kubota tractors with flail mower attachments can clear heavy vegetation around waterfronts or in hard-to-reach spots along riverbanks or lakeshores. 3. Erosion Control and Shoreline Maintenance • Utility Tractors for Erosion Prevention: Kubota's larger tractors, such as the L or M Series, can assist with shoreline maintenance by carrying and positioning materials like rocks, sandbags, or erosion control blankets. • Front Loaders and Backhoes: Kubota's compact and utility tractors can be equipped with front loaders or backhoes to transport, dig, and position materials along shorelines for erosion prevention projects. 4. Debris Removal and Transport • RTV Utility Vehicles for Shoreline Clean-Up: Kubota's RTV Series utility vehicles can be fitted with cargo beds to help transport trash, driftwood, and other debris from waterfronts to disposal areas. The RTVs' off-road capability makes them suitable for traversing sandy or uneven terrain near shorelines. • Fork Attachments for Large Debris: Front forks on Kubota tractors allow for the transport of larger objects or debris that may wash up on shore. 5. Dredging and Silt Removal • While Kubota does not produce dredging equipment, their tractors and RTVs can be used to transport silt or dredged material away from the waterfront area after it has been removed by specialized equipment.	*

Table 9: Exceptions to Terms, Conditions, or Specifications Form

Line Item 80. NOTICE: To identify any exception, or to request any modification, to Sourcewell standard Master Agreement terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Master Agreement 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 Master Agreement.

Do you have exceptions or modifications to propose?	Acknowledgement *
	(•) Yes ( ) 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 - Sourcewell Discount Structure.pdf - Tuesday November 19, 2024 14:09:43
- Financial Strength and Stability - KBT 2nd Quarter Financials.pdf - Wednesday November 13, 2024 08:21:04
- Marketing Plan/Samples (optional)
- WMBE/MBE/SBE or Related Certificates (optional)
- Standard Transaction Document Samples - RTVX1140WLHS WEB QUOTE #2828724.pdf - Tuesday November 19, 2024 15:09:00
- Requested Exceptions (optional)
- Upload Additional Document - Sourcewell Additional Documents.zip - Monday November 25, 2024 12:20:49

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT OF COMPLIANCE

I certify that I am an authorized representative of Proposer and have authority to submit the foregoing Proposal:

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 award.

3. The Proposer certifies that:

(1) The prices in this Proposal have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Proposer or competitor relating to-

(i) Those prices;

(ii) The intention to submit an offer; or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this Proposal have not been and will not be knowingly disclosed by the Proposer, directly or indirectly, to any other Proposer or competitor before award unless otherwise required by law; and

(3) No attempt has been made or will be made by Proposer to induce any other concern to submit or not to submit a Proposal for the purpose of restricting competition.

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 is created when a current or prospective supplier is unable to render impartial service to Sourcewell due to the supplier's: a. creation of evaluation criteria during performance of a prior agreement which potentially influences future competitive opportunities to its favor; b. access to nonpublic and material information that may provide for a competitive advantage in a later procurement competition; c. impaired objectivity in providing advice to Sourcewell.

5. Proposer will provide to Sourcewell Participating Entities Solutions in accordance with the terms, conditions, and scope of a resulting master agreement.

6. The Proposer possesses, or will possess all applicable licenses or certifications necessary to deliver Solutions under any resulting master agreement.

7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

8. 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, 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. - Mark Adams, Senior Manager National Account Sales, Kubota Tractor Corporation

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 obligations contemplated in the solicitation proposal.

○ **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
Addendum 6 Grounds Maintenance Eqpt RFP Tue November 12 2024 03:29 PM	☑	1
RFP 112624 Grounds Maintenance Equipment Pre-Proposal Recording Link Mon November 11 2024 08:17 AM	☑	1
Addendum 5 Grounds Maintenance Eqpt RFP Fri November 8 2024 10:31 AM	☑	2
Addendum 4 Grounds Maintenance Eqpt RFP Mon November 4 2024 04:03 PM	☑	1
Addendum 3 Grounds Maintenance Eqpt RFP Mon October 28 2024 03:53 PM	☑	2
Addendum 2 Grounds Maintenance Eqpt RFP Wed October 16 2024 08:40 AM	☑	2
Addendum 1 Grounds Maintenance Eqpt RFP Wed October 9 2024 07:54 AM	☑	2

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Purchase One (1) 308 CAT Excavator with 13" & 18" Buckets Utilizing TN State Contract

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-321-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	R. McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this resolution authorizes the purchase of One (1) 308 CAT Excavator with 13" & 18" Buckets from Stowers Equipment utilizing TN State Contract #72872 in the amount of $139,696.05.

The Tennessee State Contracts are available for local government agencies to use. The estimated delivery for this unit is 30 days after receipt of the PO. This purchase will replace unit 2233 for use by Water Services. Unit 2233 will be a holdover and transferred to the Wastewater Plant to help in their daily operations. The new excavator will allow Water Services more flexibility in their day-to-day operations compared to the skid steer. Due to this being a larger, more adaptable machine, there is a 110% increase in price from the original purchase in 2015.

Please see the attached recommendation memo for additional information & TN State Contract.

Funding is identified in Project/Account # 51150085019010

Attachments:
1. Resolution
2. Recommendation Memo
3. Replacement Form
4. Quote
5. TN State Contract

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE PURCHASE OF ONE 308 CAT EXCAVATOR WITH 13" AND 18" BUCKETS FROM STOWERS EQUIPMENT UTILIZING TENNESSEE STATE CONTRACT NO.: 72872; AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

WHEREAS, staff recommends the purchase of one (1) 308 CAT Excavator with 13" & 18" Buckets from Stowers Equipment utilizing TN State Contract #72872 for use by the Water Department; and

WHEREAS, local governments are allowed to use state contracts to purchase goods and services directly from holders of contracts with the state, as authorized by Tenn. Code Ann. §12-3-1201; and

WHEREAS, this purchase will replace unit 2233, which will be moved to the Wastewater Plant to help in their daily operations; and

WHEREAS, the 308 CAT Excavator with 13" & 18" Buckets is available pursuant to Tennessee State Contract #72872, the city will need to submit purchase orders to Stowers Equipment for $139,696.05; and

WHEREAS, the funding is available in project/account no.: 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 Stowers Equipment for the purchase of one 308 CAT Excavator with 13" & 18" Buckets in the amount of $139,696.05.

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

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

ADOPTED this the 3rd day of November 2026.

_____
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: October 19, 2026

Re: Fleet Replacement of 2233 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement of unit # 2233 in the amount of $139,696.05. The unit bid meets the expectations of the Water Services and will fulfill the requirements of their operational needs. This unit will be purchased utilizing TN State Contract # 72872. A copy of the TN State Contract is attached. The estimated delivery is 30days.

Item	Quantity	Description	Award to Vendor	Fuel Economy
1	1	308 CAT Excavator w/ 13" and 18" buckets	Stowers 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 TN State offering was reviewed by Adam Williams and he is in agreement with this recommendation.

Fuel Economy Improvement N/A

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

TN State Contract 72872

Replacements

2233 2015 Bobcat Skidsteer Loader Hours N/A

Unit 2233 will be held over and transferred to the Waste Water Plant to help in their daily operations. The new excavator will allow Water Services more flexibility in their day-to-day operations compared to the skidsteer . With this being a larger, more adaptable machine, we will see a 110% increase in price from the original purchase of the skidsteer.

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

Thank you.


CAT

Dennis Higdon
+14239148237 | dhigdon@stowerscat.com
Stowers Machinery Corporation
9960 Airport Pkwy, Kingsport, TN 37663
www.stowerscat.com

Date	Proposal ID
10/05/2026	#00039168

Prepared For

City Of Kingsport
415 Broad St
Kingsport, TN 37660

Machine Configuration

NEW CAT 308
HEATED AIR-RIDE SEAT
REAR CAMERA
COUNTERWEIGHT
STICK STEER
LONG STICK
HYDRAULIC THUMB
24" BUCKET
CAB WITH AC
ADVANCED MONITOR
INTEGRATED RADIO
SWING BOOM
STEEL TRACKS WITH RUBBER PADS
HYDRAULIC COUPLER
BLADE

TENNESSEE STATE CONTRACT SWC225
CONTRACT #: 00000000000000000000072872

Description	List Price	Disc %	Disc $	Amount
308	$184,190.00	27.50%	-$50,652.25	$133,537.75
13" BUCKET	$2,243.00	10.00%	-$224.30	$2,018.70
18" BUCKET	$2,444.00	10.00%	-$244.40	$2,199.60
308 HEXMN 84 MONTH / 3000 HOUR GOVERNMENT PREMIER WARRANTY	-	-	-	$1,540.00
FREIGHT AND PREP	-	-	-	$1,250.00
STATE CONTRACT VOLUME DISCOUNT	-	-	-	-$850.00
			Machine Subtotal:	$139,696.05
			Estimated Tax:	$0.00
			Total:	**$139,696.05**

*Plus applicable fees**

Department of General Services | Central Procurement Office

SWC # 225 Highway & Heavy Equipment

Contract Period:

This is a three (3) year contract with two (2) one-year (1) options to renew.

Start November 15, 2021
Initial End Date: November 14, 2024
Final End Date: November 14, 2026

Summary/Background Information:

SWC 225-Pricing is based on a percentage discount from the manufacturer's catalog. The percentage discount may vary within a manufacturer's price list with different percentages being applied on various product groups and models and/or options. You may then consider any model with the options you need to customize the equipment to your specifications. In addition, several manufacturers may be considered in each category of equipment, giving the end user the flexibility and choices to get the brand and model they see as the best value.

State Contact Information

Contract Administrator:
Michael Neely
Category Specialist
Central Procurement Office
(615) 741-5971
Michael.T.Neely@tn.gov

Vendor Contact Information:
Chattanooga Tractor & Equipment
Edison Contract Number: 72846
Nick Topping
423 892-5725
ntopping@chattanoogatractor.com
Polymer Drive
Chattanooga, TN 37421

CMI Equipment
Edison Contract Number: 72850 and 73119
Chris Burkepile
615-227-7800
chris@cmiequip.com
2405 Dickerson Rd
Nashville, TN 37207

Diamond Equipment
Edison Contract Number: 72847
Chris Rigsby
615-641-1100
crigsby@diamondequipment.com
1530 Heil Quaker Blvd
LaVergne, TN 37086

Gateway Bobcat of Missouri
Edison Contract Number: 72833
Austin Graham
615-768-0061
agraham@gatewaydealer.com
149 Industrial Blvd
LaVergne, TN 37086

McCoy Construction & Equipment
Edison Contract Number: NV72857
Rocky Shirely
615-768-0061
RockyShirley@mccoycf.com
1525 JP Hennessy Dr
LaVergne, TN 37086

Parman Tractor & Equipment
Edison Contract Number: 72863
Joe Williams
615-865-7800
jwiliams@ParmanCorp.com
3570 Dickerson Pike
Nashville, TN 37207

Power Equipment
Edison Contract Number: NV73120
Matthew Spence
931-449-9061
matthew spence@bramco.com
3300 Alcoa Hwy
Knoxville, TN 37920

Roadtec
Edison Contract Number: 73122
Thomas McClain
423-265-0600
tmcclain@roadtec.com
800 Manufacturers Rd
Chattanooga, TN 37405

Stowers Machinery
Edison Contract Number: 72872 and 73123
Herman Demmink
865-595-1042
hdemmink@stowerscat.com
6301 Old Manufacturers Rd
Chattanooga, TN 37405

G&S Holdings (Stribling Equipment)
Edison Contract Number: NV72877
Donnie KIrk
731-635-9771
Donnie.kirk@stribling.com
743 Airways Blvd
Jackson, TN 38301

Thompson Machinery
Edison Contract Number: 72878 and 73124
Trace Hall
615-744-7816
trace@tmcat.com
743 Airways Blvd
Jackson, TN 38301

Supplier	Group	Region	Brands and Items
Gateway Bobcat	Highway Equipment	2,3	Doosan, Bandit, & Bobcat - Telescopic Boom, Skid Loader, Brush Chipper
Gateway Bobcat	Heavy Equipment	3	Doosan Loaders (tired), Excavator 20,000#
Chattanooga Tractor and Equipment, Inc.	Highway Equipment	1,2,3	New Holland (regions 1-4) Compact Excavator, Skid Loaders
Chattanooga Tractor and Equipment, Inc.	Heavy Equipment	2	New Holland Backhoes
Diamond Equipment	Highway Equipment	2,3	Case Rollers, Telescopic Boom, Compact Excavator, Skid Loaders
Diamond Equipment	Heavy Equipment	3	Case Backhoes, Dozers, Excavators, 20,000#, Loaders (tired), Med & Lg Motor Graders
CMI	Highway Equipment	1,2,3,4	Gradall, Ver Mac, O'Brien - Telescopic Boom, Message/Arrow Boards, Culvert Cleaner, Traffic Control Equipment (AFADS) Schwarze Sweepers Truck Mounted
CMI	Highway Equipment	1,2	Laymor Sweepers Self Propelled
McCoy	Highway Equipment	1,2,3	John Deere Compact Excavator, Skid Loader
McCoy	Heavy Equipment	1,2,3	John Deere Dozers, Excavators 20,000#, Loaders(tired), Med & Lg Motor Graders
Parman Equipment	Highway Equipment	3	Takeuchi Excavator
Parman Equipment	Heavy Equipment	3	Hitachi Loaders (tired)

Power Equipment	Highway Equipment	Heavy Equipment / 1,2,3,4 (No Witgren or Takeuchi reg 3)	Tack oil distributor, (Leeboy, Wirtgen)rollers, (Takeuchi) Compact Excavator, Skid Loaders, (Fecon) Brush Chipper, (Leeboy) Force Feed Loader Broce Sweepers Self Propelled Leeboy Pavers Tracked & Rubber Tired, Vogle Pavers Tracked & Rubber Tired, Wirtgen Milling Machines
Power Equipment	Heavy Equipment	1,2,3,4	(Takeuchi)Excavators 20,000#, (Leeboy)Med &Lg Motor Graders,(Fecon) Compact track loaders/Mulchers, loaders(tired)
Roadtec	Highway Equipment	1,2,3,4	Carlson Sweepers Self Propelled, Pavers Tracked & Rubber Tired, Milling Machines
Stowers	Highway Equipment	1,2	Caterpillar, Weilar, Milling Machines, Tack oil Distributor, Rollers, Telescopic Boom, Compact Excavator, Skid Loaders, Brush Chipper, Force Feed Loader, Weiler / Pavers Tracked, Caterpillar / Pavers Tracked & Rubber Tired, Caterpillar / Milling Machines
Stowers	Heavy Equipment	1,2	Caterpillar, Weilar, Bandit / Backhoes, Dozers, Excavators 20,000#, Loaders(tired), Med & Lg Motor Graders

Thompson Machinery Commerce Corp.	Highway Equipment	3,4	Caterpillar, Weilar / Milling Machine, Tack oil Distributor, Rollers, Telescopic Boom, Compact Excavator, Skid Loaders, Work Site Lights, Force Feed Loader, Laymor / Sweepers Self Propelled, Caterpillar / Pavers Tracked & Rubber Tired, Weiler / Pavers Tracked, Caterpillar / Milling Machines
Thompson Machinery Commerce Corp.	Heavy Equipment	3,4	Caterpillar / Backhoes, Dozers, Excavators 20,000#, Loaders(tired), Med & Lg Motor Graders

Usage Instructions:

The CPO suggests that due to the complexity of pricing this equipment, that you contact the dealer(s) and allow them to assist in "Building Out" equipment to provide an accurate quote.

Some of the manufacturers offer a multiple unit discount which is an additional percentage discount that you add to the standard discount. Contracts detail these additional discounts and also the prompt pay discounts.

Please note awarded regions by dealer and brand listed below.

Special Instructions:

Please contact the awarded vendor for a current catalog for models and pricing by brand.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Authorize the Reimbursement of Materials Agreement Funds to Land Star LLC, Related to the Riverbend (The Arbor) Phase 2 Development

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-322-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Garret Burton
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:
Approve the Resolution

Executive Summary:
If approved, the City will reimburse funds to Land Star LLC in the amount of $67,915.90 pursuant to a materials agreement based upon the approved installation of water and sewer infrastructure for Riverbend Townhomes (The Arbor) Ph. 2.

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

Pursuant to this policy, a Materials Agreement was entered into with Land Star LLC related to the Riverbend Townhomes (The Arbor) Ph. 2 Development, in the amount of $74,697.83 for the development of Forty-seven (47) lots. After the construction adjustment due to sales tax, and close out of the necessary materials, the developer is due $67,915.90.

To date, including this development, the program has supported 1,979 new/proposed lots within the City of Kingsport.

Attachments:
1. Resolution
2. Closeout Worksheet
3. Location Map
4. As-Built Drawing

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

Materials Agreement

Project: Riverbend Townhomes (The Arbor) Ph. 2
Date: October 13, 2026
Developer: Land Star LLC

Water line

Item #	Item description		U/M	Price	Total
41810	6"x 18' D.I. Pipe	24.00	jt	$459.00	$11,016.00
42120	4' bury hydrant	2.00	ea	$2,707.73	$5,415.46
42325	MJ Gate valve 6"	2.00	ea	$997.39	$1,994.78
43032	6x6x6 Anchor Tee	2.00	ea	$228.34	$456.68
41951	6" plug w/2" tap	2.00	ea	$106.84	$213.68
42550	6" 45 bend	1.00	ea	$112.34	$112.34
42555	6" 22-1/2 bend	4.00	ea	$101.96	$407.84
42545	6" 11-1/4 bend	3.00	ea	$106.84	$320.52
	ITEMS RETURNED				
42845	MJ Anchor coupling 6 x 18	2.00	ea	$191.04	$382.08
Project #	**WA2552**				
	Expensed To:				
Project total:	**451-0000-605-9003**				$19,555.22
Sales Tax:	**451-0000-207-0201**			9.50%	$1,857.75
	Total Cost Including Tax				$21,412.97
	Amount paid and Receipted To:				
Contractor Paid	**451-0000-208-1250**				**$20,367.22**
Sales Tax	**451-0000-207-0201**			9.50%	$1,934.89
	Total Cost Including Tax				$22,302.11
	Sales Tax Adjustment				**$77.14**
Water	**Refund Due Developer**				**$20,290.08**

Materials Agreement

Sanitary sewer

Item #	Item description		U/M	Price	Total
45003	PIPE PVC 8" X 14' SDR-35	97.00	jt	$115.53	$11,206.41
45057	TEE WYE SDR-35 8" X 6"	47.00	each	$65.08	$3,058.76
45112	MANHOLE COVERS JBS 1268	14.00	each	$436.70	$6,113.80
45218	MANHOLE CONC. CONE - 32"	11.00	each	$413.00	$4,543.00
45219	MANHOLE CONC. CONE - 16"	1.00	each	$277.00	$277.00
45221	MANHOLE CONC CONE - 24"	1.00	each	$345.00	$345.00
45223	MANHOLE CONC RISER - 16"	5.00	each	$227.00	$1,135.00
45224	MANHOLE CONC RISER - 32"	14.00	each	$431.00	$6,034.00
45226	MANHOLE BASE	14.00	each	$970.00	$13,580.00
45227	MANHOLE FLAT TOP	1.00	each	$321.00	$321.00
	ITEMS RETURNED				
45257	36"ODX24ID X 2" FLAT RING	2.00	each	$74.25	$148.50
45258	36"ODX 24" IDX 4" FLAT RING	1.00	each	$128.00	$128.00
45259	36" ODX24" IDX 6" FLAT RING	14.00	each	$60.50	$847.00
Project #	**SW2552**				
	Expensed To:				
Project total:	**452-0000-606-9003**				$45,490.47
Sales Tax:	**452-0000-207-0201**			9.50%	$4,321.59
	Total Cost Including Tax				$49,812.06
	Amount Paid and Receipted To:				
Contractor Paid	**452-0000-208-1250**				**$47,849.97**
Sales Tax	**452-0000-207-0201**			9.50%	$4,545.75
	Total Cost Including Tax				$52,395.72
	Sales Tax Adjustment				**$224.15**
Sewer	**Refund Due Developer**				**$47,625.82**
				Total Refund	**$67,915.90**

All parties signing this document agree that the items listed, along with their quantities, were received, used and/or returned as shown on this document. Any items due to the City of Kingsport must be received before the materials agreement between the City of Kingsport and the developer is closed out.

City of Kingsport Warehouse: Donna Lipona

Date: 10/19/2026

City of Kingsport Inspector: Donald Keller

Date: 10/19/26

Developer:

Date: 10/14/2026

KINGSPORT TENNESSEE

Item X5.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE REIMBURSEMENT OF MATERIALS AGREEMENT FUNDS TO LAND STAR, LLC RELATED TO THE RIVERBEND PHASE 2 DEVELOPMENT

WHEREAS, pursuant to the Materials Agreement Policy as set forth in Resolution 2007-084, Land Star, LLC entered into a Materials Agreement in the total amount of $74,697.83, with the city for the provision of certain water and sewer materials by the city for Riverbend Townhomes (The Arbor) Phase 2; and

WHEREAS, Land Star, LLC having installed the necessary water and sewer infrastructure, and adjustments due to sales tax, and close out of the necessary materials the developer is due reimbursement funds in the amount of $67,915.90, for Riverbend Townhomes (The Arbor) Phase 2; and

Now, therefore,

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

SECTION I. That reimbursement of Material Agreement funds to Land Star, LLC, in the amount of $67,915.90, for Riverbend Townhomes (The Arbor) Ph. 2, is approved.

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

ADOPTED this the 3rd day of November, 2026.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

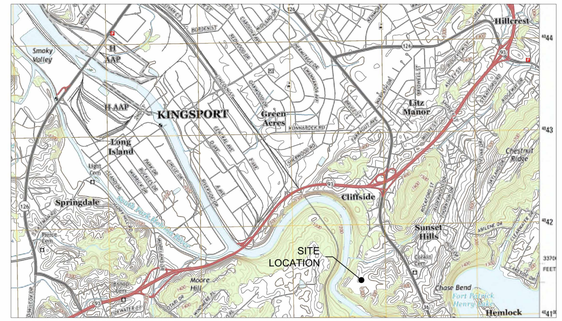
_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY


Project Location
Dollar Tree
Murphy Express
Pilgrims Rest Baptist Church
Walmart Supercenter
Cliffside Rd
Fort Henry Dr
Gables Pl
Thornton Dr
Skyland Dr
Abilene Dr
Hull Dr
South Fork Holston River
CSX Transportation Railroad
Wesley
Bloomingdale
Kingsport
Spurgeon
23
93
26
81
Project Location
Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community
N
W
E
S
Project Location Map
Riverbend Townhomes (The Arbor) Phase 2
City Of Kingsport

TN STATE PLANE NAD 83



PROJECT LOCATION MAP

ST-16
GRATE ELEV:1275.08
INV. IN(NW):1270.27
INV. IN(E): 1271.60
INV. OUT(W): 1269.06

ST-16a HEADWALL
INV. IN: 1273.44

ST-17
GRATE ELEV: 1276.12
INV. OUT: 1271.36

SS MH-5
RIM 1276.69
INV. OUT 1273.05

ST-x2
GRATE ELEV:1281.29
INV. OUT: 1277.12

ST-x1
GRATE ELEV:1281.18
INV. IN: 1276.62
INV. OUT: 1276.42

SS MH-x3
RIM 1285.12
INV. OUT 1277.20

SS MH-12
RIM 1280.33
INV. IN 1274.41
INV. OUT 1274.31

SS MH-4
RIM 1280.72
INV. IN 1272.13
INV. OUT 1272.03

ST-24
GRATE ELEV:1277.46
INV. OUT: 1272.94

ST-9
GRATE ELEV:1279.92
INV. IN: 1274.52
INV. OUT: 1273.32

SS MH-11
RIM 1279.14
INV. IN 1269.12
INV. OUT 1269.02

ST-15
GRATE ELEV:1275.04
INV. IN:1268.59
INV. OUT: 1268.39

ST-8
GRATE ELEV:1277.56
INV. IN(N): 1271.18
INV. IN(E): 1271.18
INV. OUT(S): 1270.98

ST-8a
GRATE ELEV:1278.14
INV. OUT: 1272.97

SS MH-3
RIM 1269.97
INV. IN 1259.34
INV. OUT 1259.24

ST-23
GRATE ELEV:1277.55
INV. IN: 1270.86
INV. OUT: 1270.66

SS MH-10
RIM 1277.75
INV. IN 1268.70
INV. OUT 1268.60

ST-14
RIM ELEV:1277.64
INV. IN: 1267.97
INV. OUT: 1267.77

ST-5a
GRATE ELEV:1271.73
INV. OUT: 1265.50

ST-22
GRATE ELEV:1270.79
INV. IN: 1264.66
INV. OUT: 1263.67

ST-5
GRATE ELEV:1270.47
INV. IN(E): 1263.14
INV. IN(N):1263.24
INV. OUT(SW): 1263.17

ST-6
GRATE ELEV:1271.69
INV. IN: 1265.02
INV. OUT: 1264.82

SS MH-9
RIM 1276.50
INV. IN 1268.26
INV. OUT 1268.16

ST-21b
GRATE ELEV:1267.07
INV. OUT: 1258.96

ST-13
RIM ELEV:1270.18
INV. IN: 1264.84
INV. OUT: 1264.64

ST-x3
GRATE ELEV:1270.64
INV. OUT: 1265.86

ST-7
GRATE ELEV:1275.06
INV. IN(S):1269.51
INV. IN(NE): 1268.44
INV. OUT(W): 1268.24

SS MH-2
RIM 1266.26
INV. IN 1255.47
INV. OUT 1255.37

ST-21
GRATE ELEV:1264.81
INV. IN: 1257.95
INV. OUT: 1257.75

ST-3
RIM ELEV:1269.42
INV. IN(NE): 1262.04
INV. IN(E): 1262.04
INV. OUT(SW): 1261.84

SS MH-8
RIM 1275.37
INV. IN 1267.84
INV. OUT 1267.74

ST-7a
GRATE ELEV:1275.60
INV. OUT: 1270.18

ST-21a
GRATE ELEV:1264.75
INV. IN: 1259.58
INV. OUT: 1259.23

SS MH-1
RIM 1264.61
INV. IN 1255.61
INV. OUT 1255.51

ST-20
GRATE ELEV:1261.53
INV. IN(N):1254.71
INV. IN(W): 1256.16
INV. OUT(E): 1254.77

ST-18
GRATE ELEV:1266.03
INV. IN: 1262.13
INV. OUT: 1261.93

SS MH-7a
RIM 1269.83
INV. OUT 1260.06

ST-4a
GRATE ELEV:1270.85
INV. OUT: 1263.67

ST-4
GRATE ELEV:1270.47
INV. IN(N):1262.75
INV. IN(E) 1262.78
INV. OUT(W): 1262.41

SS MH-7
RIM 1270.62
INV. IN(S): 1258.95
INV. IN(W): 1258.95
INV. OUT(S): 1258.85

ST-2
RIM ELEV:1261.84
INV. IN(NE): 1254.06
INV. IN(W): 1254.06
INV. OUT(SW): 1253.86

SS MH-6
RIM 1261.98
INV. IN(N): 1256.81(DROP)
INV. IN(SE): 1251.80
INV. OUT(W): 1251.70

ST-20a
GRATE ELEV:1261.48
INV. OUT: 1256.65

SS MH-x1
RIM 1261.45
INV. IN (NW): 1255.30
INV. IN(E): 1247.11
INV. OUT(SW): 1247.01

SS MH-x2
RIM: 1258.41
INV. IN: 1251.27
INV. OUT: 1251.12

ST-12
GRATE ELEV:1260.72
INV. IN(N):1256.57
INV. IN(W): 1254.58
INV. OUT(E): 1254.47

SS MH-6a
RIM 1255.99
INV. IN 1252.26
INV. OUT 1252.16

ST-1 ENDWALL
INV. OUT: 1252.53

SS MH-x4
RIM 1273.58
INV. OUT 1264.98

ALL AS-BUILT INFORMATION IS BASED UPON OBSERVATION OF VISIBLE ITEMS MADE DURING FIELD VISIT (I.E. MANHOLES VALVES, HYDRANTS, ETC.). LOCATIONS OF UNDERGROUND ITEMS ARE APPROXIMATE AND BASED UPON A COMBINATION OF UTILITY COMPANY FIELD MARKINGS AND DESIGN PLANS.

I, GEORGE A. SMITH (TN PE #125517), HEREBY CERTIFY THAT I AM AN ENGINEER LICENSED IN THE STATE OF TENNESSEE. I HAVE REVIEWED THE INFORMATION BASED ON FIELD SURVEY DATA PROVIDED TO ME BY LARRY M. CULBERTSON, A STATE OF TENNESSEE REGISTERED LAND SURVEYOR (TN RLS #883).

BASED ON THE AFOREMENTIONED SURVEY AND TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SANITARY SEWER, WATERLINE, & STORM SEWER IMPROVEMENTS SHOWN ON THIS PLAN FUNCTION AS INTENDED ON THE APPROVED DESIGN FOR THIS DEVELOPMENT.

GEORGE ALEX SMITH — REGISTERED ENGINEER — AGRICULTURE — No. 125517 — STATE OF TENNESSEE

Date: 2026.09.08 09:43:36 -04'00'

GE A. SMITH, P.E.

ALL AS-BUILT INFORMATION IS BASED UPON A COMBINATION OF VISIBLE ITEMS MADE DURING FIELD OBSERVATION (I.E. MANHOLES VALVES, HYDRANTS ETC.). LOCATIONS OF UNDERGROUND ITEMS ARE APPROXIMATE AND BASED UPON A COMBINATION OF UTILITY COMPANY FIELD MARKINGS AND DESIGN PLAN.

I LARRY M. CULBERTSON (TN RLS #883) HEREBY CERTIFY THAT I AM A LAND SURVEYOR REGISTERED IN THE STATE OF TENNESSEE. I HAVE LOCATED ALL VISIBLE MANMADE WATER LINE AND SANITARY SEWER FEATURES SHOWN ON THIS PLAN.

I CERTIFY THE LOCATION, ELEVATION, AND DESCRIPTION OF THESE FEATURES.

LARRY M. CULBERTSON

LARRY M. CULBERTSON — REGISTERED LAND SURVEYOR — XVI — AGRICULTURE — TENNESSEE NO. 883 — DEPARTMENT OF COMMERCE

30 0 30 60 90
SCALE IN FEET

LEGEND

- SANITARY MANHOLE
- SS CLEAN OUT 6"
- WATER METER
- WATER VALVE
- FIRE HYDRANT
- STORM GRATE
- STORM MANHOLE
- STREET LIGHT
- TRANSFORMER PAD
- CONDUIT STUB UPS
- BLOW OFF VALVE
- PROPERTY LINE (Surveyed by Others)
- EX SEW — EXISTING SANITARY (NOT SURVEYED)
- W (E) — EXISTING WATER LINE (NOT SURVEYED)
- S — SANITARY SEWER
- W — WATER LINE (APPROXIMATE/NOT SURVEYED)
- WATER SERVICE LINE (APPROXIMATE/NOT SURVEYED)
- STORM WATER

no.	date	revision	by

LandStar, LLC
The Arbor
Phase No. 2 - As Built
Kingsport, Tennessee

As-Built Drawing

Issued:	August 18, 2026
Checked:	MC/GS
Approved:	GS
Drawn:	CC
Project No.	
Drawing Name:	The Arbor Phase 2 - As Built

1 of 2

AGENDA ACTION FORM

Consideration of a Resolution to Continue our Agreement with Daupler, Inc. to Provide their Response Management System for the Utilities Department

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-306-2026
Work Session: November 2, 2026
First Reading: N/A

Final Adoption: November 3, 2026
Staff Work By: Chad Austin
Presentation By: Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved, the City would enter into an agreement with Daupler, Inc. in the amount of $54,998.90 to provide the Utilities Department with its Response Management System, including the Notify feature and Public Outage Map.

In mid-2025, the Utilities Department was notified by 911 that an alternative was needed for handling after-hours calls that had historically been answered by the City's Dispatch Center. The Department researched available alternatives and received proposals from three vendors to provide after-hours call management services. Following review of the proposals, Daupler's Response Management System was selected as the preferred solution.

The City subsequently entered into a one-year contract with Daupler, Inc., with provisions for one-year renewals. The pricing for the upcoming year, including the Response Management System, Notify, and Public Outage Map, is $54,998.90. This amount exceeds the Purchasing Manager's approval threshold and therefore requires approval by the Board.

The Utilities Department has been extremely satisfied with the service. The system has significantly improved the Department's ability to receive, manage, and respond to after-hours customer calls and to communicate with customers when utility issues arise.

To ensure the Utilities Department can continue receiving and appropriately responding to after-hours calls, staff recommends continuing the City's relationship with Daupler, Inc. in accordance with the attached invoice.

Funding for this service is included in the Utilities Department's operating budget.

Attachments:
1. Resolution
2. 2025 Agreement
3. 2026 Invoice

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING THE RENEWAL OF RESPONSE MANAGEMENT SERVCIES FROM DAUPLER, INC., AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, on October 17, 2025, after reviewing proposals, the city entered into an agreement with Daupler, Inc., for a response management system for the Utilities Department for after-hours calls in the amount of $49,999.00 for a period of one year with one year renewals; and

WHEREAS, the Utilities Department has been extremely satisfied with the service, and the system has significantly improved the Department's ability to receive, manage, and respond to after-hours customer calls and to communicate with customers when utility issues arise; and

WHEREAS, the city would like to renew the agreement for a period of one year and the renewal includes the Response Management System, Notify, and Public Outage Map, at the cost of $54,998.90; and

.

WHEREAS, funding for this service is included in the Utilities Department's operating budget.

Now therefore,

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

SECTION I. That renewal of the Daupler, Inc., Response Management System, for a period of one year at a cost of $54,998.90, 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 renew the services provided by Daupler, Inc. for the Response Management System for a period of one year at a cost of $54,998.90, to deliver the documents 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.

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

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

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

ADOPTED this the 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

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Proposal

Kingsport, TN

Agreement Date: 09-19-2025
Expiration Date: 10/17/2025



Niki Ensor
nikiensor@kingsporttn.gov
(423) 229-9470

8024 CONSER STREET
OVERLAND PARK, KS 66204
(913) 999-7903
WWW.DAUPLER.COM

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Introduction

At Daupler, we believe in transforming the way communities respond to emergencies and manage their operations. Our platform is purpose-built to streamline incident response, enhance coordination, and empower teams with the tools they need to act quickly and effectively. This proposal outlines how Daupler's solutions can support your organization's unique needs, reduce operational strain, and improve service outcomes for the people you serve. We look forward to partnering with you to build a stronger, more resilient operation.

Gracie Graham

Sales Executive

gracie@daupler.com

(913) 999-7903

Trusted & Proven

Award-Winning
Response Management System

GOVTECH 100 Company 2022

GOVTECH 100 Company 2023

SMARTWATER SUMMIT 2023 Award Winner

SMARTWATER SUMMIT 2024 Award Winner

GOVTECH 100 Company 2024

GOVTECH 100 TEN YEARS Company 2025

SmartUtility SUMMIT 2024 Award Winner

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Pricing Overview

Term Date: 10/17/2025

	Price	Quantity	Total
Response Management System - After-Hours Daupler Dispatch: Live, utility-specific call-answering provided at a flat fee after hours (including weekends and holidays) with no additional charges during high-volume periods. Daupler Callout: Call escalation, team/crew formation, problem response form automation, and arrival/departure documentation. Daupler AI: AI/Classifier technology used to instantly triage inputs, escalate issues, and dispatch resources efficiently. Daupler Engage: Web-based portal enables residents to track status of requests, receive real-time updates, and provide additional photos and notes for crew members, helping reduce unnecessary truck rolls. Daupler Analytics: Heat mapping and crew performance tracking. Daupler Events: Detects disruptions of service faster and sends real-time, event-specific updates to residents who subscribe.	$39,999.00	1	$39,999.00
Public Outage Map intuitive, real-time online map that displays current outages, estimated restoration times, and affected areas for customers.	$5,000.00	1	$5,000.00
Daupler Notify Daupler Notify is a real-time communication tool that delivers targeted, customizable alerts to customers, staff, or stakeholders via text, email, or voice during incidents or planned events. Two-way communication allows for recipients to respond back to notifications.	$5,000.00	1	$5,000.00
Implementation & Support Daupler provides 24/7 support to ensure your team has access to assistance whenever it's needed, day or night. Our implementation team will guide you every step of the way to ensure a smooth, efficient, and successful setup tailored to your goals.	$0.00	1	$0.00

Subtotal	$49,999.00
Total	**$49,999.00**

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Signature Page

Billing Details

Billing Address: 415 Broad Street
Kingsport TN
37660

Billing Contact Email:

Payment Net: 30 Days

Billing Frequency: Annual

Annual recurring costs are subject to a 10% technology uplift fee.

Signature

The undersigned agree to the Terms and Conditions and agree to the execution as of the date signed, the Effective Date:

Daupler Inc.

Name: John Bertrand

Title: CEO

Date: 10/9/2025

Signature: DocuSigned by: John Bertrand 20B517762F3A44E...

Kingsport, TN

Name: Brent Morelock

Title: Procurement & Contracts Manager

Date: 10/9/2025

Signature: DocuSigned by: Brent Morelock D3996E7B0FAE41D...

APPROVED AS TO FORM:

DocuSigned by: Rodney Rowlett, III 9890E2AE88DA483...

ATTEST:

DS

DocuSigned by: Angie Marshall AD9E467A1BDE4C0...

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Implementation Approach

The simplicity of our easy-to-use solution allows us to have fast implementations with no upfront fees. Once the system has been configured, you can make changes to schedules, crew members, escalation trees, internal notification settings, and more without assistance from Daupler and without additional fees.

Daupler recognizes implementation is a critical step in the successful adoption of our software. While we have a turnkey software which can be implemented quickly, we recognize each client may have unique business requirements. We take a client-first approach to understanding needs and configuring or modifying workflows based on each organization's business rules. We do not use a third-party for any software implementation services, and a dedicated Daupler Implementation Specialist works closely with each client to ensure a smooth implementation process.

Level of Effort Required from Staff

Staff will be asked to attend 3-4 meetings and provide inputs such as incident types and response procedures, on-call schedules, shapefiles of service region, and user lists. We handle all integration and configuration requirements. We can also set up groups and users upon request.



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Project Timeline

We customize each implementation process based on the needs of the enterprise. Exact implementation schedules will depend on the scope of implementation.

Week 1-2

Kickoff Meeting + Data Collection

- Introduction to Implementation and Account Management teams
- Align on timeline, scope, and deliverables

Week 3-4

Documentation, Configuration & Integrations

- Identify gaps, opportunities for efficiencies, and configuration requirements
- Data exchange, API requirements, credentials for integrations

Month 2

Development

- Establishing customer's page within Daupler
- Configuring to meet the customer's needsand processes

Month 3

Training and Go-Live

- User & Admin Trainings
- Product Review
- Product Launch
- Go-live

While most implementations follow closely to this timeline, delays can occur through slower data collection from the customer, and delayed timelines by integration partners.

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daupler®

Contact Us

www.daupler.com

gracie@daupler.com

(913) 999-7903

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Terms & Conditions

Standard Terms and Conditions

Please read these Standard Terms and Conditions (this "Agreement") carefully before using the Daupler web-based Incident Response Management System and its services ("Services") located at www.daupler.com (the "Website"). By accessing or using the Website or the Services, you agree to be bound by this Agreement and all of its terms without change. This Agreement is between Daupler, Inc. ("Daupler"), you the user ("User"), and, if you are using Services on behalf of a company or organization, such company or organization will also be considered a party to this Agreement and "User". You represent that you have the authority to bind your company to this Agreement.

1. **Services**.

Subject to User's compliance with all of the terms and conditions of this Agreement, Daupler (i) will use commercially reasonable efforts to provide the Services to User and (ii) hereby grants User a non-exclusive, non-transferable, non-sublicensable right and license to access the Services in accordance with any documentation published on the Website. The Services will be delivered using Daupler's proprietary software, processes, user interfaces, know-how, techniques, designs, ideas, concepts, and other tangible or intangible technical material or information "Daupler Technology").

Daupler will provide error correction, workarounds and new releases in accordance with its normal practices. User may request support through Daupler's third party call answering service made available on the Website and any other support services provided in the documentation.

Each User will have unique access codes to be used to access the Services. User is responsible for maintaining (including the confidentiality of) the access codes and will be solely liable for all activities that occur under such codes or arising from User's instruction in connection with the disclosure of the codes. User shall immediately notify Daupler of any unauthorized use of any such access codes. USER AGREES THAT ACCESS CODES MAY NOT BE SHARED AND MAY ONLY BE USED BY ONE AUTHORIZED USER.

2. **Payment of Fees.**

User shall pay Daupler the annual fee for the Services published on the Website or within their proposal. Annual fees and any time and materials fees are due within 30 days after receipt of invoice. To the extent applicable and utilized, User will pay Daupler for consulting, integration or other professional services. User shall make all payments in accordance with the terms set forth on the Website and herein. Fees paid hereunder are non-refundable.

Daupler may suspend User's access to the Services if User is more than 10 business days late on a payment. User shall pay a late fee on any amount that is not paid when due that shall be calculated at an interest rate of 1.5% per month on any such outstanding balance, or the maximum permitted by law, whichever is less, from the date due, plus all expenses of collection.

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User will be billed, and payments will be made, in U.S. dollars. All fees are exclusive of all taxes, levies, or duties imposed by taxing authorities. User shall be responsible for payment of all such taxes, levies, or duties, excluding only taxes based solely on Daupler's net income.

3. **Term and Termination.**

This Agreement is effective upon execution of the Agreement and shall continue for a period of one year thereafter. This Agreement will automatically renew for additional one year periods unless either party provides the other party with written notice of its intent not to renew within 90 days of the end of the annual term.

Either party may terminate this Agreement upon 30 days notice if the other party breaches any material term of these Terms and fails to cure such breach within 30 business days after notice of such breach. Material breach by the User includes any breach of User's payment obligations or unauthorized use by User of the Daupler Technology or Services.

Upon termination of this Agreement for any reason, any amounts owed to Daupler under this Agreement before such termination or expiration will be immediately due and payable, all licensed rights granted will immediately cease to exist, and User must promptly discontinue all use of the Daupler Technology and erase all copies of the Daupler Technology.

4. **Permitted Uses, Restrictions.**

User is solely responsible for (a) providing and maintaining the hardware and software necessary to access and use the Services and (b) making available such personnel and information as may be reasonably required, and taking such other actions as Daupler may reasonably request to provide the Services.

User shall use the Services in compliance with all applicable laws, statutes, ordinances and regulations. User shall obtain any necessary licenses, certificates, permits, approvals or other authorizations required by all laws, statutes, ordinances and regulations applicable to User's use of the Services.

User shall not use the Services for purposes other than as set forth in the Agreement. In furtherance thereof, User will not (a) resell the Services or any data received in connection therewith or otherwise disclose, disseminate, reproduce or publish any portion of the Services in any manner or permit the same; (b) use the Services to create derivative products or other derivative works; (c) modify, translate, alter, disassemble, decompile, manipulate or reverse engineer any portion of the Services; (d) except for authorized Users, permit any third party to use the Services; (e) create Internet "links" to or from the Services, or "frame" or "mirror" any content forming part of the Services, other than on its authorized Users' own intranets or otherwise for its own internal business purposes; (f) send spam or other duplicative or unsolicited messages in violation of applicable laws; (g) send or store infringing, obscene, threatening, libelous, or otherwise unlawful or tortious material, including material harmful to children or that violates third party privacy rights; (h) send through, store in or otherwise introduce to the Services, through its use or otherwise, a computer virus; (i) interfere with or disrupt the integrity

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or performance of the Services or the data contained therein; or (j) attempt to gain unauthorized access to the Services or its related systems or networks.

5. **Ownership.**

As between the parties, Daupler alone (and its licensors, where applicable) own all right, title, and interest, in and to the Services, Daupler Technology, or any suggestions, ideas, enhancement requests, feedback, recommendations or other information provided by User or any other party relating to the Services, which are hereby assigned to Daupler. User represents and warrants that User owns or has the right to use all customer data used by the Services ("User Data") and that the use of the User Data in connection with the Services does not violate any third party rights.

Daupler acknowledges that as between the parties, User owns all right, title and interest in and to the User Data, provided, however, that User grants Daupler the right to use any and all User Data in blinded or aggregated form for the purpose of data analysis, compilation, interpretation, study, reporting, publishing, improvement of the Services, product and service development, and other such purposes.

Except as expressly set forth herein, Daupler alone (and its licensors, where applicable) will retain all intellectual property rights relating to the Services and Daupler Technology or any suggestions, ideas, enhancement requests, feedback, recommendations or other information provided by User or any other party relating to the Services, which are hereby assigned to Daupler. User will not copy, distribute, reproduce, or use any of the foregoing except as expressly permitted under this Agreement. All rights not expressly granted to User are reserved by Daupler and its licensors.

6. **Confidentiality.**

Each party (the “Receiving Party”) understands that the other party (the “Disclosing Party”) has disclosed or may disclose information relating to the Disclosing Party’s technology or business ("Confidential Information” of the Disclosing Party).

The Receiving Party agrees: (i) not to divulge to any third person any such Confidential Information, (ii) to give access to such Confidential Information solely to those employees with a need to have access thereto for purposes of this Agreement, and (iii) to take the same security precautions to protect against disclosure or unauthorized use of such Confidential Information that the party takes with its own proprietary information, but in no event will a party apply less than reasonable precautions to protect such Confidential Information. The Disclosing Party agrees that the foregoing will not apply with respect to any information that the Receiving Party can document (a) is or becomes generally available to the public without any action by, or involvement of, the Receiving Party, or (b) was in its possession or known by it prior to receipt from the Disclosing Party, or (c) was rightfully disclosed to it without restriction by a third party, or (d) was independently developed without use of any Proprietary Information of the Disclosing Party. Nothing in this Agreement will prevent the Receiving Party from disclosing the Proprietary Information pursuant to any judicial or governmental order, provided that the

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Receiving Party gives the Disclosing Party reasonable prior notice of such disclosure to contest such order.

Daupler acknowledges that, subject to the exceptions listed in this Section 5, User Data is User's Confidential Information. User acknowledges that Daupler does not wish to receive any Confidential Information from User that is not necessary for Daupler to perform its obligations under this Agreement and will limit its disclosures accordingly.

The parties will have the right to disclose the existence but not the terms and conditions (including without limitation pricing) of this Agreement, unless such disclosure is approved in writing by both parties prior to such disclosure, or is included in a filing required to be made by a party with a governmental authority (provided such party will use reasonable efforts to obtain confidential treatment or a protective order) or is made on a confidential basis as reasonably necessary to potential investors or acquirers.

7. **Indemnification.**

Daupler shall indemnify and hold User and its officers, directors, employees, attorneys, and agents ("Indemnitees") harmless from and against any and all costs, damages, losses, liabilities and expenses (including reasonable attorneys' fees and costs) each to the extent paid to an unaffiliated third party to the extent arising out of or in connection with such third-party's claim alleging that the Daupler Technology directly infringes a U.S. copyright. Notwithstanding the foregoing, Daupler will have no obligation with respect to any infringement claim based upon any modification of the Daupler Technology by User or any use of the Daupler Technology (i) not in accordance with the documentation; or (ii) in combination with other products, equipment, software, or data not supplied by Daupler.

User shall indemnify, defend and hold Daupler, its licensors and each such party's Indemnitees harmless from and against any and all costs, damages, losses, liabilities, and expenses (including reasonable attorneys' fees and costs) each to the extent paid to an unaffiliated third party arising from or in connection with such third-party's claims, demands, or allegations (i) that User violated this Agreement (ii) arising from or relating to the use of the Services or the results thereof, except claims covered by Daupler's indemnity, above.

As a condition to a party's indemnification obligations hereunder, the other party shall give the indemnifying party sole control of the defense and settlement of the claim, prompt notice of a claim, and, at the indemnifying party's expense and request, all available information and reasonable assistance in relation to such defense and settlement efforts. Neither party may compromise or settle a third-party claim that adversely affects the other party without the other party's prior written consent, which consent shall not be unreasonably withheld.

8. **Warranties and Warranty Disclaimer.**

Daupler represents and warrants that the Services will be provided in a professional and workmanlike manner. In the event Daupler breaches such warranty, User may, as its sole

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remedy, request that Daupler promptly correct any such failure of Services at no additional charge.

Except as otherwise provided herein, Daupler provides the Services to User without warranties, express or implied. Daupler and its licensors do not represent or warrant that (a) the use of the Services will be secure, timely, uninterrupted or error-free or operate in combination with any other hardware, software, system, or data, (b) the Services will meet requirements or expectations, (c) any results or stored User Data will be accurate or reliable, (d) errors or defects will be corrected, (e) the Services or the server(s) that make the Services available are free of viruses or other harmful components; (f) the Services or results will meet any regulatory approvals or requirements. All conditions, representations and warranties, whether express, implied, statutory or otherwise, including, without limitation, any implied warranty of merchantability, fitness for a particular purpose, or non-infringement of third party rights, are hereby disclaimed to the maximum extent permitted by applicable law by Daupler and its licensors.

9. **Limitation of Liability.**

In no event shall Daupler's aggregate liability arising from or relating to this Agreement exceed the amounts actually paid by and payable by User in the twelve (12) month period immediately preceding the event giving rise to such liability. Except for a party's obligations arising under Section 6 or a party's breach of its obligations under Section 7, in no event shall either party and/or its licensors be liable to anyone for any indirect, punitive, special, exemplary, incidental, consequential or other damages of any type or kind other than as a result of Daupler's negligence, gross negligence or willful misconduct (including direct or indirect damages for loss of data, revenue, profits, use or other economic advantage) arising out of, or in any way connected with this agreement, including but not limited to the use or inability to use the Services, or for any content obtained from or through the Services, any interruption, inaccuracy, error or omission in the content, even if the party from which damages are being sought or such party's licensors have been previously advised of the possibility of such damages.

10. **Privacy Policy.**

By using the Services, You consent to the information collection policies detailed in the Privacy Policy. Use of information we collect now is subject to the Privacy Policy in effect at the time such information is used.

11. **General Provisions.**

The parties acknowledge that this is a business relationship based on the express provisions of this Agreement and no partnership, joint venture, agency, fiduciary or employment relationship is intended or created by this Agreement.

User shall not assign or transfer this Agreement or any rights or obligations under this Agreement without Daupler's prior written consent. A change in control constitutes an assignment under this Agreement. Any unauthorized assignment or transfer shall be void and

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constitutes ground for immediate termination of this Agreement by Daupler. This Agreement binds and inures to the benefit of the parties and their respective permitted successors and permitted assigns.

If any provision, or part thereof, of this Agreement becomes or is declared invalid, illegal or unenforceable in any respect under any law, such provision, or part thereof, shall be null and void, and deemed deleted from this Agreement. The validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired.

Any waiver is only valid to the extent expressly set forth in writing. No waiver by either party of any right under this Agreement shall constitute a subsequent or continuing waiver of such right or any other rights under this Agreement.

User acknowledges that the Services are a valuable commercial product, the development of which involved the expenditure of substantial time and money. Any violation of the licenses granted hereunder, confidentiality obligations or infringement or misappropriation of Daupler's intellectual property rights shall be deemed a material breach of the Agreement, for which Daupler may not have adequate remedy in money or damages, and Daupler shall be entitled to injunctive relief, in addition to (and not in lieu of) such further relief as may be granted by a court of competent jurisdiction, without the requirement of posting a bond or providing an undertaking.

Except for User's obligation to pay the fees for Services provided, neither party shall be liable for any failure or delay in its performance due to circumstances beyond its reasonable control (including, but not limited to, act of terrorism, war (declared or not declared), sabotage, insurrection, riot, act of civil disobedience, act of any government, accident, fire, explosion, flood, storm, earthquake, volcanic eruption, nuclear event, any act of God, labor disputes, failure or delay of shippers, or unavailability of components or equipment); provided that it notifies the other party as soon as practicable and uses commercially reasonable efforts to resume performance.

This Agreement is governed by and construed in accordance with the laws of the State of Kansas, without giving effect to its principles of conflicts of law. Any litigation arising out of this Agreement shall be brought by either party in a court of competent jurisdiction located in Johnson County, Kansas, and each party hereby waives any defenses it may have before such courts based on a lack of personal jurisdiction or inconvenient forum. Each party hereby expressly and irrevocably waives the right to a jury trial. The prevailing party shall be awarded its reasonable attorneys' fees and costs in any proceeding arising out of or related to this Agreement.

This Agreement is the complete agreement between the parties and supersedes any prior or contemporaneous oral or written communications between the parties concerning the subject matter of this. There are no conditions, understandings, agreements, representations or warranties, express or implied, which are not specified herein. This Agreement may only be modified by a written document expressly stated for such purpose and executed by the parties. The terms and conditions of this Agreement shall control and supersede any end user license

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agreements, terms of use, click-through or shrinkwrap terms, purchase order terms, invoice terms, or other similar documents, in any format, including terms located on User's website or provided with its ordering documents, whether signed before or after this Agreement. Such other terms shall be void to the extent they relate to the subject matter contemplated by this Agreement.

The following sections shall survive the expiration or termination of this Agreement: 2 (Payment of Fees); 3 (Term and Termination); 4 (Permitted Uses; Restrictions); 5 (Ownership); 6 (Confidentiality); 7 (Indemnification); 8 (Warranties; Warranty Disclaimer); 9 (Limitation of Liability); 10 (Privacy Policy); and 11 (General Provisions).

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ADDENDUM TO DAUPLER STANDARD TERMS & CONDITIONS

This Addendum (herein "Addendum") amends the Daupler Standard Terms and Conditions any and all other terms and conditions as well as attachments, exhibits, any physical or virtual documents or writings, referenced therein, and any click through, clickwrap, shrink-wrap, or other such virtual agreement, *etc.* (all of which are herein "Agreement") between Daupler, Inc., a for-profit corporation formed in Delaware with its principal place of business located at 8024 Conser Street, Overland Park, KS 66204 its affiliates and subsidiaries (herein "Vendor") and City of Kingsport, Tennessee (herein "City"). In consideration of using Vendor's form agreement, the mutual promises set out herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged the Agreement is amended as follows:

1. **Precedence.** Notwithstanding any other provision in the Agreement, the language in this Addendum takes precedence over all other terms, conditions or language to the contrary or in conflict with the language herein, and the Agreement and this Addendum shall not be construed to create any ambiguity, it being the intent of the parties that this Addendum shall control. In the event of a conflict between this Addendum and the provisions of the Agreement, the provisions of this Addendum shall, to the extent of such conflict take precedence unless such document expressly states that it is amending this Addendum.

2. **Indemnity, Limitation of Liability and Disclaimer of Warranty.** Article II, Section 29 of the Tennessee Constitution prohibits cities from lending their credit to private entities and, therefore, prohibits an agreement by City to indemnify a third party or agree to a limitation of liability provision. Any indemnity or hold harmless provision contained in the Agreement requiring City to indemnify or hold harmless Vendor or any other person or entity and any limitation of liability in favor of Vendor is enforceable only to the extent permitted by Tennessee law, provided City's monetary limits of liability under any such provision is limited to the monetary limits of liability as provided for in the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101 *et seq*. No provision of this Agreement shall act or be deemed a waiver by City of any immunity, including its rights or privileges or of any provision of the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101 *et seq*.

3. **No Liability for Users or Third Parties.** Except as provided in the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101 et seq. City is not responsible for Users of the Service, their acts or data, or any acts or data of a third party.

4. **No Liability of Officials and Employees.** No official, employee or volunteer, whether disclosed or undisclosed, of City shall be personally liable to Vendor or any other person or entity, including a third party beneficiary, in the event any provision of the Agreement is unenforceable; there is any default or breach by City; for any amount which may become due under the Agreement ;or on any obligations under the terms of the Agreement and Vendor and any other person or entity, including a third party beneficiary, shall to look solely to City for the satisfaction of any liability of City hereunder.

5. **Warranty.** Vendor warrants that the products purchased herein when used in accordance with the documentation shall operate in all material respects in conformity with the written representations of Vendor. If it does not perform as warranted, Vendor shall use commercially reasonable efforts to correct the products so that it operates in all material respects in conformity with the written representations of Vendor. If it cannot correct the products within a reasonable period of time, Vendor shall refund the purchase price of the products. Because Tennessee law may not allow City to agree to the disclaimer of warranties, any such disclaimer of warranties shall be enforceable only to the extent permitted by Tennessee law, and City reserves all rights afforded to local governments under law for all general and implied warranties.

6. **Confidentiality.** The Agreement is a public record, and it, along with all documents or materials, in any format, including, but not limited to, paper, electronic, or virtual, that are public records pursuant to the Tennessee Open Records Act, set out in Tenn. Code Ann. §10-7-503 *et seq*., are not confidential and are subject to disclosure in whole or in part, without regard to any provision contained in the Agreement declaring information confidential. Additionally, City must, upon proper request, release public documents and records as defined by Tenn. Code Ann. §10-7-503 *et seq*., including, but not limited to, the Agreement and all records created and maintained related to the Agreement, without any requirement to disclose such request to Vendor or provide Vendor with notice or

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the time to obtain a protective order. City does not have the burden of establishing that information is not confidential information or that its release is authorized to release the records. This Section 6 serves to meet such burden and authorization of disclosure.

7. **Term.** City or Vendor may terminate the Agreement and use of the service at any time for any reason. However, termination shall not take effect until ninety (90) days after written notice is delivered by the party terminating the agreement to the other party. City's access to any data in possession of Vendor shall not be restricted or denied until the effective date of the termination. Upon termination, the City shall make payment for any services provided prior to the date of termination. Notices to the City shall be sent to:

   City of Kingsport
   Niki Ensor
   1113 Konnarock Road
   Kingsport, TN 37660

   Office of the City Attorney
   City of Kingsport
   415 Broad Street, Ste. 333
   Kingsport, TN 37660

8. **Governing Law.** The Agreement and the rights and obligations of the parties are governed by the laws of the state of Tennessee, without regard to its conflict of laws principles.

9. **City's Refusal to Arbitrate, Selection of Jurisdiction, Waiver of Jury Trial, Venue, Service of Process.** Pursuant to the Constitution and Laws of the State of Tennessee, City is a sovereign entity subject only to those courts with jurisdiction over City. Therefore, any reference to the resolution of disputes through arbitration is expressly stricken from the Agreement and City expressly refuses to arbitrate any dispute. If a dispute arises between the parties concerning any aspect of the Agreement, and it cannot be resolved by mutual agreement, any party may resort to resolution of the dispute by litigation in the state courts in Kingsport, Tennessee or the Federal court for the Eastern District of Tennessee, Northeastern Division. However, neither party shall be obligated to provide any type of pre-suit notice before initiating a cause of action. The parties waive their right to a jury trial. The parties hereby consent to the mandatory and exclusive venue and jurisdiction of the state court located in Kingsport, Tennessee or the Federal court for the Eastern District of Tennessee. Service of process shall comply with the Tennessee Rules of Civil Procedure or applicable federal rules, and City does not agree to any other service of process procedure.

10. **Responsibility for Litigation Costs, Expenses and Payment of Attorney's Fees.** Article II, Section 29 of the Tennessee Constitution prohibits cities from lending their credit to private entities and, therefore, prohibits an agreement by City to indemnify a third party or agree to a limitation of liability provision. This prohibition extends to contractual provisions for the payment of attorney's fees. In the event of litigation between City and Vendor each party shall be solely and exclusively responsible for the payment of litigation costs, expenses and attorney's fees excepting those costs which may be awarded by a court of competent jurisdiction as specified by Tennessee law or applicable rules of civil procedure. Discretionary cost may be awarded by a court as permitted by Tennessee law, provided City does not waive its governmental immunity.

11. **No Taxes.** As a tax-exempt entity, City shall not be responsible for sales or use taxes incurred for products or services. City shall supply Vendor with its Sales and Use Tax Exemption Certificate upon Vendor's request. Vendor shall bear the burden of providing its suppliers with a copy of City' tax exemption certificate and Vender shall assume liability for such applicable Sales and Use Taxes, if any, that should be incurred.

12. **Amendment.** Unilateral modification or amendment of the Agreement by Vendor is prohibited and any provision permitting such by Vendor is not applicable to City. Any amendment or modification of the Agreement or this Addendum is binding only if it is in writing and properly executed by the signatures of authorized representatives of the parties hereto, including attestation by City's city recorder and approved as to form by City's city attorney.

Docusign Envelope ID: D7D88F63-F6A0-43CC-81BE-C27E87ABA79A

13. **Survival.** This Addendum shall survive the completion of or any termination of the Agreement or other document which may accompany the Agreement or be incorporated by reference.

14. **No Presumption Against Drafter.** This Addendum shall not be construed for or against any party because that party or that party's legal representative drafted any of its provisions. Accordingly, this Addendum shall be construed without regard to the rule that ambiguities in a document are to be construed against the draftsman. No inferences shall be drawn from the fact that the final, duly executed Addendum differs in any respect from any previous draft hereof.

15. **Counterparts.** This Addendum may be executed in one or more counterparts by City and Vendor. If so executed, the signer shall deliver an original to the other party and the collective counterparts shall be treated as the fully executed document.

16. **Effective Date.** This Addendum shall be effective immediately after the Agreement is effective.

[*SIGNATURE PAGE FOLLOWS*]

Docusign Envelope ID: D7D88F63-F6A0-43CC-81BE-C27E87ABA79A

The persons whose signatures appear below certify that they are authorized to sign on behalf of the respective Party.

Daupler, Inc.

DocuSigned by:
John Bertrand
20B517702F3A44E...

Signature

10/8/2025

Date

John Bertrand

Printed Name

CEO

Title

City of Kingsport, Tennessee

DocuSigned by:
Brent Morelock
D3996E7B0FAE41D...

Brent Morelock, Procurement Manager

10/9/2025

Date

Attest:

DS

DocuSigned by:
Angie Marshall
AD2F467A1BDB489...

Angela Marshall, Deputy City Recorder

Approved as to form:

DocuSigned by:
Rodney Rowlett, III
9890E2AE88DA483...

Rodney B. Rowlett, III, City Attorney

Docusign Envelope ID: D7D88F63-F6A0-43CC-81BE-C27E87ABA79A

INVOICE

 # INV-001672

Daupler, Inc.
8024 Conser St
Overland Park Kansas 66204
U.S.A

Balance Due
$54,998.90

Bill To
Kingsport, TN
Attn: Accounts Payable
415 Broad Street
Kingsport, Tennessee 37660
U.S.A

Invoice Date :	17 Sep 2026
Terms :	Net 30
Due Date :	17 Oct 2026

#	Item & Description	Qty	Rate	Amount
1	Daupler RMS - After-Hours - 10/17/2026-10/16/2027	1.00	43,998.90	43,998.90
2	Daupler Public Outage Map - 10/17/2026-10/16/2027	1.00	5,500.00	5,500.00
3	Daupler Notify - 10/17/2026-10/16/2027	1.00	5,500.00	5,500.00
			Sub Total	54,998.90
			Total	**$54,998.90**
			Balance Due	**$54,998.90**

Crafted with Item X6. g Zoho Invoice
Visit zoho.com/invoice to create truly professional invoices

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Amend an Agreement with LDA Engineering to Include SRF Administration and Project Inspection for the Pendragon Sanitary Sewer Lift Station Replacement Project

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-269-2026
Work Session: November 2, 2026
First Reading: N/A

Final Adoption: November 3, 2026
Staff Work By: Chad Austin
Presentation By: Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this resolution would authorize an amendment to the current agreement with LDA Engineering to include assistance with State Revolving Fund loan administration and project inspection.

On December 19, 2023, the City entered into an agreement with LDA Engineering for design and bidding assistance for replacement of Pendragon sanitary sewer lift station (#120). The station serves the western portions of the Ridgefields neighborhood and was originally constructed in 1967 and needs to be replaced. On August 4, 2026, the Board approved a resolution to fund the project with a $2,700,000 State Revolving Loan (SRF) of which $1,080,000 will be principal forgiveness.

This amendment will move the project into the construction phase by providing SRF funding assistance and project inspection. City staff reviewed the attached proposal and recommends amending the agreement with LDA Engineering in the amount of $263,000 in accordance with the attached proposal. Project funding will reside in SW2607.

Original Contract Amount	$ 300,000.00
Contract Amendment 1	$ 263,000.00
Revised Contract Amount	$ 563,000.00

Attachments:
1. Resolution
2. Engineering Proposal
3. Location Map

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AMENDMENT TO THE AGREEMENT WITH LDA ENGINEERING FOR PROFESSIONAL SERVICES IN CONJUNCTION WITH THE PENDRAGON SANITARY SEWER LIFT STATION REPLACEMENT PROJECT; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, the Pendragon sanitary sewer lift station which serves the western portions of the Ridgefields neighborhood, originally constructed in 1967, has reached the end of its useful life and potentially its capacity; and

WHEREAS, on December 19, 2023, the board approved Resolution No.: 2024-132 authorizing the mayor to sign an agreement with LDA Engineering to assess the station and write a Preliminary Engineering Report (PER) identifying options for rehabilitation or replacement of the station.

WHEREAS, the utilities division recommends amending the agreement with LDA Engineering for the provision of additional services in an amount not to exceed $263,000.00; and

WHEREAS, project funding will reside in SW2607.

Now therefore,

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

SECTION I. That an amendment to the agreement with LDA Engineering for the provision of additional services, in the amount of $263,000.00 is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an amendment to the agreement with LDA Engineering for additional services in an amount not to exceed $263,000.00, 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 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 IV. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

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

ADOPTED this the 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

LDA ENGINEERING

LDA Engineering
4718 Lake Park Drive, Suite 4
Johnson City, TN, 37615

September 23, 2026

Niki Ensor
Utilities Director
City of Kingsport
(423) 224-2487

Reference: **Amendment No. 1 – Lift Station #120 (Pendragon)**

Ms. Ensor

LDA Engineering appreciates the opportunity to submit this proposal for professional engineering services for Construction Phase Services, including State-Revolving Fund (SRF) Administration and Resident Project Representation Our SRF specialist, Emily Kelly, P.E., has over 25 years of assisting communities administer and comply with SRF loans.

We anticipate the construction phase to take approximately 12 months. During this period, we anticipate the following scope of services:

Task 6 – SRF Administration - approximately 12 hours per month of *SRF Technical Specialist* services will be budgeted for:

- Review pay applications for SRF requirements
- Prepare and submit one SRF disbursement request per month
- Monitor and document compliance with Davis-Bacon prevailing-wage requirements
- Maintain applicable de minimis item list and assist with AIS/BABA waiver documentation
- Coordinate with City, contractor, and SRF representatives regarding funding compliance and documentation

Additional services that may be needed:

- EPA AIS/BABA audit (the years alternate between Clean Water SRF and Drinking Water SRF) – Up to 15 hours budgeted
- File Review and end of project SRF document submittals and closeout – Up to 40 hours
- Audit Assistance in the year/years following – Up to 40 hours

We propose to perform this work as Task 6 – SRF Construction Phase Services for an hourly not-to-exceed fee of **$42,000.00.**

Task 7 – Resident Project Representation - LDA will provide a RPR during the construction phase. It is assumed that one full-time project representative will be required. The RPR will:

- Observe construction activities for general conformance with the Contract Documents.
- Prepare daily reports documenting construction activities, weather conditions, contractor personnel and equipment, work progress, field conditions, delays, and significant discussions or events.
- Provide written and photographic documentation of construction activities, including work performed before it is concealed or backfilled.
- Promptly notify the Engineer and Owner of observed deficiencies, deviations from the Contract Documents, unsafe conditions, or other matters requiring attention.
- Serve as the primary on-site communication liaison among the Engineer, Owner, contractor, utility representatives, and other project stakeholders.
- Attend preconstruction, progress, coordination, and closeout meetings, as requested.
- Observe materials and equipment delivered to the site and document their apparent conformity with approved submittals and the Contract Documents.
- Observe required field testing, sampling, equipment startup, and performance testing, and maintain copies of available test reports.
- Track construction progress relative to the contractor's schedule and notify the Engineer of apparent delays or sequencing concerns.
- Maintain records of requests for information, field directives, work change directives, change orders, testing results, and other construction-phase documentation applicable to the RPR's activities.
- Measure or verify installed quantities and assist the Engineer in reviewing contractor applications for payment.
- Document disputed, rejected, deficient, or corrective work and verify that corrective work has been completed as directed by the Engineer.
- Coordinate observation of connections, utility shutdowns, tie-ins, equipment startup, and other critical construction activities.
- Obtain GPS survey shots and other field information necessary to document installed facilities, particularly buried improvements before backfilling, for use in preparing record drawings.
- Participate in substantial-completion and final inspections and assist in developing and tracking completion of punch-list items.
- Assist the Engineer in confirming receipt of contractor closeout documents, including record drawings, operation and maintenance manuals, warranties, testing documentation, and training records.

The RPR's services are limited to observation of the work and documentation of apparent compliance with the Contract Documents. The RPR is not be responsible for the contractor's construction means, methods, or site safety.

We propose to provide one full-time RPR professional to perform the work under Task 7 for an hourly not-to-exceed fee of **$221,000.00**

Task	Original Agreement	Amendment No.1
1 – Engineering Design and Permitting	$210,000.00	
2 – Bidding Phase Services	$7,500.00	
3 – Engineering Services During Construction	$60,000.00	
4 – Record Drawings	$7,500.00	
5 – Subconsultant Services (Geotechnical Pass Through)	$15,000.00	
6 – SRF Administration		$42,000.00
7 – RPR Services		$221,000.00
Totals	$300,000.00	$263,000.00

We appreciate the opportunity to continue serving the City and support its efforts to rehabilitate and modernize aging infrastructure.

Reuben Robertson

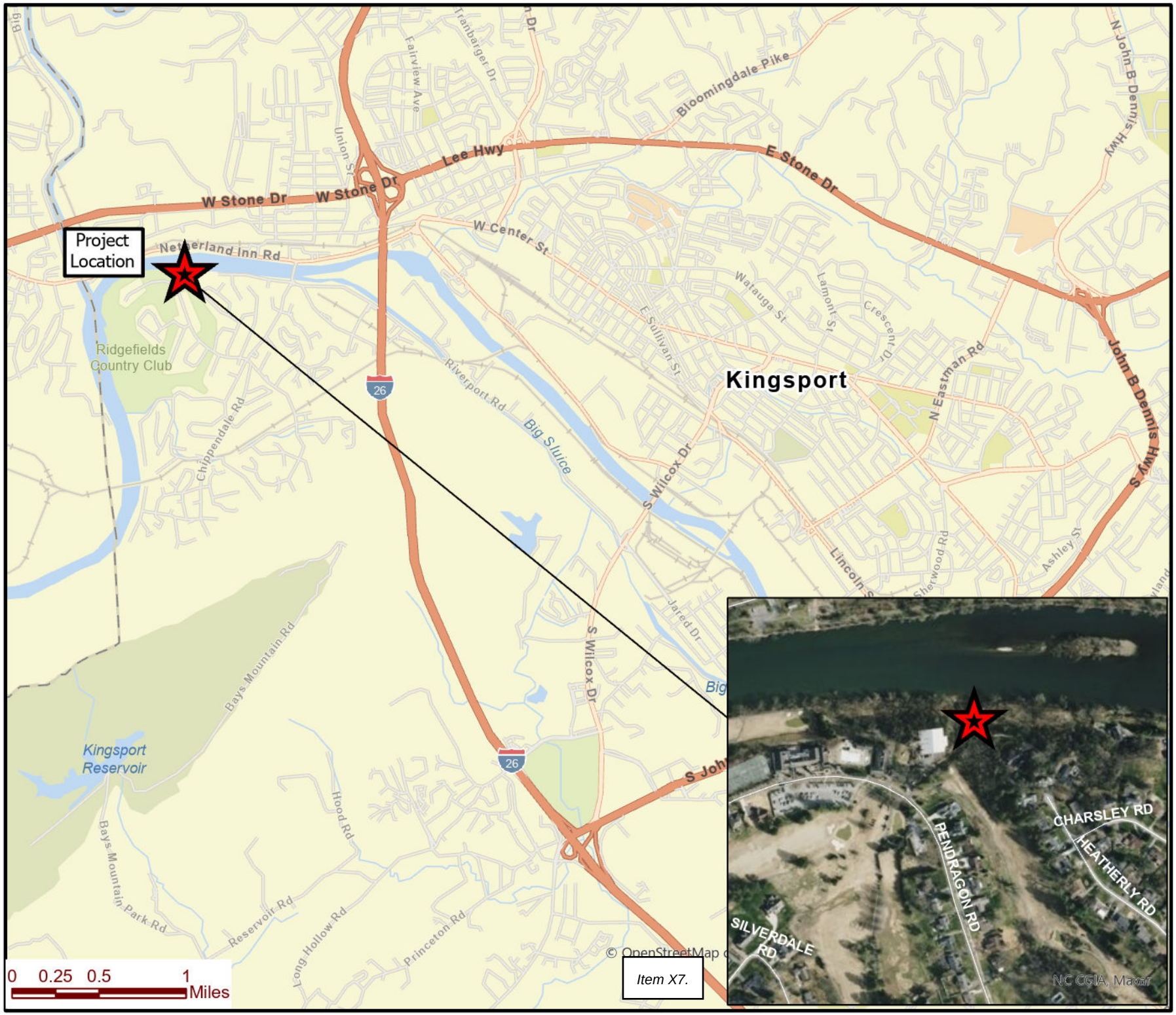
Reuben Robertson, P.E.

Attachments:

- LS #120 Design Agreement, executed 1/8/2024

Accepted By:_____ (Title)_____

Date:_____



Item X7.

Project Location Map
Pendragon Sewer Lift Station
(#120) Replacement

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Enter into an Agreement with LJA Engineering, Inc. for Sewer Inspection and Engineering Services for the Madd Branch Sewer Basin – Garden Dr. Corridor

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-303-2026
Work Session: November 2, 2026
First Reading: N/A

Final Adoption: November 3, 2026
Staff Work By: Chad Austin
Presentation By: Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved, the City would enter into an agreement with LJA Engineering, Inc. in the amount of $660,195.99 to provide sewer inspection and engineering services for the Madd Branch Sewer Basin - Garden Dr Corridor.

To accurately plan future capital expenditures, in-depth monitoring of sewer flows during rainy periods is necessary to assess the sewer system's overall capacity. The Madd Branch Sewer Drainage Basin has seen increased development and continued assessment of the sewer system is needed. The flow monitoring assessment for this area was completed in early 2026 with several areas of concern found.

This will continue the City's investigation of the north side of the Madd Branch sewer basin, including the Garden Dr corridor to Center and Ft Henry, and the last sewer basin from West Kingsport. This project will provide manhole inspections, GPS survey and integration, smoke testing, CCTV inspection and cleaning, and an engineering summary, which will be used to develop additional rehabilitation projects for the Madd Branch sewer basin.

To ensure the City's ability to grow and to support proper infrastructure reinvestment, city staff recommends awarding the contract to LJA Engineering in the amount of $660,195.99 in accordance with the attached proposal.

Project funding will reside in the Sewer Fund - Professional/Consultant 412-5001-501.20-20.

Attachments:
1. Resolution
2. Engineering Proposal
3. Location Map

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH LJA ENGINEERING, INC., FOR VARIOUS SERVICES RELATED TO THE MADD BRANCH SEWER BASIN AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the Madd Branch Sewer Drainage Basin has seen increased development and continued assessment of the sewer system is needed such as monitoring of sewer flows during rainy periods to assess the sewer system's overall capacity; and

WHEREAS, while a flow monitoring assessment was completed earlier this year, the city's forecasting for capital projects within the Madd Branch sewer basin will benefit from additional services such as manhole inspections, GPS surveying, smoke testing, and closed-circuit television inspection; and

WHEREAS, staff recommends entering into an agreement with LJA Engineering, Inc. to provide sewer inspection and engineering services for the Madd Branch Sewer Basin - Garden Dr Corridor in the amount of $660,195.99; and

WHEREAS, project funding will reside in the Sewer Fund-Professional/Consultant 412-5001-501.20-20.

Now therefore,

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

SECTION I. That the agreement with LJA Engineering, Inc. to provide sewer inspection and engineering services for the Madd Branch Sewer Basin - Garden Dr Corridor in the amount of $660,195.99, 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 LJA Engineering, Inc. to provide sewer inspection and engineering services for the Madd Branch Sewer Basin - Garden Dr Corridor in the amount of $660,195.99, 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 mayor is further authorized to make such changes approved by the mayor and the city attorney to the agreement that do not substantially alter the material provisions of the agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

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

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

ADOPTED this the 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

City of Kingsport

Madd Branch SSES Basins

Legend

- Sewer Manholes
- Pump and Lift Stations
- Sewer Gravity Mains
- Sewer Force Mains
- SSES Basins

N

1 inch = 1,000 feet

0 500 1,000 1,500 Feet

DATE:
8/19/2026

EXHIBIT

KINGSPORT TENNESSEE

LJA ENGINEERING

LJA Engineering | 1111 N. Northshore, Suite N-800 Knoxville, TN 37919 | www.lja.com

6675_12

15420_12

6831_1

6791_2

5024_1

5020_1

6871-12

KINGSPORT

Medical Center

Indian Path Medical Center

John Sevier Middle School

Jefferson Elementary School

Dobyns-Bennett High School

Ross N Robinson Middle School

Borden Park

Fort Henry Mall

Johnson Elementary School

CSX Transportation Railroad

Norfolk Southern Railway

Reedy Pl

Trent St

Globe St

Dorothy St

Elizabeth St

Campbell St

Watauga St

Glenbar St

Main St

E Market St

E Center St

E Main St

Maple St

Cherry St

Cedar St

Walnut St

Dale St

Willow St

Locust St

Eastman Rd

Ormond Rd

Memorial Blvd

Fairview Ave

Pinehurst Dr

Redwood Dr

Lincoln St

Whitehall Rd

Crescent Dr

Pebble Dr

Bridgeport Dr

Legion Dr

Maxwell Ave

Virginia Ave

Miller St

Cattail Trail Dr

Pavilion Dr

Spring Creek

Big Creek

Reedy Creek

Laurel Run

Cox Dr

Wilcox Dr

S Wilcox Dr

S Eastman Rd

11W

93

REFERENCE:
GIS BASE LAYERS WERE OBTAINED FROM THE CITY OF KINGSPORT GIS DEPARTMENT AND ESRI. THIS MAP IS FOR INFORMATIONAL PURPOSES ONLY. ALL FEATURE LOCATIONS DISPLAYED ARE APPROXIMATED. THEY ARE NOT BASED ON CIVIL SURVEY INFORMATION, UNLESS STATED OTHERWISE.

Item X8.

Drawing Path: Z:\SoutheastRegion\Proposals\2026\Kingsport\Kingsport Proposals1.aprx plotted by mcrow 08-19-2026

City of Kingsport

West Kingsport SSES Basin

7543_12

Ridgefields Country Club

Holston River

Norfolk Southern Railway

Riverport Rd

Tilthammer Dr

Fleetwood Dr

Big Sluice

Charsley Rd

Heatherly Rd

Ridge Rd

Pageland Rd

Rolling Hills Rd

Malvern Dr

Somerset Rd

Kingsport Rd

Gordon Rd

Meadow Rd

Pinehurst Rd

Pinehurst Dr

Somerset Dr

Somerset Rd

Malvern Dr

865.328.3138
www.LJA.com
265 Brookview Centre Way, Suite 504, Knoxville, Tennessee 37919

August 17, 2026 **TASK ORDER**

Mr. Chad Austin, PE
Assistant Utility Director
City of Kingsport
1113 Konnarock Road
Kingsport, Tennessee 37664

RE: Engineering Services as Related to the
Phase 4 Sanitary Sewer Inspection Project – Madd Branch Basin
City of Kingsport, Tennessee
LJA Task Order 20260817

Dear Mr. Austin,

LJA Engineering, Inc. ("LJA") is pleased to provide this Task Order for engineering services associated with the Phase 4 Sanitary Sewer Inspection Project in the Madd Branch Basin for the City of Kingsport ("Client"). This task order is made pursuant to the terms and conditions of the Professional Services Agreement ("PSA") entered into on November 28, 2022, by and between LJA Engineering, Inc. and the City of Kingsport.

Background

The City of Kingsport is actively working through inflow/infiltration (I/I) correction measures within the sanitary sewer collection system in high-priority areas. LJA staff has developed a methodology of conducting flow monitoring to identify basins with high volumes of rain-dependent inflow and infiltration (RDII) followed by Sanitary Sewer Evaluation Survey (SSES) Inspection activities within the high-priority areas to identify specific sources of I/I.

The City has requested LJA to provide a proposal for an SSES project within the high-priority areas within Madd Branch (recently flow monitored) and a high-priority area within West Kingsport (Basin 7543_12). The proposed study area is approximately 95,000 linear feet with approximately 420 manholes and are summarized in the table below (See Exhibit A). Additionally, the Rain-dependent inflow/infiltration (RDII) rates observed in the recent flow monitoring study are included in the table which is how the basins were prioritized. Generally, rates in excess of 4 gallons per linear foot (gal/LF) may be considered excessive. The areas outlined within this study may be considered severely excessive.

Table 1 – Basin Summary Table

Basin Name	Basin	Total Basin Footage	Total Manholes	RDII Rate (gal/LF)
15420_12	Madd Branch	5,755	68	46.44
6831_1-5024_1	Madd Branch	12,789	69	21.5
5020_1	Madd Branch	16,388	19	19.76
6675_12	Madd Branch	13,553	47	16.54
6791_2	Madd Branch	12,819	47	13.92
6871_12	Madd Branch	14,053	78	12.81
7543_12	West Kingsport	18,834	89	11.35
Totals		**9**	**417**	

Approach

The manhole inspections will be performed utilizing NASSCO defect criteria such that all defects can be relatively ranked and prioritized. The inspections will provide a condition assessment for each manhole and identify defects to be prioritized. It is critical that these inspections be performed during wetter periods to identify those contributing Rain-dependent inflow & infiltration (RDII) into the system since manhole/line connections are a typical inflow and infiltration (I/I) source. During the manhole inspection process, system connectivity and map verification is also performed which is critical for the next phases of work. Survey grade GPS coordinates will be taken at each manhole during the process of identifying system connectivity. It is imperative to have a corrected map prior to beginning any rehabilitation projects in order to minimize change orders and provide the most efficient repairs.

Smoke testing efforts will be completed during the spring/summer of 2027, approximately between the months of April through July when groundwater levels are at the lowest. This will identify inflow type defects which contribute to the significant peaks observed with intense rainfall events. These type defects also significantly contribute to SSO events due to the quick response during intense storms.

CCTV inspections are necessary to identify defects within mainlines and provide a means to formulate a rehabilitation design. Once completed, the CCTV inspection results are analyzed (coupled with the smoke testing and wet weather manhole inspection results) to finalize the priority ranking of work to be performed during rehabilitation.

Upon completion of all field work, LJA staff will compile the findings into a summary spreadsheet to provide a general indication of defects observed. LJA staff would integrate the associated reports from the SSES activities into the Client's current GIS and provide an updated GIS map layer. LJA would work with the Client's GIS staff to incorporate the updated layers into the Client's current GIS system.

The associated Scope of Services outline the tasks to be performed to meet the approach discussed in the above narrative.

Scope of Services

1.0 SSES Activities, Field Services Management, & GIS Integration

SSES field activities performed during this Task include the following with approximate quantities based on Client's current GIS:

- Manhole inspections (approximately 425) – Manhole inspections will be conducted during wet weather periods (~ December 2026 through March 2027) to identify I/I sources. Data collected during manhole inspections will include the material of each manhole component (cover, frame, chimney, cone, wall, bench and invert) and will be based on NASSCO coding. The condition of each component will be assessed, defects identified, and pertinent photos will be taken. Additionally, connectivity will be verified with the GIS on each incoming and outgoing pipe segment such that map corrections can be made. A PDF report summarizing the information collected will be provided including photos. A sample is included in Exhibit B.
- GPS Surveying of Manholes (approximately 425) – A GPS survey of each manhole will be performed to obtain x, y, and z coordinates. Each point will be gathered with survey grade accuracy using a Trimble GPS data collector. Any manholes where survey grade accuracy cannot be obtained will be collected with mapping grade accuracy (+/- 3 feet). [illegible] will coordinate with the Client to integrate

the GPS data and revised sanitary sewer layer into the Client's existing GIS mapping system.

- Smoke testing (approximately 90,715 LF) – Smoke testing will be conducted to identify cross connection defects and severe inflow sources. These activities will be conducted during drier periods of the year (~ April 2027 through July 2027) when ground conditions are dry allowing the smoke to permeate through the soil and into the air. Strategic smoke testing points will be identified throughout the project area to accommodate approximately 600-800 linear foot stretches of sewer mainline along diameters up to 12-inch. (NOTE: Pipe diameters larger than 12-inches are generally not included within the smoke testing parameters due to the depth of the line and the likelihood of smoke making it to the surface for visual observation.) While smoke is being pushed through the mainlines by a smoke blower, GPS points will be taken of each observed defect where smoke is exiting the ground. A photo will be taken of each defect and logged with the associated data collected. A summary report of each segment will be provided detailing the type of leak observed and an aerial map of the marked location. A sample is provided in Exhibit B.

In order to facilitate the field work listed above, LJA staff will perform the following:

- Provide oversight and direct management of subcontractors working on the project performing the above activities including scheduling, coordinating with the Client, coordinating during specific weather periods.
- Track progress throughout the project and provide updates to the Client as requested, including evaluating production logs and "cannot locate" lists for manholes. LJA staff will coordinate with subcontractor and the Client to get necessary access/manholes raised to facilitate work.
- A professional licensed surveyor (PLS) will validate any GPS shots taken to verify accuracy and ensure the points are imported into ESRI platform to be used in the Client's current GIS layer.
- Track progress during the smoke testing phase and provide updates to the Client as requested. Any significant findings will be submitted to the Client as they are identified.
- Perform various site visits during field activities.
- Conduct interim meetings/progress meetings with the Client during work to provide updates and discuss project progress and details.

Throughout the course of each field activity, LJA staff will receive preliminary data cuts of the database deliverable to ensure data is being collected properly, perform QA/QC checks, and verify accuracy. As each type of field work is completed, LJA staff will receive a final database submittal and perform a final review of the information collected. Upon receipt and final review of each dataset, LJA staff will integrate the data collected within the Client's current GIS layer. Using any GPS data collected, LJA staff will initially create the geometric network within the GIS to provide connectivity from manhole to manhole throughout the project area and enable the ability to perform tracing functions within ESRI. The manhole reports and individual data will be linked to each associated manhole within the manhole shape file. The smoke testing reports and individual data will be linked to each associated mainline segment within the sewer line shape file. LJA staff will compile the digital information and create point and linear defect events in personal geodatabases that will contain all the data to be served and queried within the GIS. Specific information about the defect such as type, location and severity score will be available in tabular format via the "Identify Tool" of ArcGIS. LJA staff will provide the Client with a final layer set to be imported into current GIS system. The final layer will contain links to each manhole and smoke testing report submitted.

Item X8.

Upon finalization of the GIS integration, LJA staff will compile the findings and create a list of priority mainline segments to be CCTV inspected. An electronic dashboard will be created and provided to the CCTV subcontractor to facilitate and track inspection work.

2.0 CCTV Surveys, Field Services Management, & GIS Integration

It is anticipated that approximately 96,000 linear feet will be inspected. Preconditioning (cleaning) will only be conducted when needed. It is not expected that each pipe will need to be cleaned prior to inspections. A budgeted quantity of 60% of the inspected footage will be used for segments to be cleaned. However, this footage is a budgetary number and the segments that need to be cleaned in order to obtain an unobstructed view of the pipe will be cleaned.

Of the pipe segments on the CCTV inspection list, only those mainlines requiring cleaning will be cleaned. It is expected that up to 60% (~57,600 LF) of the mainlines may require preconditioning prior to inspection and 20% (~19,200 LF) of the mainlines may require heavy cleaning. However, should the pipes have a significant amount of debris, the totals could be higher. The projected footage to be cleaned and associated fees are only estimates. Should more cleaning be required for a specified diameter than anticipated, unused quantities and associated dollars for a different diameter (preconditioning and/or heavy cleaning) may be utilized to perform the required work without exceeding the overall contract value. Although the service lateral connections within the mainline will be visible during the mainline inspections, the inspection of each individual service lateral via a lateral launch will not be included as part of the scope of this project. It will be required to inspect each lateral as part of a rehabilitation project at the time of construction to verify final rehabilitation once that data becomes available.

CCTV mainline inspections will be performed utilizing NASSCO standards. The camera will stop and pan each defect and tap to record pertinent information. Pre-conditioning of the pipe will be performed as needed to obtain an unobstructed view of the pipe. Heavy cleaning may be required to remove roots, heavy debris/silt, or remove protruding taps. It is estimated/budgeted that approximately 20% of the pipelines will require heavy cleaning. This is only an estimate. Should the actual footage requiring heavy cleaning be higher than the estimated amount, additional monies would be required to complete the work or work would need to be eliminated accordingly. A log will be provided that indicates the footage inspected, the footage preconditioned, and the footage heavy cleaned. A digital report will be created from the inspection summarizing each item observed along with pictures.

In order to facilitate the CCTV inspections listed above, LJA staff will perform the following:

- Provide oversight and direct management of subcontractors working on the project performing the above activities including scheduling, coordinating with Client, coordinating during specific weather periods
- Track progress throughout the project and provide updates to Client as requested, including evaluating production logs and manholes that have been located and marked for Client to raise.
- Perform various site visits during field activities.
- Conduct interim meetings/progress meetings with the subcontractor and Client during work to provide updates and discuss project progress and details as needed.

Throughout the course work, LJA staff will receive preliminary data cuts of the database deliverable to ensure data is being collected properly, perform QA/QC checks, and verify accuracy. As field work is completed, LJA staff will receive a preliminary database submittal and perform a review of the information collected. Upon receipt and final review of each dataset, LJA

staff will integrate the data collected within the GIS layer. LJA staff will compile the digital information and create point and linear defect events in personal geodatabases that will contain all the data to be served and queried within the GIS. Specific information about the defect such as type, location and severity score will be available in tabular format via the "Identify Tool" of ArcGIS. LJA staff will provide Client with a final layer set to be imported into Client's current GIS system. The final layer will contain links to the associated inspection report.

3.0 Engineering Summary of Findings

Upon finalization of the GIS integration, LJA staff will perform a general prioritization for each sewer mainline segment, taking into account each SSES activity completed. This summary of information will be shown in ESRI ArcGIS via symbology based on severity of defects or I/I observed. LJA staff will provide a summary spreadsheet with defects prioritized based on the NASSCO scoring system. LJA staff will present the findings to Client staff and discuss the criteria used during the evaluation. LJA staff and Client staff will jointly review the results and findings and discuss steps to perform the next phase of work (rehabilitation).

LJA staff will provide a summary GIS dataset that can be incorporated into Client's existing GIS network. LJA will coordinate with Client's GIS department to facilitate the delivery.

Client's Responsibilities

Client shall be responsible for the following items:

- Provide assistance and coordinate with property owners as needed for property access.
- Assist LJA staff by locating manholes not easily identified both above and below grade.
- Provide access to buried manholes that are below grade (raising manholes to facilitate entry).
- Provide water at no charge during cleaning and CCTV inspections. Contractors will provide an accounting of water used for water loss purposes.
- Provide access at the WWTP to offload debris from the Vac-truck during cleaning and inspections.
- Allow CCTV inspections to be performed during Monday through Saturday if needed to ensure deadlines are met.
- Provide easement clearing along sewer mainlines as needed for equipment access.

Compensation

We propose to provide the specific services described above to be billed as follows:

Task 1.0 SSES Activities, Field Services Management, & GIS Integration

Item No.	Description	Units	Unit Cost	Total
1a.	Manhole Inspections	425	$ 165.00	$ 70,125.00
1b.	Manhole GPS	425	$ 55.00	$ 23,375.00
1c.	Smoke Testing	90,715	$ 0.65	$ 58,964.75
1d.	Engineering/GIS integration Field/Management/Reporting	LS	$ 37,968.75	$ 37,968.75
Sub-Total Task 1				**$190,433.50**

Task 2.0 CCTV Inspections, Field Services Management, & GIS Integration

Item No.	Description	Quantity	Unit	Unit Cost	Total
2a.	Mobilization	1	LS	$ 5,400.00	$ 5,400.00
2b1.	CCTV Inspection 6-inch to 8-inch	82,250	LF	$ 1.93	$ 158,907.00
2b2.	CCTV Inspection 10-inch	4,200	LF	$ 2.03	$ 8,517.60
2b3.	CCTV Inspection 12-inch	3,750	LF	$ 2.03	$ 7,605.00
2b4.	CCTV Inspection 18-inch	1,250	LF	$ 2.23	$ 2,790.00
2b5.	CCTV Inspection 21-inch	1,500	LF	$ 2.34	$ 3,510.00
2b6.	CCTV Inspection 24-inch	3,000	LF	$ 2.46	$ 7,380.00
2c1.	Preconditioning 6-inch to 8-inch	49,350	LF	$ 2.22	$ 109,557.00
2c2.	Preconditioning 10-inch	2,520	LF	$ 2.28	$ 5,745.60
2c3.	Preconditioning 12-inch	2,250	LF	$ 2.33	$ 5,238.00
2c4.	Preconditioning 18-inch	750	LF	$ 2.51	$ 1,881.00
2c5.	Preconditioning 21-inch	900	LF	$ 2.64	$ 2,376.00
2c6.	Preconditioning 24-inch	1,800	LF	$ 2.76	$ 4,968.00
2d1.	Heavy Cleaning Adder to Preconditioning 6-inch to 8-inch	16,450	LF	$ 1.40	$ 23,095.80
2d2.	Heavy Cleaning Adder to Preconditioning 10-inch	840	LF	$ 1.48	$ 1,239.84
2d3.	Heavy Cleaning Adder to Preconditioning 12-inch	1,500	LF	$ 1.55	$ 2,322.00
2d4.	Heavy Cleaning Adder to Preconditioning 18-inch	500	LF	$ 1.79	$ 894.00
2d5.	Heavy Cleaning Adder to Preconditioning 21-inch	600	LF	$ 1.88	$ 1,130.40
2d6.	Heavy Cleaning Adder to Preconditioning 24-inch	1,200	LF	$ 1.98	$ 2,376.00
2e.	Reverse Setup	15	EA	$ 209.00	$ 3,135.00
2f.	Locate, Sonde, Mark MH	20	EA	$ 159.00	$ 3,180.00
2g.	Line Plugging	35	HR	$ 105.00	$ 3,675.00
2h.	CCTV Reports and Data Delivery	1	LS	$ 15,314.00	$ 15,314.00
2i.	Engineering/GIS Mapping Updates/CCTV & Management	1	LS	$ 51,738.75	$ 51,738.75
Sub-Total Task 2					**$431,975.99**

Task 3.0 Engineering Summary of Findings

Item No.	Description	Units	Unit Cost	Total
3	Engineering Reporting & Results	LS	$37,786.50	$37,786.50

Total Not-to-Exceed Amount	**$660,195.99**

Any work not authorized within three (3) months of the date of this agreement will be subject to renegotiations based on current rates.

Schedule

LJA staff would tentatively schedule to begin manhole inspections and manhole GPS work upon approval when weather conditions are appropriate (wet). It is anticipated the manhole inspections will take approximately 6-8 weeks to complete pending weather conditions. CCTV inspections will begin when the weather is wet (between December 2026 and February 2027). It is anticipated that CCTV inspections will take approximately 10-12 weeks to complete the field portion of the work (weather dependent). It is anticipated that smoke testing would begin in the when groundwater conditions are at the lowest. Timing to complete smoke testing would tentatively be between April 2027 and July 2027. It is anticipated that smoke testing would take approximately 4 weeks to complete pending weather conditions. Upon completion of all field work, LJA staff will present the findings and discuss the recommendations for the rehabilitation project and design parameters. LJA staff will then coordinate with the Client to determine the tentative schedule for advertisement and bidding of the project.

Reimbursables and additional services

Included in the above fees are reimbursable expenses incurred on the project's behalf, including: mileage, printing, plotting, photocopies, reproduction, express mail, and/or courier services. Any regulatory agency review fees associated with plan reviews shall be the responsibility of the Client. Reimbursable expenses will be billed at cost plus ten percent (10%). LJA will bill monthly for all work performed and expenses incurred on the project's behalf. Unpaid invoices after thirty (30) days will accrue service charges at 1-1/2% per month and include any costs of collections and reasonable attorney's fees.

Authorization

If this proposal meets with your approval, your signature below and on the attached Professional Services Agreement will be sufficient authorization for LJA to commence the stated work as indicated in the above Scope of Services.

We appreciate the opportunity to submit this proposal and look forward to working with you on this project. If you have any questions, please contact me at 931.273.8999.

Sincerely,

Travis E. Wilson, PE
Vice President

Accepted By:

TEW

Attachments:
Exhibit A – Basin Maps
Exhibit B – Sample Field Reports

City of Kingsport

By:_____

Name:_____

Title:_____

Date:_____

EXHIBITS

EXHIBIT A
Basin Maps

City of Kingsport

Madd Branch SSES Basins

Legend

- Sewer Manholes
- Pump and Lift Stations
- Sewer Gravity Mains
- Sewer Force Mains
- SSES Basins

N

1 inch = 1,000 feet

0 500 1,000 1,500 Feet

DATE:
8/19/2026

EXHIBIT

KINGSPORT TENNESSEE

LJA ENGINEERING

LJA Engineering | 1111 N. Northshore, Suite N-800 Knoxville, TN 37919 | www.lja.com

6675_12

15420_12

6831_1

6791_2

5024_1

5020_1

6871-12

KINGSPORT

Medical Center

Indian Path Medical Center

John Sevier Middle School

Jefferson Elementary School

Dobyns-Bennett High School

Ross N Robinson Middle School

Borden Park

Fort Henry Mall

Johnson Elementary School

CSX Transportation Railroad

Norfolk Southern Railway

Reedy Pl

Trent St

Globe St

Dorothy St

Elizabeth St

Campbell St

Watauga St

Glenbar St

Main St

E Market St

E Center St

E Main St

Maple St

Cherry St

Cedar St

Walnut St

Dale St

Willow St

Locust St

Eastman Rd

Ormond Rd

Memorial Blvd

Fairview Ave

Pinehurst Dr

Redwood Dr

Lincoln St

Whitehall Rd

Crescent Dr

Pebble Dr

Bridgeport Dr

Legion Dr

Maxwell Ave

Virginia Ave

Miller St

Cattail Trail Dr

Pavilion Dr

Spring Creek

Big Creek

Reedy Creek

Laurel Run

Cox Dr

Wilcox Dr

S Wilcox Dr

S Eastman Rd

11W

93

REFERENCE:
GIS BASE LAYERS WERE OBTAINED FROM THE CITY OF KINGSPORT GIS DEPARTMENT AND ESRI. THIS MAP IS FOR INFORMATIONAL PURPOSES ONLY. ALL FEATURE LOCATIONS DISPLAYED ARE APPROXIMATED. THEY ARE NOT BASED ON CIVIL SURVEY INFORMATION, UNLESS STATED OTHERWISE.

Item X8.

Drawing Path: Z:\SoutheastRegion\Proposals\2026\Kingsport\Kingsport Proposals1.aprx plotted by mcrow 08-19-2026

City of Kingsport

West Kingsport SSES Basin

7543_12

Ridgefields Country Club

Holston River

Norfolk Southern Railway

Riverport Rd

Tilthammer Dr

Fleetwood Dr

Big Sluice

Charsley Rd

Heatherly Rd

Ridge Rd

Pageland Rd

Rolling Hills Rd

Malvern Dr

Somerset Rd

Kingsport Rd

Gordon Rd

Meadow Rd

Pinehurst Rd

Pinehurst Dr

Somerset Dr

Somerset Rd

Malvern Dr

EXHIBIT B
Sample Field Reports

Manhole Inspection Report

Date: 05/21/2024

Manhole ID: 139
Crew: FB
Street Address: 272 RIVER EDGE CT
General Location: Next to street

Inspection Type:	Internal	**Cover Type:**	Pick	**Ponding Type:**	None
Structure Type:	Standard	**Cover Fit:**	Good	**Ponding Depth:**	0
Location:	Grass	**# Holes in Cover:**	2	**Grade +/-:**	0
Surface Type:	Dirt/Grass	**Riser Present?:**	0	**Inflow Dish?:**	No
Weather:	Dry	**Riser Height:**	0	**Frame Offset:**	0 in

Chimney Material:	Pre-Cast	**Wall Material:**	Pre-Cast	**Bench Type:**	Poured
Chimney Height:	4 in	**Wall Lining Type:**	Cementitious	**Trough Type:**	Poured
Cone Material:	Pre-Cast	**Wall Length:**	0	**Step Type:**	Plastic
Cone Shape:	Eccentric	**Wall Width/Dia:**	48 in		

Manhole Depth: 5.15 ft **Evidence of Surcharge?:** No **Surcharge Depth:** 0

Comments: Roughness increased on cover and frame. Deposits on bench.

Area Photo



Internal Photo



Manhole Defect Information

Components with Defects: Bench,Cone,Chimney,Frame,Cover

	I/I Code Type	Broken	Lining Failure	Deposits	Roots	Fracture	Crack	Hole	Surface Damage	Brickwork	Joint
Cover:									Roughness Increased		
Frame:									Roughness Increased		
Frame Seal:											
Chimney:	Staining										
Cone:	Staining										
Wall:											
Bench:				Settled - Fine							
Trough:											

Manhole Defect Photos:







LJA ENGINEERING

Manhole Inspection Report - Pipes

Pipe #: 1
Upstream MH: 139
Downstream MH: 5584
Clock Position: 6
Shape of Pipe: Round
Diameter/Height: 8 in

Material: PVC
Rim to Invert: 5.15 ft
Flow Depth: 0 in





Comments: None

Pipe #: 2
Upstream MH: 5733
Downstream MH: 139
Clock Position: 12
Shape of Pipe: Round
Diameter/Height: 8 in

Material: PVC
Rim to Invert: 5 ft
Flow Depth: 1 in





Comments: None

Smoke Test Inspection Report

Observation: 1-1

Collected By: Finn Basler

Date Inspected: 8/5/2024

Address: 305 Pleasley Road

Upstream Manhole: 5526

Downstream Manhole: 5448

Property Type: Private

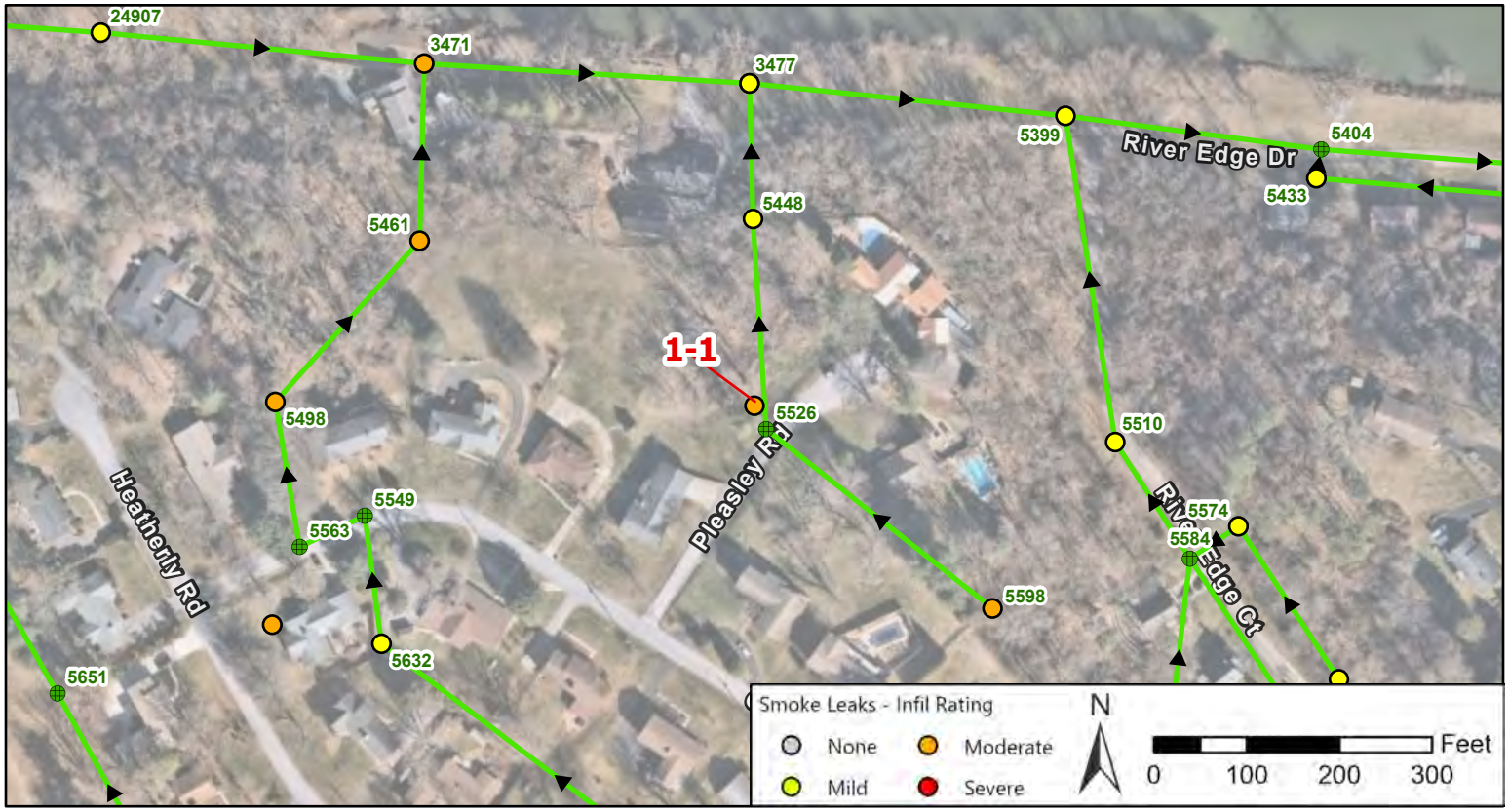
Source: Service Cleanout

Smoke Intensity: Heavy

I & I Rating: Moderate

Comments: Smoke from 6" cleanout. Cleanout missing cap.





PACP Inspection Report

LJA

Project:		Date/Time:	May 7 2024 - 16:02
Street and City:	256 River Edge Dr - Kingsport	Weather:	Dry - No precipitation during survey
Owner:	Kingsport	Inspection Status:	Complete Inspection
Customer:	LJA	Segment:	5404_24908
Surveyor Name and Certificate:	Spencer Seidel P0039857-112022	Direction:	Downstream
Reviewer Name and Certificate:	Elisabeth Lowery U-0220-70308547	Up MH:	5404
P.O. #	3236-0003	Down MH:	24908

Pipe Details and Measurements

Pipe Use:	SS	Material:	CP
Height:	15	Lining:	N
Width:		Joint Length:	4
Shape:	C	Purpose:	B
Pre-Cleaning:	No Pre-Cleaning	Additional Info:	

Pipe Ratings

Overall Quick Rating: 3121

Structural Quick Rating:	3100	O&M Quick Rating:	2112
Structural Pipe Rating Index:	3.0	O&M Pipe Rating Index:	1.3



Surveyed Length: 350

Total Length: 353

Inspection Technology Used: CCTV

Item X8.

PACP Inspection Report
LJA

Kingsport — May 7 2024	Up MH: 5404
Pipe: 5404_24908	Down MH: 24908

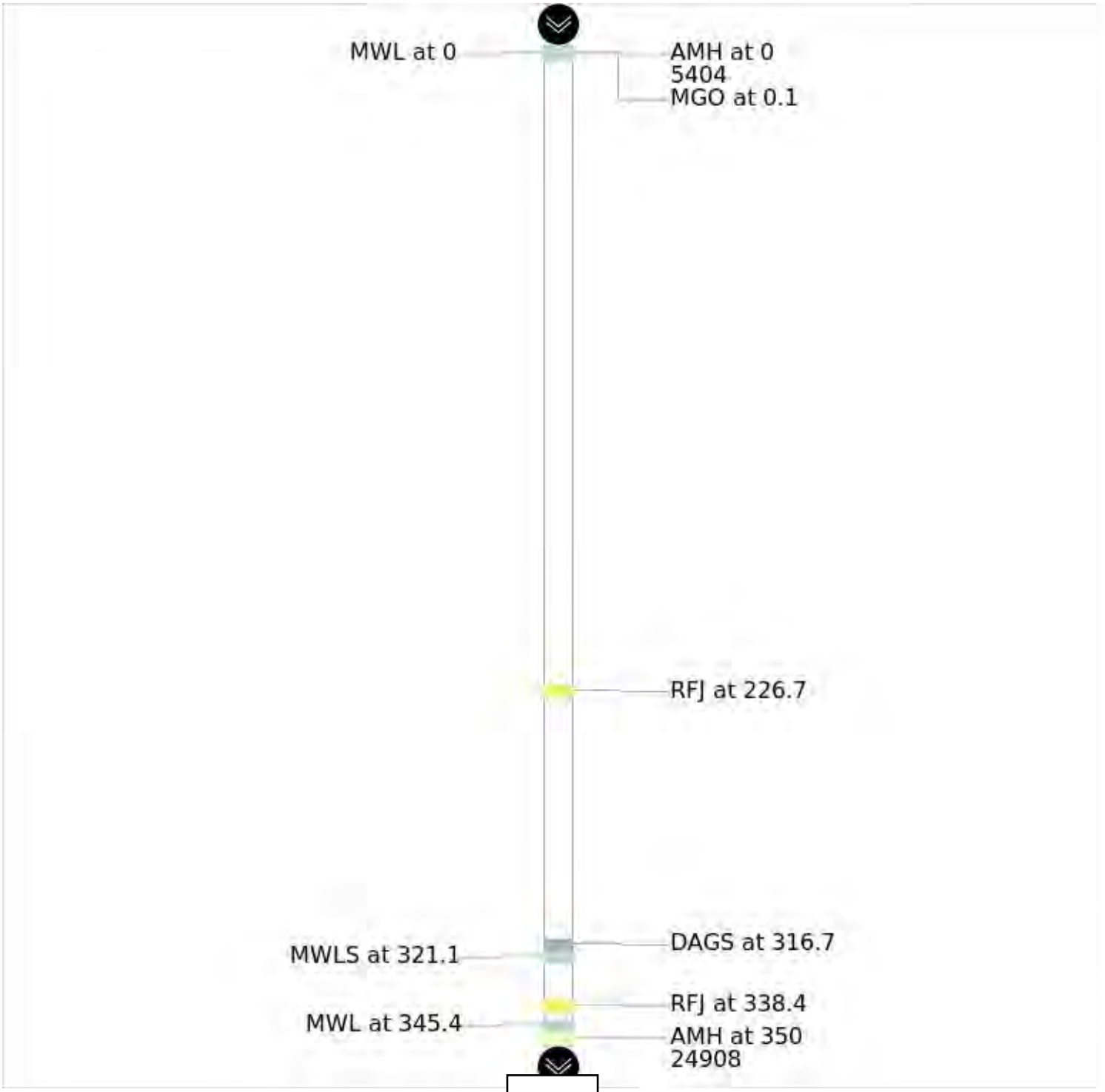
Observations & Defects

Surveyed Length: 350

Total Length: 350

Flow Direction:

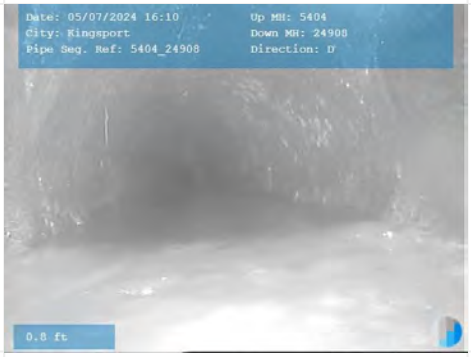
Survey Direction:
Downstream



Item X8.

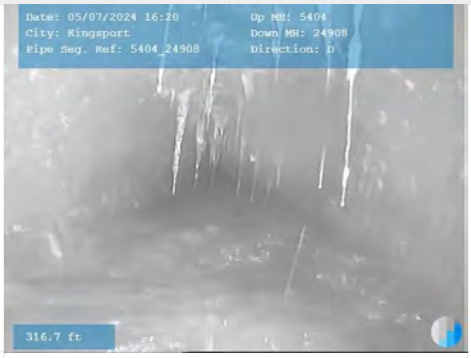
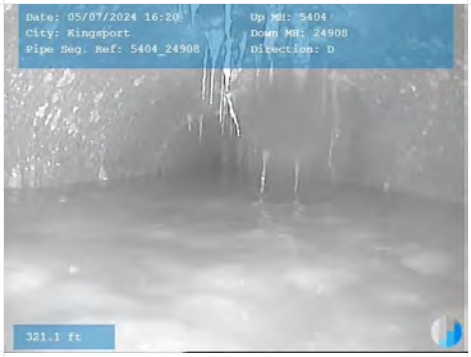
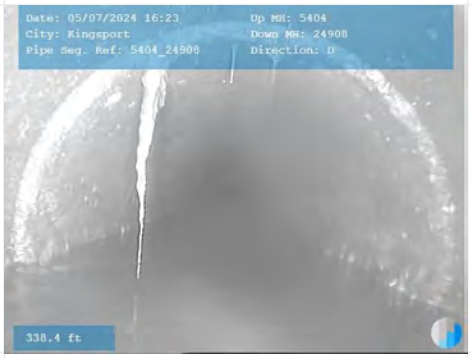
PACP Inspection Report
LJA

Kingsport — May 7 2024	Up MH: 5404
Pipe: 5404_24908	Down MH: 24908

Photo	Distance	Description	Time
	0	AMH - Manhole Remark = 5404	00:00:17
	0	MWL - Miscellaneous Water Level Percent: 30	00:01:33
	0.1	MGO - Miscellaneous General Observation Remark = Pipe Diameter Confirmation	00:01:11
	226.7	RFJ - Roots Fine Joint Joint: True Clock from 10 to 11 Grade = 1	00:07:58

Item X8.

Kingsport — May 7 2024	Up MH: 5404
Pipe: 5404_24908	Down MH: 24908

Photo	Distance	Description	Time
	316.7	DAGS - Deposits Attached Grease Percent: 5 Clock from 10 to 1 Grade = 2	00:11:13
	321.1	MWLS - Miscellaneous Water Level Sag Percent: 50 Grade = 3	00:11:29
	338.4	RFJ - Roots Fine Joint Joint: True Clock At 11 Grade = 1	00:14:54
	345.4	MWL - Miscellaneous Water Level Percent: 35	00:15:13

Kingsport — May 7 2024	Up MH: 5404
Pipe: 5404_24908	Down MH: 24908

Photo	Distance	Description	Time
	350	AMH - Manhole Remark = 24908	00:16:13

Kingsport — May 7 2024	Up MH: 5404
Pipe: 5404_24908	Down MH: 24908

Time	Dist.	Code	Cont.	Dim. 1	Dim. 2	%	Joint	Clock From	Clock To	Remarks
00:00:17	0	AMH								5404
00:01:33	0	MWL				30				
00:01:11	0.1	MGO								Pipe Diameter Confirmation
00:07:58	226.7	RFJ					True	10	11	
00:11:13	316.7	DAG S				5		10	1	
00:11:29	321.1	MWL S				50				
00:11:29	338.4	RFJ					True	11		
00:15:13	345.4	MWL				35				
00:16:13	350	AMH								24908

Kingsport — May 7 2024	Up MH: 5404
Pipe: 5404_24908	Down MH: 24908

Additional PACP Header Information

Media Label:		Up Rim to Invert:	
Work Order:	24-06639	Up Rim to Grade:	
Sheet Number:		Up Grade to Invert:	
Date Cleaned:	Unknown	Up Northing:	
Flow Control:	N	Up Easting:	
Consequence of Failure		Up Elevation:	
Pressure Value:		Down Rim to Invert:	
Drainage Area:	5	Down Rim to Grade:	
Location Code:	D	Down Grade to Invert:	
Location Details:		Down Northing:	
Coating Method:		Down Easting:	
Pipe Joint Length:	4	Down Elevation:	
Year Constructed:	1900	Coordinate System:	
Year Renewed:	1900	Vertical Datum:	
		GPS Accuracy:	
Reverse Setup:		Imperial?:	True

AGENDA ACTION FORM

Consideration of a Resolution to Award a Bid to Construction Partners, LLC for Aquatic Center Phase II Renovation Project

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-326-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Committee
First Reading:	N/A	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 to Construction Partners, LLC for sprinkler head, timing system, and lighting replacement at Kingsport Aquatic Center (KAC) in the amount of $663,400.00

The KAC opened on May 25, 2013, and its existing fire sprinkler heads, Daktronics Timing System, and natatorium lighting system are approximately 13 years old. During a quarterly inspection, it was determined that the existing fire sprinkler heads have reached the anticipated service life for components operating in highly corrosive environments and require evaluation and replacement as necessary in accordance with applicable NFPA 25 requirements, including Section 5.2.1.1.2. The existing Daktronics Inc. timing system is no longer manufactured or supported by the company. Additionally, the natatorium lighting system experiences frequent failure due to the age of the fixtures and the highly corrosive environment, which accelerates deterioration and reduces their service life.

The proposed phase II renovation project will address replacement of existing fire sprinkler heads, purchasing of new Colorado Timing System equipment, and replacement of natatorium lighting. These replacements are necessary to improve reliability, maintain safe facility operations, support continued competitive swimming events, and ensure compliance with applicable codes and safety standards.

Bids for the project were opened on October 20, 2026, with two competitive bids received. Staff recommends awarding the bid to Construction Partners, LLC in the amount of $663,400.00, which includes a base bid of $173,500.00 and two alternates totaling $494,900. If approved, work is tentatively scheduled to begin in late November and December 2026. The project is expected to be completed by January 20, 2027. Funding is available in project AQ2700, AQ2702, and AQ2701 line 459-0000-629.20-22.

Attachments:
1. Resolution
2. Bid Minutes
3. Supplementary Information

	Y	N	O
Baker	—	—	—
Byers	—	—	—
Clifton	—	—	—
Duncan	—	—	—
Isaacs	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR THE AQUATIC CENTER PHASE II RENOVATION PROJECT TO CONSTRUCTION PARTNERS, LLC AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, bids were opened October 20, 2026, for the Aquatic Center Phase II Renovation Project; and

WHEREAS, upon review of the bids, the board finds Construction Partners, LLC 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 sprinkler head, timing system, and lighting replacement at the Kingsport Aquatic Center with Construction Partners, LLC at an estimated construction cost of $663,400.00 which includes a base bid of $173,500.00 and two alternates totaling $494,900; and

WHEREAS, funding is identified in project numbers AQ2700, AQ2702 and AQ2701 line 459-0000-629.20-22.

Now therefore,

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

SECTION I. That the bid for the Aquatic Center Phase II Renovation Project, consisting of replacement of sprinkler head, timing system, and lighting replacement at Kingsport Aquatic Center at an estimated cost of $663,400.00, which includes a base bid of $173,500.00 and two alternates totaling $494,900, is awarded to Construction Partners, LLC, and the mayor is authorized to execute an agreement for same and all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 3rd day of November, 2026

.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

BID OPENING MINUTES
October 20, 2026
4:00 P.M.

Present: Brent Morelock, Procurement Manager; Nikisha Eichmann, Asst. Procurement Manager; Brian Alderson, Architect Thompson & Litton; Wendy Terrazas, Aquatic Center Manager; Tyler Wicks, Parks and Recreation Director; Michael Borders, Asst. City Manager

The Bid Opening was held in the Conference Room 436, 4th Floor, City Hall

The Procurement Manager opened with the following bids:

Kingsport Aquatic Center - Pool Lighting Replacement, Sprinkler Head Replacement and Video Board Replacement				
Vendor:	Base Bid Part A	Additive Bid Item 1 Part B	Additive Bid Item 2 Part C	Total Cost If Awarded Parts A-C
Preston Construction Co.	$215,000.00	$66,500.00	$465,000.00	$740,000.00
Construction Partners, LLC	$173,500.00	$54,900.00	$440,000.00	$663,400.00

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

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Fire Sprinkler Head Replacement

The existing fire sprinkler heads at Kingsport Aquatic Center (KAC) are 13 years old. Upon quarterly inspections by Moody Sprinklers, it was determined that the fire sprinkler heads have reached the end of their lifespan due to surface corrosion (Exhibit A) and need to be replaced, which in turn ensures compliance with the National Fire Protection Association Code 25 Section 5.2.1.1.1 (2020 edition) that states:

"Requires replacement of sprinklers showing signs of leakage, corrosion detrimental to sprinkler performance, physical damage, loss of fluid in the glass bulb, detrimental loading, or certain paint conditions," National Fire Protection Association (NFPA) 25, Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems, 2020 edition, Section 5.2.1.1.1.

The replacement project for the fire sprinkler heads contains both wet and dry sprinkler systems and includes the following areas:

- Front entrances (KAC and YMCA)
- Lobby and lobby bathrooms
- Locker Rooms (KAC only)
- Wet Corridor
- Boiler room and date closet
- Natatorium
- Deck bathrooms
- Party rooms and deck offices
- Outdoor Lap Pool overhang and concessions overhang

The fire sprinkler heads are to be replaced with a new non-corrosive sprinkler head.

Exhibit A: Corroded Fire Sprinkler Head



Daktronics Timing System Replacement

The existing Daktronics Timing System was purchased in August 2013, which included one numeric scoreboard (Exhibit C) and swim meet equipment consisting of the following:

- 2 timing consoles
- 18 touchpads
- 34 buttons
- 2 starting systems

Additional LED scoreboard (Exhibit D) was purchased in November 2014.

Parts of the original timing system remain in use. However, the touchpads experienced mechanical failure and reached the end of their expected life span, and were replaced in July 2022, with 18 replacement touchpads now approximately four years old. In 2023, staff were notified that Daktronics was discontinuing all support and manufacturing of swimming equipment and swimming software. Staff subsequently communicated with Daktronics regarding the phaseout of its swim meet products and support services.

The existing timing equipment and scoreboards will be replaced with Colorado Timing Systems Gen7 Swim Timing System, which is an advanced electronic timing platform for competitive aquatic facilities. Staff explored the possibility of calibrating the existing scoreboards for compatibility with the Colorado Timing Systems platform; however, calibration was determined not to be a workable option.

The existing Daktronics scoreboards have a resolution of 55,296 pixels (192X288), while the proposed Colorado scoreboards will provide 423,360 pixels and support 281 trillion shades of color, offering improved display clarity and color quality for competitive swim meets while expanding opportunities for event programming, facility promotions, and other audiovisual uses at Kingsport Aquatic Center.

The replacement of equipment will include the following:

- Touchpads
- Starting systems
- Gen7 controller with Windows interface
- Relay Take-Off Pads
- 2 LED scoreboards
- Buttons
- Starting system

Replacing the existing system is necessary to maintain reliable timing and scoring capabilities, support ongoing facility operations, and preserve the Kingsport Aquatic Center’s ability to host competitive USA Swimming, NAIA, and NCAA swim meets. The facility hosts approximately 20-30 competitive swim meets annually, making a reliable, supporting timing system essential to meet operations and continued service to the competitive swimming community. The new system will also provide access to current equipment, software, and manufacturer support (Exhibit E).

Exhibit C: Daktronics Numeric Scoreboard



Exhibit D: Daktronics LED Scoreboard



Exhibit E: KAC Annual Swim Meet Host Statistics by Event Category (2021-2026)

Column1	2021	2022	2023	2024	2025	2026
USA Swimming	11	8	9	5	7	3
Collegiate	4	4	4	5	4	3
High School	9	8	6	4	5	1
Other	2	4	7	6	1	1
Total	26	24	26	20	17	8

*Note decrease in swim meets for 2025 was due to weather and 2026 decrease was due to facility closure for renovation projects.

Natatorium Lighting Replacement

The existing natatorium lighting system is approximately 13 years old and has required multiple maintenance and service interventions throughout its operational life. In 2024, several fixture control drivers failed, and replacement parts were unavailable due to the age of the equipment. Staff explored alternatives to replacing the entire fixtures and implemented a short-term solution by converting the existing fixtures to LED using retrofit kits and bypassing the outdated control drivers.

However, the corrosive natatorium environment has continued to contribute to equipment deterioration and additional lighting failures (Exhibit F), resulting in multiple fixtures no longer operating. Current illumination levels within the Kingsport Aquatic Center natatorium are estimated to be approximately 16-footcandles. Replacement of the lighting system is necessary to improve illumination, reliability, and compliance with applicable state requirements.

Tennessee Rules of the Department of Health, Chapter 1200-23-05, Public Swimming Pools, Section 1200-23-05-.02(3)(j), states:

"**Illumination.** When night swimming is allowed by the owner/operator, uniform area lighting shall be provided for the deck area and in all cases, there shall be sufficient illumination to enable all areas of the pool including the main drain to be clearly observed by a person standing at the edge of the pool" (Tenn. Comp. R. & Regs. 1200-23-05-.02(3)(j)).

The proposed replacement fixtures will be purchased through Ellipitar by The Lighting Quotient, a company that manufactures lighting fixtures tailored explicitly for natatoriums and indoor pool environments. The fixture that will replace all existing fixtures will be the Ultra-High Intensity S410 single sided fixtures and will be mounted below the existing HVAC unit to provide more uniform illumination throughout the pool area (Exhibit G).

The new lighting system is projected to increase illumination from the current 16- foot candles to approximately 36 foot-candles when dimmed at 50% and 71 foot-candles when illuminated at 100%. This represents an estimated 125% increase at 50%, which is 2 times the current illumination rate.

The new lighting system will support daily facility operations, improve visibility throughout the natatorium, help meet applicable lighting requirements for competitive swim meets governed by USA Swimming and NCAA standards, and accommodate other aquatic programming and events.

Exhibit F: Warm Pool Side Illumination

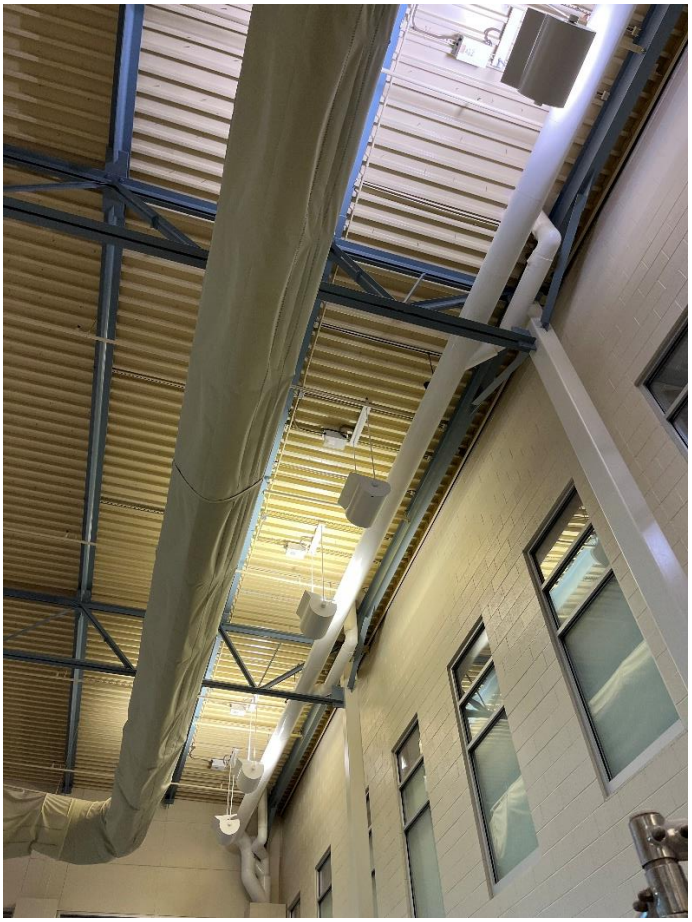
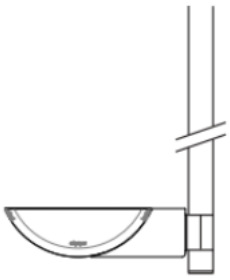


Exhibit G: Ultra-High Intensity S410 Light Fixtures



KINGSPORT
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AGENDA ACTION FORM

Consideration of a Resolution to Award a Bid to GRC Construction Services, Inc. for the Kingsport Senior Center Porte Cochere Addition

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-313-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	S. Buchanan
First Reading:	N/A	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 to GRC Construction Services, Inc. for the Kingsport Senior Center Porte Cochere Addition in the amount of $771,700.00.

Parking capacity has long been a limitation at the Renaissance Center. On most days, available parking fills, requiring visitors to park along the street and contributing to congestion, particularly on school days. The facility also lacks sufficient accessible parking and access for Senior Center members with disabilities.

The proposed project will provide a covered area at the Senior Center entrance for participant drop-off and pickup and an expanded parking area consisting of approximately 73 parking spaces, including 14 accessible spaces. These improvements will address parking capacity and accessibility needs while providing protection from weather as participants enter and exit vehicles.

Bids for the project were opened on October 22, 2026, with six competitive bids received. GRC Construction Services, Inc. submitted the lowest bid at $771,700.00. Staff recommends awarding the bid to GRC for construction in accordance with the project plans and specifications prepared by CainRashWest Architects.

GRC proposes to begin work within 15 calendar days after notification of bid acceptance and complete the work in 150 calendar days.

Funding is available in GP2609

Attachments:
1. Resolution
2. Bid Minutes
3. Renderings of Work

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR THE KINGSPORT SENIOR CENTER PORTE COCHERE ADDITION PROJECT TO GRC CONSTRUCTION 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

WHEREAS, bids were opened October 22, 2026, for the Kingsport Senior Center Porte Cochere Addition Project; and

WHEREAS, upon review of the bids, the board finds GRC Construction Services, 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 a contract to provide a covered area at the Senior Center entrance and an expanded parking area consisting of approximately 73 parking spaces, including 14 accessible spaces, from GRC Construction Services, Inc., at an estimated construction cost of $771,700.00.

WHEREAS, funding is identified in project numbers GP2609.

Now therefore,

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

SECTION I. That the bid for the Kingsport Senior Center Porte Cochere Addition Project, to provide a covered area at the Senior Center entrance and an expanded parking area consisting of approximately 73 parking spaces, including 14 accessible spaces at an estimated cost of $771,700.00 is awarded to GRC Construction Services, Inc., and the mayor is authorized to execute an agreement for same and all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 3rd day of November, 2026.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY


Cain
Rash
West
Architects


Cain
Rash
West
Architects

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Ratify the Acceptance of a Land Water Conservation Fund Grant

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-332-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	Michael T. Borders

Strategic Focus Area: 3. Exceptional Cultural & Recreational Opportunities

Recommendation:
Approve the Resolution

Executive Summary:
If approved, the City will ratify the acceptance of a $3,275,000 Land and Water Conservation Fund (LWCF) grant for improvements at Brickyard Park and Bays Mountain Park.

On March 18, 2025, the Board of Mayor and Aldermen approved Resolution No. 2025-183 authorizing the application for and acceptance of an LWCF grant administered by the Tennessee Department of Environment and Conservation (TDEC), Office of Outdoor Recreation (ORec). Due to the time elapsed between the original authorization and grant award, staff recommends ratification of the grant acceptance.

Improvements at Brickyard Park include a new pedal park, multipurpose play field, artificial turf infields, and parking lot expansion. Bays Mountain Park improvements include upgrades to the pedestrian path connecting the Nature Center, barge, and pavilion as well as a new bobcat habitat. Additional project details are provided in the supplemental information.

The grant period extends from December 1, 2026, through December 1, 2029, during which all improvements must be completed. The grant also requires a Notice of Limitation of Use (NLU) to be recorded against the affected properties, restricting their use to public recreation in perpetuity.

The grant requires a 50% local match of $3,275,000, resulting in a total project investment of $6,550,000. The City's match is anticipated to be funded through future debt issuance.

Attachments:
1. Resolution
2. Supplemental Information
3. Contract – Brickyard
4. Contract – Bays Mountain

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION TO RATIFY THE ACCEPTANCE OF A LAND WATER CONSERVATION FUND GRANT FOR IMPROVEMENTS AT BRICKYARD PARK AND BAYS MOUNTAIN PARK; AUTHORIZING THE MAYOR TO SIGN THE GRANT CONTRACTS AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, on March 18, 2025, the board approved Resolution No. 2025-183 authorizing the city to apply for and receive a Land and Water Conservation Fund (LWCF) grant administered by the Tennessee Department of Environment and Conservation (TDEC), Office of Outdoor Recreation (ORec), for improvements at Brickyard Park and Bays Mountain Park; and

WHEREAS, earlier this year the city was provided notice that it had been awarded the grant was awarded in the amount of $3,275,000.00 and received the grant contract earlier this month; and

WHEREAS, the grant requires a 50% local match of $3,275,000.00, resulting in a total project investment of $6,550,000.00, the city's match is anticipated to be funded through future debt issuance; and

WHEREAS, due to the passage of time between the board's initial approval of the application for and acceptance of the grant it is requested the board ratify acceptance of the award and authorize the mayor to execute the grant contracts and all other documents which are necessary and proper.

Now therefore,

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

SECTION I. That the acceptance of a Land and Water Conservation Fund grant administered by the Tennessee Department of Environment and Conservation, Office of Outdoor Recreation, for improvements at Brickyard Park and Bays Mountain Park, in the amount of $3,275,000.00 is hereby ratified.

SECTION II. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to receive a Land and Water Conservation Fund grant administered by the Tennessee Department of Environment and Conservation, Office of Outdoor Recreation, for improvements at Brickyard Park and Bays Mountain Park, in the amount of $3,275,000.00.

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

ADOPTED this the 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

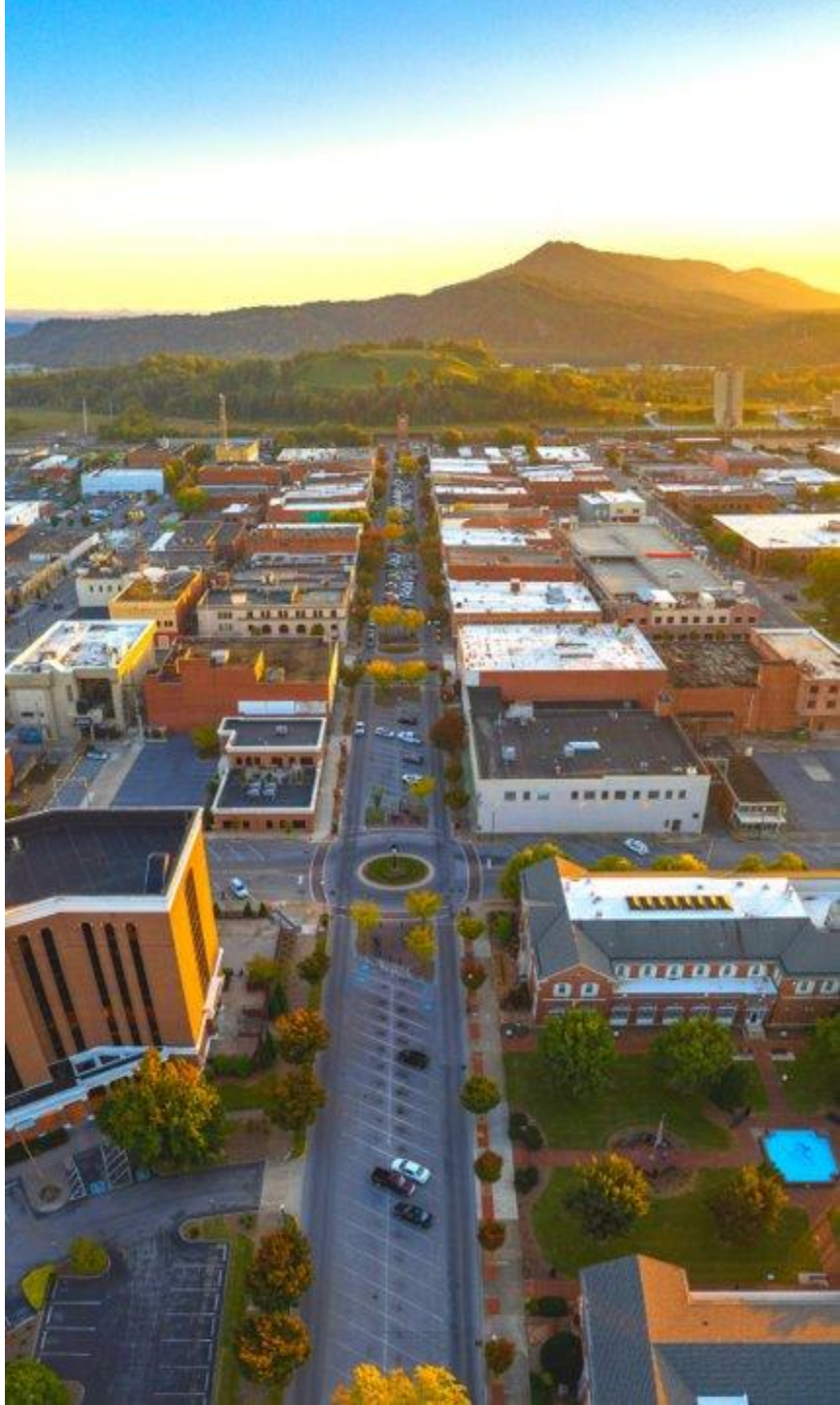
RODNEY B. ROWLETT, III, CITY ATTORNEY

Improvements for Bays Mountain & Brickyard Park

September 9, 2026

Tyler Wicks, Director of Parks & Recreation

the city of kingsport



Executive Summary

A $6.5 million package of improvements across two parks

WHAT THE PROJECT DELIVERS



Bays Mountain Park

New ADA-accessible bobcat habitat and an accessible route from the Nature Center to the barge and pavilion.



Brickyard Park

New pedal park and multipurpose play field/plaza, artificial turf infields, and a lighted parking lot with ADA connections.

HOW IT IS FUNDED

$3.25M Federal LWCF + **$3.25M** City match = **$6.5M** Total project

50/50 matching grant administered through TDEC

WHERE IT STANDS

JULY 30, 2025

State award notice received and the application advanced to the National Park Service.

CURRENT

Federal review continues. Awaiting a grant contract.

Recent Grant Funding

- In 2024, the City of Kingsport received a Local Park and Recreation Fund Grant (LPRF) from the state's Department of Outdoor Recreation.
- This $5.8 million grant is being used to fund improvements at BMP and Brickyard Park.
- In early 2025, the state announced they would be opening up another grant cycle – allowing even current recipients to apply for additional funds.
- We submitted our intent to apply and were designated LWCF as our funding source in 2025.

Land & Water Conservation Fund (LWCF)

- The LWCF is a federal grant program for federal, state, and local parks.
- The LWCF is funded through earnings from federal offshore oil and gas leases.
- The City of Kingsport is able to apply for funds through the state's Department of Outdoor Recreation.
- Grants require 50/50 matching funds.



Bays Mountain Park Improvements

- In January 2024, Bays Mountain published a Park Improvement Plan to guide redevelopment of the Nature Center developed area.
- The first two phases of this plan were funded in 2024 using private sponsorships/donations, local public funds, and state public funds (LPRF grant).



Redeveloped Nature Center Entry Walk



Item X11.

New Otter Habitat



New Fox Den Playground

Bays Mountain Park Improvements

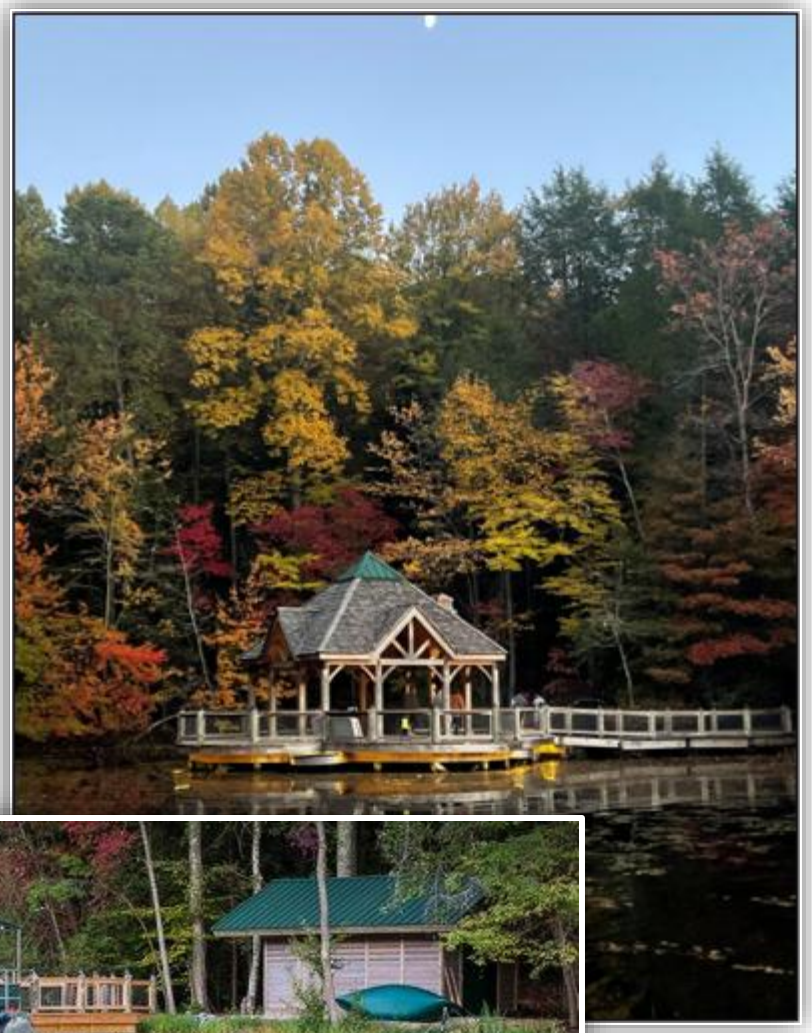
- Two projects at BMP were identified for the LWCF application.
- **Construction of a new Bobcat Habitat**
  - Current Bobcat habitat is situated in on an unstable site and is not ADA accessible.
  - PIP calls for Bobcat habitat to be moved to a stable site and <u>to make room for future Red Panda development.</u>



New bobcat habitat will feature realistic, natural elements and low visibility fencing.

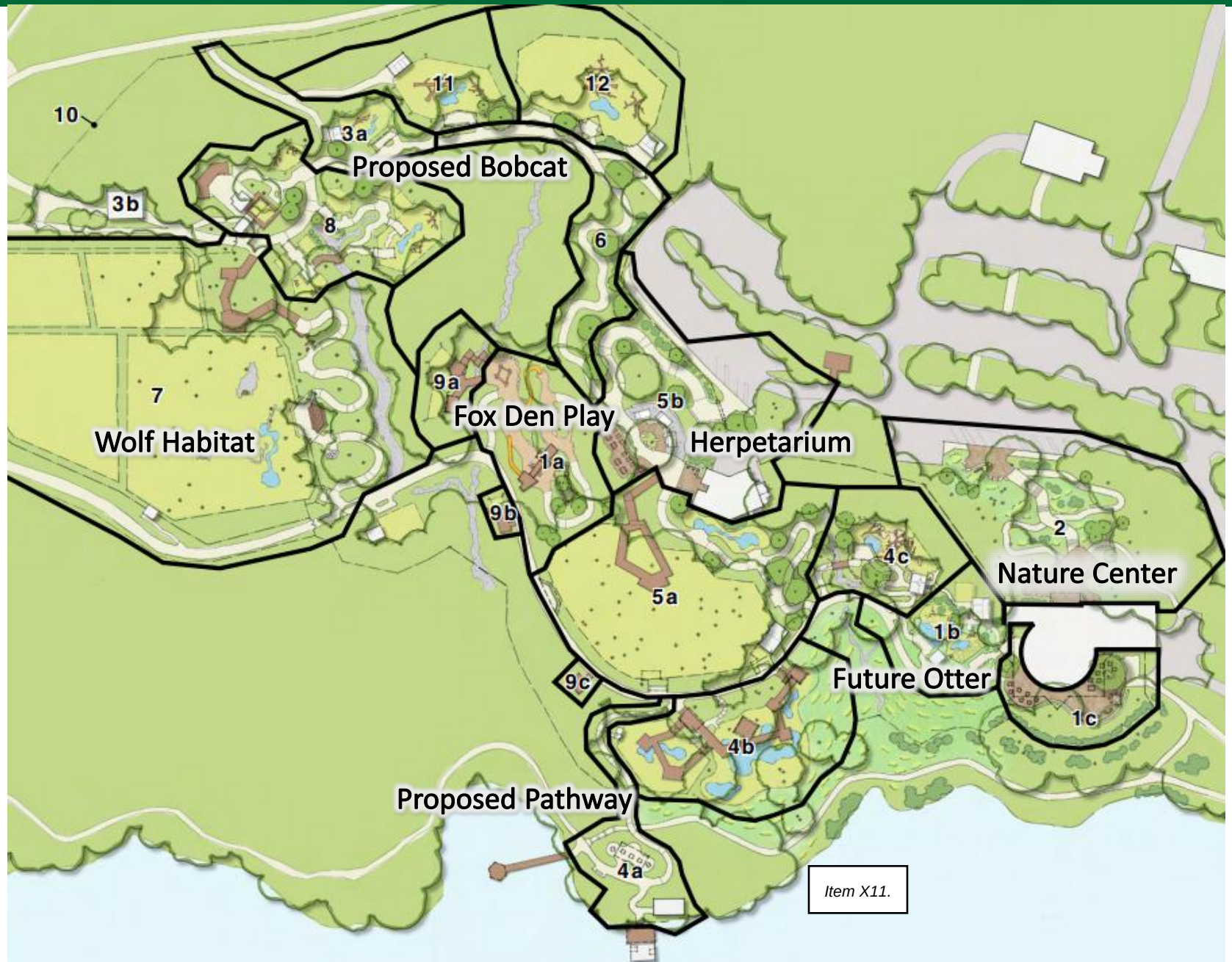
Bays Mountain Park Improvements

- Two projects at BMP were identified for the LWCF application.
- **Construction of an ADA pathway to the Barge area**
  - Large section of current walkway connection the Nature Center to the Barge/Pavilion is not ADA accessible.
  - PIP calls for a new accessible connection to allow for park visitors of all abilities the opportunity to use barge and pavilion.





LWCF 2025



Legend

1. a) Fox Den Playground
   b) Otter Habitat
   c) Event Terrace

   2. Arrival & Entry Walk

Funded

3. a) Bobcat Habitat
   b) Quarantine

LWCF App.

4. a) Barge & Pavilion ADA Trail
   b) Waterbirds & Songbird
   c) Ancient Forests - Red Panda

5. a) Knoll ADA Trail & Habitats
   b) Food Truck & Picnic Area

6. Ridge FSTAG Trail

7. Gray Wolf Habitat Renovation

8. Raptor Walk

9. a) Fox Den Small Mammals
   b) Deck & Small Mammal Habitat
   c) Classroom Deck

10. AZA Accreditation - Perimeter Fence

11. Large Carnivore Mesh Habitat

12. Large Carnivore Habitat

Brickyard Park Improvements

- Over the past several years Brickyard Park has undergone several improvements, including the opening of a new skate park in 2022 and the Miracle Field and playground in 2020.
- The addition of Mountain Bike trails, a mountain bike skills area, and parking lot expansion were funded in 2024 using local and state public funds (LPRF grant).



Brickyard Park Improvements

- Several projects at Brickyard Park were identified for the LWCF application.
- **Construction of a new Pedal Park**
  - Provides a dedicated space for cyclist to develop biking skill in a safe space.
  - Offers opportunity to expand adaptive recreation programming.
- **Construction of Multi-Purpose Play Field**
  - A fenced outdoor field that can be used for various outdoor and adaptive activities and programs.

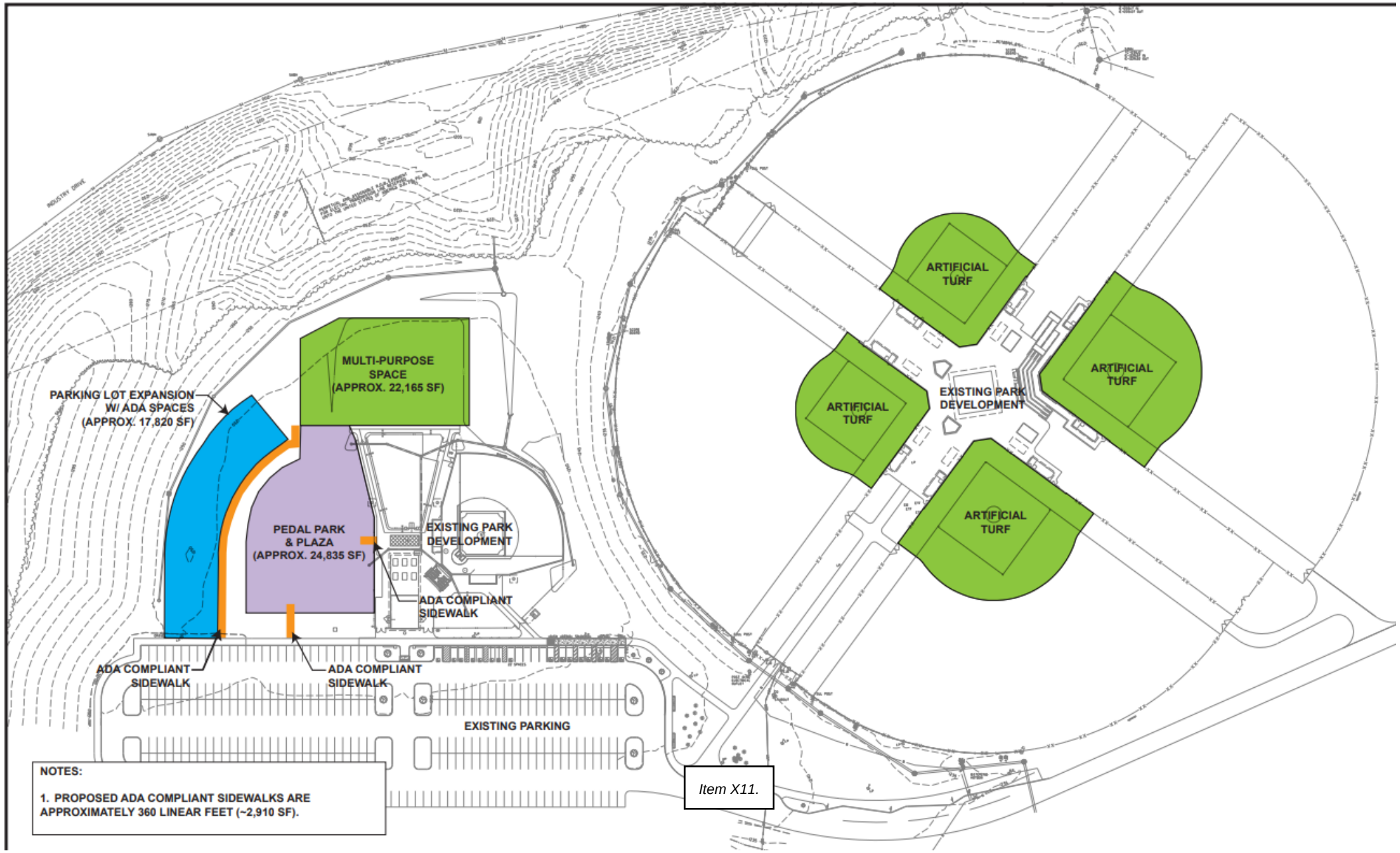


Brickyard Park Improvements

- Several projects at Brickyard Park were identified for the LWCF application.
- **Turfing of Baseball Infields**
  - Turfing of the infields will enhance the fields durability, allowing for extended seasonal usability.
- **Construction of a Lighted Parking lot**
  - Located close to the Miracle Field, this parking lot will ensure that all visitors are able to safely access the park's facilities.



LWCF 2025



Item X11.

LWCF 2025

Application status

JAN 2025	Intent to Apply submitted
MAR 2025	Public meetings held and BMA approved application.
JUL 30, 2025	Grant award notice received and application advanced to the National Park Service
CURRENT	**National Park Service review continues.**

City commitments

- Provide up to $3.25 million in local matching funds.
- Complete the approved scope with professional design, permits and federal grant compliance.
- Cover environmental review, ineligible costs and overruns unless the funding plan changes.
- Operate and maintain the assisted properties for public outdoor recreation.

KINGSPORT
TENNESSEE
Parks & Recreation

2025 Land and Water Conservation Fund Grant Project

Bays Mountain Park and Brickyard Park Improvements

Total proposed budget: $6,500,000

1. Executive Summary

The proposed $6.5 million **Land and Water Conservation Fund (LWCF)** project would improve Bays Mountain and Brickyard parks. At Bays Mountain, the project includes a new ADA-accessible bobcat habitat and an accessible route from the Nature Center to the barge and pavilion. At Brickyard, it includes a pedal park, multipurpose play field and plaza, artificial turf infields, and a lighted parking lot with ADA connections. The project uses a 50/50 funding structure, with up to $3.25 million in federal LWCF funding and an equal City match. The state issued its award notice on July 30, 2025, and advanced the application to the National Park Service. Federal review continues, with staff actively working with state and federal officials to meet all criteria necessary for contract issuance.

1. Grant Overview

The LWCF is a federal matching-grant program for the acquisition and development of public outdoor recreation areas and facilities. In Tennessee, the program is administered through the Tennessee Department of Environment and Conservation, Office of Outdoor Recreation, with federal oversight by the National Park Service.

Kingsport's 2025 application combines improvements at Bays Mountain Park and Brickyard Park into one grant project. The application requests development and renovation funding; it does not include land acquisition.

2. Project Scope

Bays Mountain Park

- New ADA-accessible bobcat habitat, including accessible viewing areas.
    - This project moves the existing bobcat habitat to the area around the raptor center. This is in line with the Park Improvement Plan and allows the current bobcat habitat to be developed for future use.
- New ADA-accessible trails connecting the Nature Center with the lakeside Barge and Pavilion area.
    - Current access path is not accessible.

Brickyard Park

- Development of a pedal park designed for skill building and inclusive/adaptive recreation.
    - This is a similar concept to Knoxville's Safety City Park and allows a safe place to children to ride their bicycles in a controlled environment.
- Construction of a multi-purpose play space and adjacent plaza.
    - This will include a multi-purpose sports field, play equipment, picnic tables in the Miracle Field area of the park.

- Installation of artificial turf in areas of the baseball/softball complex.
    - This will greatly reduce the number of rain-out events at the complex and improve the playing surface.
- Construction of a lighted parking lot and ADA sidewalk connections serving the new and existing amenities.
    - Parking is an existing issue at the park and this will alleviate the congestion, especially on the weekends.

3. Application Timeline

Date	Application milestone
Dec. 4, 2024	TDEC Office of Outdoor Recreation held the 2025 Intent to Apply workshop.
Jan. 13-14, 2025	Mayor signed the Intent to Apply letter on January 13; the intent deadline was January 14.
Feb. 25, 2025	Deadline for preliminary review items.
Mar. 10 and 14, 2025	Two required public meetings were held at Bays Mountain Park and City Hall.
Mar. 18, 2025	Resolution No. 2025-183 authorized the application and receipt of an LWCF grant and the required 50/50 match.
Mar. 24, 2025	Mayor signed the full-application authorization and compliance letter.
Apr. 1, 2025	Full application deadline.
July 30, 2025	Notice received of grant award and progression onto application with the National Park Service.
August 5, 2025	Parks and Rec Director and Mayor met with TDEC Office of Outdoor Recreation to review award status and next steps with the National Park Service.
August 5, 2025 – March 1, 2026	Staff preparing and completing environmental reviews, site plans, maps, and other federally required documents.
Current Status	Grant application is being reviewed by the National Park Service. Staff has been working with TDEC to respond to all comments and requests for revisions.

4. Proposed Budget

Budget category	Grant	City match	Total
City staff project management and administration	$50,000	$50,000	$100,000
Bays Mountain Professional A&E design and project administration	$75,000	$75,000	$150,000
Bays Mountain Bobcat Habitat	$375,000	$375,000	$750,000
Bays Mountain ADA barge/pavilion pathway	$162,500	$162,500	$325,000
Brickyard Professional A&E design and project administration	$200,000	$200,000	$400,000
Brickyard Pedal Park	$600,000	$600,000	$1,200,000
Brickyard Multi-Purpose Field	$250,000	$250,000	$500,000
Brickyard infield artificial turf	$987,500	$987,500	$1,975,000
Brickyard lighting, parking lot, ADA connections	$300,000	$300,000	$600,000
Brickyard park plaza	$225,000	$225,000	$500,000
Total	**$3,250,000**	**$3,250,000**	**$6,500,000**

5. City's Obligations

- **Provide the match.** Commit up to $3.25 million in local matching funds.
- **Protect the land for public recreation.** Commits the City to record a Notice of Land Use restriction for the approved LWCF boundary around Brickyard Park and Bays Mountain Park. That protection is perpetual. This property cannot be converted for any other use than for recreation without permission from the US Department of the Interior.
- **Complete the approved scope.** The City must secure professional design, stamped plans, permits and approvals; follow the approved grant scope; and submit eligible costs for reimbursement.
- **Carry non-grant costs and risk.** The City is responsible for environmental-review costs even if no award is made, as well as non-eligible expenses and costs beyond the grant amount unless the scope or funding plan is formally adjusted.
- **Operate and maintain the assisted properties.** The City must keep the facilities open for public outdoor recreation and maintain the LWCF-assisted area to acceptable standards after project completion.

6. What This Means for the City

The grant would allow Kingsport to leverage a dollar of federal funding for each dollar of eligible local investment, advancing major improvements at two parks within a single project. The result would be expanded recreation at both sites, improved access to Bays Mountain's lakefront, new recreation space at Brickyard Park, and more durable, rain resistant athletic-fields.

The funding also carries long-term consequences. The City must provide the local capital, administer a federally compliant grant project, absorb future maintenance and operating responsibilities, and preserve the approved LWCF boundary for public outdoor recreation. A future conversion to a non-recreation use would require state and federal approval and replacement property of at least equal fair-market value and reasonably equivalent recreational usefulness and location.

GOVERNMENTAL GRANT CONTRACT

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

Begin Date	End Date	Agency Tracking #	Edison ID
12/1/2026	9/13/2029	32701-2027-G029	92499

Grantee Legal Entity Name	Edison Vendor ID
CITY OF KINGSPORT	0000001562

Subrecipient or Recipient

☒ Subrecipient

☐ Recipient

Assistance Listing Number: 15.916

Grantee's fiscal year end: June 30

Service Caption (one line only)

Land and Water Conservation Fund (LWCF) Kingsport Brickyard 2025 Brickyard Park Improvements (GMS 2025-12128), NPS Project 47-00863, FAIN P26AP01515

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Grant Contract Amount
2027	$0.00	$2,662,500.00	$0.00	$0.00	$2,662,500.00
2028	$0.00	$0.00	$0.00	$0.00	$0.00
2029	$0.00	$0.00	$0.00	$0.00	$0.00
2030	$0.00	$0.00	$0.00	$0.00	$0.00
	$0.00	$0.00	$0.00	$0.00	$0.00
TOTAL:	**$0.00**	**$2,662,500.00**	**$0.00**	**$0.00**	**$2,662,500.00**

Grantee Selection Process Summary

☒ Competitive Selection

Grant applications are competitively scored based on criteria in an Open Project Selection Process (OPSP) found in the Public Recreation Grant Manual. Applications receiving the highest scores are awarded grants. The grant amount awarded is based on the amount requested by the grantee, with consideration of eligibility.

☐ Non-competitive Selection

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.

Scott Grammer | RVT

CPO USE - GG

Speed Chart/Division Code	Account Code (optional)
EN00023185/32703	71302000

GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
AND
CITY OF KINGSPORT

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Environment and Conservation, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee City of Kingsport, hereinafter referred to as the "Grantee," is for the provision of Land and Water Conservation Fund (LWCF) Kingsport Brickyard 2025 Brickyard Park Improvements (GMS 2025-12128), NPS Project 47-00863, FAIN P26AP01515, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

Grantee Edison Vendor ID # 0000001562

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. The Grantee shall implement the following activities as described in Attachment A: (1) ☐ land acquisition for local, state, or federal parks, natural areas, greenways; (2) ☐ land acquisition for recreational trail facilities; (3) ☐ trail development and rehabilitation; (4) ☒ capital projects in parks, natural areas, and greenways; and (5) ☐ trail training, trail patrols and trail safety education.

A.3. The Grantee has been provided a copy of the 2026 Public Recreation Grant Project Manual through the State's Grants Management System and shall comply with its provisions.

A.4. Work completed under this grant is subject to inspection by the State's Recreation Consultants.

A.5. The Grantee shall develop pedal park, multi-purpose play space, plaza and installation of turf grass in areas of a softball/baseball complex. The Grantee shall construct a lighted parking lot and ADA connections.

A.6. 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., c., and d. below);

b. the State grant proposal solicitation as may be amended, if any;

c. the Grantee's proposal (Attachment A) incorporated to elaborate supplementary scope of services specifications; and

d. the 2026 Public Recreation Grant Project Manual, provided to the Grantee as set out in section A.3.

A.7. Incorporation of Federal Award Identification Worksheet. The federal award identification worksheet, which appears as Attachment B, is incorporated in this Grant Contract.

B. TERM OF CONTRACT:

B.1. This Grant Contract shall be effective on December 01, 2026 ("Effective Date") and extend for a period of thirty-four (34) months after the Effective Date ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

B.2. Term Extension. It is understood and agreed that the State may extend the Term an additional period of time, not to exceed one hundred-eighty (180) days beyond the expiration date of this Grant Contract, under the same terms and conditions. In no event, however, shall the maximum Term, including all extensions or renewals, exceed a total of sixty (60) months.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Two Million Six Hundred Sixty-Two Thousand Five Hundred Dollars ($2,662,500.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment A 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 often than monthly, with all necessary supporting documentation, and present such to:

Department of Environment and Conservation
Davy Crockett Tower
500 James Robertson Parkway, 8th 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 Environment and Conservation, Office of Outdoor Recreation.
(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-item: Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may request revisions of Grant Budget line-items by letter, giving full details supporting such request, provided that such revisions do not increase total Grant Budget amount. Grant Budget line-item revisions may not be made without prior, written approval of the State in which the terms of the approved revisions are explicitly set forth. Any increase in the total Grant Budget amount shall require a Grant Contract amendment.

C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) 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 Central Procurement Office Policy Statement 2013-007 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:

Justine Cucchiara, Director
Office of Outdoor Recreation
Department of Environment and Conservation
Davy Crockett Tower
500 James Robertson Parkway, 8th Floor
Nashville, TN 37243
justine.cucchiara@tn.gov
Telephone # (252) 670-0815

The Grantee:

Paul Montgomery Mayor
CITY OF KINGSPORT
415 Broad St
Kingsport, Tennessee 37660-4263
paulmontgomery@kingsporttn.gov
Telephone # (423) 229-9400

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 or suspend this Grant Contract upon written notice to the Grantee. The State's right to terminate or suspend 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 or suspension date but shall not be entitled to compensation for any services performed subsequent to termination date or during a period of suspension. 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. As applicable, 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—200.327 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 ten thousand dollars ($10,000.00).

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. State Interest in Equipment or Motor Vehicles. The Grantee shall take legal title to all equipment or motor vehicles purchased totally or in part with funds provided under this Grant Contract, subject to the State's equitable interest therein, to the extent of its *pro rata* share, based upon the State's contribution to the purchase price. 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 ($10,000.00). The term "motor vehicle" shall include any article of tangible personal property that is required to be registered under the "Tennessee Motor Vehicle Title and Registration Law", Tenn. Code Ann. Title 55, Chapters 1-6.

As authorized by the Tennessee Uniform Commercial Code, Tenn. Code Ann. Title 47, Chapter 9 and the "Tennessee Motor Vehicle Title and Registration Law," Tenn. Code Ann. Title 55, Chapters 1-6, the parties intend this Grant Contract to create a security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this Grant Contract. A further intent of this Grant Contract is to acknowledge and continue the security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this program's prior year Grant Contracts between the State and the Grantee.

The Grantee grants the State a security interest in all equipment or motor vehicles acquired in whole or in part by the Grantee under this Grant Contract. This Grant Contract is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment or motor vehicles herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the State a security interest in said equipment or motor vehicles. The Grantee agrees that the State may file this Grant Contract or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment or motor vehicles herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In

addition, the Grantee agrees to execute and deliver to the State, upon the State's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproduction of this Grant Contract in such form as the State may require to perfect a security interest with respect to said equipment or motor vehicles. The Grantee shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the State may reasonably require. Without the prior written consent of the State, the Grantee shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment or motor vehicles, including replacements and additions thereto. Upon the Grantee's breach of any covenant or agreement contained in this Grant Contract, including the covenants to pay when due all sums secured by this Grant Contract, the State shall have the remedies of a secured party under the Uniform Commercial Code and, at the State's option, may also invoke the remedies herein provided.

The Grantee agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Contract. The Grantee shall maintain a perpetual inventory system for all equipment or motor vehicles purchased with funds provided under this Grant Contract and shall submit an inventory control report which must include, at a minimum, the following:

a. Description of the equipment or motor vehicles;
b. Vehicle identification number;
c. Manufacturer's serial number or other identification number, when applicable;
d. Acquisition date, cost, and check number;
e. Fund source, State Grant number, or other applicable fund source identification;
f. Percentage of state funds applied to the purchase;
g. Location within the Grantee's operations where the equipment or motor vehicles is used;
h. Condition of the property or disposition date if Grantee no longer has possession;
i. Depreciation method, if applicable; and
j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment or motor vehicles with an identification number which is cross referenced to the equipment or motor vehicle item on the inventory control report. The Grantee shall inventory equipment or motor vehicles annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment or motor vehicles purchased with funding through this Grant Contract within thirty (30) days of its end date and in form and substance acceptable to the State. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the State, in writing, of any equipment or motor vehicle loss describing the reasons for the loss. Should the equipment or motor vehicles be destroyed, lost, or stolen, the Grantee shall be responsible to the State for the *pro rata* amount of the residual value at the time of loss based upon the State's original contribution to the purchase price.

Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant Contract, the Grantee shall request written approval from the State for any proposed disposition of equipment or motor vehicles purchased with Grant funds. All equipment or motor vehicles shall be disposed of in such a manner as the parties may agree from among alternatives approved by the Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

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: Code of Federal Regulations: 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 offence 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 the requirements of this Grant Contract and applicable state and federal law. All material, information, and data regardless of form, medium or method of communication, that the Grantee will have access to, acquire, or is provided to the Grantee by the State or acquired by the Grantee on behalf of the State shall be regarded as "Confidential Information." The State grants the Grantee a limited license to use the Confidential Information but only to perform its obligations under the Grant Contract. 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 under state or federal law or otherwise authorized in writing by the State. Grantee shall take all necessary steps to safeguard the confidentiality of such Confidential Information in conformance with the requirements of this Grant Contract and with applicable state and federal law.

As long as the Grantee maintains State Confidential Information, the obligations set forth in this Section shall survive the termination of this Grant Contract.

D.36. State Sponsored Insurance Plan Enrollment. The Grantee warrants that it will not enroll or permit its employees, officials, or employees of contractors to enroll or participate in a state sponsored health insurance plan through their employment, official, or contractual relationship with Grantee unless Grantee first demonstrates to the satisfaction of the Department of Finance and Administration that it and any contract entity satisfies the definition of a governmental or quasigovernmental entity as defined by federal law applicable to ERISA.

D.37. Foreign Adversary Company Attestation. The Grantee attests that they are not a "Foreign adversary company" within the meaning of Pub. Ch. 768 (2026) and that the Grantee is not knowingly selling an information and communications technology final product or service within the meaning of Pub. Ch. 768 (2026).

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. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the "Children's Act for Clean Indoor Air of 1995," Tenn. Code Ann. §§ 39-17-1601 through 1606, the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract.

E.3. Transfer of Grantee's Obligations. The Grantee shall not transfer or restructure its operations related to this Grant Contract without the prior written approval of the State. The Grantee shall immediately notify the State in writing of a proposed transfer or restructuring of its operations related to this Grant Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving a proposed transfer or restructuring.

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. Equal Opportunity. As a condition for receipt of grant funds, the Grantee agrees to comply with 41 C.F. R. § 60-1.4 as that section is amended from time to time during the term.

E.6. Davis-Bacon Act and Copeland Anti-Kickback Act. As a condition for receipt of grant funds, the Grantee agrees to comply with the Davis-Bacon Act, 40 U.S.C. § 3141 et seq., and the Copeland Anti-Kickback Act at 18 U.S.C. § 874 et seq., as those sections are amended from time to time during the term.

E. 7. Title VI Compliance. Grantee shall comply with requirements of Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d-1, pursuant to the guidelines established by the Tennessee Human Rights Commission's Title VI Compliance Office, by completing all of the following items:

a. Provide name and contact information of Grantee's Title VI Coordinator to State.

b. Ensure Policies and Procedures Manual contains a Title VI section with information on: (a) Filing a complaint; (b) Investigations; (c) Report of findings; (d) Hearings and appeals; (e) Description of Title VI Training Program; (f) Limited English Proficiency (LEP) procedure; and (g) Retaliation.

c. Train all staff (regular, contract, volunteer) on Title VI upon employment and annually thereafter. Training documentation shall be made available upon request of State, and include: 1) dates and duration of each training; 2) list of staff completing training on each date.

d. Annually complete and submit a Title VI self-survey as supplied by State.

e. Implement a process and provide documentation to ensure service recipients are informed of Title VI and how to file a discrimination complaint.

Additional Title VI resources may be found at: https://www.tn.gov/environment/policy/title-vi.html.

E.8. Americans with Disabilities Act. The Grantee must comply with the Americans with Disabilities Act (ADA) of 1990, as amended, including implementing regulations codified at 28 CFR Part 35 "Nondiscrimination on the Basis of Disability in State and Local Government Services" and at 28 CFR Part 36 "Nondiscrimination on the Basis of Disability in Public Accommodations and Commercial Facilities," and any other laws or regulations governing the provision of services to persons with a disability, as applicable. For more information, please visit the ADA website: http://www.ada.gov.

E.9. Procurement of Recovered Materials.

a. In the Performance of this Grant Contract, the Grantee shall make maximum use of products containing recovered materials that are EPA-designated items unless the

product cannot be acquired competitively within a timeframe providing for compliance with the contract performance schedule; meeting contract performance requirements; or at a reasonable price.

b. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive

c. Procurement Guidelines website, https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program.

d. The Grantee also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

E.10. Domestic Preference for Procurements. As appropriate, and to the extent consistent with law, the Grantee should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products. For purposes of this clause: (1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States; (2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

E.11. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment. If applicable and as required by 2 CFR 200.216, Grantee is prohibited from obligating or expending loan or grant funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system. As described in Public Law 115-232, Section 889, "covered telecommunications equipment" is as follows:

a. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

b. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

c. Telecommunications or video surveillance services provided by such entities or using such equipment.

d. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

E.12. Buy America Provision. As required by Section 70914 of the Infrastructure Investment and Jobs Act (Pub. L. 117-58), on or after May 14, 2022, none of the funds under a federal award that are part of a Federal financial assistance program for infrastructure may be obligated for a project unless all the iron, steel, manufactured products, and construction materials used in the project are produced in the United States, unless subject to an approved waiver.
None of the funds provided under this award may be used for a project for infrastructure unless:

a. All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States,

b. All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation, and

c. all construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.

This Buy America preference only applies to articles, materials, and supplies consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, used at or within the finished structure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

E.13. Contract Work Hours and Safety Standard Act. As a condition for receipt of grant funds, the Grantee agrees to comply with the Contract Work Hours and Safety Standard Act at 40 U.S.C. § 3701 et seq., as that section is amended from time to time during the term.

E. 14. Clean Air Act and Federal Water Pollution Control Act. As a condition for receipt of funds, the Grantee agrees to comply with the Clean Air Act, 42 U.S.C. § 7401 *et seq*. and the Federal Water Pollution Control Act, 33 U.S.C § 1251 *et seq.*, as those sections are amended from time to time during the term. Violations must be reported to the State of Tennessee, Department of Environment and Conservation and the Region 4 Office of the Environmental Protection Agency.

IN WITNESS WHEREOF,

CITY OF KINGSPORT:

GRANTEE SIGNATURE **DATE**

Paul Montgomery, Mayor

PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)

DEPARTMENT OF ENVIRONMENT AND CONSERVATION:

DAVID W. SALYERS, P.E., COMMISSIONER **DATE**

ATTACHMENT A

PAGE 1

GRANT BUDGET				
CITY OF KINGSPORT – LAND AND WATER CONSERVATION FUND				
The Grant Budget line-item amounts below shall be applicable only to expenses incurred during the following applicable period: **BEGIN: 12/1/2026** **END: 9/13/2029**				
	EXPENSE OBJECT LINE-ITEM CATEGORY [1]	**GRANT CONTRACT**	**GRANTEE MATCH**	**TOTAL PROJECT**
	Salaries, Benefits & Taxes	$50,000.00	$50,000.00	$100,000.00
	Professional Fee, Grant & Award [2]	$200,000.00	$200,000.00	$400,000.00
	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	$0.00	$0.00	$0.00
	Travel, Conferences & Meetings	$0.00	$0.00	$0.00
	Interest [2]	$0.00	$0.00	$0.00
	Insurance	$0.00	$0.00	$0.00
	Specific Assistance To Individuals	$0.00	$0.00	$0.00
	Depreciation [2]	$0.00	$0.00	$0.00
	Other Non-Personnel [2]	$0.00	$0.00	$0.00
	Capital Purchase [2]	$2,412,500.00	$2,412,500.00	$4,825,000.00
	Indirect Cost	$0.00	$0.00	$0.00
	In-Kind Expense	$0.00	$0.00	$0.00
	Grantee Match Requirement (for any amount of the required Grantee Match that is not specifically delineated by budget line-items above)	$0.00	$0.00	$0.00
	GRAND TOTAL	**$2,662,500.00**	**$2,662,500.00**	**$5,325,000.00**

[1] Each expense object line-item is defined by the *U.S. OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E Cost Principles* (posted on the Internet at: https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E) and CPO Policy 2013-007 (posted online at https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-.html).

[2] Applicable detail follows this page if line-item is funded.

[3] A Grantee Match Requirement is detailed by this Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the "Grant Contract" column above, shall be reduced by the amount of any Grantee failure to meet the Match Requirement.

ATTACHMENT A

PAGE 2

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
AE/Project Administration	$200,000.00
TOTAL	$200,000.00

SALARIES, BENEFITS, AND TAXES	AMOUNT
Project management and administration by city staff	$50,000.00
TOTAL	$50,000.00

CAPITAL PURCHASE	AMOUNT
Brickyard Park (Development of pedal park, multi-purpose play space, plaza, installation of turf, parking lot , lighting, and ADA connections)	$2,412,500.00
TOTAL	$2,412,500.00

ATTACHMENT B

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)	P26AP01515
Federal award date	9/14/2026
Subaward Period of Performance Start and End Date	**December 01, 2026 & September 13, 2029**
Subaward Budget Period Start and End Date	**December 01, 2026 & September 13, 2029**
Assistance Listing number (formerly known as the CFDA number) and Assistance Listing program title.	15.916 – Outdoor Recreation Acquisition, Development and Planning
Grant contract's begin date	**December 01, 2026**
Grant contract's end date	**September 13, 2029**
Amount of federal funds obligated by this grant contract	$2,662,500.00
Total amount of federal funds obligated to the subrecipient	$2,662,500.00
Total amount of the federal award to the pass-through entity (Grantor State Agency)	$2,662,500.00
Federal award project description (as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA)	Outdoor Recreation Development
Name of federal awarding agency	Department of Interior, National Park Service
Name and contact information for the federal awarding official	Antoine Fletcher, Program Officer antoine_fletcher@nps.gov (404)804-7868
Name of pass-through entity	TN Department of Environment and Conservation
Name and contact information for the pass-through entity awarding official	Justine Cucchiara, Director Justine.Cucchiara@tn.gov
Is the federal award for research and development?	No
Indirect cost rate for the federal award (See 2 C.F.R. §200.332 for information on type of indirect cost rate)	13.63%

GOVERNMENTAL GRANT CONTRACT

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

Begin Date	End Date	Agency Tracking #	Edison ID
12/1/2026	9/30/2029	32701-2027-G030	92513

Grantee Legal Entity Name	Edison Vendor ID
CITY OF KINGSPORT	0000001562

Subrecipient or Recipient

☒ Subrecipient

☐ Recipient

Assistance Listing Number: 15.916

Grantee's fiscal year end: June 30

Service Caption (one line only)

Land and Water Conservation Fund (LWCF) Kingsport Bays Mountain 2025 Bays Mountain Park Improvements (GMS 2025-12128), NPS Project 47-00862, FAIN P26AP02003

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Grant Contract Amount
2027	$0.00	$612,500.00	$0.00	$0.00	$612,500.00
2028	$0.00	$0.00	$0.00	$0.00	$0.00
2029	$0.00	$0.00	$0.00	$0.00	$0.00
2030	$0.00	$0.00	$0.00	$0.00	$0.00
	$0.00	$0.00	$0.00	$0.00	$0.00
TOTAL:	**$0.00**	**$612,500.00**	**$0.00**	**$0.00**	**$612,500.00**

Grantee Selection Process Summary

☒ Competitive Selection

Grant applications are competitively scored based on criteria in an Open Project Selection Process (OPSP) found in the Public Recreation Grant Manual. Applications receiving the highest scores are awarded grants. The grant amount awarded is based on the amount requested by the grantee, with consideration of eligibility.

☐ Non-competitive Selection

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.

Scott Grammer | RVT

CPO USE - GG

Speed Chart/Division Code	Account Code (optional)
EN00023186/32703	71302000

GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
AND
CITY OF KINGSPORT

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Environment and Conservation, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee City of Kingsport, hereinafter referred to as the "Grantee," is for the provision of Land and Water Conservation Fund (LWCF) Kingsport Bays Mountain 2025 Bays Mountain Park Improvements (GMS 2025-12128), NPS Project 47-00862, FAIN P26AP02003, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

Grantee Edison Vendor ID # 0000001562

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. The Grantee shall implement the following activities as described in Attachment A: (1) ☐ land acquisition for local, state, or federal parks, natural areas, greenways; (2) ☐ land acquisition for recreational trail facilities; (3) ☐ trail development and rehabilitation; (4) ☒ capital projects in parks, natural areas, and greenways; and (5) ☐ trail training, trail patrols and trail safety education.

A.3. The Grantee has been provided a copy of the 2026 Public Recreation Grant Project Manual through the State's Grants Management System and shall comply with its provisions.

A.4. Work completed under this grant is subject to inspection by the State's Recreation Consultants.

A.5. The Grantee shall construct a new ADA accessible Bobcat Habitat. The Grantee shall construct a new ADA accessible trail connecting the lakeside Barge and Pavilion area to the Nature Center.

A.6. 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., c., and d. below);

b. the State grant proposal solicitation as may be amended, if any;

c. the Grantee's proposal (Attachment A) incorporated to elaborate supplementary scope of services specifications; and

d. the 2026 Public Recreation Grant Project Manual, provided to the Grantee as set out in section A.3.

A.7. Incorporation of Federal Award Identification Worksheet. The federal award identification worksheet, which appears as Attachment B, is incorporated in this Grant Contract.

B. TERM OF CONTRACT:

B.1. This Grant Contract shall be effective on December 01, 2026 (“Effective Date”) and extend for a period of thirty-six (34) months after the Effective Date (“Term”). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

B.2. Term Extension. It is understood and agreed that the State may extend the Term an additional period of time, not to exceed one hundred-eighty (180) days beyond the expiration date of this Grant Contract, under the same terms and conditions. In no event, however, shall the maximum Term, including all extensions or renewals, exceed a total of sixty (60) months.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Six Hundred Twelve Thousand Five Hundred Dollars ($612,500.00) (“Maximum Liability”). The Grant Budget, attached and incorporated as Attachment A 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 often than monthly, with all necessary supporting documentation, and present such to:

Department of Environment and Conservation
Davy Crockett Tower
500 James Robertson Parkway, 8th 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 Environment and Conservation, Office of Outdoor Recreation.
(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-item: Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may request revisions of Grant Budget line-items by letter, giving full details supporting such request, provided that such revisions do not increase total Grant Budget amount. Grant Budget line-item revisions may not be made without prior, written approval of the State in which the terms of the approved revisions are explicitly set forth. Any increase in the total Grant Budget amount shall require a Grant Contract amendment.

C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) 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 Central Procurement Office Policy Statement 2013-007 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:

Justine Cucchiara, Director
Office of Outdoor Recreation
Department of Environment and Conservation
Davy Crockett Tower
500 James Robertson Parkway, 8th Floor
Nashville, TN 37243
justine.cucchiara@tn.gov
Telephone # (252) 670-0815

The Grantee:

Paul Montgomery Mayor
CITY OF KINGSPORT
415 Broad St
Kingsport, Tennessee 37660-4263
paulmontgomery@kingsporttn.gov
Telephone # (423) 229-9400

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 or suspend this Grant Contract upon written notice to the Grantee. The State's right to terminate or suspend 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 or suspension date but shall not be entitled to compensation for any services performed subsequent to termination date or during a period of suspension. 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. As applicable, 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—200.327 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 ten thousand dollars ($10,000.00).

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. State Interest in Equipment or Motor Vehicles. The Grantee shall take legal title to all equipment or motor vehicles purchased totally or in part with funds provided under this Grant Contract, subject to the State's equitable interest therein, to the extent of its *pro rata* share, based upon the State's contribution to the purchase price. 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 ($10,000.00). The term "motor vehicle" shall include any article of tangible personal property that is required to be registered under the "Tennessee Motor Vehicle Title and Registration Law", Tenn. Code Ann. Title 55, Chapters 1-6.

As authorized by the Tennessee Uniform Commercial Code, Tenn. Code Ann. Title 47, Chapter 9 and the "Tennessee Motor Vehicle Title and Registration Law," Tenn. Code Ann. Title 55, Chapters 1-6, the parties intend this Grant Contract to create a security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this Grant Contract. A further intent of this Grant Contract is to acknowledge and continue the security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this program's prior year Grant Contracts between the State and the Grantee.

The Grantee grants the State a security interest in all equipment or motor vehicles acquired in whole or in part by the Grantee under this Grant Contract. This Grant Contract is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment or motor vehicles herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the State a security interest in said equipment or motor vehicles. The Grantee agrees that the State may file this Grant Contract or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment or motor vehicles herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, the Grantee agrees to execute and deliver to the State, upon the State's request, any financing statements, as well as extensions, renewals, and amendments thereof, and

reproduction of this Grant Contract in such form as the State may require to perfect a security interest with respect to said equipment or motor vehicles. The Grantee shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the State may reasonably require. Without the prior written consent of the State, the Grantee shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment or motor vehicles, including replacements and additions thereto. Upon the Grantee's breach of any covenant or agreement contained in this Grant Contract, including the covenants to pay when due all sums secured by this Grant Contract, the State shall have the remedies of a secured party under the Uniform Commercial Code and, at the State's option, may also invoke the remedies herein provided.

The Grantee agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Contract. The Grantee shall maintain a perpetual inventory system for all equipment or motor vehicles purchased with funds provided under this Grant Contract and shall submit an inventory control report which must include, at a minimum, the following:

a. Description of the equipment or motor vehicles;
b. Vehicle identification number;
c. Manufacturer's serial number or other identification number, when applicable;
d. Acquisition date, cost, and check number;
e. Fund source, State Grant number, or other applicable fund source identification;
f. Percentage of state funds applied to the purchase;
g. Location within the Grantee's operations where the equipment or motor vehicles is used;
h. Condition of the property or disposition date if Grantee no longer has possession;
i. Depreciation method, if applicable; and
j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment or motor vehicles with an identification number which is cross referenced to the equipment or motor vehicle item on the inventory control report. The Grantee shall inventory equipment or motor vehicles annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment or motor vehicles purchased with funding through this Grant Contract within thirty (30) days of its end date and in form and substance acceptable to the State. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the State, in writing, of any equipment or motor vehicle loss describing the reasons for the loss. Should the equipment or motor vehicles be destroyed, lost, or stolen, the Grantee shall be responsible to the State for the *pro rata* amount of the residual value at the time of loss based upon the State's original contribution to the purchase price.

Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant Contract, the Grantee shall request written approval from the State for any proposed disposition of equipment or motor vehicles purchased with Grant funds. All equipment or motor vehicles shall be disposed of in such a manner as the parties may agree from among alternatives approved by the Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

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: Code of Federal Regulations: 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 offence 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 the requirements of this Grant Contract and applicable state and federal law. All material, information, and data regardless of form, medium or method of communication, that the Grantee will have access to, acquire, or is provided to the Grantee by the State or acquired by the Grantee on behalf of the State shall be regarded as "Confidential Information." The State grants the Grantee a limited license to use the Confidential Information but only to perform its obligations under the Grant Contract. 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 under state or federal law or otherwise authorized in writing by the State. Grantee shall take all necessary steps to safeguard the confidentiality of such Confidential Information in conformance with the requirements of this Grant Contract and with applicable state and federal law.

As long as the Grantee maintains State Confidential Information, the obligations set forth in this Section shall survive the termination of this Grant Contract.

D.36. State Sponsored Insurance Plan Enrollment. The Grantee warrants that it will not enroll or permit its employees, officials, or employees of contractors to enroll or participate in a state sponsored health insurance plan through their employment, official, or contractual relationship with Grantee unless Grantee first demonstrates to the satisfaction of the Department of Finance and Administration that it and any contract entity satisfies the definition of a governmental or quasigovernmental entity as defined by federal law applicable to ERISA.

D.37. Foreign Adversary Company Attestation. The Grantee attests that they are not a "Foreign adversary company" within the meaning of Pub. Ch. 768 (2026) and that the Grantee is not knowingly selling an information and communications technology final product or service within the meaning of Pub. Ch. 768 (2026).

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. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the "Children's Act for Clean Indoor Air of 1995," Tenn. Code Ann. §§ 39-17-1601 through 1606, the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract.

E.3. Transfer of Grantee's Obligations. The Grantee shall not transfer or restructure its operations related to this Grant Contract without the prior written approval of the State. The Grantee shall immediately notify the State in writing of a proposed transfer or restructuring of its operations related to this Grant Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving a proposed transfer or restructuring.

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. Equal Opportunity. As a condition for receipt of grant funds, the Grantee agrees to comply with 41 C.F. R. § 60-1.4 as that section is amended from time to time during the term.

E.6. Davis-Bacon Act and Copeland Anti-Kickback Act. As a condition for receipt of grant funds, the Grantee agrees to comply with the Davis-Bacon Act, 40 U.S.C. § 3141 et seq., and the Copeland Anti-Kickback Act at 18 U.S.C. § 874 et seq., as those sections are amended from time to time during the term.

E. 7. Title VI Compliance. Grantee shall comply with requirements of Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d-1, pursuant to the guidelines established by the Tennessee Human Rights Commission's Title VI Compliance Office, by completing all of the following items:

a. Provide name and contact information of Grantee's Title VI Coordinator to State.

b. Ensure Policies and Procedures Manual contains a Title VI section with information on: (a) Filing a complaint; (b) Investigations; (c) Report of findings; (d) Hearings and appeals; (e) Description of Title VI Training Program; (f) Limited English Proficiency (LEP) procedure; and (g) Retaliation.

c. Train all staff (regular, contract, volunteer) on Title VI upon employment and annually thereafter. Training documentation shall be made available upon request of State, and include: 1) dates and duration of each training; 2) list of staff completing training on each date.

d. Annually complete and submit a Title VI self-survey as supplied by State.

e. Implement a process and provide documentation to ensure service recipients are informed of Title VI and how to file a discrimination complaint.

Additional Title VI resources may be found at: https://www.tn.gov/environment/policy/title-vi.html.

E.8. Americans with Disabilities Act. The Grantee must comply with the Americans with Disabilities Act (ADA) of 1990, as amended, including implementing regulations codified at 28 CFR Part 35 "Nondiscrimination on the Basis of Disability in State and Local Government Services" and at 28 CFR Part 36 "Nondiscrimination on the Basis of Disability in Public Accommodations and Commercial Facilities," and any other laws or regulations governing the provision of services to persons with a disability, as applicable. For more information, please visit the ADA website: http://www.ada.gov.

E.9. Procurement of Recovered Materials.

a. In the Performance of this Grant Contract, the Grantee shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired competitively within a timeframe providing for compliance with the contract performance schedule; meeting contract performance requirements; or at a reasonable price.

b. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive
c. Procurement Guidelines website, https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program.
d. The Grantee also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

E.10. Domestic Preference for Procurements. As appropriate, and to the extent consistent with law, the Grantee should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products. For purposes of this clause: (1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States; (2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

E.11. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment. If applicable and as required by 2 CFR 200.216, Grantee is prohibited from obligating or expending loan or grant funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system. As described in Public Law 115-232, Section 889, "covered telecommunications equipment" is as follows:

a. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

b. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

c. Telecommunications or video surveillance services provided by such entities or using such equipment.

d. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

E.12. Buy America Provision. As required by Section 70914 of the Infrastructure Investment and Jobs Act (Pub. L. 117-58), on or after May 14, 2022, none of the funds under a federal award that are part of a Federal financial assistance program for infrastructure may be obligated for a project unless all the iron, steel, manufactured products, and construction materials used in the project are produced in the United States, unless subject to an approved waiver.
None of the funds provided under this award may be used for a project for infrastructure unless:
a. All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States,

b. All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation, and

c. all construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.

This Buy America preference only applies to articles, materials, and supplies consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, used at or within the finished structure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

E.13. Contract Work Hours and Safety Standard Act. As a condition for receipt of grant funds, the Grantee agrees to comply with the Contract Work Hours and Safety Standard Act at 40 U.S.C. § 3701 et seq., as that section is amended from time to time during the term.

E. 14. Clean Air Act and Federal Water Pollution Control Act. As a condition for receipt of funds, the Grantee agrees to comply with the Clean Air Act, 42 U.S.C. § 7401 *et seq*. and the Federal Water Pollution Control Act, 33 U.S.C § 1251 *et seq.*, as those sections are amended from time to time during the term. Violations must be reported to the State of Tennessee, Department of Environment and Conservation and the Region 4 Office of the Environmental Protection Agency.

IN WITNESS WHEREOF,

CITY OF KINGSPORT:

GRANTEE SIGNATURE **DATE**

Paul Montgomery, Mayor

PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)

DEPARTMENT OF ENVIRONMENT AND CONSERVATION:

DAVID W. SALYERS, P.E., COMMISSIONER **DATE**

ATTACHMENT A

PAGE 1

GRANT BUDGET				
CITY OF KINGSPORT– **LAND AND WATER CONSERVATION FUND**				
The Grant Budget line-item amounts below shall be applicable only to expenses incurred during the following applicable period:				
	BEGIN: 12/1/2026		**END: 9/30/2029**	
	EXPENSE OBJECT LINE-ITEM CATEGORY [1]	**GRANT CONTRACT**	**GRANTEE MATCH**	**TOTAL PROJECT**
	Salaries, Benefits & Taxes	$0.00	$0.00	$0.00
	Professional Fee, Grant & Award [2]	$75,000.00	$75,000.00	$150,000.00
	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	$0.00	$0.00	$0.00
	Travel, Conferences & Meetings	$0.00	$0.00	$0.00
	Interest [2]	$0.00	$0.00	$0.00
	Insurance	$0.00	$0.00	$0.00
	Specific Assistance To Individuals	$0.00	$0.00	$0.00
	Depreciation [2]	$0.00	$0.00	$0.00
	Other Non-Personnel [2]	$0.00	$0.00	$0.00
	Capital Purchase [2]	$537,500.00	$537,500.00	$1,075,000.00
	Indirect Cost	$0.00	$0.00	$0.00
	In-Kind Expense	$0.00	$0.00	$0.00
	Grantee Match Requirement (for any amount of the required Grantee Match that is not specifically delineated by budget line-items above)	$0.00	$0.00	$0.00
	GRAND TOTAL	**$612,500.00**	**$612,500.00**	**$1,225,000.00**

[1] Each expense object line-item is defined by the *U.S. OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E Cost Principles* (posted on the Internet at: https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E) and CPO Policy 2013-007 (posted online at https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-.html).

[2] Applicable detail follows this page if line-item is funded.

[3] A Grantee Match Requirement is detailed by this Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the "Grant Contract" column above, shall be reduced by the amount of any Grantee failure to meet the Match Requirement.

ATTACHMENT A

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Architect and Engineering Fees	$75,000.00
TOTAL	$75,000.00

SALARIES, BENEFITS, AND TAXES	AMOUNT
	$0.00
TOTAL	$0.00

CAPITAL PURCHASE	AMOUNT
Bays Mountain Park (ADA Bobcat habitat and ADA accessible trails)	$537,500.00
TOTAL	$537,500.00

ATTACHMENT B

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)	P26AP02003
Federal award date	9/14/2026
Subaward Period of Performance Start and End Date	**December 01, 2026 & September 30, 2029**
Subaward Budget Period Start and End Date	**December 01, 2026 & September 30, 2029**
Assistance Listing number (formerly known as the CFDA number) and Assistance Listing program title.	15.916 – Outdoor Recreation Acquisition, Development and Planning
Grant contract's begin date	**December 01, 2026**
Grant contract's end date	**September 30, 2029**
Amount of federal funds obligated by this grant contract	$612,500.00
Total amount of federal funds obligated to the subrecipient	$612,500.00
Total amount of the federal award to the pass-through entity (Grantor State Agency)	$612,500.00
Federal award project description (as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA)	Outdoor Recreation Development
Name of federal awarding agency	Department of Interior, National Park Service
Name and contact information for the federal awarding official	Antoine Fletcher, Program Officer antoine_fletcher@nps.gov (404)804-7868
Name of pass-through entity	TN Department of Environment and Conservation
Name and contact information for the pass-through entity awarding official	Justine Cucchiara, Director Justine.Cucchiara@tn.gov
Is the federal award for research and development?	No
Indirect cost rate for the federal award (See 2 C.F.R. §200.332 for information on type of indirect cost rate)	13.63%

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Enter into an Agreement with Avero Advisors to Provide FIS/HCM Implementation Support

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-330-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Travis Bishop
First Reading:	NA	Presentation By:	Travis Bishop

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
If approved, the City will enter into an agreement with Avero Advisors to provide project management and implementation consulting services of the City's implementation of a Financial Information System (FIS) and Human Capital Management (HCM), including coordination with Kingsport City Schools. Services will include implementation oversight, data conversion, system interface coordination, testing, training, change management, and go-live support.

In September 2026, the City solicited proposals for project management and consulting services to support this initiative. Following evaluations of proposals and interviews with prospective implementation teams, the City selected Avero Advisors to provide specialized expertise and project oversight necessary to support a successful implementation.

The Board of Mayor and Aldermen BMA previously approved Software as a Service (SaaS) agreements with Tyler Technologies and UKG to modernize the City's financial and human resources systems. The new systems are intended to replace legacy processes and improve financial reporting, operational efficiency, data integrity, payroll and human resources administration, and integration among City systems. Implementation represents a significant organizational undertaking involving multiple departments, system interfaces, data conversion, business process changes, and employee training. Given the complexity of the project and the City's ongoing financial and operational responsibilities, dedicated project management and specialized implementation expertise are necessary to support a successful implementation.

The proposed agreement provides for a 24-month implementation with an expected 18,345 hours of service and a fee not to exceed **$3,758,172.** Funding for this project is anticipated through issuance of bonds in 2027 and will need to be incorporated into the City's debt plan.

Attachments:
Resolution
Professional Service Agreement
Avero Cost Summary

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AWARDING AVERO, LLC A CONTRACT FOR ENTERPRISE RESOURCE PLANNING SERVICES AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT FOR THE SAME AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in September 2026, the city solicited proposals for enterprise resource planning (ERP) services in conjunction with the implementation of a financial information system (FIS) and human capital management system (HCM), including coordination with Kingsport City Schools; and

WHEREAS, the services sought by the city are specialized expertise and project oversight experience necessary to support a successful implementation of a FIS and HCM system to include implementation oversight, data conversion, system interface coordination, testing, training, change management, and go-live support; and

WHEREAS, the board finds Avero, LLC d/b/a Avero Advisors is the offeror whose proposal is most advantageous to the city upon consideration of the price and the evaluation factors set forth in the request for proposals for the service desired and as such the City of Kingsport desires to enter into an agreement with Avero Advisors for implementation of both a FIS and HCM system in an amount not to exceed $3,758,172; and

WHEREAS, funding for this project is anticipated through issuance of bonds in 2027 and will need to be incorporated into the City's debt plan.

Now therefore,

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

SECTION I. That Avero Advisors is awarded the contract for ERP services in conjunction with the implementation of a FIS and HCM system.

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 Professional Services Agreement with Avero Advisors for ERP services, 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:

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (the "Agreement") is made and entered into this _____ day of _____, 2026, by and between the City of Kingsport, Tennessee ("Client") and Avero, LLC d/b/a Avero Advisors, a Tennessee limited liability company ("Service Provider").

WITNESSETH:

WHEREAS, Client desires to engage Service Provider to provide information technology services as more fully described below; and

WHEREAS, Service Provider agrees to perform such information technology services for Client subject to the terms and conditions contained in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Client and Service Provider agree as follows:

1. Services to be Provided. The Purchasing Department for Client issued a Request for Proposals (a portion of which is attached hereto as Exhibit A) in order to select a professional ERP Consulting services firm to perform IT strategy, business process improvement, program and project management, consulting, system implementation, and other related services for Client. Service Provider shall provide Client with the services set forth in the Scope of Work attached hereto as Exhibit B (collectively, the "Services") during the term of this Agreement. The timeline for completion of the Services shall be as determined by the parties on a project-by-project basis.

2. Term. The initial term of this Agreement shall be three (3) years from the effective date, beginning _____, 2026 (the "Effective Date"), and continuing through _____, 2029 (the "Initial Term"). After the Initial Term, this Agreement may be renewed for additional periods of one (1) year each, only by mutual written agreement of the parties executed before the end of the then-current term; this Agreement shall not renew automatically. Any renewal of this Agreement shall contain the same terms and conditions as contained in this original Agreement unless otherwise agreed by the parties in writing.

3. Cost of Services. The cost of the Services shall be as set forth in Service Provider's pricing proposal to Client dated October 19, 2026, attached hereto as Exhibit C and incorporated herein by reference. The core Services are billed as a fixed fee, invoiced monthly against defined milestones. Optional backfill resources and any allowance hours are billed at the rates stated in Exhibit C, only upon Client's prior written authorization, and shall not exceed the not-to-exceed amount stated in Exhibit C. Any additional project outside Exhibit B shall be priced by written amendment agreed by the parties before Service Provider begins such work.

4. Fees for Services. Service Provider will provide an invoice to Client for the Services no less than monthly. Client agrees to pay all invoices in full within thirty (30) days of the date of the invoice. In the event Client fails to pay any invoice in full within thirty (30) days of the date of the invoice, Service Provider shall charge Client a late fee equal to ten percent (10%) of the outstanding balance of the invoice.

5. Expenses. Client agrees to reimburse Service Provider for all expenses incurred by Service Provider in connection with providing the Services (collectively, the "Expenses") so long as Client has approved such Expenses prior to Service Provider incurring them. Service Provider will include the Expenses on its monthly invoices as the Expenses are incurred and said invoices shall be payable upon the same terms and conditions as set forth in Section 4 of this Agreement. Travel and expenses for the core Services are included in the fees stated in Exhibit C and are not separately reimbursable.

6. Independent Entity. Service Provider is an independent entity that operates an information technology business. It is understood and agreed between the parties hereto that Client shall own no interest in the business of Service Provider and that nothing contained in this Agreement shall be construed as creating a partnership or joint venture of or between Service Provider and Client. Service Provider shall have no authority to create, bind, or assume any obligation on behalf of Client or hold itself out as having such authority without the prior written consent of Client. Client does not retain and shall not have the right to exercise any control over the operation of the business conducted by Service Provider. Notwithstanding the foregoing, during the performance of the Services, Service Provider may identify itself to third parties as a consultant or service provider of Client.

7. Confidentiality. All proprietary information, including, but not limited to, the pricing of the product supplied and services offered, technical and non-technical data, equipment, products and software (in object and source code formats), designs, computer programs, code, lists of actual or potential customers, knowledge of the buying habits and/or needs of particular customers, business plans, marketing plans, business strategy, promotional methods, sale systems, passwords, pricing information, business or financial data, specialized training or education, trade secrets, copyrights and other intellectual property, and any and all other proprietary records, information, and materials (collectively "Confidential Information") belonging either to Client or Service Provider is and will remain the property of the providing party. Neither party shall disclose or disseminate the Confidential Information belonging to the other party to any other person or entity without the express written consent of the non-disclosing party. Notwithstanding the foregoing, Service Provider shall be permitted to disclose Client's Confidential Information as necessary to perform the Services and either party may disclose certain Confidential Information to their respective employees or agents who need to know such information in order to perform the Services and obligations contemplated in this Agreement, provided that those employees or agents are expressly made aware that the information is confidential and agree not to disclose the information. Each party shall treat the

Confidential Information with the same degree of care as it treats its own proprietary information, but in no event with less than a reasonable degree of care. Service Provider and Client agree to destroy all Confidential Information (whether in hard copy or electronic format) of the other party upon termination of this Agreement, unless given written approval otherwise. If either party is notified by a governmental authority or by order of a court of competent jurisdiction that it is required to disclose any Confidential Information, it shall promptly provide written notice thereof to the other party in order to permit that party an opportunity to seek an injunction against such disclosure or seek any other applicable legal remedy to block disclosure. "Confidential Information" shall not include any information which: (a) at the time of disclosure or thereafter is generally available to and known by the public (other than as a result of a disclosure directly or indirectly by recipient in violation of this Agreement); (b) was available to recipient on a non-confidential basis from a source other than one of the Parties hereto, provided that, to the knowledge of the recipient, such source is not and was not under an obligation to keep the information confidential; (c) information that was in recipient's possession prior to the date of disclosure of the Confidential Information in question; (d) has been independently acquired or developed by recipient without violating any obligations under this Agreement; or (e) are the subject of a public records request submitted pursuant to the Tennessee Public Records Act (Tenn. Code Ann. § 10-7-503 *et. seq.*) for which Client shall have no obligation to notify Service Provider prior to Client's compliance with the requirements imposed by law.

8. Authorization. Each of Service Provider and Client hereby represent, warrant, and covenant that it has full power and authority to enter into this Agreement and that the execution and performance of this Agreement will not breach or constitute a default of any of its organizational documents or any other agreement or contract to which Service Provider or Client is a party or by which Service Provider or Client is bound.

9. Default.

a. Client. Any one or more of the following shall constitute a default by Client under this Agreement:

i. Failure to pay all or any part of the fees for Services when due pursuant to Section 4;

ii. Failure to pay all or any part of the Expenses when due pursuant to Section 5; and/or

iii. Failure to do, observe, keep, and perform any of the terms, covenants, conditions, agreements, and provisions contained in this Agreement on the part of Client to be done, observed, kept, and performed.

b. Service Provider. Failure to do, observe, keep, and perform any of the terms, covenants, conditions, agreements, and provisions contained in this Agreement on the part of Service Provider to be done, observed, kept, and performed shall constitute a default by Service Provider under this Agreement.

10. Termination. Either Client or Service Provider may terminate the services of Service Provider under this Agreement, for any or no reason, upon ninety (90) days written notice to the other; provided, however, that Service Provider shall have the option to terminate this Agreement within ten (10) days of sending written notice to Client in the event of a default by Client (as defined in Section 9 above). Upon any termination of this Agreement, Service Provider shall be entitled to all fees for Services performed or reimbursement for any Expenses incurred each prior to the effective termination date.

11. Notices. All notices, requests, demands, or other communications shall be sent to the address and person or entity set forth below and shall be in writing and shall be deemed to have been delivered (a) on the same day if by personal delivery, (b) three (3) business days after it is mailed via certified mail, return receipt requested, postage prepaid to the address set forth below or the last known address of the recipient, or (c) when sent if sent by electronic mail regardless of whether the message is actually received by the intended recipient.

Service Provider:
Avero, LLC d/b/a Avero Advisors
Attn: Abhijit Verekar
900 S Gay St., Suite #2102
Knoxville, TN 37902
Email: av@averoadvisors.com

Client:
City of Kingsport, Tennessee
Attn:
415 Broad Street
Kingsport, TN 37660
Email: _____

12. Limitation of Liability. To the extent permitted by Tennessee law, Service Provider's liability to Client for any losses or damages, whether direct or indirect, arising out of this Agreement for any

cause whatsoever, is limited to actual damages not to exceed the total fees paid to Service Provider hereunder. Under no circumstances shall Service Provider be responsible for special, speculative, remote, punitive, or consequential damages, including, without limitation, loss of profits, idle time, labor, loss of business, or inability to perform.

13. Indemnification. To the extent permitted by law, Client hereby releases, indemnifies, waives, and agrees to defend, save, indemnify, and hold Service Provider harmless in whole or in part from and against any and all liabilities of any nature, including, but not limited to, claims, charges, losses, damages, expenses (including reasonable attorney's fees and costs), actions, or lawsuits of any kind or nature brought by any third party against Service Provider with respect to the Services. Any and all obligations of Client to provide indemnification are subject to the limits of liability set forth in the Tennessee Government Tort Liability Act found at Tenn. Code Ann. §29-20-101 et. seq. and Client's obligation to provide indemnification is limited to the limits of liability set forth for a governmental entity under said Act or Article II, Section 29 of the Tennessee Constitution.

14. Force Majeure. Service Provider shall be absolved from its obligations under the terms of this Agreement in the event Service Provider is unable to perform because of war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, civil commotion, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, restriction, blockage, embargo, strike, riot, labor dispute, lockout or interruption, failure of electricity or telephone service, lack of any supply, Acts of God (including, without limitation, fire, flood, earthquake, storm, hurricane, or other natural disaster), or any other causes beyond the control of Service Provider.

15. Non-Solicitation. During the term of this Agreement and for twelve (12) months after its expiration or termination, neither party shall, without the prior written consent of the other party, directly or indirectly solicit for employment, hire, or engage as an employee, independent contractor, or consultant any employee or subcontractor of the other party who performed work under this Agreement. General public job postings or advertisements not specifically targeted at such personnel, and any hiring that results from them, shall not constitute a breach of this Section. The parties agree that this restriction is reasonable in duration and scope and is necessary to protect each party's legitimate business interests.

16. Governing Law; Venue and Jurisdiction. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Tennessee, without regard to its conflict of law principles. Any legal proceeding arising out of or relating to this Agreement shall be brought exclusively in the law court for Kingsport, Sullivan County, Tennessee, or in the United States District Court for the Eastern District of Tennessee, Northeastern Division, at Greeneville. The parties consent to the personal jurisdiction of, and venue in, those courts.

17. Waiver. The waiver of any party hereto of a breach of any of the provisions of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any party.

18. Entire Agreement; Amendment. This Agreement constitutes the full and entire understanding and agreement among the parties with regard to the subjects hereof and thereof and supersedes all prior agreements and understandings relating thereto. Neither this Agreement nor any term hereof may be amended, waived, discharged, or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge, or termination is sought.

19. Severability. Client and Service Provider intend that every term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. If any term or provision of this Agreement be finally determined by a court of competent jurisdiction to be void, invalid, unenforceable, or contrary to law, public policy, or equity for any reason, the offending term or provision shall be modified and limited (or if strictly necessary, deleted) only to the extent required to conform to the requirements of law, and the remainder of this Agreement shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

20. Construction. Each party has cooperated in the drafting and preparation of this Agreement and therefore the Agreement shall not be construed against either party as its drafter.

21. Enforceability. This Agreement constitutes the legal, valid, and binding obligations of the parties enforceable against the parties in accordance with its respective terms.

22. Cooperative Purchasing. To the extent permitted by applicable law, including without limitation the Tennessee Interlocal Cooperation Act, Tenn. Code Ann. § 12-9-101 et seq., Tenn. Code Ann. § 12-3-1205, and other applicable purchasing laws, other public agencies in Tennessee and in other states, including without limitation Kingsport City Schools, counties, municipalities, utilities and utility districts, school districts, institutions of higher education, and other governmental entities (each, a "Participating Entity"), may procure services from Service Provider under the terms, conditions, and pricing of this Agreement, with Service Provider's consent. Each Participating Entity shall contract directly with Service Provider by separate agreement, order, or other written instrument, and shall be

solely responsible for its own orders, payment, and performance of its obligations. Client shall have no liability or responsibility of any kind for the acts, omissions, orders, payments, or obligations of any Participating Entity. Pricing for any Participating Entity may be adjusted to reflect differences in scope, location, and travel.

23. Counterparts. This Agreement may be executed in any number of counterparts, each of which may be executed by only one party, which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

24. Headings. The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.

25. Pronouns. All references to the singular shall include the plural and all references to gender shall include the masculine, feminine, as well as the neuter, and vice versa, as the context requires.

26. Time. Time is of the essence with respect to each and every obligation contained herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the 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 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (the "Agreement") is made and entered into this _____ day of _____, 2026, by and between the City of Kingsport, Tennessee ("Client") and Avero, LLC d/b/a Avero Advisors, a Tennessee limited liability company ("Service Provider").

WITNESSETH:

WHEREAS, Client desires to engage Service Provider to provide information technology services as more fully described below; and

WHEREAS, Service Provider agrees to perform such information technology services for Client subject to the terms and conditions contained in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Client and Service Provider agree as follows:

1. Services to be Provided. The Purchasing Department for Client issued a Request for Proposals (a portion of which is attached hereto as Exhibit A) in order to select a professional ERP Consulting services firm to perform IT strategy, business process improvement, program and project management, consulting, system implementation, and other related services for Client. Service Provider shall provide Client with the services set forth in the Scope of Work attached hereto as Exhibit B (collectively, the "Services") during the term of this Agreement. The timeline for completion of the Services shall be as determined by the parties on a project-by-project basis.

2. Term. The initial term of this Agreement shall be three (3) years from the effective date, beginning _____, 2026 (the "Effective Date"), and continuing through _____, 2029 (the "Initial Term"). After the Initial Term, this Agreement may be renewed for additional periods of one (1) year each, only by mutual written agreement of the parties executed before the end of the then-current term; this Agreement shall not renew automatically. Any renewal of this Agreement shall contain the same terms and conditions as contained in this original Agreement unless otherwise agreed by the parties in writing.

3. Cost of Services. The cost of the Services shall be as set forth in Service Provider's pricing proposal to Client dated October 19, 2026, attached hereto as Exhibit C and incorporated herein by reference. The core Services are billed as a fixed fee, invoiced monthly against defined milestones. Optional backfill resources and any allowance hours are billed at the rates stated in Exhibit C, only upon Client's prior written authorization, and shall not exceed the not-to-exceed amount stated in Exhibit C. Any additional project outside Exhibit B shall be priced by written amendment agreed by the parties before Service Provider begins such work.

4. Fees for Services. Service Provider will provide an invoice to Client for the Services no less than monthly. Client agrees to pay all invoices in full within thirty (30) days of the date of the invoice. In the event Client fails to pay any invoice in full within thirty (30) days of the date of the invoice, Service Provider shall charge Client a late fee equal to ten percent (10%) of the outstanding balance of the invoice.

5. Expenses. Client agrees to reimburse Service Provider for all expenses incurred by Service Provider in connection with providing the Services (collectively, the "Expenses") so long as Client has approved such Expenses prior to Service Provider incurring them. Service Provider will include the Expenses on its monthly invoices as the Expenses are incurred and said invoices shall be payable upon the same terms and conditions as set forth in Section 4 of this Agreement. Travel and expenses for the core Services are included in the fees stated in Exhibit C and are not separately reimbursable.

6. Independent Entity. Service Provider is an independent entity that operates an information technology business. It is understood and agreed between the parties hereto that Client shall own no interest in the business of Service Provider and that nothing contained in this Agreement shall be construed as creating a partnership or joint venture of or between Service Provider and Client. Service Provider shall have no authority to create, bind, or assume any obligation on behalf of Client or hold itself out as having such authority without the prior written consent of Client. Client does not retain and shall not have the right to exercise any control over the operation of the business conducted by Service Provider. Notwithstanding the foregoing, during the performance of the Services, Service Provider may identify itself to third parties as a consultant or service provider of Client.

7. Confidentiality. All proprietary information, including, but not limited to, the pricing of the product supplied and services offered, technical and non-technical data, equipment, products and software (in object and source code formats), designs, computer programs, code, lists of actual or potential customers, knowledge of the buying habits and/or needs of particular customers, business plans, marketing plans, business strategy, promotional methods, sale systems, passwords, pricing information, business or financial data, specialized training or education, trade secrets, copyrights and other intellectual property, and any and all other proprietary records, information, and materials (collectively "Confidential Information") belonging either to Client or Service Provider is and will remain the property of the providing party. Neither party shall disclose or disseminate the Confidential Information belonging to the other party to any other person or entity without the express written consent of the non-disclosing party. Notwithstanding the foregoing, Service Provider shall be permitted to disclose Client's Confidential Information as necessary to perform the Services and either party may disclose certain Confidential Information to their respective employees or agents who need to know such information in order to perform the Services and obligations contemplated in this Agreement, provided that those employees or agents are expressly made aware that the information is confidential and agree not to disclose the information. Each party shall treat the Confidential Information with the same degree of care as it treats its own proprietary information, but in no event with less than a reasonable degree of care. Service Provider and Client agree to destroy all Confidential Information (whether in hard copy or electronic format) of the other party upon termination of this Agreement, unless given written approval otherwise. If either party is notified by a governmental authority or by order of a court of competent jurisdiction that it is required to disclose any Confidential Information, it shall promptly provide written notice thereof to the other party in order to permit that party an opportunity to seek an injunction against such disclosure or seek any other applicable legal remedy to block disclosure. "Confidential Information" shall not include any information which: (a) at the time of disclosure or thereafter is generally available to and known by the public (other than as a result of a disclosure

directly or indirectly by recipient in violation of this Agreement); (b) was available to recipient on a non-confidential basis from a source other than one of the Parties hereto, provided that, to the knowledge of the recipient, such source is not and was not under an obligation to keep the information confidential; (c) information that was in recipient's possession prior to the date of disclosure of the Confidential Information in question; (d) has been independently acquired or developed by recipient without violating any obligations under this Agreement; or (e) are the subject of a public records request submitted pursuant to the Tennessee Public Records Act (Tenn. Code Ann. § 10-7-503 *et. seq.*) for which Client shall have no obligation to notify Service Provider prior to Client's compliance with the requirements imposed by law.

8. Authorization. Each of Service Provider and Client hereby represent, warrant, and covenant that it has full power and authority to enter into this Agreement and that the execution and performance of this Agreement will not breach or constitute a default of any of its organizational documents or any other agreement or contract to which Service Provider or Client is a party or by which Service Provider or Client is bound.

9. Default.

a. Client. Any one or more of the following shall constitute a default by Client under this Agreement:

i. Failure to pay all or any part of the fees for Services when due pursuant to Section 4;

ii. Failure to pay all or any part of the Expenses when due pursuant to Section 5; and/or

iii. Failure to do, observe, keep, and perform any of the terms, covenants, conditions, agreements, and provisions contained in this Agreement on the part of Client to be done, observed, kept, and performed.

b. Service Provider. Failure to do, observe, keep, and perform any of the terms, covenants, conditions, agreements, and provisions contained in this Agreement on the part of Service Provider to be done, observed, kept, and performed shall constitute a default by Service Provider under this Agreement.

10. Termination. Either Client or Service Provider may terminate the services of Service Provider under this Agreement, for any or no reason, upon ninety (90) days written notice to the other; provided, however, that Service Provider shall have the option to terminate this Agreement within ten (10) days of sending written notice to Client in the event of a default by Client (as defined in Section 9 above). Upon any termination of this Agreement, Service Provider shall be entitled to all fees for Services performed or reimbursement for any Expenses incurred each prior to the effective termination date.

11. Notices. All notices, requests, demands, or other communications shall be sent to the address and person or entity set forth below and shall be in writing and shall be deemed to have been delivered (a) on the same day if by personal delivery, (b) three (3) business days after it is mailed via certified mail, return receipt requested, postage prepaid to the address set forth below

or the last known address of the recipient, or (c) when sent if sent by electronic mail regardless of whether the message is actually received by the intended recipient.

Service Provider:

Avero, LLC d/b/a Avero Advisors
Attn: Abhijit Verekar
900 S Gay St., Suite #2102
Knoxville, TN 37902
Email: av@averoadvisors.com

Client:
City of Kingsport, Tennessee

Attn:
415 Broad Street
Kingsport, TN 37660
Email: _____

12. Limitation of Liability. To the extent permitted by Tennessee law, Service Provider's liability to Client for any losses or damages, whether direct or indirect, arising out of this Agreement for any cause whatsoever, is limited to actual damages not to exceed the total fees paid to Service Provider hereunder. Under no circumstances shall Service Provider be responsible for special, speculative, remote, punitive, or consequential damages, including, without limitation, loss of profits, idle time, labor, loss of business, or inability to perform.

13. Indemnification. To the extent permitted by law, Client hereby releases, indemnifies, waives, and agrees to defend, save, indemnify, and hold Service Provider harmless in whole or in part from and against any and all liabilities of any nature, including, but not limited to, claims, charges, losses, damages, expenses (including reasonable attorney's fees and costs), actions, or lawsuits of any kind or nature brought by any third party against Service Provider with respect to the Services. Any and all obligations of Client to provide indemnification are subject to the limits of liability set forth in the Tennessee Government Tort Liability Act found at Tenn. Code Ann. §29-20-101 et. seq. and Client's obligation to provide indemnification is limited to the limits of liability set forth for a governmental entity under said Act or Article II, Section 29 of the Tennessee Constitution.

14. Force Majeure. Service Provider shall be absolved from its obligations under the terms of this Agreement in the event Service Provider is unable to perform because of war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, civil commotion, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, restriction, blockage, embargo, strike, riot, labor dispute, lockout or interruption, failure of electricity or telephone service, lack of any supply, Acts of God (including, without limitation, fire, flood, earthquake, storm, hurricane, or other natural disaster), or any other causes beyond the control of Service Provider.

15. Non-Solicitation. During the term of this Agreement and for twelve (12) months after its expiration or termination, neither party shall, without the prior written consent of the other party, directly or indirectly solicit for employment, hire, or engage as an employee, independent contractor, or consultant any employee or subcontractor of the other party who performed work under this Agreement. General public job postings or advertisements not specifically targeted at such personnel, and any hiring that results from them, shall not constitute a breach of this Section. The parties agree that this restriction is reasonable in duration and scope and is necessary to protect each party's legitimate business interests.

16. Governing Law; Venue and Jurisdiction. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Tennessee, without regard to its conflict of law principles. Any legal proceeding arising out of or relating to this Agreement shall be brought exclusively in the law court for Kingsport, Sullivan County, Tennessee, or in the United States District Court for the Eastern District of Tennessee, Northeastern Division, at Greeneville. The parties consent to the personal jurisdiction of, and venue in, those courts.

17. Waiver. The waiver of any party hereto of a breach of any of the provisions of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any party.

18. Entire Agreement; Amendment. This Agreement constitutes the full and entire understanding and agreement among the parties with regard to the subjects hereof and thereof and supersedes all prior agreements and understandings relating thereto. Neither this Agreement nor any term hereof may be amended, waived, discharged, or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge, or termination is sought.

19. Severability. Client and Service Provider intend that every term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. If any term or provision of this Agreement be finally determined by a court of competent jurisdiction to be void, invalid, unenforceable, or contrary to law, public policy, or equity for any reason, the offending term or provision shall be modified and limited (or if strictly necessary, deleted) only to the extent required to conform to the requirements of law, and the remainder of this Agreement shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

20. Construction. Each party has cooperated in the drafting and preparation of this Agreement and therefore the Agreement shall not be construed against either party as its drafter.

21. Enforceability. This Agreement constitutes the legal, valid, and binding obligations of the parties enforceable against the parties in accordance with its respective terms.

22. Cooperative Purchasing. To the extent permitted by applicable law, including without limitation the Tennessee Interlocal Cooperation Act, Tenn. Code Ann. § 12-9-101 et seq., Tenn. Code Ann. § 12-3-1205, and other applicable purchasing laws, other public agencies in Tennessee and in other states, including without limitation Kingsport City Schools, counties, municipalities, utilities and utility districts, school districts, institutions of higher education, and other governmental entities (each, a "Participating Entity"), may procure services from Service Provider

under the terms, conditions, and pricing of this Agreement, with Service Provider's consent. Each Participating Entity shall contract directly with Service Provider by separate agreement, order, or other written instrument, and shall be solely responsible for its own orders, payment, and performance of its obligations. Client shall have no liability or responsibility of any kind for the acts, omissions, orders, payments, or obligations of any Participating Entity. Pricing for any Participating Entity may be adjusted to reflect differences in scope, location, and travel.

23. Counterparts. This Agreement may be executed in any number of counterparts, each of which may be executed by only one party, which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

24. Headings. The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.

25. Pronouns. All references to the singular shall include the plural and all references to gender shall include the masculine, feminine, as well as the neuter, and vice versa, as the context requires.

26. Time. Time is of the essence with respect to each and every obligation contained herein.

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

Averro, L.L.C.	**City of Kingsport, Tennessee**
Signature	**Paul W. Montgomery, Mayor**
Date	**Date**
	Attest:
Printed Name	
	Angela Marshall, Deputy City Recorder
Title	
	Approved as to form:
	Rodney B. Rowlett, III, City Attorney

EXHIBIT A

Request for Proposals

(See attached)

EXHIBIT B

Scope of Work

(See attached)

EXHIBIT C

Pricing (Avero pricing proposal dated October 19, 2026)

(See attached)

Item X12.

October 19, 2026

Floyd Bailey
Chief Information Officer
City of Kingsport
415 Broad Street
Kingsport, TN 37660

Re: Revised Pricing, ERP Implementation Support, City of Kingsport and KCS

Mr. Bailey,

Thank you for the time today. Enclosed is Avero's revised pricing for implementation support on the City's ERP program (Tyler FIS, UKG HCM and payroll) for the City and Kingsport City Schools (KCS). It reflects what we agreed on the call:

- The UKG HCM rollout is planned at 12 months. The HCM PM is full time for those 12 months.
- One dedicated payroll and HCM SME for the City and one for KCS, each full time for the 12-month rollout.
- City staff lead legacy AS400 extraction with CentralSquare. Avero's AS400 engineer supports and validates, at about half the prior hours.
- Backfill moves from a fixed block to an hourly rate, with a not-to-exceed allowance.

The program runs 24 months, organized by the RFP's three phases, with travel and expenses included. Core scope is time and materials, not to exceed $3,758,172. A 2% goodwill discount applies to the core total; rates are unchanged. Backfill is priced separately.

RFP phase	Hours	Fee
Phase I: Implementation Project Oversight	2,759	$661,569
Phase II: FIS Implementation Support with Tyler Technologies	8,159	$1,676,527
Phase III: HCM Implementation Support with UKG	7,427	$1,496,773
Goodwill discount (2%)		-$76,697
Core total	**18,345**	**$3,758,172**
Optional backfill rate, as authorized (priced separately)		$90 per hour
Optional not-to-exceed allowance, as authorized (priced separately)		$250,000

Captive AI is the difference. Avero delivers with captive AI: controlled by Avero and running in Avero's own infrastructure, not public AI tools. We use it for data conversion, PMO documentation, testing and training materials, with our people approving every rule, result and sign-off. City data stays within that controlled environment and is never used to train third-party models.

How we staffed it

PM layers are fully staffed: a Project Executive, a half-time Program Lead, a full-time FIS PM for the 24-month program, and a full-time HCM PM for the 12-month UKG rollout. FIS is one setup that also covers KCS, so we staff it once.

The three phases

Phase I: Implementation Project Oversight — 2,759 hours | $661,569

What Avero does: Program governance across both vendors and both organizations for the full term, covering project oversight tasks, ongoing activities such as data conversion planning and

Item X12.

coordination, the Phase I deliverables for the City and KCS, and coordination of interfaces across Tyler, UKG and the City's retained systems.

Key roles: Project Executive, Program Lead, Interfaces Lead, Data Conversion Lead, AS400 engineer and data analysts, and the Finance and payroll SMEs.

Where captive AI is used: PMO documentation (status reports, risk and issue logs, meeting summaries, deliverable reviews) and early profiling of City-provided legacy extracts.

Phase II: FIS Implementation Support with Tyler Technologies — 8,159 hours | $1,676,527

What Avero does: A single Tyler FIS setup that also covers KCS, through Initiate and Plan, Requirements, Prepare Solution, Production Readiness, and Go-Live and Post-Live Support. That includes finance data conversion, interfaces to Tyler, testing, training and go-live support.

Key roles: FIS PM (full time), Finance SME, Data Conversion and Interfaces Leads, AS400 engineer, data analysts, Test Lead and testers, change management and training lead, and go-live floor support.

Where captive AI is used: Data profiling, cleansing, mapping and mock-load reconciliation; requirements drafts and configuration review against requirements; interface output validation; test script generation and defect triage; training materials and job aids.

Phase III: HCM Implementation Support with UKG — 7,427 hours | $1,496,773

What Avero does: UKG HCM and payroll for the City, then KCS as UKG Phase 2, over a 12-month rollout, through Initiate and Plan, Requirements, Prepare Solution, Production Readiness, and Go-Live and Post-Live Support. That includes payroll and HR conversion, the payroll-to-GL interface, police and fire scheduling, testing, training and go-live support.

Key roles: HCM PM (full time, 12 months, across the City and KCS), one dedicated City payroll and HCM SME, one dedicated KCS payroll and HCM SME, Data Conversion and Interfaces Leads, AS400 engineer, data analysts, Test Lead and testers, change management and training lead, and go-live floor support.

Where captive AI is used: Payroll and HR data profiling, mapping and reconciliation; payroll-to-GL output validation; requirements and configuration review; test script generation and defect triage; training materials; and an Avero-hosted help bot for routine how-to questions at go-live.

Backfill and allowance

Backfill is no longer a fixed block of hours. Avero provides backfill seats (for example City or KCS AP, GL, AR or payroll) at $90 per hour, fully burdened. A not-to-exceed allowance of $250,000 covers backfill seats or additional Avero hours if needed. Nothing is drawn without City or KCS written authorization, and unused allowance is not billed.

Scope assumptions

Based on our discussions to date, Avero has assumed each item below is in scope, and the price reflects it. If the City sees any item differently, we adjust scope and fee together.

1. **Data conversion depth.** Avero supports conversion of GL transaction history, fixed assets (about 6,000 assets), receivables, cash receipting, and payroll and HR history beyond the current year, plus a retention approach for history that is not converted.

2. **City-side cleansing, mapping and interfaces.** Avero carries the City's share of cleansing, mapping, validation and interface build that the Tyler and UKG agreements leave to the City, consistent with the RFP goal of minimal reliance on City staff. Legacy extraction is covered in item 9.
3. **Payroll-to-GL interface.** Avero leads design, build coordination and testing of the interface from UKG payroll to Tyler GL.
4. **Police and fire scheduling.** Avero supports police and fire scheduling, whether delivered in UKG Scheduler or through CrewSense with an interface, in the UKG phase the City selects.
5. **Tyler optional modules.** Inventory, Asset Maintenance, GIS, My Civic and Business Licenses are implemented, and Avero supports them alongside the City's retained systems, including Cartegraph and permitting.
6. **Fleet management.** Avero supports selection or confirmation of a fleet solution for the City's fleet of about 1,150 vehicles, conversion of the fleet data, and its interface to Tyler.
7. **Kingsport City Schools as UKG Phase 2.** KCS HCM is delivered as UKG Phase 2, following the City go-live, within the 12-month UKG rollout, and Avero supports it as a full workstream.
8. **AI-assisted delivery.** Avero uses its captive AI for data profiling, cleansing, mapping and reconciliation, PMO documentation, test script generation and training materials. Pricing assumes the City approves this approach.
9. **City-led legacy extracts.** City staff, working with CentralSquare, perform the legacy data extracts, including AS400, in Avero-prescribed formats, with file layouts and control totals. Avero's AS400 engineer supports and validates.
10. **Captive, Avero-controlled AI.** Avero's AI is captive and controlled by Avero, and runs in Avero's own infrastructure, not public AI tools. City data stays in that controlled environment and is never used to train third-party models.
11. **UKG timeline.** The UKG HCM rollout is planned at 12 months. If the UKG schedule extends, we adjust scope and fee together.
12. **Travel and expenses.** Travel and expenses are included in the core pricing.
13. **Payment terms.** Core scope: billed monthly only for hours actually worked, at stated rates, not to exceed $3,758,172. The City pays nothing for any unused portion of the not-to-exceed amount, and no work goes beyond it without written authorization. Backfill and allowance hours: invoiced separately, only as authorized; unused allowance is not billed.
14. **Scope confirmation.** The City confirms or corrects each assumption so we can finalize scope and fee together.

This supports your November 3 Board of Mayor and Aldermen timeline. Our standard Tennessee professional services agreement goes to Travis today for legal review.

Best regards,

Abhijit Verekar
Founder & CEO, Avero Advisors
865-415-3848 | av@averoadvisors.com

Item X12.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Approve the Hansen Technologies, LLC, GraceAI Virtual Agent Addendum to the Cities Software Service Agreement

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-325-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Floyd Bailey
First Reading:	N/A	Presentation By:	Floyd Bailey

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
The proposed addendum to the City of Kingsport's Software Service Agreement, AF-273-2024, with Hansen Banner, LLC establishes the terms and conditions for the Hansen AI Virtual Agent service supporting the City's GraceAI Production Implementation. The addendum provides for a five-year service term and includes separate production and non-production Amazon Web Service (AWS) environments, disaster recovery, and ongoing maintenance and support.

The subscription cost is $3,600 per month, with the initial billing period covering July 26, 2026, through June 30, 2027. The total cost for this period is $43,200.00 with the option to renew annually. Charges for July through October 2026 billed in arrears.

The request for approval was delayed while we negotiated pricing and continued testing the Virtual Agent in its live environment to validate its effectiveness. The results have been successful, with approximately 60–65% of inbound calls handled by the Virtual Agent. The system has also proven effective in communicating with customers and supporting our customer service representatives (CSRs). The city anticipates expanding the system's capabilities and uses as the implementation matures.

Funding is budgeted and available in Account 110-1013-404-2057.

Attachments:
1. Resolution
2. Hansen Addendum

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AMENDMENT TO THE CONTRACT WITH HANSEN BANNER, LLC FOR THE HANSEN CUSTOMER INFORMATION SYSTEM GRACEAI VIRTUAL AGENT ADDENDUM AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

WHEREAS, in an effort to align the operations of the city's utilities with customer information and modernizing the process of billing and to improve customer service options, the city entered into a Software Service Agreement with Hansen Banner LLC to upgrade the utility billing system software otherwise known as the Customer Information System (CIS) on October 3, 2024, which was approved by the board on October 1, 2024 (Resolution No. 2025-070); and

WHEREAS, on August 19, 2025, the city approved a Statement of Work, which as a part of that Agreement, Hansen implemented an AI virtual call center agent customer service platform, (GraceAI) as a pilot for the city to evaluate;

WHEREAS, the GraceAI software can assist customers with water payments, payment plans, and simple customer services and the Statement of Work set out the terms for an estimated 544 hours of work, and it expires after 6 months unless extended (Resolution No. 2026-041); and

WHEREAS, at this point, staff recommends amending the agreement to extend the GraceAI platform and entering into a Hansen AI Virtual Agent Addendum to the Software Service Agreement; which will be for a term of five years, with the option to renew annually, at a subscription cost of $3,600.00 per month, for a total annual cost of $43,200.00; and

WHEREAS, this addendum also provides for separate production and non-production AWS environments, disaster recovery, and ongoing maintenance and support; and

WHEREAS, funding is available in Account 110-4013-404-2057.

Now therefore,

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

SECTION I. That a Hansen AI Virtual Agent Addendum to the Software Service Agreement to the contract with Hansen Banner LLC to implement the GraceAI software as a fixed component of the CIS 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 Hansen AI Virtual Agent Addendum to the Software Service Agreement to the contract with Hansen Banner LLC to include the GraceAI software as a fixed component of the CIS for a term of five years, at a total annual cost of $43,200.00, 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 transaction contemplated by the agreement and this resolution.

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

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

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

ADOPTED this the 3rd day of November 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

Hansen AI Virtual Agent Addendum
To the
Software Service Agreement

This Hansen AI Virtual Agent Addendum ("Addendum") is made a part of and incorporated into the Software Service Agreement entered into by and between The City of Kingsport, TN ("Client") and Hansen Banner LLC (hereafter, "Hansen") dated October 3, 2024 ("Agreement") and shall be binding upon the parties as of the date of the last signature below (the "Effective Date"). Client and Hansen may be referred to herein individually as "Party" and collectively as the "Parties."

Purpose

The purpose of this Addendum is to outline the agreement of the Parties in regard to Hansen's autonomous AI solution – Hansen AI Virtual Agent

Definitions

AI Services means the artificial intelligence capabilities provided by Hansen AI Virtual Agent and utilized by Client in connection with the Hansen SOW 'BSOW-369 - City of Kingsport GraceAI Production Implementation', including AI-assisted interactions, processing, recommendations, or workflow execution.

All terms used but not defined herein shall have the same meaning as ascribed in the Agreement.

Term	Agreed Position
Product	Hansen AI Virtual Agent
Territory	USA
Term	5 years from the Commencement Date.
Software as a Service Usage Conditions	● Two (2) AWS environment Production and Non-Production ● Non-Production will contain both Training and Development Environments. Production will contain a reporting database in addition to the Hansen AI Virtual Agent application database ● Production availability 24X7 (except for scheduled outages); and non-production availability on Business Days, 12 hours per day ● Disaster Recovery Environment is included
System Availability	Hansen shall use commercially reasonable efforts to ensure the following System Availability: 99.5%

Access Rights and Restrictions

Subject to payment, Hansen grants to Customer a non-exclusive, non-transferable, right to access the Product in the Territory for its own internal business activities for the Term listed above.

Customer will: (a) not modify, translate, reverse engineer, disassemble or decompile the Product or otherwise attempt to, discover or re-create the source code to the Product; (b) comply with all applicable laws, including U.S. export control laws, in Licensee's use of the Product; and (c) not remove, alter, or obscure any proprietary notices (including copyright notices) of DIAL AI or its suppliers in the Product.

Charges

1. Implementation Services Charge

   The Implementation Service Charge is as described in the separate SOW 'BSOW-369 - City of Kingsport GraceAI Production Implementation'

2. Recurring Software as a Service Charge

For the period of July 26, 2026 – June 30, 2027, the following monthly charge shall apply:

Item	Product Description	Monthly Charge
All Utility Accounts	Hansen AI Virtual Agent. Software as a Service fees payable monthly in advance	$3,600

The pricing set forth above is valid through June 30, 2027. Hansen will provide Client with written notice of pricing applicable beginning July 1, 2027, no later than thirty (30) days prior to the expiration of the pricing term. The Parties will work together in good faith to agree upon the applicable pricing. If agreement is reached after July 1, 2027, the agreed pricing will be applied retroactively to July 1, 2027, and Hansen will continue providing the services during such discussions.

3. Terms of Payment

All Charges are invoiced monthly. Payment by the Client shall be made within thirty (30) days from when the invoice is received by the Client. All payments shall be made to Hansen at its address as notified in writing by Hansen to the Client or made directly to a nominated Hansen bank account.

4. Hansen Virtual AI Agent Maintenance Services

Hansen shall provide maintenance services, to keep the Products listed in this Addendum in good working order in accordance with the Maintenance Policy attached hereto as Attachment 1.

5. General

This addendum is meant to supplement and be governed by the Agreement. For all items not covered by this Addendum the Agreement will govern. In the event there is a conflict between the terms in this Addendum and the Agreement this Addendum will govern with respect to Hansen Virtual AI Agent.

6. Disclaimer

DUE TO THE FACT THAT SOFTWARE OUTPUT IS DETERMINED IN PART BY CLIENT AND USER INPUT HANSEN DOES NOT WARRANT THAT THE SERVICES SHALL BE PROVIDED ERROR-FREE OR WITHOUT INTERRUPTION, OR THAT ANY DELIVERABLE WILL FUNCTION IN ANY PARTICULAR MANNER.

IN WITNESS WHEREOF, the Parties have caused this Addendum to be executed by their duly authorized representatives, as of the Effective Date.

City of Kingsport, TN	**Hansen Banner, LLC**
By: _____ Authorized Signature	By: _____ Authorized Signature
_____ Print Officer's name	_____ Print name
_____ Print Officer's Title	_____ Print Officer's Title
Date: _____	Date: _____

Attachment 1

Maintenance Policy

1. **Overview**

- This AI Maintenance and Support Policy describes the support and maintenance services provided by Hansen to Client for the AI Services, which are powered by the Hansen AI Virtual Agent platform.
- This Policy applies only to maintenance and support after the AI Services have been implemented. Implementation, configuration, customization, and related professional services are governed separately by the SOW 'BSOW-369 - City of Kingsport GraceAI Production Implementation'.
- Support Services provided under this Policy may depend upon services that Dial.ai provides to Hansen.

2. **Service Requests**

- All AI Services related support requests must be submitted to Hansen.
- Client will notify Hansen of any issue affecting the operation or use of the AI Services as soon as reasonably practical.
- Hansen will coordinate all required support interactions with Dial.ai on behalf of Client.

3. **Client Coordinator**

- Client will designate a supervisory level employee to act as the Client Coordinator for administrative and support related communications.
- Client may change the designated Client Coordinator by providing written notice to Hansen.

4. **Severity Levels**

- Each service request will be assigned a severity level based on mutually agreed impact to Client operations.
- Hansen uses the following severity classifications:
    - Severity Level 1: Critical Impact
    - Severity Level 2: High Impact
    - Severity Level 3: Medium Impact
    - Severity Level 4: Low Impact

    - Product Enhancement Request: Low impact
- Severity levels may be adjusted by mutual agreement as issue conditions change.

5. **Response Targets**

- Hansen will use commercially reasonable efforts to respond to service requests as follows:
    - Severity Level 1: Response within 1 hour
    - Severity Level 2: Response within 2 hours
    - Severity Level 3: Response within 4 hours
    - Severity Level 4: Response within 8 hours

6. **Resolution Targets**

- Resolution times depend on whether issues originate from Client configuration, Hansen integration, or the Hansen AI Virtual Agent platform.
- Vendor side resolution times are governed solely by Dial.ai policies and may directly impact Hansen's timeline for resolution.

7. **Support Responsibilities**

- Hansen Responsibilities:
    - Triage and classification of service requests.
    - Initial troubleshooting and verification of reported issues.
    - Technical investigation including log review and reproduction.
    - Communication of status updates to Client.
    - Escalation to Dial.ai when issues are determined to originate from the Hansen AI Virtual Agent platform.
    - Coordination of Dial.ai maintenance releases that Hansen approves for Client use.
    - Hansen AI Virtual Agent platform uptime and availability.
    - Resolution of Hansen AI Virtual Agent platform defects and performance issues.
    - Delivery of maintenance releases and updates.

    - Processing of AI model inference and related logic.
    - Communication of status updates to Hansen.
- Client Responsibilities:
    - Maintain trained personnel to use the AI Services.
    - Provide accurate information for issue reproduction.
    - Maintain a supported operating environment.
    - Avoid unauthorized modifications to AI related configurations.
    - Provide required data or logs for troubleshooting when necessary.

8. **Maintenance Administration**

- Hansen will track all submitted service requests and may require that Client designate no more than two support contacts.
- Client may update its designated contacts upon notice.

9. **Data Review**

- Hansen and/or Dial.ai may require access to Client data or logs for issue diagnosis.
- Hansen is not responsible for delays caused by Client refusal to provide necessary information

10. **Software Releases**

- Dial.ai may provide maintenance releases and updates.
- Hansen may make releases available to Client after internal validation.
- Installation or deployment of such releases may require separate services outside this Policy.

11. **Supplemental Services**

- The following are not included under this Maintenance Policy and may be provided as Supplemental Services:
    - Custom workflow development.
    - Custom reporting.
    - AI training or tuning.
    - Onsite services.
    - Remediation of unauthorized configuration changes.
    - Training beyond general usage guidance.
    - Support for unsupported system versions.

12. **Limitations**

- Hansen will use commercially reasonable efforts to support the AI Services. Because the AI Services rely on statistical models and integrations with external systems, outcomes may vary depending on inputs, configuration, and Client environment.
- This Maintenance Policy applies only to the Support Services described and does not alter the terms of the Agreement or Statement of Work.
- If an issue is caused by factors outside the supported configuration, Hansen will notify Client and may provide assistance as Supplemental Services if requested.

AGENDA ACTION FORM

Consideration of a Resolution to Ratify Signature on Verizon State of Tennessee Department of General Services Contract

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-335-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Floyd Bailey
First Reading:	N/A	Presentation By:	Floyd Bailey

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
The City & Schools have utilized Verizon Wireless Services and Devices for many years.

The Verizon State of Tennessee, Department of General Services Contract #32110-00811 and Verizon Wireless Customer Agreement is an agreement between Cellco Partnership d/b/a Verizon Wireless and the city of Kingsport.

The last agreement was signed by the city in March, 2020, AF-72-2020.

This master agreement allows the city to make purchases from Verizon utilizing the State of Tennessee Sourcing Contract. From time to time, this contract is amended with its addendums and attachments and thus requires new approvals by the city. All Verizon Cellular accounts and devices are purchased from this contract.

To continue daily business activities and projects the signature of the Mayor had to be expedited on this agreement on 10/20/2026.

Here we present the signed copy for ratification of this agreement.

Funding is identified in various department accounts for Cellular Service Accounts and Services.

Attachments:
1. Resolution
2. Contract

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION TO RATIFY THE MAYOR'S SIGNATURE ON A CUSTOMER SERVICE AGREEMENT WITH CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS PURSUANT TO TENNESSEE STATEWIDE CONTRACT 89378 AND AUTHORIZING THE MAYOR TO EXECUTE ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, on March 24, 2020 the board entered into an State of Tennessee, Department of General Services, Central Procurement Office, Contract #32110-32711 Authorized User Agreement with Cellco Partnership, d/b/a Verizon Wireless Verizon (Res. No. 2020-145); and

WHEREAS, the state contract in effect in 2020 expired in February of this year and a new statewide procurement contract was entered into between the state and Verizon; and

WHEREAS, as a result of the new contract between the state and Verizon, the city was required to execute a new customer agreement which the mayor signed on October 20th in order to avoid interruptions of service and the board is now asked to ratify execution of the same; and

WHEREAS, funding is identified in various department accounts for Cellular Service Accounts and Services.

Now therefore,

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

SECTION I. That the State of Tennessee Department of General Services Contract #32110-00811 Verizon Wireless Customer Agreement with Cellco Partnership, d/b/a Verizon Wireless Verizon, executed on October 20, 2026, is ratified, including the execution of the same by Mayor Paul W. Montgomery.

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 all other documents necessary and proper to effectuate the purpose of the Wireless Customer Agreement with Cellco Partnership, d/b/a Verizon Wireless Verizon, 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 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 IV. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

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

ADOPTED this the 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

Docusign Envelope ID: C78A1DA0-1A6C-8454-8007-1A30D21169FD

verizon

State of Tennessee
Department of General Services Contract #32110-00811
Verizon Wireless Customer Agreement

This Customer Agreement, ("Customer Agreement") between Cellco Partnership d/b/a Verizon Wireless ("Verizon Wireless") and ("Customer") is effective as of the date signed by Customer.

WHEREAS, Customer desires to purchase wireless services and products ("Services") from Verizon Wireless pursuant to the terms and conditions of the State of Tennessee Department of General Services Contract #32110-00811, entered into by the State of Tennessee, Department of General Services Central Procurement Office and Verizon Wireless as of February 1, 2026, as it may be amended from time to time (together with all addendums and attachments 'the agreement').

As defined in the Master Agreement, this Customer Agreement is available to the following entities (Authorized Users):

a. all Tennessee State governmental entities (this includes the legislative branch; judicial branch; and, commissions and boards of the State outside of the executive branch of government);
b. Tennessee local government, its agencies, boards, commissions, instrumentalities, or authorities;
c. the board of trustees of the University of Tennessee system; the Tennessee Board of Regents systems; the state university boards; the Tennessee higher education commission; and the Tennessee student assistance corporation;
d. any private nonprofit institution of higher education chartered in Tennessee; and,
e. any corporation which is exempted from taxation under 26 U.S.C. Section 501(c) (3), as amended, and which contracts with the Department of Mental Health and Substance Abuse Services to provide services to the public (Tenn. Code Ann. § 33-2-1001).

THEREFORE, Customer agrees as follows:

This Customer Agreement and the rights and obligations of Customer and Verizon Wireless are governed by the terms and conditions of the Master Agreement and all exhibits included in the agreement, which is incorporated and made part of this Customer Agreement by this reference, and is available at Part of this Customer Agreement by this reference and is available at the State of Tennessee Sourcing Contract page.

Customer agrees to the disclosure of limited account information as part of Verizon Wireless's contractual reporting requirements to the State of Tennessee Department of General Services under 'the agreement'.

Customer is separately and solely liable for all obligations and purchases made under 'the Agreement' including the payment for equipment and services purchased or provided under the Agreement.

Verizon Wireless can terminate this Customer Agreement at any time if it is determined that Customer is not an eligible customer under the agreement within the meaning provided in The Agreement.

Customer designates the following individual(s) (the "Authorized Contact(s)") to purchase equipment, add lines of service, and cancel lines of service under Customer's Verizon Wireless account, and to make other changes to Customer's Verizon Wireless account that financially bind the Customer, in accordance with the terms of this Customer Agreement and the agreement.

The undersigned represents and warrants that he/she is authorized to execute this Customer Agreement on behalf of Customer, and bind Customer to the terms hereof, and that the execution and performance of this Customer Agreement has been duly authorized by all necessary Customer action.

Docusign Envelope ID: C78A1DA0-1A6C-8454-8007-1A30D21169FD

verizon

State of Tennessee
Department of General Services Contract #32110-00811
Verizon Wireless Customer Agreement

Authorized Contact(s) List		
Name	**Phone**	**Email**
Nikisha Eichmann	423-229-9314	nikishaeichmann@kingsporttn.gov
Floyd Bailey	423-662-0010	FloydBailey@KingsportTN.gov

Customer Signature Section	
Entity Name	City of Kingsport
Authorized Signature	Signed by: Paul W. Montgomery C49C42701A004F0...
Printed Name	Paul Montgomery
Title	Mayor
Date	10/20/2026

Verizon Wireless Signature Section	
Name	Cellco Partnership d/b/a Verizon Wireless
Authorized Signature	Clif Miller (Feb 11, 2026 15:30:05 EST)
Printed Name	Clifton Miller Jr.
Title	Sr Director – Contract Management
Date	02/11/2026

Approved as to Form:

Signed by: Rodney B. Rowlett III 9890E2AE88DA483...

Attest:

DS

DocuSigned by: Angie Marshall AD9E467A1BDB489...

The undersigned represents and warrants that he/she is authorized to execute this Customer Agreement on behalf of Customer, and bind Customer to the terms hereof, and that the execution and performance of this Customer Agreement has been duly authorized by all necessary Customer action.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Approving an Agreement and Execution of All Necessary Documents with the Tennessee Department of Transportation for Reimbursement of Annual Operation Expenses for FY 26-27

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-314-2026
Work Session: November 2, 2026
First Reading: N/A

Final Adoption: November 3, 2026
Staff Work By: Candace Sherer
Presentation By: Candace Sherer

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this action will authorize execution of an agreement in the amount of $635,500 with the Tennessee Department of Transportation for reimbursement of expenses incurred relative to operation of the city's public transit service and appropriate the funds.

Annually, the City of Kingsport enters into a reimbursement contract with the Tennessee Department of Transportation (TDOT) for the operation of the Kingsport Area Transit Service. Projected State operation reimbursements for the contract term is $635,500. The city's total match for this contract is $158,875.

These funds are utilized for the annual operation of fixed-route bus and ADA/Paratransit service. All sources of funding were included in the approved FY 2026-2027 budget for the City of Kingsport.

Tennessee Dept. of Transportation	$635,500
City of Kingsport	$158,875
Total	$794,375

The local funding for this project has been approved in the FY 26-27 City Budget.

Attachments:
1. Resolution
2. Contract

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION APPROVING A REIMBURSEMENT GRANT CONTRACT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR THE CITY'S TRANSIT SYSTEM OPERATING EXPENDITURES FOR FISCAL YEAR 2026-2027; AND AUTHORIZING THE MAYOR TO EXECUTE THE GRANT CONTRACT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE CONTRACT

WHEREAS, annually the city enters into a contract with the Tennessee Department of Transportation (TDOT) to receive reimbursement for expenses incurred relative to the operation of public transit services; and

WHEREAS, the city's total allocation from TDOT for fiscal year 2026-2027 is $635,500.00; and

WHEREAS, the city's portion of funding for fiscal year 2026-2027 is $158,875.00, which is available in the 2026 - 2027 city budget; and

WHEREAS, a grant contract with TDOT must be executed to receive the funds.

Now therefore,

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

SECTION I. That an agreement with the Tennessee Department of Transportation in an amount up to $635,500.00 for reimbursement of operating expenses for the city's transit system for fiscal year 2026-2027 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, a contract with the Tennessee Department of Transportation, in the amount up to $635,500.00 for reimbursement of operating expenses for the city's transit system for fiscal year 2026-2027, 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 agreement 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 Kingsport, hereinafter referred to as the "Grantee," is for the provision of operating assistance, 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. The Grantee shall utilize urban operating ("UROP") funds for capital and/or operating assistance to support core urban fixed route transit service and complementary demand response service.

A.3. The Grantee may use funds for capital projects, which may include, but are not limited to,

acquisition of rolling stock (i.e. buses and vans), preventative maintenance, radio communications, and equipment.

A.4. The Grantee's use of operating assistance may include, but is not limited to, overhead expenses, salaries, wages, fringe benefits, travel, training, and fuel.

A.5. 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. and c., below);

b. the State grant proposal solicitation as may be amended, if any;

c. the Grantee's proposal incorporated by reference to elaborate supplementary scope of services specifications.

B. TERM OF GRANT CONTRACT:

This Grant Contract shall be effective for the period beginning on July 1, 2026 ("Effective Date") and ending on June 30, 2027, ("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 Six Hundred Thirty-five Thousand, Five Hundred Dollars and No Cents ($635,500.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment One, 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 often than monthly, with all necessary supporting documentation, and present such to:

Tennessee Department of Transportation
Public Transportation Section
Division of Passenger Transportation, Rail & Freight
312 Rosa L. Parks Avenue – Tennessee Tower – 10th 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: Tennessee Department of Transportation, Division of Passenger Transportation, Rail & Freight.

(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.
(4) Invoice Reimbursement Calculation – Invoice reimbursement amounts are based on total contract life-to-date expenses by budget detail activity line. Activity federal and state share percentages are applied to detail activity line expenses to determine reimbursement amounts.

Federal Reimbursement Calculation – The federal share percentage, if any, is used to determine the amount of the federal share reimbursement.

• The federal share percentage is applied to the total contract life-to-date expense amount, and the result rounded down to the next whole dollar to determine the federal life-to-date reimbursement amount.
• The federal current period reimbursement amount is determined by subtracting the federal previous period life-to-date reimbursement amount from the federal current period life-to-date reimbursement amount.

State Reimbursement Calculation – The state share percentage is used to determine the amount of the state share reimbursement.

• The remaining state share percentage is calculated as the ratio of the state percentage to the combined total of the state and local share percentages (the remaining share percentage). In programs or activities without a federal share, the remaining share percentage is 100%.
• The remaining state share percentage is applied to the remaining total contract life-to-date expense amount, and the result rounded down to the next whole dollar to determine the state life-to-date reimbursement amount. The remaining total contract life-to-date expense amount is the amount left after subtracting the federal life-to-date reimbursement amount from the total contract life-to-date expense amount.
• The state current period reimbursement amount is determined by subtracting the state previous period life-to-date reimbursement amount from the state current period life-to-date reimbursement amount.

Budget Reconciliation – If total program expenses reach the contract's budgeted line-item amount, any shortfall in the calculated federal or state reimbursement amounts is adjusted to match the budgeted federal or state share amount.

Department Override – In rare instances share amount calculations of the state and federal share amounts create rounding issues not anticipated by template formulas. In those circumstances an override in the calculation can be processed with the grantor approval. These adjustments can be additional small amounts up or down and can involve timing differences.

C.6. Budget Line-item. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may request revisions of Grant Budget line-items by letter, giving full details supporting such request, provided that such revisions do not increase total Grant Budget amount. Grant Budget line-item revisions may not be made without prior, written approval of the State in which the terms of the approved revisions are explicitly set forth. Any increase in the total Grant Budget amount shall require a Grant Contract amendment.

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. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet this requirement.

i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant contract with the State.
ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the Grant Budget column "Grant Contract," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.
b. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract (including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.

c. The State shall not be responsible for the payment of any invoice submitted to the state after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.

d. The Grantee's failure to provide a final grant disbursement reconciliation report to the state as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the state pursuant to this Grant Contract.

e. The Grantee must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

C.8. Indirect Cost. Should the Grantee request reimbursement for indirect 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 Central Procurement Office Policy Statement 2013007 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:
Brenden Henderson, Transit Grants Financial Analyst
Office of Grants Administration
Public Transportation Section
Division of Passenger Transportation, Rail & Freight
William R. Snodgrass – Tennessee Tower – 10th Floor
312 Rosa L Parks Avenue
Nashville, Tennessee 37243
Brenden.henderson@tn.gov
Phone: (615) 253-4942
Fax: (615) 253-1482

The Grantee:
Chris Campbell, AICP, Public Transportation Manager
City of Kingsport, Kingsport Area Transit Service 900 East Main Street Kingsport, Tennessee 37660
chriscampbell@kingsporttn.gov Phone: (423) 224-2857 Fax: (423) 224-2615

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 or suspend this Grant Contract upon written notice to the Grantee. The State's right to terminate or suspend 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 or suspension date but shall not be entitled to compensation for any services performed subsequent to termination date or during a period of suspension. 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. As applicable, 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—200.327 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 ten thousand dollars ($10,000.00).

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. Reserved.

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 offence 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 the requirements of this Grant Contract and applicable state and federal law. All material, information, and data regardless of form, medium, or method of communication, that the Grantee will have access to, acquire, or is provided to the Grantee by the State or acquired by the Grantee on behalf of the State shall be regarded as "Confidential Information." The State grants the Grantee a limited license to use the Confidential Information but only to perform its obligations under the Grant Contract. 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 under state or federal law or otherwise authorized in writing by the State. Grantee shall take all necessary steps to safeguard the confidentiality of such Confidential Information in conformance with the requirements of this Grant Contract and with applicable state and federal law.

As long as the Grantee maintains State Confidential Information, the obligations set forth in this Section shall survive the termination of this Grant Contract.

D.36. State Sponsored Insurance Plan Enrollment. The Grantee warrants that it will not enroll or permit its employees, officials, or employees of contractors to enroll or participate in a state sponsored health insurance plan through their employment, official, or contractual relationship with Grantee unless Grantee first demonstrates to the satisfaction of the Department of Finance and Administration that it and any contract entity satisfies the definition of a governmental or quasigovernmental entity as defined by federal law applicable to ERISA.

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. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the "Children's Act for Clean Indoor Air of 1995," Tenn. Code Ann. §§ 39-17-1601 through 1606, the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract

E.4. Personally Identifiable Information. While performing its obligations under this Grant Contract, Grantee may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Grant Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Grantee agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Grantee shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Grantee and in accordance with this Grant Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Grantee shall immediately notify State: (1) of any disclosure or use of any PII by Grantee or any of its employees, agents and representatives in breach of this Grant Contract; and (2) of any disclosure of any PII to Grantee or its employees, agents and representatives where the purpose of such disclosure is not known to Grantee or its employees, agents and representatives. The State reserves the right to review Grantee's policies and procedures used to maintain the security and confidentiality of PII and Grantee shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify or ensure that Grantee is in full compliance with its obligations under this Grant Contract in relation to PII. Upon termination or expiration of the Grant Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Grantee shall immediately return to the State any and all PII which it has received under this Grant Contract and shall destroy all records of such PII.

The Grantee shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Grantee ("Unauthorized Disclosure") that come to the Grantee's attention. Any such report shall be made by the Grantee within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Grantee. Grantee shall take all necessary measures to halt any further Unauthorized Disclosures. The Grantee, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Grantee shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Grant Contract or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Grant Contract.

E.5. Transfer of Grantee's Obligations.

The Grantee shall not transfer or restructure its operations related to this Grant Contract without the prior written approval of the State. The Grantee shall immediately notify the State in writing of a proposed transfer or restructuring of its operations related to this Grant Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving a proposed transfer or restructuring.

E.6. T.C.A. Section 13-10-107 Compliance.

1) Grantee agrees to proceed expeditiously with and complete the project in accordance with plans approved by the Commissioner of TDOT ("Commissioner");

2) Grantee agrees to commence and continue operation of the project on completion of the project and not to discontinue operations or dispose of all or part of the project without Commissioner's prior written approval;

3) Grantee agrees to apply for and make reasonable efforts to secure federal assistance for the project, subject to any conditions the Commissioner may require in order to maximize the amounts of such assistance received or to be received for all projects in the State; and

4) Grantee agrees to provide Grantee's share of the cost of the project and comply with T.C.A. § 13-10-107(c)(4).

E.7. Match/Share Requirement. A Grantee Match/Share Requirement is detailed in the Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the "Grant Contract" column in the Grant Budget, shall be reduced by the amount of any Grantee failure to meet the Match/Share Requirement.

E.8. Reimbursements to Reflect Match/Share. Reimbursements to Grantee shall reflect the percentage of Grantee Match/Share detailed in the Grant Budget. Reimbursements are subject tothe other provisions of this Grant Contract, including but not limited to, the maximum liability amount in Section C.1.

E.9. No Retainage Allowed. The Grantee may not withhold retainage on progress payments from the prime contractor and the prime contractor may not withhold retainage from their subcontractors.

E.10. Title VI Compliance. Grantee shall comply with requirements of Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d-1, pursuant to the guidelines established by the Tennessee Department of Human Resources' Title VI Compliance Office, by completing all of the following items:

a. Provide name and contact information of Grantee's Title VI Coordinator to State.

b. Ensure Policies and Procedures Manual contains a Title VI section with information on: (a) Filing a complaint; (b) Investigations; (c) Report of findings; (d) Hearings and appeals; (e) Description of Title VI Training Program; (f) Limited English Proficiency (LEP) procedure; and (g) Retaliation.

c. Train all staff (regular, contract, volunteer) on Title VI upon employment and annually thereafter. Training documentation shall be made available upon request of State, and include: 1) dates and duration of each training; 2) list of staff completing training on each date.

d. Annually complete and submit a Title VI self-survey as supplied by State.

e. Implement a process and provide documentation to ensure service recipients are informed of Title VI and how to file a discrimination complaint.

Additional Title VI resources may be found at Title VI Program (tn.gov).

[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 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

TDOT PROJECT NO.: 82UROP-S3-043
DGA NO.: DG27-90720

GOVERNMENTAL GRANT CONTRACT

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

Begin Date	End Date	Agency Tracking #	Edison ID
7/1/2026	6/30/2027	40100-51712	90720

Grantee Legal Entity Name	Edison Vendor ID
City of Kingsport	1562

Subrecipient or Recipient

☐ Subrecipient

☒ Recipient

Assistance Listing Number

Grantee's fiscal year end **June 30**

Service Caption (one line only)

SFY 2027 Urban Operating Assistance Program (UROP) Operating Assistance

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Grant Contract Amount
2027	$635,500.00				$635,500.00
TOTAL:	$635,500.00				$635,500.00

Grantee Selection Process Summary

☐ Competitive Selection	Describe the competitive selection process used.
☒ Non-competitive Selection	State only funds awarded by formula using urban area population for urban area operating assistance.

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

Z-27-UROP-12

Speed Chart (optional)	Account Code (optional)
	71302000

Address # 1

TDOT PROJECT NO.: 82UROP-S3-043
DGA NO.: DG27-90720

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 Kingsport, hereinafter referred to as the "Grantee," is for the provision of operating assistance, 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. The Grantee shall utilize urban operating ("UROP") funds for capital and/or operating assistance to support core urban fixed route transit service and complementary demand response service.

A.3. The Grantee may use funds for capital projects, which may include, but are not limited to, acquisition of rolling stock (i.e. buses and vans), preventative maintenance, radio communications, and equipment.

A.4. The Grantee's use of operating assistance may include, but is not limited to, overhead expenses, salaries, wages, fringe benefits, travel, training, and fuel.

A.5. 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. and c., below);

b. the State grant proposal solicitation as may be amended, if any;

c. the Grantee's proposal incorporated by reference to elaborate supplementary scope of services specifications.

B. TERM OF GRANT CONTRACT:

This Grant Contract shall be effective for the period beginning on July 1, 2026 ("Effective Date") and ending on June 30, 2027, ("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 Six Hundred Thirty-five Thousand, Five Hundred Dollars and No Cents ($635,500.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment One, 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 often than monthly, with all necessary supporting documentation, and present such to:

Tennessee Department of Transportation
Public Transportation Section
Division of Passenger Transportation, Rail & Freight
312 Rosa L. Parks Avenue – Tennessee Tower – 10th 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: Tennessee Department of Transportation, Division of Passenger Transportation, Rail & Freight.
(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.

(4) **Invoice Reimbursement Calculation** – Invoice reimbursement amounts are based on total contract life-to-date expenses by budget detail activity line. Activity federal and state share percentages are applied to detail activity line expenses to determine reimbursement amounts.

Federal Reimbursement Calculation – The federal share percentage, if any, is used to determine the amount of the federal share reimbursement.

- The federal share percentage is applied to the total contract life-to-date expense amount, and the result rounded down to the next whole dollar to determine the federal life-to-date reimbursement amount.
- The federal current period reimbursement amount is determined by subtracting the federal previous period life-to-date reimbursement amount from the federal current period life-to-date reimbursement amount.

State Reimbursement Calculation – The state share percentage is used to determine the amount of the state share reimbursement.

- The remaining state share percentage is calculated as the ratio of the state percentage to the combined total of the state and local share percentages (the remaining share percentage). In programs or activities without a federal share, the remaining share percentage is 100%.
- The remaining state share percentage is applied to the remaining total contract life-to-date expense amount, and the result rounded down to the next whole dollar to determine the state life-to-date reimbursement amount. The remaining total contract life-to-date expense amount is the amount left after subtracting the federal life-to-date reimbursement amount from the total contract life-to-date expense amount.
- The state current period reimbursement amount is determined by subtracting the state previous period life-to-date reimbursement amount from the state current period life-to-date reimbursement amount.

Budget Reconciliation – If total program expenses reach the contract's budgeted line-item amount, any shortfall in the calculated federal or state reimbursement amounts is adjusted to match the budgeted federal or state share amount.

Department Override – In rare instances share amount calculations of the state and federal share amounts create rounding issues not anticipated by template formulas. In those circumstances an override in the calculation can be processed with the grantor approval. These adjustments can be additional small amounts up or down and can involve timing differences.

C.6. Budget Line-item. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may request revisions of Grant Budget line-items by letter, giving full details supporting such request, provided that such revisions do not increase total Grant Budget amount. Grant Budget line-item revisions may not be made without prior, written approval of the State in which the terms of the approved revisions are explicitly set forth. Any increase in the total Grant Budget amount shall require a Grant Contract amendment.

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. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet this requirement.

i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant contract with the State.

ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the Grant Budget column "Grant Contract," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.

b. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract (including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.

c. The State shall not be responsible for the payment of any invoice submitted to the state after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.

d. The Grantee's failure to provide a final grant disbursement reconciliation report to the state as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the state pursuant to this Grant Contract.

e. The Grantee must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

C.8. Indirect Cost. Should the Grantee request reimbursement for indirect 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 Central Procurement Office Policy Statement 2013-007 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:

Brenden Henderson, Transit Grants Financial Analyst
Office of Grants Administration
Public Transportation Section
Division of Passenger Transportation, Rail & Freight
William R. Snodgrass – Tennessee Tower – 10th Floor
312 Rosa L Parks Avenue
Nashville, Tennessee 37243
Brenden.henderson@tn.gov
Phone: (615) 253-4942
Fax: (615) 253-1482

The Grantee:

Chris Campbell, AICP, Public Transportation Manager

City of Kingsport, Kingsport Area Transit Service
900 East Main Street
Kingsport, Tennessee 37660
chriscampbell@kingsporttn.gov
Phone: (423) 224-2857
Fax: (423) 224-2615

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 or suspend this Grant Contract upon written notice to the Grantee. The State's right to terminate or suspend 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 or suspension date but shall not be entitled to compensation for any services performed subsequent to termination date or during a period of suspension. 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. As applicable, 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—200.327 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 ten thousand dollars ($10,000.00).

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. **Reserved.**

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 offence 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 the requirements of this Grant Contract and applicable state and federal law. All material, information, and data regardless of form, medium, or method of communication, that the Grantee will have access to, acquire, or is provided to the Grantee by the State or acquired by the Grantee on behalf of the State shall be regarded as "Confidential Information." The State grants the Grantee a limited license to use the Confidential Information but only to perform its obligations under the Grant Contract. 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 under state or federal law or otherwise authorized in writing by the State. Grantee shall take all necessary steps to safeguard the confidentiality of such Confidential Information in conformance with the requirements of this Grant Contract and with applicable state and federal law.

As long as the Grantee maintains State Confidential Information, the obligations set forth in this Section shall survive the termination of this Grant Contract.

D.36. State Sponsored Insurance Plan Enrollment. The Grantee warrants that it will not enroll or permit its employees, officials, or employees of contractors to enroll or participate in a state sponsored health insurance plan through their employment, official, or contractual relationship with Grantee unless Grantee first demonstrates to the satisfaction of the Department of Finance and Administration that it and any contract entity satisfies the definition of a governmental or quasigovernmental entity as defined by federal law applicable to ERISA.

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. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the "Children's Act for Clean Indoor Air of 1995," Tenn. Code Ann. §§ 39-17-1601 through 1606, the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract

E.4. Personally Identifiable Information. While performing its obligations under this Grant Contract, Grantee may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Grant Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Grantee agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Grantee shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Grantee and in accordance with this Grant Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding

information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Grantee shall immediately notify State: (1) of any disclosure or use of any PII by Grantee or any of its employees, agents and representatives in breach of this Grant Contract; and (2) of any disclosure of any PII to Grantee or its employees, agents and representatives where the purpose of such disclosure is not known to Grantee or its employees, agents and representatives. The State reserves the right to review Grantee's policies and procedures used to maintain the security and confidentiality of PII and Grantee shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify or ensure that Grantee is in full compliance with its obligations under this Grant Contract in relation to PII. Upon termination or expiration of the Grant Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Grantee shall immediately return to the State any and all PII which it has received under this Grant Contract and shall destroy all records of such PII.

The Grantee shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Grantee ("Unauthorized Disclosure") that come to the Grantee's attention. Any such report shall be made by the Grantee within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Grantee. Grantee shall take all necessary measures to halt any further Unauthorized Disclosures. The Grantee, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Grantee shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Grant Contract or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Grant Contract.

E.5. Transfer of Grantee's Obligations.
The Grantee shall not transfer or restructure its operations related to this Grant Contract without the prior written approval of the State. The Grantee shall immediately notify the State in writing of a proposed transfer or restructuring of its operations related to this Grant Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving a proposed transfer or restructuring.

E.6. T.C.A. Section 13-10-107 Compliance.

1) Grantee agrees to proceed expeditiously with and complete the project in accordance with plans approved by the Commissioner of TDOT ("Commissioner");

2) Grantee agrees to commence and continue operation of the project on completion of the project and not to discontinue operations or dispose of all or part of the project without Commissioner's prior written approval;

3) Grantee agrees to apply for and make reasonable efforts to secure federal assistance for the project, subject to any conditions the Commissioner may require in order to maximize the amounts of such assistance received or to be received for all projects in the State; and

4) Grantee agrees to provide Grantee's share of the cost of the project and comply with T.C.A. § 13-10-107(c)(4).

E.7. Match/Share Requirement. A Grantee Match/Share Requirement is detailed in the Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the "Grant Contract" column in the Grant Budget, shall be reduced by the amount of any Grantee failure to meet the Match/Share Requirement.

E.8. Reimbursements to Reflect Match/Share. Reimbursements to Grantee shall reflect the percentage of Grantee Match/Share detailed in the Grant Budget. Reimbursements are subject to

the other provisions of this Grant Contract, including but not limited to, the maximum liability amount in Section C.1.

E.9. No Retainage Allowed. The Grantee may not withhold retainage on progress payments from the prime contractor and the prime contractor may not withhold retainage from their subcontractors.

E.10. Title VI Compliance. Grantee shall comply with requirements of Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d-1, pursuant to the guidelines established by the Tennessee Department of Human Resources' Title VI Compliance Office, by completing all of the following items:

a. Provide name and contact information of Grantee's Title VI Coordinator to State.

b. Ensure Policies and Procedures Manual contains a Title VI section with information on: (a) Filing a complaint; (b) Investigations; (c) Report of findings; (d) Hearings and appeals; (e) Description of Title VI Training Program; (f) Limited English Proficiency (LEP) procedure; and (g) Retaliation.

c. Train all staff (regular, contract, volunteer) on Title VI upon employment and annually thereafter. Training documentation shall be made available upon request of State, and include: 1) dates and duration of each training; 2) list of staff completing training on each date.

d. Annually complete and submit a Title VI self-survey as supplied by State.

e. Implement a process and provide documentation to ensure service recipients are informed of Title VI and how to file a discrimination complaint.

Additional Title VI resources may be found at Title VI Program (tn.gov).

IN WITNESS WHEREOF,

CITY OF KINGSPORT:

PAUL MONTGOMERY, MAYOR **DATE**

BART ROWLETT, CITY ATTORNEY **DATE**

ANGELA MARSHALL, CITY RECORDER **DATE**

DEPARTMENT OF TRANSPORTATION:

WILL REID, COMMISSIONER **DATE**

LESLIE SOUTH, GENERAL COUNSEL **DATE**
APPROVED AS TO FORM AND LEGALITY

TDOT PROJECT NO.: 82UROP-S3-043
DGA NO.: DG27-90720

ATTACHMENT ONE

Grantee	City of Kingsport				
Contract					
Contract Type	DGA				
Sum of Amount	**Column Labels**				
	Contract Cash	**Contract Total**	**Grantee Cash**	**Grantee Total**	**Grand Total**
Row Labels	**State**		**Local**		
PROJECT: 82UROPS3043	**$635,500.00**	**$635,500.00**	**$158,875.00**	**$158,875.00**	**$794,375.00**
	$635,500.00	**$635,500.00**	**$158,875.00**	**$158,875.00**	**$794,375.00**
GRANT: UROP 2027	$635,500.00	$635,500.00	$158,875.00	$158,875.00	$794,375.00
PROGRAM: UROP	**$635,500.00**	**$635,500.00**	**$158,875.00**	**$158,875.00**	**$794,375.00**
(04) Operating (300-00) OPERATING ASSISTANCE (X1)	$635,500.00	$635,500.00	$158,875.00	$158,875.00	$794,375.00
30.XX.80 OPERATING ASSISTANCE - TDOT - 80/20	$635,500.00	$635,500.00	$158,875.00	$158,875.00	$794,375.00
Grand Total	**$635,500.00**	**$635,500.00**	**$158,875.00**	**$158,875.00**	**$794,375.00**

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Authorizing Reimbursement of Funds to Jody Stewart for the Granby Place Subdivision

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-333-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	Jessica Harmon

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this resolution would authorize the reimbursement of captured surety dollars in the amount $130,551.14 to Jody Stewart for work completed at Granby Place Subdivision.

The Planning Commission voted to approve the Final Plat for the Granby Place Subdivision with a surety instrument for $149,375.94 in June of 2020. This surety instrument was an irrevocable letter of credit (ILOC) to ensure that funding was available in case the developer was unable to complete the required infrastructure. Over the next six years, that letter of credit was reduced and extended multiple times due to partial work being completed.

In March 2026, staff began the process of working with the developer as the expiration date of June 2026 was approaching. Staff determined that the cost to complete the required improvements had grown from $130,551.14 to $255,786.75. The developer's financial institution stated that they could not back an ILOC for the necessary dollar amount. Due to the developer not being able to produce a surety instrument in the amount needed to ensure the remaining improvements could be completed, the Planning Commission and staff proceeded with the process to call the ILOC in and get the funding from the bank to do the work. Funding was obtained from the bank and placed into a holding account.

The developer, during the process of all the necessary actions taken by the staff and Planning Commission, continued to work on completing the necessary improvements. To date, the developer has satisfied all remaining improvements required under the bond estimate and all work has been inspected and approved by the Engineering Department.

Staff is asking for a reimbursement in the amount of $130,551,14 be issued to Jody Stewart as he has satisfied all work needed for the subdivision and has been inspected, approved and accepted by the city.

Funding has been held in the project account: GP2615-GRANBY ROAD SIDEWALKS

Attachments:
1. Resolution
2. Bond Estimates

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING THE REIMBURSEMENT OF FUNDS TO JODY STEWART FOR THE GRANBY PLACE SUBDIVISION, AND AUTHORIZING THE EXECUTION OF ALL ACTIONS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, the Planning Commission voted to approve the Final Plat for the Granby Place Subdivision in June of 2020 on the condition the developer provide surety in the amount of $149,375.94 to secure completion of necessary infrastructure; and

WHEREAS, the developer provided an irrevocable letter of credit (ILOC) to ensure that funding was available in case the developer was unable to complete the required infrastructure, and over the next six years, that letter of credit was reduced and extended multiple times due to partial work being completed; and

WHEREAS, in March 2026, staff began the process of working with the developer to renew the ILOC as it was set to expire on June 30th, 2026, however developer was unable to secure renewal of the ILOC nor complete the necessary infrastructure improvements before the ILOC expired; and

WHEREAS, following necessary action by the Planning Commission the letter of credit was called on June 24th, 2026 and the funds were held within a project account to be used by city to complete the necessary infrastructure improvements; and

WHEREAS, since the calling of the letter of credit but before city had sufficient time to undertake the necessary infrastructure improvements, the developer completed the necessary work and satisfied all requirements relative to this work; and

WHEREAS, as developer has completed all necessary work and satisfied city's requirements in relation thereto it is recommended the funds acquired pursuant to the ILOC in the amount of $130,551,14 be remitted to Jody Stewart; and

WHEREAS, the funds will come from project account GP2615-Granby Road Sidewalks which was established to hold the funds.

Now therefore,

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

SECTION I. That funds obtained through the ILOC in the amount of $130,551.14 in relation to the Granby Place Subdivision be remitted to Jody Stewart based on his completion of the necessary infrastructure improvements and requirements associated therewith.

SECTIONII. That the board authorizes the execution of any documents, in a form approved by the city attorney, or other actions necessary and proper to carry out, give effect to, and consummate the transactions contemplated by this resolution.

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

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

ADOPTED this the 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

KINGSPORT
TENNESSEE
Development Services

MEMORANDUM

TO: KINGSPORT REGIONAL PLANNING COMMISSION

FROM: SAMUEL COOPER, PLANNER II

DATE: JUNE 18TH, 2026

SUBJECT: IRREVOCABLE LETTER OF CREDIT EXTENSION AND INCREASE FOR GRANBY PLACE

FILE NUMBER: RESDEV26-0116

The City currently holds an Irrevocable Letter of Credit in the amount of $130,551.14 for the Granby Place development. The City Engineering Division has calculated an estimate for this extension to cover the cost of the required improvements to meet the Minimum Subdivision Regulations for the Final Plat of Granby Place Subdivision. The revised estimate is for the amount of $255,786.75 An irrevocable letter of credit will be submitted to the City for the amount matching the estimate. The remaining improvements are described on the attached bond estimate.

The existing Irrevocable Letter of Credit has a performance date of March 30, 2026 and an expiration date of June 20, 2026. A new Irrevocable Letter of Credit would have had an expiration date of June 18, 2027 and a Performance Date of March 18, 2027.

Staff recommends based upon a new Irrevocable Letter of Credit in the amount of $255,786.75 having not been provided by the June 18, 2026 Planning Commission meeting, that the Planning Commission vote to call the existing Irrevocable Letter of Credit for $130,551.14.

March 30, 2026 – Lori emailed Jody about performance date being reached and taking action on the extension of the bond moving forward with the PC action before June 30th, 2026 expiration date of existing bond. In the same email Jody was notified Dave Harris was already working on new bond estimate and that the estimate would increase. She also informed Jody of existing amount of bond and when it was approved last, 2025 PC. She also asked how he would like to proceed.

Powell Valley National Bank
33785 Main Street
Jonesville, VA 24263

IRREVOCABLE LETTER OF CREDIT # 1428

April 25, 2025

City Treasurer
City of Kingsport
415 Broad Street
Kingsport, Tennessee 37660

RE: ATAY LLC
Jody Stewart
Letter of Credit #1428

At the request of **ATAY LLC/Jody Stewart** (the "Account Party"), Powell Valley National Bank ("the Bank") hereby opens for the benefit of the **City of Kingsport** (the "Beneficiary") this irrevocable, **Standby Letter of Credit # 1428** in the amount of **$130,551.14** to secure the Account Party's obligation to construct certain roadway and utilities improvements at Granby Road subdivision , Kingsport, Tennessee, as further described in the Account Party's subdivision application presented to the Kingsport Regional Planning Commission to be completed on or before **03/30/2026** (the "Performance Date").

This letter of credit shall remain open until 5:00 p.m. 06/30/2026, at which time it shall expire.

In the event the Account Party fails to complete the required improvements described above on or before **03/30/2026** (the "Performance Date"), you may draw under this letter of credit **#1428** at sight by presenting to the Bank, the original letter of credit, your written request for payment of such monies as are due by the Account Party together with your written certificate of such non-compliance at any date after the Performance Date but prior to the Expiration Date.

- This credit is subject to the Uniform Customs and Practice for Documentary Credits **(2007 Revision) International Chamber of Commerce (Publication No. 600) and subsequent revisions thereof approved by congress of the International Chamber of Commerce and adhered to by us.**

We further agree that unless expressly stated otherwise herein, the terms and obligations represented by this credit shall be governed by the Uniform Commercial Code of the Commonwealth of Virginia and/or any other pertinent Virginia law.

Very truly yours,
Powell Valley National Bank

By: _____
Official's Name
Official's Title

Powell Valley National Bank
33785 Main Street
Jonesville, VA 24263

LETTER OF CREDIT ADDENDUM # 1428

ELEMENTS

The Letter of Credit sets forth in full terms of the Issuer's obligation to the Beneficiary. This obligation cannot be modified by any reference to the Letter of Credit or any document to which the Letter of Credit is related.

DRAWINGS

- Partial drawing shall not be permitted under the attached Letter of Credit.

DOCUMENTS

- Each draft must be accompanied by the following, an original and two copies except as stated:
  - The original Letter of Credit, together with any amendments.
  - A Sight Draft drawn by Beneficiary on Issuer, by an authorized individual, no later than 5:00 p.m., and in accordance with the conditions of this Letter of Credit.

- This credit is subject to the Uniform Customs and Practice for Documentary Credits **(2007 Revision) International Chamber of Commerce (Publication No. 600) and subsequent revisions thereof approved by congress of the International Chamber of Commerce and adhered to by us.**

  We further agree that unless expressly stated otherwise herein, the terms and obligations represented by this credit shall be governed by the Uniform Commercial Code of the Commonwealth of Virginia and/or any other pertinent Virginia law.

Very truly yours,
Powell Valley National Bank

By: _____

Official's Name
Official's Title

BOND ESTIMATE
Granby Road Bond Estimate

FILE NO. 2020-D9

April 14, 2025

ITEM NO.	QUANTITY	UNIT	DESCRIPTION	UNIT COST	TOTAL COST
General Items					
1	1	LS	Mobilization	$ 7,607.33	$ 7,607.33
2	1	LS	Traffic Control	$ 12,000.00	$ 12,000.00
3	1	LS	Topsoil, Seeding and Strawing	$ 18,708.00	$ 18,708.00
Sidewalks					
3	7,795	S.F.	4" Sidewalk w/ (4" Base Stone and Spray-Lok)	$ 7.79	$ 60,723.05
Erosion Control					
4	1	LS	Erosion Control	$ 10,000.00	$ 10,000.00
Misc.					
5	1	LS	AS-Built Drawings	$ 5,000.00	$ 5,000.00
				SUBTOTAL	$ 114,038.38
			CONTINGENCIES (6%)		$ 6,842.30
					$ 120,880.68
			CONSTRUCTION CONTRACT ADMINISTRATION & INSPECTION (8%)		$ 9,670.45
				TOTAL	$ 130,551.14

David Harris
Civil Engineer I
City of Kingsport

April 14, 2025
Date

KINGSPORT
TENNESSEE

BOND ESTIMATE
Granby Road Bond Estimate

FILE NO. 2020-D9

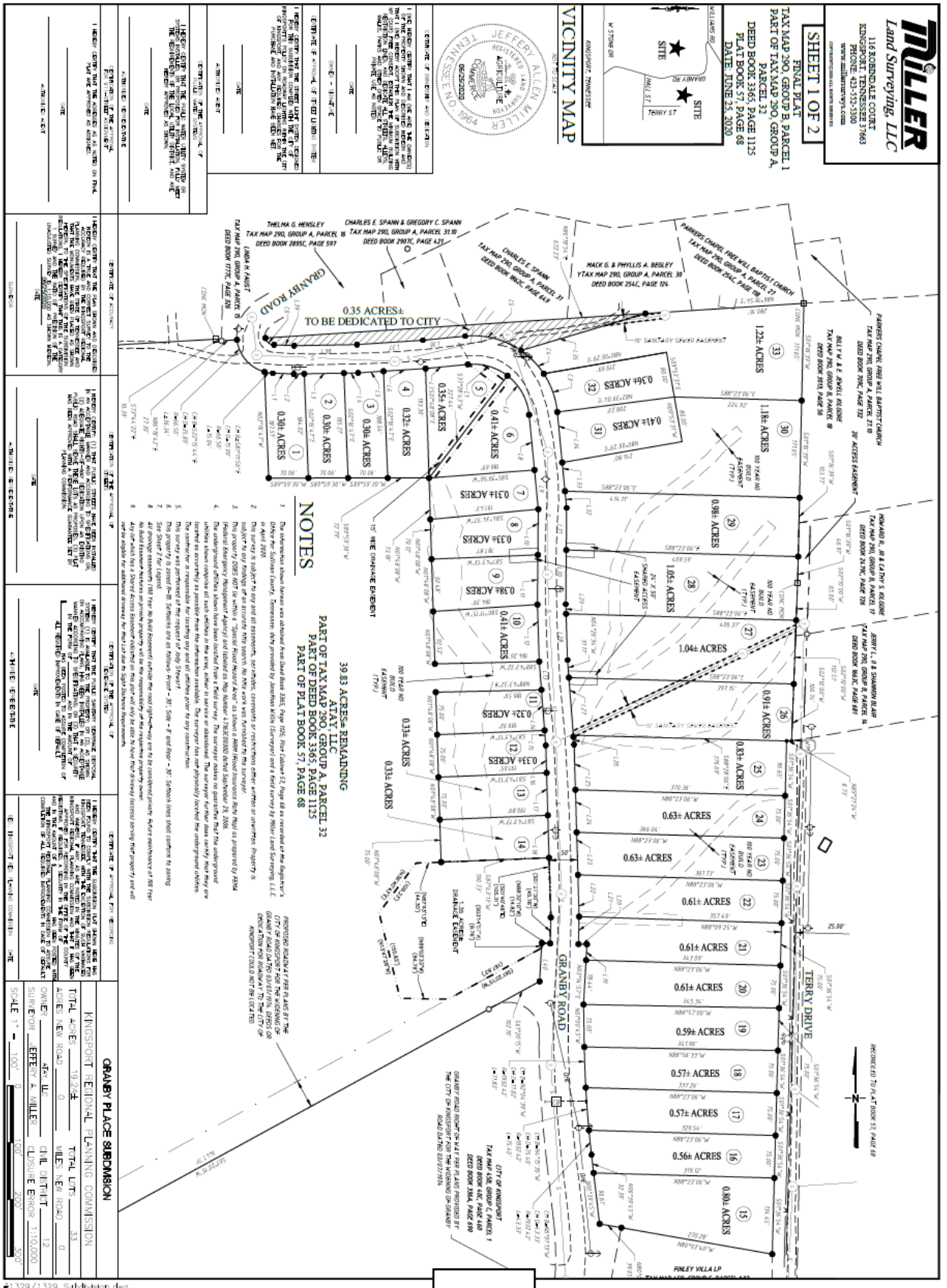
June 9, 2026

ITEM NO.	QUANTITY	UNIT	DESCRIPTION	UNIT COST	TOTAL COST
General Items					
1	1	LS	Mobilization	$ 15,239.55	$ 15,239.55
2	1	LS	Traffic Control	$ 12,000.00	$ 12,000.00
3	1	LS	Topsoil, Seeding and Strawing	$ 26,309.70	$ 26,309.70
Concrete					
3	7,795	S.F.	4" Sidewalk w/ (4" Base Stone and Spray-Lok)	$ 11.32	$ 88,239.40
4	362	L.F.	Sawcut and Demo Existing Concrete Driveways	$ 20.00	$ 7,240.00
5	411	S.F.	Concrete Driveway Repair	$ 16.07	$ 6,604.77
Drainage					
6	191	C.Y.	Road Drainage Excavation (UnClass)	$ 30.65	$ 5,854.15
7	407	L.F.	Installation of New 15" HDPE (including Bedding stone, etc.)	$ 100.00	$ 40,700.00
8	75	Ton	Class A-1 Rip-Rap (allow 5 tons per Driveway)	$ 83.28	$ 6,246.00
Erosion Control					
9	1	LS	Erosion Control	$ 10,000.00	$ 10,000.00
Misc.					
10	1	LS	AS-Built Drawings	$ 5,000.00	$ 5,000.00
				SUBTOTAL	$ 223,433.57
			CONTINGENCIES (6%)		$ 13,406.01
					$ 236,839.59
			CONSTRUCTION CONTRACT ADMINISTRATION & INSPECTION (8%)		$ 18,947.17
				TOTAL	$ 255,786.75

David Harris
Civil Engineer I
City of Kingsport

June 9, 2026
Date

Granby Place Subdivision Final Plat



KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Enter into an Agreement with Barge Design Solutions, Inc. for Engineering Services for the Replacement of Water Treatment Plant Sweeps and Clarifier Improvements

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-328-2026
Work Session: November 2, 2026
First Reading: NA

Final Adoption: November 3, 2026
Staff Work By: Kirby Walker
Presentation By: Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this resolution authorizes an agreement with Barge Design Solutions, Inc. for design and construction services for the replacement of water treatment plant (WTP) basin sweeps and clarifier improvements.

Installed in the 80's, the mechanical sweeps in sedimentation basins #4 and #5, as well as, clarifier #1 have reached the end of their useful life and need to be replaced. The proposed improvements will also address spalling and cracking in Clarifier #1 and Residuals Thickener #2. The improvements are necessary to maintain reliable operation of the solids management system and continued compliance with the water plant's permit requirements.

City staff recommends approval of the agreement with Barge Design Solutions, Inc., in the amount of $255,700. Project funding will reside in the 411-5001-501-2020

Attachments:
1. Resolution
2. Barge Design Proposal
3. Project Location Map

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH BARGE DESIGN SOLUTIONS, INC. FOR REPLACEMENT OF THE WATER TREATMENT PLANT SWEEPS AND CLARIFIER IMPROVEMENTS AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, installed in the 1980's, the mechanical sweeps in sedimentation basins #4 and #5, as well as, clarifier #1 have reached the end of their useful life and need to be replaced, and improvements are necessary to maintain reliable operation of the solids management system and continued compliance with the water plant's permit requirements; and

WHEREAS, staff recommends entering into an agreement with Barge Design Solutions, Inc., for design and construction services for the replacement of water treatment plant (WTP) basin sweeps and clarifier improvements, and will also address spalling and cracking in Clarifier #1 and Residuals Thickener #2, in the amount of $255,700.00; and

WHEREAS, funding for the project will reside in the 411-5001-501-2020.

Now therefore,

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

SECTION I. That the agreement with Barge Design Solutions, Inc., for design and construction services for the replacement of water treatment plant basin sweeps and clarifier improvements, and will also address spalling and cracking in Clarifier #1 and Residuals Thickener #2, in the amount of $255,700.00, 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 Barge Design Solutions, Inc., for design and construction services for the replacement of water treatment plant basin sweeps and clarifier improvements, and will also address spalling and cracking in Clarifier #1 and Residuals Thickener #2, in the amount of $255,700.00, 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 mayor is further authorized to make such changes approved by the mayor and the city attorney to the agreement that do not substantially alter the material provisions of the agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

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

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

ADOPTED this the 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

Barge Design Solutions, Inc. (Barge) will provide the following scope of services for City of Kingsport (Client) including design, bid, and construction phase services for the Water Treatment Plant (WTP) Clarifier Improvements, in accordance with the Professional Services Agreement (Agreement). The scope of work is presented in the following elements:

I. Project Description
II. Scope of Services
III. Project Schedule
IV. Compensation
V. Additional Services

I. Project Description

The City of Kingsport has 5 settling basins at their WTP. The mechanical sweeps in settling basins 4 and 5 have reached the end of their useful life and require in-kind replacement. The gear in residuals clarifier #1 has failed and requires replacement along with the catwalk and electrical feed to this gear. In addition, spalling, cracking and efflorescence in residuals clarifier #1 and residuals thickener #2 need to be addressed. A new isolation valve will be located outside residuals clarifier #1. The Client has asked that Barge prepare detailed design documents and provide other professional engineering support services related to the project.

II. Scope of Services

The scope of services is summarized into the following major tasks:

Task 1 – Detailed Design
- 30% Design Documents
- 60% Design Documents
- 90% Design Documents
- Final Construction Documents

Task 2 – Bid Phase Services
Task 3 – Construction Phase Services
Task 4 – Resident Project Representative

The following sections provide a description of the purpose, activities, deliverables, and assumptions anticipated for each of the tasks. Throughout the following tasks, Barge will manage the activities of our staff, coordinate with Client staff, and submit monthly invoices with updated schedules and budgets as applicable.

The project is assumed to include a six-month design period, a three-month bidding/award period, and a nine-month construction period.

Task 1 – Detailed Design

30% Design

The following tasks will be completed during the 30% design phase:

- Participate in project initiation meeting with Client staff
- Visit the site to review existing conditions and document significant changes from the available record drawings that might impact design, construction, or demolition activities
- Confirm selection and sizing of replacement equipment, access catwalks, and electrical power
- Prepare conceptual layout drawings based on client record drawings
- Prepare preliminary engineer's opinion of probable construction cost (OPCC)
- Facilitate informal workshop with the Client to review conceptual layout drawings, receive and discuss comments and resolution for incorporation into detailed design
- Prepare meeting summary and comment responses

60% Design

The 60% design deliverables are based on the details established during the 30% tasks. Following is a list of activities anticipated during this task:

- Address and incorporate Client's prior review comments into the final design and proceed with detailed design drawings.
- Prepare first draft of technical specifications.
- Prepare preliminary demolition plans and electrical drawings.
- Perform constructability review.
- Update preliminary OPCC based on the 60% design documents.
- Review work products and obtain quality control reviewer approvals.
- Submit 60% design package for Client review and comment.

- Facilitate a design review workshop to receive Client comments. Prepare meeting summary and comment responses.

90% Design

- Address and incorporate Client's 60% review comments from the workshop.
- Finalize design drawings to include standard details and notes.
- Prepare final technical specifications.
- Complete final checking and coordination review.
- Finalize construction drawings, specifications, and preliminary schedules for bidding.
- Incorporate Client's standard front-end documents into Contract Documents, including General Conditions, Supplemental Conditions, bid form and instructions to bidders.
- Update preliminary OPCC based on the 90% design documents.
- Submit 90% design package for Client's review and comment.
- Facilitate a design review meeting to receive Client's comments.
- Prepare meeting summary and comment responses, finalize documents for bid advertisement.

Final Bid Documents:

- Address and incorporate 90% review comments.
- Deliver Professional Engineer stamped bid-ready contract documents to Client.
- Coordinate with Client on bidding process and schedule.

Deliverables:

The following deliverables will be provided as part of this task:

- 30% conceptual design plans including OPCC
- 30% design review meeting summary and Client's comment responses
- 60% and 90% submittal packages including OPCC
- 60% and 90% design review meeting summaries, responses to Client's comments, and revisions to final design documents.

- Bid-ready contract documents package including:
    - Design drawings (estimated 19 drawings),
    - Project technical specifications, bid form, and Client-standard front-end documents

Assumptions:

The following assumptions are applicable to the above scope of services:

- The sweep equipment for settling basins 4 and 5 will match the existing which is approximately 80 feet in diameter. Basin trough replacement is not included in the scope. Basin troughs, trough drains, and effluent weirs shall be sandblasted and painted. Modifications to provide additional solids removal or increased hydraulic capacity are not included.
- The existing 80-foot diameter residuals clarifier #1 gear requires replacement. The new gear will have torque limit switches. New walkway will be installed with new conduit utilized for power. New SCADA control wiring will be installed on the walkway.
- The existing power distribution system for settling basins 4 and 5 has adequate capacity to support the new equipment. Larger breakers and wiring will be designed to the motor control center, if required.
- The existing power distribution system for residuals clarifier #1 shall be replaced.
- The equipment will be removed and replaced without significant structural changes to the clarifier and settling basins 4 and 5.
- Inspection and design of structural improvements in the settling basins, including crack repair, are not included in the scope of services.
- Inspection and design of structural improvements in residuals clarifier #1 and residuals thickener #2, including spalling and crack repair shall be included in the scope of services.
- There will be adequate access to the clarifier and settling basins to allow for removal and replacement.
- Isolation gates are operational. A new isolation valve will be located outside residuals clarifier #1. Additional modifications to existing isolation gates or bypass pumping are not anticipated.

- Sweep control will be specific to the manufacturer and be connected to the plant SCADA system.
- SCADA for the impacted equipment is run/stop. The City will land all proposed SCADA terminations.
- It is understood that the filtration plant has a capacity of 28 MGD.
- The Client standard front-end documents (Division 0) will be used, Divisions 01 through 49 will be Barge standards. Incorporation of funding agency front-end documents are not part of the scope.
- Tennessee Department of Environment and Conservation (TDEC) permitting is not anticipated to replace equally sized equipment.
- Anticipated drawings include three general sheets, four demolition sheets, four mechanical/process sheets, three structural sheets, and four electrical sheets. The City's 1977, 1980 and 1990 Filter Plant Additions Station record drawings will be incorporated for existing conditions.
- The Client understands that Barge has no control over the cost or availability of labor, equipment materials, over-market conditions, or the Contractor's method of pricing, and that Barge's OPCC is made on the basis of Barge's professional judgment and experience. Barge makes no warranty, express or implied, that the bids or the negotiated cost of the work will not vary from Barge's OPCC.
- Any abatement and/or remediation work associated with presence of hazardous materials in any of the existing facilities such as asbestos or lead paint is not included as a part of this scope of services.
- Design will be based upon federal, state, and local codes in effect on the date of the Notice to Proceed (NTP).
- Bid-ready contract documents are prepared for a single bid and single construction contract with fixed price.
- Equipment pre-purchase or pre-negotiation is not required.

Task 2 – Bid Phase Services

The bid phase services anticipated include providing bid documents for advertisement, responses to bidder inquiries, preparation of addenda, and review of bids as summarized below:

- Coordinate and assist with advertisement and solicitation of bids.

- Conduct and attend pre-bid meeting, including site-walk, with the Client and prospective bidders.
- Prepare and issue meeting minutes of pre-bid meeting.
- Assist the Client with responses to bidder questions and the preparation of addenda. If needed, Engineer will issue addenda to prospective bidders after approval by Client Purchasing.
- Attend Bid Opening and prepare Bid Tabulation.
- Assist the Client with review of contractor bid packages for responsiveness and qualification, contact references of apparent low bidder, and provide recommendation for award.
- Following award of construction contract, prepare an electronic (pdf) set of conformed documents for execution and use during construction.

Deliverables:

- Pre-bid meeting minutes
- Responses to bidder questions, addenda, and bid review summary and recommendation as required.
- Recommendation to award letter
- Conformed contract documents

Assumptions:

- The bid phase is assumed to be three months.
- Pre-qualification of contractors is not required.
- One bid package and one bid opening are included.

Task 3 – Construction Phase Services

The following construction phase support services are anticipated, to assist the Client in implementing the construction contract.

- Attend pre-construction meeting with Client and the Contractor’s representatives.

- Attend monthly progress meetings, and prepare meeting agenda and summaries, with Client and the Contractor's representatives to provide engineering support for field issues.
- Review Contractor's project status reports, monthly pay applications and change order log.
- Perform periodic site visits to review site conditions to review materials and workmanship used on the project for compliance with the contract documents.
- Review Contractor submittals for compliance with the specifications and Drawings. Engineer's review shall be for general conformity to the construction contract documents and shall not relieve the Contractor of any of his contractual responsibilities. Such reviews shall not extend to means, methods, techniques, sequences, or procedures of construction, or to safety precautions and programs incident thereto. It has been assumed that review time will be limited to the initial submittal and one resubmittal for each separately submitted item.
- Respond to Contractor requests for information (RFI) and issue clarifications and interpretations of the Contract Documents as necessary and maintain an RFI log.
- Review test plans and witness field performance and acceptance tests specified in the construction specifications.
- Coordinate the services of qualified representatives of equipment manufacturers for training Client operations and maintenance staff on newly installed equipment and features.
- Perform one day pre-final inspection and prepare construction punch-list at Substantial Completion.
- Conduct one day final inspection to verify completion of punch list and other items.
- Incorporate Contractor's red-line markups into the electronic drawing files to capture field changes or adjustments made during the execution of the work.
- Review Contractor closeout documents for completion, including O&M documents, certificates of completion, warranties, etc.

Deliverables:

- Monthly construction progress meeting agenda, sign-in sheet, and meeting summary.

- Contract correspondence, including as applicable: comments on submittals, clarifications, responses to RFIs, and site visit reports.
- Punch-list at Substantial Completion.
- Record drawings

Assumptions:

- The construction phase will start in 2027 and is anticipated to take nine months, with three months of on-site construction requiring site visits.
- Periodic site visits are anticipated approximately once per month during heavy on-site construction activities.
- Client or contractor directed changes that require design support during construction are not anticipated, such services can be provided as additional services to this proposal.
- All concrete, earthwork, and structural steel testing will be furnished by others.
- Any field construction stake-out surveying, or as-built surveying is by others.
- By performing the construction phase services, Engineer shall not have authority or responsibility to supervise, direct, or control the Contractor's work or the Contractor's means, methods, techniques, sequences or procedures of construction. Engineer shall not have authority or responsibility for safety precautions and programs incident to the Contractor's work or for any failure of the Contractor to comply with laws, regulations, rules, ordinances, codes, or orders applicable to the Contractor furnishing and performing the work.
- Barge shall not be responsible for the acts or omissions of the Contractor, or of any subcontractor or supplier, or any of the Contractor's or subcontractor's or supplier's agents or employees or any other persons (except Engineer 's employees or agents) at the site or otherwise furnishing or performing any of the Contractor's work.

Task 4 – Resident Project Representative

The following Resident Project Representative (RPR) services are included to assist the Client in implementing the construction contract.

Provide part-time RPR at periodic intervals to observe the Contractor's work and perform the services listed below. The RPR shall not have responsibility for the superintendence of construction site conditions, safety, safe practices or unsafe practices or conditions,

operation, equipment, or personnel other than employees of the Engineer. This service will in no way relieve the Contractor of complete supervision and inspection of the work or the Contractor's obligation for complete compliance with the drawings and specifications. The Contractor shall have sole responsibility for safety and for maintaining safe practices and avoiding unsafe practices or condition.

Specific services performed by the RPR are as follows:

- Conduct onsite observations of the general progress of the work to determine if the work is proceeding in accordance with the construction contract documents.
- Visually inspect materials, equipment, and supplies delivered to the worksite. Reject materials, equipment, and supplies that do not conform to the construction contract documents.
- Coordinate onsite materials testing services during construction.
- Assist with coordination of construction activities that may affect normal facility operations, serve as liaison between the Contractor and the Client. Review Contractor work plans for any impact to facility operations.
- Maintain log of significant weather events that may cause the Contractor a work delay, include in construction progress reports.
- Submit weekly construction progress reports containing summary of the Contractor's progress, general condition of the work, problems, and resolutions or proposed resolutions to problems.
- Review Contractor red-line markups of any field changes encountered.
- Attend substantial completion walkthrough of the construction work and prepare a punch list of those items to be completed or corrected before final completion of the project.
- Upon completion or correction of the items of work on the punch list, conduct a final inspection to determine if the work is completed.

Deliverables:

- Daily reports submitted on a weekly basis.

Assumptions:

- The RPR services are based on a 12-week heavy construction period (remainder of construction contract time includes equipment submittals and lead time) with 240 hours of part-time representation estimated.

III. Project Schedule

The preliminary project schedule is shown in the table below.

Tasks	Duration
1. Design completion	6 months after design NTP
2. Bid opening	9 months after design NTP
3. Construction NTP	11 months after design NTP
4. Substantial completion	20 months after design NTP
5. Project completion	21 months after design NTP

IV. Compensation

The cost to complete the scope of work as defined in the tasks above is provided in the fee summary table below. Client agrees to pay Barge a Lump Sum Fee of $220,000 to complete the scope of work as defined Task 1 - Design Phase Services, Task 2 – Bid Phase Services, and Task 3 - Construction Phase Services.

For the Resident Project Representation / Task 4 defined above, Client agrees to pay Barge for time worked on the project by various personnel plus applicable outside services and other expenses properly charged to the project in accordance with the Schedule of Standard Charges included in Exhibit B of the Agreement. The Not to Exceed cost to complete for this task is estimated to be $29,700. The project status will be summarized monthly in our progress report and invoice submittal.

Fee Summary Table

Items	Fee Type	Fee Amount
1. Detailed Design	Lump Sum	$150,200
2. Bid Phase Services	Lump Sum	$14,900
3. Construction Phase Services	Lump Sum	$60,900
4. Resident Project Representative	Hourly	$29,700
TOTAL		$255,700

V. Additional Services

Additional engineering support services, including but not limited to the items listed below, can be provided upon request and approval of detailed scope and fee by the Client.

- Site survey
- Scanning and detailed dimensioning of the basins
- Submittal to Tennessee Department of Environment and Conservation (TDEC)
- Additional meetings with local, State, or Federal agencies to discuss the Project beyond those indicated in the basic services.
- Appearances at public hearings or before special boards, except as specifically indicated in the basic services.
- Supplemental engineering work required to meet the requirements of regulatory or funding agencies that become effective subsequent to the date of this agreement.
- Special consultants or independent professional associates, other than those indicated in the scope above, that are requested or authorized by the Client.
- Support services in connection with public information/relations activity as requested by the Client.
- Services for making revisions to Drawings and Specifications made necessary by the acceptance of substitute materials or equipment other than “or-equal” items proposed

by the General and/or Construction Contractor(s); and services after the award of the Contract(s) for evaluation and determining the acceptability of substitutions proposed by the Contractor.

- Assistance in connection with bid protests, re-bidding or renegotiating contracts for construction, materials, equipment, or services of the project.
- Preparation for litigation, arbitration, or other legal or administrative proceedings; and appearances in court or at arbitration sessions in connection with bid protests, change orders, or construction incidents.
- Services resulting from significant changes in the scope, extent, or character of the portions of the Project designed or specified by Engineer or its design requirements including, but not limited to, changes in size, complexity, Client's schedule, character of construction, or method of financing; revising previously accepted studies, reports, Drawings, Specifications, or Contract Documents when such revisions are required by changes in Laws and Regulations enacted subsequent to the Effective Date of this Agreement or are due to any other causes beyond Engineer 's control.
- Involvement with and responding to a formal Value Engineering review conducted by a third party. Revisions of design, drawings, and specifications arising from the formal third-party Value Engineering review which cause changes in the general scope, extent or character of the Project, including but not limited to changes in size, complexity, Client's schedule, character of construction, or method of financing.
- Preparing additional bidding documents or Contract Documents for alternate bids or prices requested by the Client for the Work or a portion thereof.
- Determining the acceptability of substitute materials and equipment proposed during the bidding or negotiating phase when substitution prior to the award of contracts is allowed by the bidding documents.
- Providing any type of property or boundary surveys, preparing legal descriptions, or related engineering services or assistance needed for the transfer of interest in real property or acquisition of easements and rights-of-way; providing construction surveys and staking to enable Contractor to perform its work; and providing other special field surveys.
- Redesign and rebidding the Project in the event the Client does not accept bids on the original advertisement of the construction contract.

- Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work by the Contractor, (3) acceleration of the progress schedule involving service beyond normal working hours, (4) default by Contractor, and (5) failure of the Contractor to complete the work within the construction contract time.
- All review or permit fees charged by the State or other agencies are not included in the basic compensation and will be paid directly by the Client.
- Providing permitting assistance beyond the level of effort outlined in Basic Services.
- Providing Construction Phase Services and/or Resident Project Representative Services beyond the assumed construction contract times and beyond the assumed level of effort outlined in basic services.
- Other services performed or furnished by Engineer not otherwise provided for in this Agreement.

BARGE DESIGN SOLUTIONS, INC.

EXHIBIT B
SCHEDULE OF STANDARD CHARGES

The following hourly rates apply for personnel of BARGE and its wholly owned subsidiaries for time properly chargeable to the work.

Hourly Rate Schedule

Classification	Hourly Rate
Engineering Associate I	$125
Engineering Associate II	$135
Engineering Associate III	$145
Professional Engineer I	$155
Professional Engineer II	$175
Sr. Professional Engineer I/Construction Manager	$195
Sr. Professional Engineer II	$205
Sr. Scientist	$235
Sr. Professional Engineer III	$245
Sr. Professional Engineer IV	$275
Sr. Technical Specialist	$295
Sr. Technical Leader/Quality Control	$305
Project Administrator	$105
Senior Project Administrator	$130
Resident Project Representative	$125
CAD Technician	$155
Survey Technician	$75
Registered Land Surveyor	$150
Sr. Registered Land Surveyor	$215
Sr. Specialist	$175
Sr. Project Manager	$325
Senior Officer	$300

Outside services contracted for a specific project, such as professional and technical consultants, laboratory testing, reproduction, photography, etc., will be invoiced at the amount of the subcontractor's statement plus 10 percent.

Other expenses such as travel expenses, mileage (standard IRS rates), reproduction, photography or videography, or other direct expenses incurred by Barge and related to the work will be invoiced at the actual cost incurred.

The hourly rates listed above are valid until September 1, 2027, after which the rates may be adjusted annually based on the average salary adjustment to Barge employees.


Thickener #2
Clarifier #1
Basin 5
Basin 4
Proposed Project Map
Project Site
E Stone Dr
Indian Path Medical Center
Kingsport
Dobyns-Bennett High School
Fort Henry Mall
Lincoln St
N John B Dennis Hwy N
Cooks Valley
Cooks Valley Rd
Fall Creek Rd
Fort Henry Dr
Cluice
Warrior's Path State Park Golf Course
Hemlock
0 0.25 0.5 1 1.5 Miles
Item X17.
Tom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community
N
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Project Location Map
Water Treatment Plant Sweep Replacement
City Of Kingsport
20728

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Sign an Addendum with ESS South Central to Add Substitute Teacher Pay Rates for Retirees to the Existing Agreement

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-308-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	David Frye

Strategic Focus Area: 7. World-Class Education

Recommendation:
Approve the Resolution

Executive Summary:
Approval of the accompanying resolution authorizes execution of an addendum that will add pay rates for "self-contained" retirees at the same retiree rate we have for all assignments. The purpose for the additional pay rate is so that the vendor's system will pay retirees who pick up a job at the appropriate retiree rate and not revert to the lower pay rate.

The Board of Mayor and Aldermen approved the renewal of the agreement with ESS on July 21, 2026. There is no change in the annual cost estimate for substitute staffing services of $1,650,000. The service is paid through various accounts in the Schools General Purpose Fund.

The additional pay rates were approved by the Board of Education on October 6, 2026.

Attachments:
1. Resolution

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE EXECUTION OF AN ADDENDUM TO THE ESS SOUTH CENTRAL LLC AGREEMENT TO ADD ADDITIONAL PAY RATES FOR RETIREES AND AUTHORIZING THE MAYOR TO EXECUTE THE ADDENDUM AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE ADDENDUM

WHEREAS, on July 21, 2026, the board approved renewing the agreement with ESS for substitute staffing services through June 30, 2027; and

WHEREAS, at this time, the vendor would like to add "self-contained" retiree pay rates to the agreement so that retirees who return as a substitute through ESS will be paid at the appropriate retiree rate and not revert to the lower pay rate; and

WHEREAS, the Board of Education approved this action on October 6; and

WHEREAS, funding for this service is available in various accounts of the Schools General Purpose fund.

Now therefore,

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

SECTION I. That the Addendum to the agreement with ESS South Central, LLC, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Addendum with ESS South Central, LLC, 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 agreement being as follows:

.

ADDENDUM

This is an Addendum to the Agreement between the Kingsport City Schools (hereinafter referred to as "LEA" for Local Education Agency) and ESS South Central, LLC (the "Company") for the services of Substitute Teachers and Staff:

The parties hereby agree to modify the Agreement as follows:

1. Effective September 21, 2026 the following positions and rates are added in Exhibit A:

Position	Pay Rate	Bill Rate
Full Day Substitute Teacher Self-Contained	$110.00	$139.70
Full Day Substitute Paraprofessional Self -Contained	$110.00	$139.70
Half Day Substitute Teacher Self-Contained	$55.00	$69.85
Half Day Substitute Paraprofessional Self-Contained	$55.00	$69.85
Full Day Substitute Teacher Self-Contained Retiree	$120.00	$152.40
Full Day Substitute Paraprofessional Self -Contained Retiree	$120.00	$152.40
Half Day Substitute Teacher Self-Contained Retiree	$60.00	$76.20

Half Day Substitute Paraprofessional Self-Contained Retiree	$60.00	$76.20

2. All other provisions of the Agreement shall remain in full force and effect during the term of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth below.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

AGENDA ACTION FORM

Consideration of a Resolution Changing Certain Meeting Dates for Work Session and Business Meetings of the Board of Mayor and Aldermen

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF- 310-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Bart Rowlett
First Reading:	N/A	Presentation By:	Chris McCartt

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
If adopted, the accompanying resolution will cancel regular meetings of the board in January, March, July, and September 2027 due to conflicts with holidays and various conferences.

Article III, Section 7 of the Charter of the City of Kingsport provides that except as "provided by ordinance or resolution, the regular meeting of said board shall be at 7:00 p.m. (local time) on the first and third Tuesday of each month." However, certain regular meetings of the board conflict with or are affected by holidays, planning sessions, and conferences in the calendar year 2027. It is recommended that certain meetings be canceled or rescheduled to eliminate these conflicts.

The attached resolution cancels the January 4, 2027, work session, and the January 5, 2027, business meeting due to the Christmas and New Year holidays; the board sets the a work session on January 11, 2027, at 4:00 p.m. and the business meeting on January 12, 2027 at 7:00 p.m.; to cancel the January 19, 2027 business meeting in honor of Martin Luther King, Jr. holiday; the March 1, 2027 work session and the March 2, 2027 business meeting due to the TML Spring Conference; the July 5, 2027 work session and the July 6, 2027 business meeting due to the Independence Day holiday; and the September 6, 2027 work session and the September 7, 2027 business meeting due to the Labor Day holiday.

Additionally, the resolution reschedules the May 31, 2027 work session to June 1, 2027 at 4:00 p.m. due to the Memorial Day holiday.

Attachments:
1. Resolution
2. 2027 Meeting Schedule

Item XI2.

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			

RESOLUTION NO. _____

A RESOLUTION CHANGING CERTAIN WORK SESSIONS AND BUSINESS MEETINGS OF THE BOARD OF MAYOR AND ALDERMEN IN JANUARY, MARCH, JULY AND SEPTEMBER 2027 IN ACCORDANCE WITH ARTICLE III, SECTION 7 OF THE CHARTER OF THE CITY OF KINGSPORT, TENNESSEE

WHEREAS, Article III, Section 7 of the Charter of the City of Kingsport, Tennessee provides that the business meetings of the board of mayor and aldermen will take place on the first and third Tuesdays of each month at 7:00 p.m., unless otherwise provided by resolution or ordinance; and

WHEREAS, the board of mayor and aldermen finds that due to the Christmas and New Year's day holidays it is appropriate to cancel the January 4, 2027, work session, and the January 5, 2027, business meeting; the board sets the a work session on January 11, 2027, at 4:00 p.m. and the business meeting on January 12, 2027 at 7:00 p.m.; to cancel the January 19, 2027 business meeting in honor of Martin Luther King, Jr. holiday; to cancel the March 1, 2027 work session and the March 2, 2027 business meeting due to the TML spring conference; and due to the Independence Day holiday on July 5, 2027, it is appropriate to cancel the July 5, 2027, work session and the July 6, 2027, business meeting, and the September 6, 2027 work session and the September 7, 2027 business meeting due to the Labor Day Holiday; and

WHEREAS, work sessions are usually held on the Monday preceding the business meeting, but in honor of the Memorial Day holiday, the May 31, 2027 work session is rescheduled to June 1, 2027 at 4:00 p.m.

Now therefore,

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

SECTION I. That in accordance with Article III, Section 7 of the Charter of the City of Kingsport, Tennessee, the board approves the canceling of the January 4, 2027, work session and the January 5, 2027, business meeting, the board sets the a work session on January 11, 2027, at 4:00 p.m. and the business meeting on January 12, 2027 at 7:00 p.m.; to cancel the January 19, 2027 business meeting in honor of Martin Luthor King, Jr. holiday; March 1, 2027 work session and the March 2, 2027 business meeting; July 5, 2027, work session and the July 6, 2027, business meeting; and the September 6, 2027 work session and the September 7, 2027 business meeting.

SECTION II. That the board sets a work session for Tuesday, June 1, 2027 at 4:00 p.m. in lieu of a work session on Monday, May 31, 2027.

SECTION III. That the city recorder is authorized and directed to advertise the changes set forth in this resolution, and to take all acts needed to ensure that notice of the meetings are made to the public in compliance with Tenn. Code Ann. § 8-44-103.

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

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

welfare requiring it.

ADOPTED this the 3rd day of November, 2026.

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, City Attorney

Board of Mayor and Aldermen
2027 Meeting Dates

BMA Work Session 4:30 p.m.	BMA Business Meeting 7:00 p.m.
January 11	January 12
January 22 Joint Session with BOE (Friday, 9am-noon)	N/A
February 1	February 2
February 15	February 16
February 26 Budget Planning Session (Friday, 10am-3pm)	N/A
March 15	March 16
April 5	April 6
April 19	April 20
April 27 Budget (Tuesday, 10am-noon)	N/A
April 29 Budget (Thursday, 9am-noon)	N/A
May 3	May 4
May 17	May 18
June 1 (Tuesday, 4pm)	June 1
June 14	June 15
July 19	July 20
August 2	August 3
August 16	August 17
September 20	September 21
October 4	October 5
October 18	October 19
November 1	November 2
November 15	November 16
December 6	December 7
December 20	December 21

Only one meeting in March, July, & Septembe

AGENDA ACTION FORM

Consideration of a Resolution to Extend Current Temporary Employment Services Agreement with Luttrell

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-304-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Carley Bruck
First Reading:	N/A	Presentation By:	Tyra Copas

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
The City utilizes temporary staff to fill seasonal roles, temp-to-hire positions, and other short-term employment needs.

In September of 2022 the City of Kingsport conducted a Request for Proposals from Staffing Agencies for providing temporary employees with the City of Kingsport. There were four proposals submitted and out of the four two Temporary Employment Services contracts were awarded due to fitting the best needs of the City and having the lowest costs. The contracts went to **Luttrell** and AccuForce. The contracts were made effective January 1, 2023, for a term of three years and to be completed on December 31, 2025, with a renewal option in annual increments after the initial term has expired. Previously agreed upon and contracted rates for **Luttrell:**

- A 27% markup for workers recruited directly by Luttrell.
- A 23% markup for workers referred by City of Kingsport.

After reviewing the service level and partnership over the past four years with Luttrell, the Human Resources department, with endorsement by the Procurement Department, **request an extension for the Temporary Employment Services agreement with Luttrell** for another year **beginning January 1, 2027**. The extension will be at **no additional cost to the City**, with all pricing and service levels remaining unchanged.

Funding for these positions is already included in departmental budgets; therefore, no additional costs will be incurred.

Attachments:
1. Resolution
2. Luttrell Letter of Extended Agreement

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION RENEWING THE AGREEMENT FOR TEMPORARY EMPLOYMENT SERVICES WITH LUTTRELL STAFFING GROUP AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in December, 2022 (Res. No. 2023-131), the board approved an agreement with Luttrell Staffing Group for temporary employment services; and

WHEREAS, the agreement was for three years effective January 1, 2023, with a renewal option in annual increments after the initial term has expired; and

WHEREAS, the city would like to renew the agreement for the term of January 1, 2027 through December 31, 2027, with no increase in cost or change to the services for the requested extension for 2027; and

WHEREAS, funding is identified various city accounts.

Now therefore,

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

SECTION I. That the renewal of the agreement with Luttrell for temporary employment services for calendar year 2027, 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 city's renewal of the Agreement for Services and all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 3rd day of November, 2026.

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, City Attorney

LUTTRELL
STAFFING GROUP

Professional Personnel Service, Inc.
724 W. Center Street Suite B Kingsport, TN 37660
423.765-2628

September 14, 2026

To Whom it may concern,

On behalf of Luttrell Staffing Group, I would like to formally request a one-year extension of our current staffing agreement with the City of Kingsport.

This extension would continue under the same terms, conditions, and scope of service as outlined in the existing agreement.

We value the opportunity to support the City's staffing needs and look forward to maintaining our successful partnership.

Please let us know if any additional documentation or formal approvals are needed to move forward with this extension.

We appreciate your continued trust in our services.

Thanks,

Jake Jennings, CSP | *Business Development Manager*
151 East Main St, Suite 5 | Kingsport, TN 37660
C 423-440-4752 | O 423-765-2628 | F 423-765-2630

AGENDA ACTION FORM

Consideration of a Resolution to Extend Current Temporary Employment Services Agreement with AccuForce

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-305-2026
Work Session: November 2, 2026
First Reading: N/A

Final Adoption: November 3, 2026
Staff Work By: Carley Bruck
Presentation By: Tyra Copas

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
The City utilizes temporary staff to fill seasonal roles, temp-to-hire positions, and other short-term employment needs.

In September of 2022, the City of Kingsport conducted a Request for Proposals from Staffing Agencies for providing temporary employees with the City of Kingsport. There were four proposals submitted and out of the four two Temporary Employment Services contracts were awarded due to fitting the best needs of the City and having the lowest costs. The contracts went to Luttrell and **AccuForce**. The contracts were made effective January 1, 2023, for a term of three years and to be completed on December 31, 2025, with a renewal option in annual increments after the initial term has expired. Previously agreed upon and contracted rates for **AccuForce:**

- A 24% markup for workers recruited directly by AccuForce.
- A 20.75% markup for workers referred by City of Kingsport.

After reviewing the service level and partnership over the past four years with AccuForce, the Human Resources department, with endorsement by the Procurement Department, **request an extension for the Temporary Employment Services agreement with AccuForce** for another year **beginning January 1, 2027**. The extension will be at **no additional cost to the City**, with all pricing and service levels remaining unchanged.

Funding for these positions is already included in departmental budgets; therefore, no additional costs will be incurred.

Attachments:
1. Resolution
2. AccuForce letter of extended agreement

	Y	N	O
Baker			
Byers			
Clifton			
Duncan			
Isaacs			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION RENEWING THE AGREEMENT FOR TEMPORARY EMPLOYMENT SERVICES WITH ACCUFORCE AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in February, 2023, (Res. 2023-178) the board approved an agreement with Accuforce for temporary employment services; and

WHEREAS, the agreement was for three years effective January 1, 2023, with a renewal option in annual increments after the initial term has expired; and

WHEREAS, the city would like to renew the agreement for the term of January 1, 2027 through December 31, 20267 with no increase in cost or change to the services for the requested extension for 2027; and

WHEREAS, funding is identified various city accounts.

Now therefore,

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

SECTION I. That the renewal of the agreement with Accuforce for temporary employment services for the Aquatic Center, parks and recreation, and public works for calendar year 2027, 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 city's renewal of the Agreement for Services and all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 3rd day of November, 2026.

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III, City Attorney

1567 N Eastman Rd, Ste 2, Kingsport, TN 37664

To Whom It May Concern:

AccuForce HR Solutions is pleased to express our interest in extending our agreement with the City of Kingsport through the 2027 calendar year, in regards to the hiring and placement of temporary and contingent workers.

We would like to continue providing staffing services at the previously agreed-upon and contracted rates:

- A 24% markup for workers recruited directly by AccuForce
- A 20.75% markup for workers referred by City of Kingsport.

We greatly value our working relationship with the City of Kingsport and look forward to another successful year of collaboration. Should you have any questions or require further information, please don't hesitate to contact us at (423) 247-1835.

Sincerely,

Kim Muncy
Director of Business Development
AccuForce
kimm@accuforce.com

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Amend the Agreements with AirMed Care Network to Provide Air Ambulatory Services Benefits.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.: AF-329-2026
Work Session: November 2, 2026
First Reading: N/A

Final Adoption: November 3, 2026
Staff Work By: Michael Wessely
Presentation By: Tyra Copas

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
The City has contracted with AirMed Care Network (AirMed) since March 2020. AirMed provides air ambulatory services when individuals need to be flown to a medical facility. AirMed offers three plan options. Option 1 (AMCN) provides air ambulance service when an individual is involved in an accident and requires air transfer to a medical facility. Option 2 (FUH Domestic USA) and Option 3 (FUH Global, Outside USA) provide air transportation home if you are hospitalized in a facility more than 150 nautical miles away from home.

Kingsport City and Schools are currently under separate agreements. Human Resources **recommends that the contracts be combined for pricing and efficiency**, which benefits both entities.

The proposed **contract will begin January 1, 2027**. Rates are noted below with increases in bold. Subsequent policy anniversaries will occur on January 1 of each year thereafter.

Coverage	2026 Rates					2027 Rates			
	1 year	3 year	5 year	10 year		1 year	3 year	5 year	10 year
AMCN	$60	$150	$220	$435		$60	$150	$220	$435
FUH Domestic	$140	$150	$500	$600		**$136**	**$228**	**$352**	**$648**
FUH Global	$295	$585	$920	$1,895		$295	**$822**	**$1,182**	$1,895

This is a voluntary benefit which is funded entirely by the employees who enroll in the coverage. Therefore, there is **no cost to the City**.

Attachments:
AF-329-2026 AirMed Agreement Amendment
Resolution
2027 AMCN Agreement
2027 FUH Domestic Agreement
2027 FUH Global Agreement
2027 Membership Application Form

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION APPROVING AGREEMENTS WITH AIRMED CARE NETWORK TO PROVIDE AIR AMBULATORY SERVICES BENEFITS FOR CITY AND KINGSPORT CITY SCHOOL EMPLOYEES; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENTS; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENTS

WHEREAS, the city has contracted with AirMed Care Network (AirMed) since March 2020, for air ambulatory services which is offered to employees as a voluntary benefit;

WHEREAS, for those who enroll in the program AirMed offers three options for the provision of air ambulatory services which are for the provision of air transportation and medical escort services either to a medical facility or from a medical facility to the member's home.

WHEREAS, currently these services are offered to Kingsport City and Kingsport City Schools under separate agreements, and the Human Resources Department recommends that the contracts be combined for pricing and efficiency, which benefits both entities; and

WHEREAS, the proposed contracts will begin January 1, 2027, and the rates are dependent on the type of plan and how many years you wish to pay; and

WHEREAS, this is a voluntary benefit which is funded entirely by the employees who enroll in the coverage, and therefore, there is no cost to the City.

Now therefore,

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

SECTION I. That the agreements with AirMed Care Network for the benefit of city employees, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the agreements with AirMed Care Network, to deliver the agreements 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 mayor is further authorized to make such changes approved by the mayor and the city attorney to the agreements 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 3rd day of November, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

Plan Code: 15475/15653

AirMedCare Network Membership for Payroll Deduct Only
For City of Kingsport, TN & Kingsport City Schools

Organization:	City of Kingsport, TN & Kingsport City Schools
Address:	415 Broad Street Suite 418 Kingsport, TN 37660
Contact:	Michael Wessely
Phone:	423-224-2448
Email:	
County:	Sullivan

Membership Sales Manager/Base: Aaron Hess/HEART II

Participants:

1. The Organization is collecting by payroll deduction the fees shown below from the individuals (Participants) listed on a Participant List (to be provided after Participants complete individual membership applications) and remitting such fees to AirMedCare Network so the Participants can be members of the AirMedCare Network, an alliance of affiliated air ambulance providers *(each a "Company") as provided in this Agreement.
   - A Participant must be actively affiliated with the Organization (as a member, director, officer, employee or similar relationship) as indicated on the Participant List when the fee for such Participant is paid.
   - Each Participant must submit a completed membership application to AirMedCare Network.
2. For annual payment plans, the Organization may later add a Participant by providing AirMedCare Network with the following for the new Participant: (a) a completed application and (b) a pro-rated payment based on the number of months remaining under this Agreement.
3. For monthly payment plans, the current Participant List must be submitted with each monthly payment to ensure proper application of the fees.

Fees and Payment:

No. of Participants in Initial Group		Rates		Total
		1 Year Membership Participant(s)	$ 60.00	$ -
		3 Year Membership Participant(s)	$ 150.00	$ -
		5 Year Membership Participant(s)	$ 220.00	$ -
		10 Year Membership Participant(s)	$ 435.00	$ -
			Total	$ -

General Provisions:

1. Participant memberships will be effective upon AirMedCare Network's receipt of (a) this Agreement signed by the Organization, (b) payment as provided above and (c) membership applications completed by the Participants. Memberships will automatically expire without notice (i) after one year for annual payment plans, and (ii) after one month for monthly payment plans; however, a 60 day grace period will apply if a membership renewal payment is received within such grace period. No refunds.
2. AirMedCare Network agrees that Participant Lists and membership applications (a) will be used by AirMedCare Network only for the purpose of delivering AirMedCare Network services, (b) will be treated like any other AirMedCare Network confidential information and (c) will not be used, sold or shared with any third party inconsistent with this provision.
3. This Agreement will automatically renew on its anniversary date (annually or monthly, as applicable), if (a) no termination notice has been sent by either party and (b) payment for the renewal period is received by AirMedCare Network before expiration of the grace period. Either party may terminate this Agreement at any time and for any reason with 30 days prior written notice to the other party, but termination will not affect issued memberships.
4. The Organization shall not decrease the historical air ambulance coverage benefit or reimbursement amount applicable to the Participants. Any such action will be a material breach of this Agreement and AirMedCare Network may immediately terminate this Agreement and pursue any other remedies available at law or in equity.
5. The Organization acknowledges and understands that each Participant must agree to the Terms and Conditions attached hereto as **Exhibit A** to become a member of the AirMedCare Network. However, the Organization and AirMedCare Network hereby acknowledge and agree that the terms and conditions set forth

Initial_____

in Exhibit A shall not govern or control the relationship or interpretation of this Agreement between the Organization and AirMedCare Network.

6. For installment payment plans, Participant memberships will be effective upon AirMedCare Network's receipt of the first installment payment; provided, however, that AirMedCare Network may terminate Participant memberships if the Organization fails to timely submit each subsequent installment payment due hereunder as provided above.

Agreed to by:

Signature	Signature
Printed Name	**Matt Muse** Printed Name
Title	**Vice President of GMR Membership** Title
Organization Name	**Membership** Division
Date	Date

Initial_____

Exhibit A
Terms and Conditions

AirMedCare Network ("**AMCN**") is an alliance of affiliated emergency air ambulance providers* (each a **Provider**). Your AMCN membership automatically enrolls you as a member in each Provider's membership program. Membership ensures that you will have no out-of-pocket flight expenses if flown by a Provider by providing prepaid protection against a Provider's air ambulance costs that are not covered by any insurance, benefits, or third-party responsibility available to you, subject to the following terms and conditions:

1. Patient transport will be to the closest appropriate medical facility for medical conditions that are deemed by the AMCN Provider attending medical professionals to be life- or limb-threatening, or that could lead to permanent disability, and which require emergency air ambulance transport. A patient's medical condition, not membership status, will dictate whether or not air transportation is appropriate and required. Under all circumstances, an AMCN Provider retains the sole right and responsibility to determine whether or not a patient is flown. Emergent ground ambulance transport of a member by an AMCN Provider, in connection with an emergent air ambulance transport by a Provider, will be covered under these same terms and conditions.

2. AMCN Provider air ambulance services may not be available when requested due to factors beyond the Provider's control, such as use of the appropriate aircraft by another patient or other circumstances governed by operational requirements or restrictions including, but not limited to, equipment manufacturer limitations, governmental regulations, maintenance requirements, patient condition, age or size, or weather conditions. FAA restrictions prohibit most AMCN Provider aircraft from flying in inclement weather conditions. The primary determinant of whether to accept a flight is always the safety of the patient and medical flight crews.

3. Members who have any insurance or other benefits available to them, or third party responsibility (or liability) claims, that cover in any way the cost of ambulance services are financially liable for the cost of AMCN Provider services up to the limit of any such available coverage or recovery. In return for payment of the membership fee, the AMCN Provider will consider its air ambulance costs that are not covered by any insurance, benefits or other third-party responsibility available to the member to have been fully prepaid. "I**nsurance**" or "**benefits**" means any and all types of insurance or benefits without any limitation. By way of example only, such "insurance" or "benefits" include medical benefits available under health insurance, automobile insurance, homeowners insurance, workers compensation, and government insurance or benefits programs. Further, the terms "insurance" or "benefits" include any insurance or benefits that are owned by a member (or that are written or held in a member's name), as well as any insurance or benefits owned by someone else (or that are written or held in someone else's name) that provide coverage, to any extent, for the services provided by the AMCN Provider to a member. "Third-party responsibility" means any amounts that any third-party is required to pay to a member because of or related to the AMCN Provider's services rendered to the member. The AMCN Provider reserves the right to seek payment directly from any available insurance, benefits provider, or third party for services rendered to a member (to the same extent it could do so for any non-member patient), and members authorize all available insurers, benefits providers, and responsible third parties to pay any covered amounts directly to the AMCN Provider.

4. Members agree to remit to the AMCN Provider any payment received from any insurance, benefit providers, or any third party for any services provided by the AMCN Provider, not to exceed the amount charged by the AMCN Provider, including (but not limited to) instances in which payment for an AMCN Provider's services is made via settlement with any insurers, benefit providers, or third parties found responsible for a member's injury or condition leading to the air medical services provided by the AMCN Provider. Remitting such payments are not member out-of-pocket expenses because such payments originated from third parties only because of the air medical services provided to the member. Failure by a member to remit such payments constitutes a material breach of these terms and conditions and authorizes the Provider to seek full payment for its services from the member.

Item XI5.

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5. Neither the Providers nor AMCN is an insurance company. Membership is not an insurance policy and cannot be considered as a secondary insurance coverage or a supplement to any insurance coverage. **Neither the Providers nor AMCN will be responsible for payment for services provided by another ambulance service.**

6. Membership starts 15 days after AMCN receives a complete application with full payment; however, the waiting period will be waived for unforeseen events occurring during such time. Members must be natural persons. Memberships are non-refundable and non-transferable.

7. Some state laws prohibit Medicaid beneficiaries from being offered membership or being accepted into membership programs. By applying, members certify to the Providers that they are not Medicaid beneficiaries.

8. **LIMITATION OF LIABILITY.** **THE LIABILITY OF AMCN AND THE PROVIDERS, AND THE DAMAGES AVAILABLE TO A MEMBER, FOR BREACH OF THESE TERMS AND CONDITIONS IS LIMITED TO ACTUAL DAMAGES IN AN AMOUNT NOT TO EXCEED (A) ANY AMOUNT ACTUALLY RECEIVED BY AMCN OR ANY PROVIDER IN VIOLATION OF THESE TERMS AND CONDITIONS AND (B) THE MEMBERSHIP FEE PAID BY THE MEMBER FOR THE APPLICABLE MEMBERSHIP TERM. IN NO EVENT SHALL AMCN OR ANY PROVIDER BE LIABLE TO A MEMBER UNDER THESE TERMS AND CONDITIONS PURSUANT TO ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT, OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER, ARISING OUT OF OR IN CONNECTION WITH THE MEMBERSHIP PROGRAM OR THESE TERMS AND CONDITIONS, EVEN IF AMCN OR A PROVIDER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE MEMBER ACKNOWLEDGES AND AGREES THAT THE LIMITATIONS OF LIABILITY SET FORTH IN THESE TERMS AND CONDITIONS REFLECT AN ALLOCATION OF RISK SET FORTH IN THESE TERMS AND CONDITIONS AND THAT, IN THE ABSENCE OF SUCH LIMITATIONS, THESE TERMS AND CONDITIONS WOULD BE SUBSTANTIALLY DIFFERENT.**

9. Any and all matters arising out of or relating to the AMCN membership program, these terms and conditions, and/or the subject matter hereof shall be governed by, construed, and enforced in accordance with the laws of the United States of America (including without limitation, the Federal Arbitration Act) and, to the extent not preempted by Federal law, the laws of the State of Missouri without regard to conflicts or choice of law principles, regardless of the legal theory upon which such matter is asserted. Outside of these terms and conditions, Federal law preempts state and local laws, regulations, and other provisions, including common law duties that relate to rates, routes, or services of an air carrier. To the extent a state or political subdivision thereof makes the incorporation of common law duties or state law in contracts optional, the Providers and you agree that this contract does not incorporate any such common law duties or state laws.

10. **ARBITRATION AGREEMENT.** Any controversy or claim arising out of or relating to the AMCN membership program, these terms and conditions, and/or the subject matter hereof shall be resolved by binding arbitration by a single arbitrator pursuant to the Consumer Arbitration Rules of the American Arbitration Association ("**Rules**"), as modified by these terms and conditions. The place of arbitration will be St. Louis, Missouri. The judgment on any award rendered by the arbitrator may be entered in any court having jurisdiction thereof. **THERE SHALL BE NO RIGHT OR AUTHORITY FOR ANY CLAIMS TO BE ARBITRATED ON A CLASS ACTION, JOINT OR CONSOLIDATED BASIS OR ON BASES INVOLVING CLAIMS BROUGHT IN A PURPORTED REPRESENTATIVE CAPACITY ON BEHALF OF OTHER MEMBERS OR OTHER PERSONS. THE ARBITRATOR MAY AWARD RELIEF ONLY IN FAVOR OF THE INDIVIDUAL PARTY SEEKING RELIEF AND ONLY TO THE EXTENT NECESSARY TO PROVIDE RELIEF WARRANTED BY THAT INDIVIDUAL PARTY'S CLAIM. The arbitrator is not authorized to award attorney's fees and costs or equitable relief.** In the event the prohibition on class arbitration or any other provision in this arbitration agreement is deemed invalid or unenforceable, then the remaining provisions of these terms and conditions will remain in full force and effect. In the event of any dispute between the parties, you agree to first contact the Provider or

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AMCN and make a good faith effort to resolve the dispute before resorting to arbitration under these terms and conditions.

11. These terms and conditions supersede all previous terms and conditions between a member and the Providers or AMCN, including any other writings, or verbal representations, relating to the terms and conditions of membership. These terms and conditions may be modified or amended only in writing signed by the President or a Vice President of AMCN or a Provider, and may not be modified or amended orally, by trade usage or by course of conduct or dealing.

*Air Evac EMS, Inc. / Guardian Flight, LLC / Med-Trans Corporation / REACH Air Medical Services, LLC -- These terms and conditions apply to all AMCN participating provider membership programs, regardless of which participating provider transports you.

Initial_____

AirMedCare NETWORK®

A Global Medical Response Solution

MEMBERSHIP APPLICATION - City of Kingsport, TN 2027

1. MEMBER INFORMATION (please print)

Primary Member First Name	Primary Member Last Name			
Home Phone Number ( )	Cell Phone Number ( )	Date of Birth / /		
E-mail Address		Current Member Household ID#		
Mailing Address	City	State	Zip	County
Home Address (if different than above)	City	State	Zip	County

I AGREE TO THE TERMS AND CONDITIONS V.01.2021 *(shown within this document)* **FOR ALL MEMBERSHIP PRODUCTS I AM PURCHASING.**

Initials _____ Date _____

2. ADDITIONAL HOUSEHOLD MEMBERS (for additional members, write in empty space on this application)

Secondary Member First Name	Secondary Member Last Name	Date of Birth / /
First Name	Last Name	Date of Birth / /
First Name	Last Name	Date of Birth / /
First Name	Last Name	Date of Birth / /

3. MEMBERSHIP OPTIONS (select one)

AMCN EMERGENT COVERAGE	10 YEAR[1]	5 YEAR[1]	3 YEAR[1]	1 YEAR
Discounted Rate	☐ $435	☐ $220	☐ $150	☐ $60

SELECT ONLY 1 NON-EMERGENT PRODUCT BELOW. BY SELECTING BOTH, YOU ARE DUPLICATING COVERAGE.
Fly-U-Home non-emergent coverage includes transports within the contiguous 48 state only.
Fly-U-Home International non-emergent coverage includes US and International transports.

FLY-U-HOME NON-EMERGENT COVERAGE	10 YEAR[1]	5 YEAR[1]	3 YEAR[1]	1 YEAR
Discounted Rate	☐ $648	☐ $352	☐ $228	☐ $136

*FLY-U-HOME INTERNATIONAL	10 YEAR[1]	5 YEAR[1]	3 YEAR[1]	1 YEAR
Discounted Rate	☐ $1,895	☐ $1,182	☐ $822	☐ $295

To purchase Fly-U-Home as a stand-alone product, please call 800.793.0010 or visit www.amcnrep.com. [1] Multi-year memberships not available in AK & CA. 10-year membership not available in IN.
Terms & conditions apply. *Fly-U-Home membership applies to the contiguous 48 states. International membership includes both domestic and international travel.

4. PAYROLL DEDUCT AUTHORIZATION

☐ **Payroll Deduct** ☐ **Membership Opt-Out**

I authorize the City of Kingsport, TN to payroll deduct the cost of membership selected above in 2 equal installments. The deductions will be deducted on the first pay date in the months of January and February 2027.Should my employment end prior to paying my membership in full, I agree to have any remaining balance deducted from my final pay.

X _____ / /

Signature required Date

Item XI5.

FOR QUESTIONS

Aaron Hess
Membership Sales Manager
423-530-2686
Aaron.Hess@gmr.net

AIR EVAC LIFETEAM®

GUARDIAN FLIGHT

MED-TRANS

REACH℠

FOR OFFICE USE ONLY		
GET CODE	TRACK CODE	AMCN PLAN CODE
11933	14992	15475
FUH PLAN CODE	FUH-I PLAN CODE	
25149	35015	

AIRMEDCARE NETWORK Terms and Conditions

AirMedCare Network ("**AMCN**") is an alliance of affiliated emergency air ambulance providers* (each a **Provider**). Your AMCN membership automatically enrolls you as a member in each Provider's membership program. Membership ensures that you will have no out-of-pocket flight expenses if flown by a Provider by providing prepaid protection against a Provider's air ambulance costs that are not covered by any insurance, benefits, or third-party responsibility available to you, subject to the following terms and conditions:

1. Patient transport will be to the closest appropriate medical facility for medical conditions that are deemed by the AMCN Provider attending medical professionals to be life- or limb-threatening, or that could lead to permanent disability, and which require emergency air ambulance transport. A patient's medical condition, not membership status, will dictate whether or not air transportation is appropriate and required. Under all circumstances, an AMCN Provider retains the sole right and responsibility to determine whether or not a patient is flown. Emergent ground ambulance transport of a member by an AMCN Provider, in connection with an emergent air ambulance transport by a Provider, will be covered under these same terms and conditions.

2. AMCN Provider air ambulance services may not be available when requested due to factors beyond the Provider's control, such as use of the appropriate aircraft by another patient or other circumstances governed by operational requirements or restrictions including, but not limited to, equipment manufacturer limitations, governmental regulations, maintenance requirements, patient condition, age or size, or weather conditions. FAA restrictions prohibit most AMCN Provider aircraft from flying in inclement weather conditions. The primary determinant of whether to accept a flight is always the safety of the patient and medical flight crews.

3. Members who have any insurance or other benefits available to them, or third party responsibility (or liability) claims, that cover in any way the cost of ambulance services are financially liable for the cost of AMCN Provider services up to the limit of any such available coverage or recovery. In return for payment of the membership fee, the AMCN Provider will consider its air ambulance costs that are not covered by any insurance, benefits or other third-party responsibility available to the member to have been fully prepaid. "I**nsurance**" or "**benefits**" means any and all types of insurance or benefits without any limitation. By way of example only, such "insurance" or "benefits" include medical benefits available under health insurance, automobile insurance, homeowners insurance, workers compensation, and government insurance or benefits programs. Further, the terms "insurance" or "benefits" include any insurance or benefits that are owned by a member (or that are written or held in a member's name), as well as any insurance or benefits owned by someone else (or that are written or held in someone else's name) that provide coverage, to any extent, for the services provided by the AMCN Provider to a member. "Third-party responsibility" means any amounts that any third-party is required to pay to a member because of or related to the AMCN Provider's services rendered to the member. The AMCN Provider reserves the right to seek payment directly from any available insurance, benefits provider, or third party for services rendered to a member (to the same extent it could do so for any non-member patient), and members authorize all available insurers, benefits providers, and responsible third parties to pay any covered amounts directly to the AMCN Provider.

4. Members agree to remit to the AMCN Provider any payment received from any insurance, benefit providers, or any third party for any services provided by the AMCN Provider, not to exceed the amount charged by the AMCN Provider, including (but not limited to) instances in which payment for an AMCN Provider's services is made via settlement with any insurers, benefit providers, or third parties found responsible for a member's injury or condition leading to the air medical services provided by the AMCN Provider. Remitting such payments are not member out-of-pocket expenses because such payments originated from third parties only because of the air medical services provided to the member. Failure by a member to remit such payments constitutes a material breach of these terms and conditions and authorizes the Provider to seek full payment for its services from the member.

5. Neither the Providers nor AMCN is an insurance company. Membership is not an insurance policy and cannot be considered as a secondary insurance coverage or a supplement to any insurance coverage. **Neither the Providers nor AMCN will be responsible for payment for services provided by another ambulance service.**

6. Membership starts 15‡ days after AMCN receives a complete application with full payment; however, the waiting period will be waived for unforeseen events occurring during such time. Members must be natural persons. Memberships are non-refundable and non-transferable.

7. Some state laws prohibit Medicaid beneficiaries from being offered membership or being accepted into membership programs. By applying, members certify to the Providers that they are not Medicaid beneficiaries.

8. **LIMITATION OF LIABILITY.** **THE LIABILITY OF AMCN AND THE PROVIDERS, AND THE DAMAGES AVAILABLE TO A MEMBER, FOR BREACH OF THESE TERMS AND CONDITIONS IS LIMITED TO ACTUAL DAMAGES IN AN AMOUNT NOT TO EXCEED (A) ANY AMOUNT ACTUALLY RECEIVED BY AMCN OR ANY PROVIDER IN VIOLATION OF THESE TERMS AND CONDITIONS AND (B) THE MEMBERSHIP FEE PAID BY THE MEMBER FOR THE APPLICABLE MEMBERSHIP TERM. IN NO EVENT SHALL AMCN OR ANY PROVIDER BE LIABLE TO A MEMBER UNDER THESE TERMS AND CONDITIONS PURSUANT TO ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT, OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER, ARISING OUT OF OR IN CONNECTION WITH THE MEMBERSHIP PROGRAM OR THESE TERMS AND CONDITIONS, EVEN IF AMCN OR A PROVIDER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE MEMBER ACKNOWLEDGES AND AGREES THAT THE LIMITATIONS OF LIABILITY SET FORTH IN THESE TERMS AND CONDITIONS REFLECT AN ALLOCATION OF RISK SET FORTH IN THESE TERMS AND CONDITIONS AND THAT, IN THE ABSENCE OF SUCH LIMITATIONS, THESE TERMS AND CONDITIONS WOULD BE SUBSTANTIALLY DIFFERENT.**

9. Any and all matters arising out of or relating to the AMCN membership program, these terms and conditions, and/or the subject matter hereof shall be governed by, con and enforced in accordance with the laws of the United States of America (includin out limitation, the Federal Arbitration Act) and, to the extent not preempted by Feder the laws of the State of Missouri without regard to conflicts or choice of law principles, regardless of the legal theory upon which such matter is asserted. Outside of these terms and conditions, Federal law preempts state and local laws, regulations, and other provisions, including common law duties that relate to rates, routes, or services of an air carrier. To the extent a state or political subdivision thereof makes the incorporation of common law duties or state law in contracts optional, the Providers and you agree that this contract does not incorporate any such common law duties or state laws.

10. **ARBITRATION AGREEMENT.** Any controversy or claim arising out of or relating to the AMCN membership program, these terms and conditions, and/or the subject matter hereof shall be resolved by binding arbitration by a single arbitrator pursuant to the Consumer Arbitration Rules of the American Arbitration Association ("**Rules**"), as modified by these terms and conditions. The place of arbitration will be St. Louis, Missouri. The judgment on any award rendered by the arbitrator may be entered in any court having jurisdiction thereof. **THERE SHALL BE NO RIGHT OR AUTHORITY FOR ANY CLAIMS TO BE ARBITRATED ON A CLASS ACTION, JOINT OR CONSOLIDATED BASIS OR ON BASES INVOLVING CLAIMS BROUGHT IN A PURPORTED REPRESENTATIVE CAPACITY ON BEHALF OF OTHER MEMBERS OR OTHER PERSONS. THE ARBITRATOR MAY AWARD RELIEF ONLY IN FAVOR OF THE INDIVIDUAL PARTY SEEKING RELIEF AND ONLY TO THE EXTENT NECESSARY TO PROVIDE RELIEF WARRANTED BY THAT INDIVIDUAL PARTY'S CLAIM. The arbitrator is not authorized to award attorney's fees and costs or equitable relief.** In the event the prohibition on class arbitration or any other provision in this arbitration agreement is deemed invalid or unenforceable, then the remaining provisions of these terms and conditions will remain in full force and effect. In the event of any dispute between the parties, you agree to first contact the Provider or AMCN and make a good faith effort to resolve the dispute before resorting to arbitration under these terms and conditions.

11. These terms and conditions supersede all previous terms and conditions between a member and the Providers or AMCN, including any other writings, or verbal representations, relating to the terms and conditions of membership. These terms and conditions may be modified or amended only in writing signed by the President or a Vice President of AMCN or a Provider, and may not be modified or amended orally, by trade usage or by course of conduct or dealing.

*Air Evac EMS, Inc. / Guardian Flight, LLC / Med-Trans Corporation / REACH Air Medical Services, LLC -- These terms and conditions apply to all AMCN participating provider membership programs, regardless of which participating provider transports you.

‡In Nebraska, waiting periods are not allowed; however, a member cannot purchase a membership at the time of transport.

AMCN Fly-U-Home and Fly-U-Home International* Master Terms and Conditions

The following terms and conditions apply to both AMCN Fly-U-Home and Fly-U-Home International memberships.

1. Qualifications, Limitations and Exclusions. Membership is subject to the following qualifications, limitations and exclusions:

Waiting Periods. For the first 30 days of membership, a member may not be eligible for a transport due to illness or injury if the member was hospitalized for the same or a related condition within 30 days prior to the membership effective date.

Ineligible and Excluded Transports. A member being evaluated for or on an organ transplant list prior to enrollment will not be entitled to a transport for conditions related to that transplant. A member who is hospitalized at the time of enrollment will not be eligible for transport benefits for that hospitalization and may not be accepted for membership entirely.

Maximum Number of Transports. Membership covers up to two separate transports per year per membership (in total for all members covered under one membership); however, if multiple members who are covered under one membership require simultaneous transport, then each such member will be limited to that one transport.

Locations Inaccessible by Fixed Wing Aircraft. Both the originating and receiving hospital must be reasonably accessible by ground ambulance to transport the member to and from an airfield capable of accommodating an AirMed or one of its authorized affiliates aircraft. The cost associated with transportation from isolated areas or islands to an airport accessible to AirMed aircraft is not included in the membership and will be the responsibility of the member. Membership benefits do not include helicopter transportation.

High Risk / Safety Medical Restrictions. In conjunction with FAA, U.S. State Department and other regulatory standards, and AirMed safety standards, a member will not be entitled to air medical transport if the member's illness or injury is a result of or is contributed to by the following: (i) suicide or attempted suicide or intentional self-injury; (ii) a member's own criminal or felonious act; (iii) actions taken while the member is in a state of insanity; (iv) war, invasion, civil war or terrorism; or (v) contagious airborne pathogens. A member suffering from a psychiatric or mental disorder that is not manageable and will not allow safe transport within the confines of the ground ambulance and aircraft may not be transported. A member beyond the second trimester of pregnancy may not be transported if the transport request relates to the pregnancy.

Term; Cancellation; No Refunds. The length of the membership term will be as specified in the membership application and will begin on the enrollment date, which is the date on which the enrollment application is received and payment is successfully processed. A renewal within a current membership term extends the existing expiration date of the membership by the membership term selected; such renewal term begins the day after the current term ends. When an expired membership is renewed, the new membership term as selected by the member, will begin on the purchase date of the renewal.

AirMed reserves the right to terminate any membership immediately if (i) the annual billing is not paid in full, in accordance with the payment plan that the member selects or (ii) AirMed does not receive payment for other reason.

2. Any and all matters arising out of or relating to the membership program, these terms and conditions, and/or the subject matter hereof shall be governed by, construed, and enforced in accordance with the laws of the United States of America (including without limitation, the Federal Arbitration Act) and, to the extent not preempted by Federal law, the laws of the State of Alabama without regard to conflicts or choice of law principles, regardless of the legal theory upon which such matter is asserted. Outside of these terms and conditions, Federal law preempts state and local laws, regulations, and other provisions, including common law duties that relate to rates, routes, or services of an air carrier. To the extent a state or political subdivision thereof makes the incorporation of common law duties or state law in contracts optional, AirMed and you agree that this contract does not incorporate any such common law duties or state laws.

3. ARBITRATION AGREEMENT. Any controversy or claim arising out of or relating to the membership program, these terms and conditions, and/or the subject matter hereof shall be resolved by binding arbitration by a single arbitrator pursuant to the Consumer Arbitration Rules of the American Arbitration Association (**"Rules"**), as modified by these terms and conditions. The place of arbitration will be Birmingham, Alabama. The judgment on any award rendered by the arbitrator may be entered in any court having jurisdiction thereof. **THERE SHALL BE NO RIGHT OR AUTHORITY FOR ANY CLAIMS TO BE ARBITRATED ON A CLASS ACTION, JOINT OR CONSOLIDATED BASIS OR ON BASES INVOLVING CLAIMS BROUGHT IN A PURPORTED REPRESENTATIVE CAPACITY ON BEHALF OF OTHER MEMBERS OR OTHER PERSONS. THE ARBITRATOR MAY AWARD RELIEF ONLY IN FAVOR OF THE INDIVIDUAL PARTY SEEKING RELIEF AND ONLY TO THE EXTENT NECESSARY TO PROVIDE RELIEF WARRANTED BY THAT INDIVIDUAL PARTY'S CLAIM. The arbitrator is not authorized to award attorney's fees and costs or equitable relief.** In the event the prohibition on class arbitration or any other provision in this arbitration agreement is deemed invalid or unenforceable, then the remaining provisions of these terms and conditions will remain in full force and effect. In the event of any dispute between the parties, you agree to first contact AirMed and make a good faith effort to resolve the dispute before resorting to arbitration under these terms and conditions.

These terms and conditions supersede all previous terms and conditions between a member and AirMed, including any other writings, or verbal representations, relating to the terms and conditions of membership. These terms and conditions may be modified or amended only in writing signed by the President of AirMed, and may not be modified or amended orally, by trade usage or by course of conduct or dealing.

* * * *

AirMedCare Network* Fly-U-Home U.S. Domestic Membership Specific Terms and Conditions

The following terms and conditions apply to AirMedCare Network Fly-U-Home membership

1. Member Eligibility. A member must be a natural person who resides in the Contiguous 48 States, meaning the United States of America, excluding the states of Alaska and Hawaii, and excluding all territories and possessions. A member's residence must be listed on the member's enrollment application. Requests for changes to a member's residence must be submitted in writing to AirMed. The benefits of the membership extend to the designated primary member and all persons who dwell in a shared living space with the primary member and who are named in the enrollment application. Membership commences after a completed enrollment application and full payment has been received.

2. Air Medical Transport: Arrangements, Suitability and Additional Passengers. If (1) an AirMedCare Network Fly-U-Home member is admitted to a hospital in the Contiguous 48 States that is more than 150 nautical miles (or approximately 172.6 statute miles) from the member's residence and (2) it is determined by the member's physician and AirMed's medical director that the member's medical condition is stable enough to allow air transport but that medical escort is required, then, at the member's request, AirMed will provide the member with private air medical transport or, if appropriate, commercial airline transport with medical escort. Transport will be provided on a bedside- to-bedside basis to a hospital of the member's choice that has accepted the member as a patient and is within the locality of the member's residence, subject to the membership terms and conditions.

3. Transport of Mortal Remains. If a member dies within the Contiguous 48 States while traveling more than 150 nautical miles (or approximately 172.6 statute miles) from the member's residence, at the request of the member's family, AirMed will arrange for the return of the member's mortal remains to a funeral facility in the city of the member's residence within the Contiguous 48 States.

* * * *

Fly-U-Home International* Specific Terms and Conditions

The following terms and conditions apply to Fly-U-Home International membership only.

1. Member Eligibility. A member must reside in the United States. References to "United States" in these terms and conditions and the description of benefits means the 50 United States, but no other United States territories or possessions. A member's residence must be listed on the member's enrollment application. Requests for changes to a member's residence must be submitted in writing to AirMed. If for any reason the law of another country is found to apply to a membership, then such membership will be void and the member's sole remedy will be a refund of the membership fee applicable to such membership. Members must be natural persons.

2. Air Medical Transport: Arrangements, Suitability and Additional Passengers. AirMed will make all arrangements for each air medical transport, including timing of the transport, type of aircraft, etc. This is a membership program that provides pre-paid medical transportation and is not an insurance plan. AirMed will not reimburse members for medical, medical transport or related expenses they incur on their own.

Decisions regarding urgency of transport, the best timing and the most suitable means of transportation will be made by the AirMed medical department after consultation with the local attending physician and the member's receiving physician. AirMed membership does not cover emergent patient transports. If emergent medical treatment or transportation is needed, a member should contact appropriate local authorities for assistance. If, after a member receives such local emergent medical treatment or transportation while traveling more than 150 miles from the member's residence, the member is admitted to a local hospital, then the member may qualify for repatriation benefits under the AirMed membership. In addition, a member with mild lesions, simple injuries such as sprains, simple fractures or mild conditions which can be treated by local doctors and do not prevent the member from continuing his or her trip or returning home does not qualify for air medical transport. All decisions made by the AirMed medical department are final.

Due to the limited medical facilities and testing available on cruise ships, in some cases the AirMed Medical Director may require the member to be admitted to a hospital on-shore before dispatching the AirMed aircraft.

3. Qualifications, Limitations and Exclusions. Membership is subject to the following qualifications, limitations and exclusions:

Ineligible and Excluded Transports. A member traveling outside of the United States for the sole purpose of seeking medical treatment, whether inpatient or outpatient, experimental or otherwise, will not be eligible for air medical transport benefits for that specific medical condition.

Extended Travel Limitation. AirMed membership is valid for unlimited U.S. travel and international travel with a limit of 90 days of unbroken travel per trip. For international travel in excess of 90 days of unbroken travel per trip, AirMed offers an Expatriate membership.

High Risk / Safety Travel Restrictions. Due to the high risk of sending U.S. registered aircraft and personnel into countries or geographic regions where the U.S. State Department, Department of Transportation, or the Federal Aviation Administration (FAA) has issued travel restrictions, membership services are not available in these areas.

* AirMedCare Network® is a registered service mark of Air Medical Group Holdings LLC. All AMCN Fly-U-HomeSM and Fly-U-Home International membership benefits are offered and provided by AirMed International LLC, an FAA Part 135 operator. All aircraft services are provided by AirMed International LLC, an FAA Part 135 operator, EagleMed LLC, an FAA Part 135 operator, both subsidiaries of Air Medical Group Holdings LLC, or a certified FAA Part 135 substitute air carrier engaged by AirMed International LLC.

ATTENTION TENNESSEE RESIDENTS:

The air ambulance membership agreement is a membership plan and not insurance coverage.

TennCare Medicaid covers air ambulance transport services and requires no out-of-pocket expense by the enrollee for air ambulance transport services and;

Some state laws prohibit Medicaid beneficiaries from being offered air ambulance memberships or being accepted into air ambulance membership programs. If an individual submits an air ambulance membership agreement application, the applicant must attest to the fact that the applicant is not currently, nor plans to be, enrolled in Medicaid. If the applicant is not currently enrolled in Medicaid, but becomes enrolled at the time during the duration of the membership agreement, then the applicant must notify the air ambulance membership organization within thirty (30) days. If the applicant timely notifies the air ambulance organization of such enrollment, then the air ambulance membership organization must provide the applicant a pro-rated refund for any consideration paid for the air ambulance membership agreement.

Fly-U-Home
A Global Medical Response Solution

Plan Code: 35015/35017

AirMedCare Network Membership for Payroll Deduct Only
For City of Kingsport, TN & Kingsport City Schools

Organization: City of Kingsport, TN & Kingsport City Schools
Address: 415 Broad Street Suite 418
Kingsport, TN 37660
Contact: Michael Wessely
Phone: 423-224-2448
Email:
County: Sullivan

Membership Sales Manager/Base: Aaron Hess/HEART II

Participants:

1. The Organization is collecting by payroll deduction the fees shown below from the individuals (Participants) listed on the attached Participant List become members of AMCN Fly-U-Home, which provides non-emergent patient transports in qualifying situations (see terms and conditions section)
   - A Participant must be actively affiliated with the Organization (as a member, director, officer, employee or similar relationship) as indicated on the Participant List when the fee for such Participant is paid.
   - Each Participant must submit a completed AMCN Fly-U-Home membership application to AirMedCare Network.
2. The Organization may later add a Participant by providing AirMedCare Network with the following for the new Participant: (a) a completed application and (b) a pro-rated payment based on the number of months remaining under this Agreement.

Fees and Payment:

No. of Participants in Initial Group		Rates		Total
		1 Year Membership Participant(s)	$ 295.00	$ -
		3 Year Membership Participant(s)	$ 822.00	$ -
		5 Year Membership Participant(s)	$ 1,182.00	$ -
		10 Year Membership Participant(s)	$ 1,895.00	$ -
			Total	$ -

General Provisions:

1. Participant memberships will be effective upon AirMedCare Network's receipt of (a) this Agreement signed by the Organization, (b) payment as provided above and (c) membership applications completed by the Participants.
2. AirMedCare Network agrees that Participant Lists and membership applications (a) will be used by AirMedCare Network only for the purpose of delivering AMCN Fly-U-Home services, (b) will be treated like any other AirMedCare Network confidential information and (c) will not be used, sold or shared with any third party inconsistent with this provision.
3. This Agreement will automatically renew on its anniversary date (annually or monthly, as applicable), if (a) no termination notice has been sent by either party and (b) payment for the renewal period is received by AirMedCare Network before expiration date. Either party may terminate this Agreement at any time and for any reason with 30 days prior written notice to the other party, but termination will not affect issued memberships. No refunds.
4. The Organization acknowledges and understands that each Participant must agree to the Terms and Conditions attached hereto as **Exhibit A** to become a member of the AirMedCare Network. However, the Organization and AirMed hereby acknowledge and agree the terms and conditions set forth in Exhibit A shall not govern or control the relationship or interpretation of this Agreement between the Organization and AirMedCare Network.

Initial _____

Agreed to by:

Signature	Signature
Printed Name	**Matt Muse** Printed Name
Title	**Vice President of GMR Membership** Title
Organization Name	**Membership** Division
Date	Date

Initial _____

Fly-U-Home
A Global Medical Response Solution

EXHIBIT A

AMCN Fly-U-Home and Fly-U-Home International* Master Terms and Conditions

The following terms and conditions apply to both AMCN Fly-U-Home and Fly-U-Home International memberships.

1. Qualifications, Limitations and Exclusions. Membership is subject to the following qualifications, limitations and exclusions:

Waiting Periods. For the first 30 days of membership, a member may not be eligible for a transport due to illness or injury if the member was hospitalized for the same or a related condition within 30 days prior to the membership effective date.

Ineligible and Excluded Transports. A member being evaluated for or on an organ transplant list prior to enrollment will not be entitled to a transport for conditions related to that transplant. A member who is hospitalized at the time of enrollment will not be eligible for transport benefits for that hospitalization and may not be accepted for membership entirely.

Maximum Number of Transports. Membership covers up to two separate transports per year per membership (in total for all members covered under one membership); however, if multiple members who are covered under one membership require simultaneous transport, then each such member will be limited to that one transport.

Locations Inaccessible by Fixed Wing Aircraft. Both the originating and receiving hospital must be reasonably accessible by ground ambulance to transport the member to and from an airfield capable of accommodating an AirMed or one of its authorized affiliates aircraft. The cost associated with transportation from isolated areas or islands to an airport accessible to AirMed aircraft is not included in the membership and will be the responsibility of the member. Membership benefits do not include helicopter transportation.

High Risk / Safety Medical Restrictions. In conjunction with FAA, U.S. State Department and other regulatory standards, and AirMed safety standards, a member will not be entitled to air medical transport if the member's illness or injury is a result of or is contributed to by the following: (i)suicide or attempted suicide or intentional self-injury; (ii) a member's own criminal or felonious act; (iii) actions taken while the member is in a state of insanity; (iv) war, invasion, civil war or terrorism; or (v) contagious airborne pathogens. A member suffering from a psychiatric or mental disorder that is not manageable and will not allow safe transport within the confines of the ground ambulance and aircraft may not be transported. A member beyond the second trimester of pregnancy may not be transported if the transport request relates to the pregnancy.

Term; Cancellation; No Refunds. The length of the membership term will be as specified in the membership application and will begin on the enrollment date, which is the date on which the enrollment application is received and payment is successfully processed. A renewal within a current membership term extends the existing expiration date of the membership by the membership term selected; such renewal term begins the day after the current term ends. When an expired membership is renewed, the new membership term as selected by the member, will begin on the purchase date of the renewal.

AirMed reserves the right to terminate any membership immediately if (i) the annual billing is not paid in full, in accordance with the payment plan that the member selects or (ii) AirMed does not receive payment for other reason.

2. Any and all matters arising out of or relating to the membership program, these terms and conditions, and/or the subject matter hereof shall be governed by, construed, and enforced in accordance with the laws of the United States of America (including without limitation, the Federal Arbitration Act) and, to the extent not preempted by Federal law, the laws of the State of Alabama without regard to conflicts or choice of law principles, regardless of the legal theory upon which such matter is asserted. Outside of these terms and conditions, Federal law preempts state and local laws, regulations, and other provisions, including common law duties that relate to rates, routes, or services of an air carrier. To the extent a state or political subdivision thereof makes the incorporation of common law duties or state law in contracts optional, AirMed and you agree that this contract does not incorporate any such common law duties or state laws.

3. ARBITRATION AGREEMENT. Any controversy or claim arising out of or relating to the membership program, these terms and conditions, and/or the subject matter hereof shall be resolved by binding arbitration by a single arbitrator pursuant to the Consumer Arbitration Rules of the American Arbitration Association (**"Rules"**), as modified by these terms and conditions. The place of arbitration will be Birmingham, Alabama. The judgment on any award rendered by the arbitrator may be entered in any court having jurisdiction thereof. **THERE SHALL BE NO RIGHT OR AUTHORITY FOR ANY CLAIMS TO BE ARBITRATED ON A CLASS**

ACTION, JOINT OR CONSOLIDATED BASIS OR ON BASES INVOLVING CLAIMS BROUGHT IN A PURPORTED REPRESENTATIVE CAPACITY ON BEHALF OF OTHER MEMBERS OR OTHER PERSONS. THE ARBITRATOR MAY AWARD RELIEF ONLY IN FAVOR OF THE INDIVIDUAL PARTY SEEKING RELIEF AND ONLY TO THE EXTENT NECESSARY TO PROVIDE RELIEF WARRANTED BY THAT INDIVIDUAL PARTY'S CLAIM. The arbitrator is not authorized to award attorney's fees and costs or equitable relief. In the event the prohibition on class arbitration or any other provision in this arbitration agreement is deemed invalid or unenforceable, then the remaining provisions of these terms and conditions will remain in full force and effect. In the event of any dispute between the parties, you agree to first contact AirMed and make a good faith effort to resolve the dispute before resorting to arbitration under these terms and conditions.

These terms and conditions supersede all previous terms and conditions between a member and AirMed, including any other writings, or verbal representations, relating to the terms and conditions of membership. These terms and conditions may be modified or amended only in writing signed by the President of AirMed, and may not be modified or amended orally, by trade usage or by course of conduct or dealing.

* * * *

AirMedCare Network* Fly-U-Home U.S. Domestic Membership Specific Terms and Conditions

The following terms and conditions apply to AirMedCare Network Fly-U-Home membership only.

1. Member Eligibility. A member must be a natural person who resides in the Contiguous 48 States, meaning the United States of America, excluding the states of Alaska and Hawaii, and excluding all territories and possessions. A member's residence must be listed on the member's enrollment application. Requests for changes to a member's residence must be submitted in writing to AirMed. The benefits of the membership extend to the designated primary member and all persons who dwell in a shared living space with the primary member and who are named in the enrollment application. Membership commences after a completed enrollment application and full payment has been received.

2. Air Medical Transport: Arrangements, Suitability and Additional Passengers. If (1) an AirMedCare Network Fly-U-Home member is admitted to a hospital in the Contiguous 48 States that is more than 150 nautical miles (or approximately 172.6 statute miles) from the member's residence and (2) it is determined by the member's physician and AirMed's medical director that the member's medical condition is stable enough to allow air transport but that medical escort is required, then, at the member's request, AirMed will provide the member with private air medical transport or, if appropriate, commercial airline transport with medical escort. Transport will be provided on a bedside- to-bedside basis to a hospital of the member's choice that has accepted the member as a patient and is within the locality of the member's residence, subject to the membership terms and conditions.

3. Transport of Mortal Remains. If a member dies within the Contiguous 48 States while traveling more than 150 nautical miles (or approximately 172.6 statute miles) from the member's residence, at the request of the member's family, AirMed will arrange for the return of the member's mortal remains to a funeral facility in the city of the member's residence within the Contiguous 48 States.

* * * *

Fly-U-Home International* Specific Terms and Conditions

The following terms and conditions apply to Fly-U-Home International membership only.

1. Member Eligibility. A member must reside in the United States. References to "United States" in these terms and conditions and the description of benefits means the 50 United States, but no other United States territories or possessions. A member's residence must be listed on the member's enrollment application. Requests for changes to a member's residence must be submitted in writing to AirMed. If for any reason the law of another country is found to apply to a membership, then such membership will be void and the member's sole remedy will be a refund of the membership fee applicable to such membership. Members must be natural persons.

2. Air Medical Transport: Arrangements, Suitability and Additional Passengers. AirMed will make all arrangements for each air medical transport, including timing of the transport, type of aircraft, etc. This is a membership program that provides pre-paid medical transportation and is not an insurance plan. AirMed will not reimburse members for medical, medical transport or related expenses they incur on their own.

Decisions regarding urgency of transport, the best timing and the most suitable means of transportation will be made by the AirMed medical department after consultation with the local attending physician and the member's receiving physician. AirMed membership does not cover emergent patient transports. If emergent medical treatment or transportation is needed, a member should contact appropriate local authorities for assistance. If, after a member receives such local emergent medical treatment or transportation while traveling more than 150 miles from the member's residence, the member is admitted to a local hospital, then the member may qualify for repatriation benefits under the AirMed membership. In addition, a member with mild lesions, simple injuries such as sprains, simple fractures or mild conditions which can be treated by local doctors and do not prevent the member from continuing his or her trip or returning home does not qualify for air medical transport. All decisions made by the AirMed medical department are final.

Due to the limited medical facilities and testing available on cruise ships, in some cases the AirMed Medical Director may require the member to be admitted to a hospital on-shore before dispatching the AirMed aircraft.

3. Qualifications, Limitations and Exclusions. Membership is subject to the following qualifications, limitations and exclusions:

Ineligible and Excluded Transports. A member traveling outside of the United States for the sole purpose of seeking medical treatment, whether inpatient or outpatient, experimental or otherwise, will not be eligible for air medical transport benefits for that specific medical condition.

Extended Travel Limitation. AirMed membership is valid for unlimited U.S. travel and international travel with a limit of 90 days of unbroken travel per trip. For international travel in excess of 90 days of unbroken travel per trip, AirMed offers an Expatriate membership.

High Risk / Safety Travel Restrictions. Due to the high risk of sending U.S. registered aircraft and personnel into countries or geographic regions where the U.S. State Department, Department of Transportation, or the Federal Aviation Administration (FAA) has issued travel restrictions, membership services are not available in these areas.

* AirMedCare Network® is a registered service mark of Air Medical Group Holdings LLC. All AMCN Fly-U-Home℠ and Fly-U-Home International membership benefits are offered and provided by AirMed International LLC, an FAA Part 135 operator. All aircraft services are provided by AirMed International LLC, an FAA Part 135 operator, EagleMed LLC, an FAA Part 135 operator, both subsidiaries of Air Medical Group Holdings LLC, or a certified FAA Part 135 substitute air carrier engaged by AirMed International LLC.

Initial _____

Plan Code: 25149/20745

AirMedCare Network Membership for Payroll Deduct Only
For City of Kingsport, TN & Kingsport City Schools

Organization:	City of Kingsport, TN & Kingsport City Schools
Address:	415 Broad Street Suite 418 Kingsport, TN 37660
Contact:	Michael Wessely
Phone:	423-224-2448
Email:	
County:	Sullivan

Membership Sales Manager/Base: Aaron Hess/HEART II

Participants:

1. The Organization is collecting by payroll deduction the fees shown below from the individuals (Participants) listed on the attached Participant List become members of AMCN Fly-U-Home, which provides non-emergent patient transports in qualifying situations (see terms and conditions section)
   - A Participant must be actively affiliated with the Organization (as a member, director, officer, employee or similar relationship) as indicated on the Participant List when the fee for such Participant is paid.
   - Each Participant must submit a completed AMCN Fly-U-Home membership application to AirMedCare Network.
2. The Organization may later add a Participant by providing AirMedCare Network with the following for the new Participant: (a) a completed application and (b) a pro-rated payment based on the number of months remaining under this Agreement.

Fees and Payment:

No. of Participants in Initial Group		Rates		Total
		1 Year Membership Participant(s)	$ 136.00	$ -
		3 Year Membership Participant(s)	$ 228.00	$ -
		5 Year Membership Participant(s)	$ 352.00	$ -
		10 Year Membership Participant(s)	$ 648.00	$ -
			Total	$ -

General Provisions:

1. Participant memberships will be effective upon AirMedCare Network's receipt of (a) this Agreement signed by the Organization, (b) payment as provided above and (c) membership applications completed by the Participants.
2. AirMedCare Network agrees that Participant Lists and membership applications (a) will be used by AirMedCare Network only for the purpose of delivering AMCN Fly-U-Home services, (b) will be treated like any other AirMedCare Network confidential information and (c) will not be used, sold or shared with any third party inconsistent with this provision.
3. This Agreement will automatically renew on its anniversary date (annually or monthly, as applicable), if (a) no termination notice has been sent by either party and (b) payment for the renewal period is received by AirMedCare Network before expiration date. Either party may terminate this Agreement at any time and for any reason with 30 days prior written notice to the other party, but termination will not affect issued memberships. No refunds.
4. The Organization acknowledges and understands that each Participant must agree to the Terms and Conditions attached hereto as **Exhibit A** to become a member of the AirMedCare Network. However, the Organization and AirMed hereby acknowledge and agree the terms and conditions set forth in Exhibit A shall not govern or control the relationship or interpretation of this Agreement between the Organization and AirMedCare Network.

Initial _____

Agreed to by:

Signature	Signature
Printed Name	**Matt Muse** Printed Name
Title	**Vice President of GMR Membership** Title
Organization Name	**Membership** Division
Date	Date

Item XI5.

Initial _____

EXHIBIT A

AMCN Fly-U-Home and Fly-U-Home International* Master Terms and Conditions

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* * * *

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* * * *

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Due to the limited medical facilities and testing available on cruise ships, in some cases the AirMed Medical Director may require the member to be admitted to a hospital on-shore before dispatching the AirMed aircraft.

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Extended Travel Limitation. AirMed membership is valid for unlimited U.S. travel and international travel with a limit of 90 days of unbroken travel per trip. For international travel in excess of 90 days of unbroken travel per trip, AirMed offers an Expatriate membership.

High Risk / Safety Travel Restrictions. Due to the high risk of sending U.S. registered aircraft and personnel into countries or geographic regions where the U.S. State Department, Department of Transportation, or the Federal Aviation Administration (FAA) has issued travel restrictions, membership services are not available in these areas.

* AirMedCare Network® is a registered service mark of Air Medical Group Holdings LLC. All AMCN Fly-U-Home℠ and Fly-U-Home International membership benefits are offered and provided by AirMed International LLC, an FAA Part 135 operator. All aircraft services are provided by AirMed International LLC, an FAA Part 135 operator, EagleMed LLC, an FAA Part 135 operator, both subsidiaries of Air Medical Group Holdings LLC, or a certified FAA Part 135 substitute air carrier engaged by AirMed International LLC.

Initial _____

AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor's Signature to Execute all Documents Necessary to Receive a $50,000 Reimbursement Grant from the State of Tennessee Department of Disability and Aging

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-313-2026	Final Adoption:	November 3, 2026
Work Session:	November 2, 2026	Staff Work By:	Shirley Buchanan
First Reading:	N/A	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 grant agreement with the State of Tennessee Department of Disability and Aging to receive a $50,000 reimbursement grant for improvements, equipment, and programming at the Kingsport Senior Center.

The Tennessee General Assembly appropriated $5 million for the Competitive Senior Center Grant Program to support senior centers throughout the state. Eligible centers were permitted to apply for reimbursement grants of up to $50,000 to support facility improvements, equipment purchases, programming, and operational needs.

The Kingsport Senior Center was awarded the maximum grant amount of $50,000. The funds will be used for the following purposes:

- $33,000 for facility repairs and improvements, including refinishing the gymnasium floor.
- $7,000 for equipment purchases for the woodshop.
- $10,000 for virtual programming.

The grant agreement will be effective December 1, 2026, through March 31, 2028. The City will be responsible for completing the proposed expenditures, submitting reimbursement requests, and providing required reports to the State.

The grant does not require a local match.

Attachments:
1. Resolution
2. Grant Contract

	Y	N	O
Baker	__	__	__
Byers	__	__	__
Clifton	__	__	__
Duncan	__	__	__
Isaacs	__	__	__
Phillips	__	__	__
Montgomery	__	__	__

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO RECEIVE A GRANT FROM THE STATE OF TENNESSEE DEPARTMENT OF DISABILITY AND AGING FOR THE KINGSPORT SENIOR CENTER

WHEREAS, the city, through the Kingsport Senior Center, has been awarded a grant from the State of Tennessee Department of Disability and Aging (TDDA); and

WHEREAS, the funds will be used to support facility improvements, equipment purchases, programming, and operational needs for the Kingsport Senior Center; and

WHEREAS, this is a reimbursement grant in the amount of $50,000.00 the funds from which will provide for repairs and improvements, including refinishing the gymnasium floor, equipment purchases for the woodshop, and virtual programming; and

WHEREAS, no local match is required however the grant funds must be used by March 31, 2028.

Now therefore,

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

SECTION I. That the State of Tennessee Department of Disability and Aging grant in the total amount of $50,000.00 is accepted.

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 State of Tennessee Department of Disability and Aging for the main site of the Kingsport Senior Center in the amount of $50,000.00, 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 as set out below:

GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF DISABILITY AND AGING
AND
CITY OF KINGSPORT

This grant contract (“Grant Contract”), by and between the State of Tennessee, Department of Disability and Aging (“DDA”), hereinafter referred to as the “State” or the “Grantor State Agency” and City of Kingsport, hereinafter referred to as the “Grantee,” is for the provision of the Senior Center Grant, 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 all services and deliverables (“Scope”) as required, described, and detailed in this Grant Contract.

A.2. Purpose. Funding for this grant award was appropriated by the General Assembly for the sole purpose of making grants on a competitive basis to Senior Centers across the state of Tennessee.

A.3. The Grantee shall use the grant funding for costs related to one or more of the categories listed below. If the Grantee is unsure if an expenditure is allowable, the Grantee shall request approval from the State.

a. Capital projects (building improvements, equipment, etc.);
b. Marketing;
c. Programming/activities; and/or

d. Routine operating expenses.

A.4. The Grantee shall not use the grant funding for any expenditure listed below. If the Grantee is unsure if an expenditure is allowable, the Grantee shall request approval from the State.

a. Alcohol;

b. Gift Cards; and

c. Salaries for staff that are on payroll.

A.5. The Grantee shall submit mid-term and final reports, using a template provided by the State, by March 31, 2027, October 31, 2027, and April 30, 2028. The reports shall include the following information:

a. A list of items purchased;

b. Number of unduplicated people served;

c. Pictures of items, materials, programs, activities, etc. purchased using the grant funding; and

d. Testimonials from Senior Center members about how the funding impacted their participation at the senior center.

A.6. 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. and c., below);

b. The State grant proposal solicitation as may be amended, if any; and

c. The Grantee's proposal (Attachment B Grantee's Proposal) incorporated to elaborate supplementary scope of services specifications.

B. TERM OF CONTRACT:

This Grant Contract shall be effective for the period beginning on December 1, 2026 ("Effective Date") and ending on March 31, 2028, ("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 Fifty Thousand Dollars ($50,000.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment A 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 often than monthly, with all necessary supporting documentation, and present such to:

DDA.Aging.IFR@th.gov: or

Department of Disability and Aging
500 James Robertson Parkway
Davy Crockett Tower, 2nd 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 Disability and Aging

(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 Central Procurement Office Policy Statement 2013-007 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:
Sidney Enss, Director of Volunteer Engagement & Senior Center Liaison Department of Disability and Aging
500 James Robertson Parkway
Davy Crockett Tower, 2nd Floor
Sidney.Enss@tn.gov
Telephone # 615-741-1585

The Grantee:
Paul Montgomery, Mayor
City of Kingsport
1200 East Center Street, 2nd & 3rd Fl, Kingsport, TN 37660
MichelleTolbert@Kingsporttn.gov
Telephone # 423-229-9412

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 or suspend this Grant Contract upon written notice to the Grantee. The State's right to terminate or suspend 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 or suspension date but shall not be entitled to compensation for any services performed subsequent to termination date or during a period of suspension. 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. As applicable, 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—200.327 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 ten thousand dollars ($10,000.00).

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 offence 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 the requirements of this Grant Contract and applicable state and federal law. All material, information, and data regardless of form, medium or method of communication, that the Grantee will have access to, acquire, or is provided to the Grantee by the State or acquired by the Grantee on behalf of the State shall be regarded as "Confidential Information." The State grants the Grantee a limited license to use the Confidential Information but only to perform its obligations under the Grant Contract. 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 under state or federal law or otherwise authorized in writing by the State. Grantee shall take all necessary steps to safeguard the confidentiality of such Confidential Information in conformance with the requirements of this Grant Contract and with applicable state and federal law.
As long as the Grantee maintains State Confidential Information, the obligations set forth in this Section shall survive the termination of this Grant Contract.
D.36. State Sponsored Insurance Plan Enrollment. The Grantee warrants that it will not enroll or permit its employees, officials, or employees of contractors to enroll or participate in a state sponsored health insurance plan through their employment, official, or contractual relationship with Grantee unless Grantee first demonstrates to the satisfaction of the Department of Finance and Administration that it and any contract entity satisfies the definition of a governmental or quasigovernmental entity as defined by federal law applicable to ERISA.
D.37. Foreign Adversary Company Attestation. The Grantee attests that they are not a "Foreign adversary company" within the meaning of Pub. Ch. 768 (2026) and that the Grantee is not knowingly selling an information and communications technology final product or service within the meaning of Pub. Ch. 768 (2026).
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.
[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 public.

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

ADOPTED this the 3rd day of November, 2026.

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	End Date	Agency Tracking #	Edison ID
December 1, 2026	March 31, 2028	34401-99646-27	90901

Grantee Legal Entity Name	Edison Vendor ID
City of Kingsport	1562

Subrecipient or Recipient

☐ Subrecipient

☒ Recipient

Assistance Listing Number

Grantee's fiscal year end 6/30

Service Caption (one line only)

Senior Center Grant

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Grant Contract Amount
2027	$23,529.41				$23,529.41
2028	$26,470.59				$26,470.59
TOTAL:	**$50,000.00**				**$50,000.00**

Grantee Selection Process Summary

☒ Competitive Selection	This grantee was selected as per the predefined methodology in the approved DGA
☐ Non-competitive Selection	

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.

David Comm

Digitally signed by David Comm
Date: 2026.09.30 20:28:02 -05'00'

CPO USE - GG

Speed Chart (optional)	Account Code (optional)

GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF DISABILITY AND AGING
AND
CITY OF KINGSPORT

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Disability and Aging ("DDA"), hereinafter referred to as the "State" or the "Grantor State Agency" and City of Kingsport, hereinafter referred to as the "Grantee," is for the provision of the Senior Center Grant, 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 all services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.

A.2. Purpose. Funding for this grant award was appropriated by the General Assembly for the sole purpose of making grants on a competitive basis to Senior Centers across the state of Tennessee.

A.3. The Grantee shall use the grant funding for costs related to one or more of the categories listed below. If the Grantee is unsure if an expenditure is allowable, the Grantee shall request approval from the State.

a. Capital projects (building improvements, equipment, etc.);
b. Marketing;
c. Programming/activities; and/or
d. Routine operating expenses.

A.4. The Grantee shall not use the grant funding for any expenditure listed below. If the Grantee is unsure if an expenditure is allowable, the Grantee shall request approval from the State.

a. Alcohol;
b. Gift Cards; and
c. Salaries for staff that are on payroll.

A.5. The Grantee shall submit mid-term and final reports, using a template provided by the State, by March 31, 2027, October 31, 2027, and April 30, 2028. The reports shall include the following information:

a. A list of items purchased;
b. Number of unduplicated people served;
c. Pictures of items, materials, programs, activities, etc. purchased using the grant funding; and
d. Testimonials from Senior Center members about how the funding impacted their participation at the senior center.

A.6. 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. and c., below);

b. The State grant proposal solicitation as may be amended, if any; and

c. The Grantee's proposal (Attachment B Grantee's Proposal) incorporated to elaborate supplementary scope of services specifications.

B. TERM OF CONTRACT:

This Grant Contract shall be effective for the period beginning on December 1, 2026 ("Effective Date") and ending on March 31, 2028, ("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 Fifty Thousand Dollars ($50,000.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment A 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 often than monthly, with all necessary supporting documentation, and present such to:

DDA.Aging.IFR@th.gov: or
Department of Disability and Aging
500 James Robertson Parkway
Davy Crockett Tower, 2nd 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 Disability and Aging
(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 Central Procurement Office Policy Statement 2013-007 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:

Sidney Enss, Director of Volunteer Engagement & Senior Center Liaison
Department of Disability and Aging
500 James Robertson Parkway
Davy Crockett Tower, 2nd Floor
Sidney.Enss@tn.gov
Telephone # 615-741-1585

The Grantee:

Paul Montgomery, Mayor
City of Kingsport
1200 East Center Street, 2nd & 3rd Fl, Kingsport, TN 37660
MichelleTolbert@Kingsporttn.gov
Telephone # 423-229-9412

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 or suspend this Grant Contract upon written notice to the Grantee. The State's right to terminate or suspend 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 or suspension date but shall not be entitled to compensation for any services performed subsequent to termination date or during a period of suspension. 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. As applicable, 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—200.327 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 ten thousand dollars ($10,000.00).

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 offence 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 the requirements of this Grant Contract and applicable state and federal law. All material, information, and data regardless of form, medium or method of communication, that the Grantee will have access to, acquire, or is provided to the Grantee by the State or acquired by the Grantee on behalf of the State shall be regarded as "Confidential Information." The State grants the Grantee a limited license to use the Confidential Information but only to perform its obligations under the Grant Contract. 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 under state or federal law or otherwise authorized in writing by the State. Grantee shall take all necessary steps to safeguard the confidentiality of such Confidential Information in conformance with the requirements of this Grant Contract and with applicable state and federal law.

As long as the Grantee maintains State Confidential Information, the obligations set forth in this Section shall survive the termination of this Grant Contract.

D.36. State Sponsored Insurance Plan Enrollment. The Grantee warrants that it will not enroll or permit its employees, officials, or employees of contractors to enroll or participate in a state sponsored health insurance plan through their employment, official, or contractual relationship with Grantee unless Grantee first demonstrates to the satisfaction of the Department of Finance and Administration that it and any contract entity satisfies the definition of a governmental or quasigovernmental entity as defined by federal law applicable to ERISA.

D.37. Foreign Adversary Company Attestation. The Grantee attests that they are not a "Foreign adversary company" within the meaning of Pub. Ch. 768 (2026) and that the Grantee is not knowingly selling an information and communications technology final product or service within the meaning of Pub. Ch. 768 (2026).

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.

IN WITNESS WHEREOF,

CITY OF KINGSPORT:

GRANTEE SIGNATURE **DATE**

PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)

DEPARTMENT OF DISABILITY AND AGING

BRAD TURNER, COMMISSIONER **DATE**

ATTACHMENT A

GRANT BUDGET

The Grant Budget line-item amounts below shall be applicable only to expense incurred during the following

Applicable Period: **BEGIN: December 1, 2026** **END: March 31, 2028**

	EXPENSE OBJECT LINE-ITEM CATEGORY [1]	GRANT CONTRACT	GRANTEE PARTICIPATION	TOTAL PROJECT
	Salaries, Benefits & Taxes	0.00	0.00	0.00
	Professional Fee, Grant & Award [2]	$50,000.00	0.00	$50,000.00
	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
	Travel, Conferences & Meetings	0.00	0.00	0.00
	Interest [2]	0.00	0.00	0.00
	Insurance	0.00	0.00	0.00
	Specific Assistance To Individuals	0.00	0.00	0.00
	Depreciation [2]	0.00	0.00	0.00
	Other Non-Personnel [2]	0.00	0.00	0.00
	Capital Purchase [2]	0.00	0.00	0.00
	Indirect Cost	0.00	0.00	0.00
	In-Kind Expense	0.00	0.00	0.00
	GRAND TOTAL	$50,000.00	**0.00**	$50,000.00

[1] Each expense object line-item is defined by the U.S. OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E Cost Principles (posted on the Internet at: https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E) and CPO Policy 2013-007 (posted online at https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-.html).

[2] Applicable detail follows this page if line-item is funded.

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Grant approved expenses related to one or more of the following categories: 1) capital projects; 2) outreach and education; 3) Programming/Activities; and/or 4) routine operating expenses.	$50,000.00
TOTAL	$50,000.00

Form Name:	2026 TN Senior Center Grant Application
Submission Time:	August 3, 2026 1:03 pm
Browser:	Chrome 151.0.0.0 / Windows
IP Address:	75.131.54.162
Unique ID:	1485197906

2026 Senior Center Grant Application

This year’s grant is a cost-reimbursement grant only. I understand that if my senior center is selected as a grant recipient, we will be required to pay for all purchases up front and submit receipts of payment to be reimbursed.	Yes
Is your organization a residential facility for older adults?	No
Senior Center Name	KSC Artisan Center
County of Senior Center Location	Sullivan
Amount of funding being requested ($5,000-$50,000)	$50,000.
Senior Center’s Fiscal Year (Ex. January 1-December 31, July 1-June 30, etc.)	July1-June 30th
Your Senior Center's EIN (Employer Identification Number, found on W9)	62-6000323
Type of Entity (How the senior center is registered through the Secretary of State)	City Government (managed through city government processes)
Senior Center Physical Address	1200 East Center Street 2nd and 3rd Floor Kingsport, TN 37660
Does your senior center provide a minimum of 16 hours a month of activities or services specifically targeted for adults 60 and over? (Proof of programming is required with your submission.)	Yes
Please upload proof of programming.	https://stateoftennessee.formstack.com/admin/download/file/19889039323

Contact Person Information

Senior Center Contact (This person will be the primary contact and receive all grant correspondence primarily via email)	Michelle Tolbert
Title/Position at the Senior Center	Program Coordinator
Email	MichelleTolbert@Kingsporttn.gov
Phone	(423) 341-3856
Authorized Signatory (This person is authorized to sign contracts on behalf of the senior center)	Paul Montgomery
Title/Position	Mayor
Email Address	PaulMontgomery@kingsporttn.gov
Phone Number	423-229-9412

Grant Goals & Letters of Support

Grant Goals	Capital Projects (building improvements, equipment, etc) Programming / Activities
Letter from State Senator	https://stateoftennessee.formstack.com/admin/download/file/19889039336
Letter from State Representative	https://stateoftennessee.formstack.com/admin/download/file/19889039337

Fiscal Information

Preferred Payment Method (If awarded a grant, select your preference on receiving reimbursed grant funds)	Direct Deposit
Last 4 digits of account number	1379

Project & Budget Narratives

Current Need(s) Sentence - Complete the following sentence: The funds requested will be used to fund or purchase _____. (10 points)	The funds requested will be used to fund our virtual programming continuation, along with updates to our facility, and to purchase the recommended supplies needed due to our current relocation.
Senior Center Background - Please provide any information about your center you would like the reviewers to know (500 words maximum). (10 points)	The KSC Artisan Center began in 2016 and was housed in the KSC Lynn view site. Its purpose is to provide a Consignment Gallery where regional artists and crafts persons that are 50 and older can market and sell their creative work. The Center offers a variety of juried art pieces, including pottery, painting, basketry, woodcrafts, knitting, crocheting, photography, and jewelry. Along with the Gallery, the Artisan Center offers Art and Crafts classes including stained glass instruction. One of the goals for the Artisan Center is to provide the senior participant an avenue to learn how to create art and a place to sell it and subsidize their income. The KSC Artisan Center has many volunteers, 2 fulltime staff, and a host of community partnerships including residential senior living facilities and others that use the virtual programming currently offered. The staff plans and coordinates the classes or programs to offer virtually. The Center has all of the equipment needed to continue a successful program, most of which came from grants. The staff work with instructors some volunteer, some paid to create a diversified offering. Volunteers facilitate the classes and programs by setting up the room, making sure that the supplies are available and helps with anything the instructor would need. Our community partners help by offering these programs in their facilities and they coordinate with our staff on the offerings and the supplies needed. This program is very successful and utilizes the strength of the Center, which is its members, volunteers, and community partners for its success.

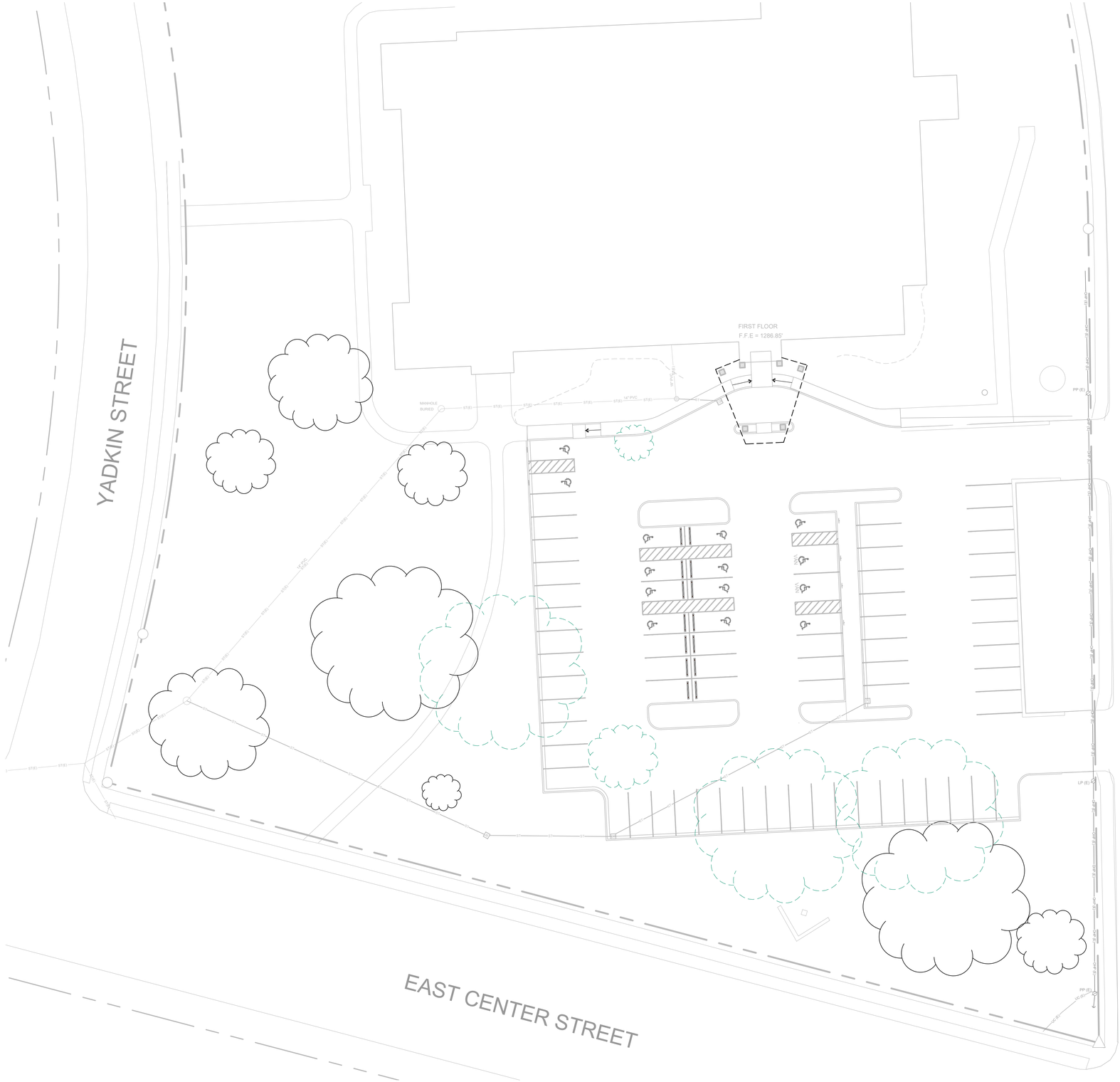
Impact - Describe the impact your project will have on the senior center and its participants if you receive grant funds. (10 points)	Receiving the DDA Senior Center grant would have a significant impact on the KSC Artisan Senior Center and its participants as well as its community partners, the surrounding senior programs, and programs across the state of TN. Virtual programming blends all of the best most desired classes and programs that the Center has and brings it into seniors' homes and senior living facilities. The impact is hard to measure however the views on the YouTube channel are one way. Last year alone the YouTube channel consisting of all of the virtual programs had 1500 views and 57 videos for FY 26. Our Facebook page where virtual classes are advertised and some run on has over 200,000 impressions each month. Not only does this grant impact our senior participants but our community and beyond. The renovation part of the grant would allow the Center to continue having a nice space and utilities to run the Artisan Center. The impact on our local area seniors is great. This year the Center provided an event, The Old-Fashioned Christmas Fair, for our Artisan members. We had over 200 members that participated selling their crafts, and the event had over 2,000 visitors each day attend the event. This is a two- day event and is held in November. We have other events like this for our Artisan members throughout the year. The Center is also currently working on an Online Gallery for sales. This will greatly affect our Artisan and senior members.
Project Timeline - Timelines can be adjusted during the grant cycle. The purpose of this section is to create a monthly plan that ensures all funds are expended by the grant deadline. Create a detailed monthly timeline from November 1, 2026 – March 31, 2028, for how you plan to spend the funds you are requesting. (10 points)	November 2026- Receive and sign grant contract. Facilitate a meeting with community partners and senior members to decide what programs should be included virtually and coordinate dates for the largest benefit to all. Schedule all renovations. Submit invoices for reimbursement. December 2026- Budget Virtual programs using grant award amount as guide. Begin Virtual programs. Complete all facility renovation projects. January 2027 through November 2027- Facilitate virtual programs, complete 2 midterm grant reports March 2027 and October 2027, submit invoices for reimbursement November 2026- April 2028- Collect data of a successful program with final grant report due April 2028

Project Budget - Complete a project budget using the required budget template provided by DDA. Using a different budget template will result in an automatic reduction of points. Each budget category should be rounded to the nearest $1,000. Upload your budget here. (10 points)	https://stateoftennessee.formstack.com/admin/download/file/19889039346

Budget Narrative - Provide an explanation and the calculations for how you determined the funding amounts for each category of your budget. (10 points)	Budget Narrative Capital Projects- $33,000 The KSC @ LynnView/Artisan Center had to re-locate this year as the City took the property for a future new school. The location the Center was moved to is located in the upper floors of the Renaissance Center in Kingsport. The space previously used by the City as a Cultural Arts office suite, and several rental rooms. The entire space is in desperate need of repainting, plumbing, electrical, and flooring. The rooms that the Artisan center is in does not have working sinks. We moved all of the cabinets from Lynn View to the site however; no plumbing is available in that space. We have received an estimate of $6,000 to add the plumbing, another one for $17,000 for painting all of the rooms we are now occupying. We also have estimates of $10,000 to redo the flooring in the rooms. We are requesting $33,000 to meet the renovation needs we have. Virtual Programming- $10,000. The KSC Artisan Center currently has a financial need to continue the virtual programming it has been committed to. We are asking for $10,000 to meet this need. Many of our area and across the state seniors are homebound. This virtual programming brings Senior Center programs and activities to those seniors, and to those who choose to participate in this type of programming. In our area the need is great. In order to continue to offer the virtual programs and to continue to add to the virtual library on YouTube the Center needs to receive these funds. With budgets being tight everywhere the KSC Artisan Center has requested these funds in its fiscal budget but did not receive them, so again the need is great in order to continue this programming. The funds are to pay for a continued commercial zoom account, and Instructors for all of the Virtual classes. Supplies- $7,000. The KSC Artisan Center is in need of supplies due to the re-location of the Center. These supplies include, tables and chairs and office furniture. We have reviewed the need and have estimated the cost will be $10,000 we are asking for $7,000 to help us meet the need.

Grant Agreement

Electronic Signature	Michelle Tolbert
Date/Time	Aug 03, 2026



LEGEND

- PROPERTY LINE THIS PROJECT
- ADJACENT PROPERTY LINE
- EXISTING OVERHEAD POWER — OHP (E)
- EXISTING STORM SEWER — ST (E)
- PROPOSED STORM SEWER — ST
- PROPOSED CATCH BASIN — CB
- PROPOSED ROOF DRAIN — RD
- PROPOSED STANDARD DUTY ASPHALT
- PROPOSED LIGHT POLE — LP

SITE NOTES

1. ALL EXISTING STRUCTURES, SIDEWALKS, ASPHALT PAVING, AND SITE UTILITIES SHALL BE FIELD VERIFIED PRIOR TO CONSTRUCTION.
2. FOR THE ESTABLISHMENT OF SUB-GRADES, THE FOLLOWING FINISHED SURFACE THICKNESSES SHALL BE APPLICABLE:
   ASPHALT: STD. DUTY - 9.5" (1.5" FINISH COURSE, 2" BINDER COURSE, AND 6" STONE BASE)
   SIDEWALKS: 8" (4" CONCRETE SLAB AND 4" CRUSHED STONE BASE)
3. PROVIDE POSITIVE DRAINAGE TO ALL LOW POINTS TO PREVENT PONDING OF SURFACE RUN-OFF.
4. ALL UTILITY CONNECTIONS AND / OR MODIFICATIONS TO EXISTING UTILITY SERVICES SHALL BE COORDINATED WITH THE LOCAL AUTHORITY HAVING JURISDICTION.
5. THIS PLAN DOES NOT GUARANTEE THE EXISTENCE OR NON-EXISTENCE OF UTILITIES OR THE DEPTH OF UTILITIES EXCEPT AS SPECIFICALLY INDICATED ON THE DRAWINGS AT POINTS OF SPECIFIED INVERTS OR TOPS OF PIPES EXCAVATED AND MEASURED IN THE FIELD. PRIOR TO ANY CONSTRUCTION, OR EXCAVATION FOR CONSTRUCTION, THE CONTRACTOR SHALL ASSUME THE RESPONSIBILITY OF LOCATING AND VERIFYING ALL UTILITIES, ABOVE OR BELOW GROUND, PUBLIC AND/OR PRIVATE, THAT MAY EXIST AND PASS THROUGH THE AREAS OF CONSTRUCTION, AS WELL AS VERIFYING THE DEPTH OF ALL UNDERGROUND LINES.
6. OVERHEAD, SURFACE, AND SUB-SURFACE INVESTIGATIONS: THE INFORMATION REGARDING EXISTING UNDERGROUND CONDUITS, CABLES, UTILITIES, AND GROUND STRUCTURES HAS BEEN OBTAINED BY THE ARCHITECT FOR HIS OWN USE. ALL SUCH INFORMATION, AND THE DRAWINGS OF EXISTING CONSTRUCTION, ARE FURNISHED ONLY FOR THE INFORMATION AND CONVENIENCE OF THE BIDDERS. THE ACCURACY OR COMPLETENESS OF THIS INFORMATION IS NOT GUARANTEED BY THE ARCHITECT AND IT IS NOT INTENDED TO BE CONSIDERED AS PART OF THE CONTRACT DOCUMENTS EVEN THOUGH SHOWN FOR GUIDANCE ON SOME DRAWINGS. THE CONTRACTOR MUST UNDERTAKE SUCH INVESTIGATIONS AS HE DEEMS NECESSARY TO VERIFY THE LOCATION OF SUCH UNDERGROUND CONDUITS, CABLES, UTILITIES, AND GROUND STRUCTURES. THE CONTRACTOR MUST ASSUME ALL RISKS IN EXCAVATING FOR THIS CONTRACT BASED ON HIS OWN INVESTIGATION OF THESE UNDER-GROUND CONDUITS, CABLES, UTILITIES, AND GROUND STRUCTURES.
7. IN NO CASE DURING CONSTRUCTION SHALL WATER RUN-OFF BE DIVERTED OR ALLOWED TO FLOW TO LOCATIONS WHERE ADEQUATE PROTECTION HAS NOT BEEN PROVIDED.
8. IT SHALL BE THE CONTRACTORS' RESPONSIBILITY TO LEAVE THE SITE ADEQUATELY PROTECTED AGAINST EROSION, SEDIMENTATION, OR ANY DAMAGE TO ANY ADJACENT PROPERTY AT THE END OF EACH DAYS WORK.
9. THE CONTRACTOR SHALL CONSTRUCT AND MAINTAIN EROSION CONTROL MEASURES SUFFICIENT TO PREVENT SOIL FROM BEING ERODED FROM THE SITE INTO ANY ADJACENT DRAINAGE SYSTEM, DITCH, OR WATER COURSES. ANY MATERIAL THAT IS SO ERODED SHALL BE PROMPTLY REMOVED.
10. TEMPORARY DRAINAGE DURING CONSTRUCTION SHALL BE PROVIDED BY THE CONTRACTOR TO RELIEVE FLOODED AREAS THAT MAY CAUSE DAMAGE TO THE SITE OR CITY RIGHT-OF-WAY.
11. THE CONTRACTOR IS RESPONSIBLE FOR ADEQUATELY CLEANING EQUIPMENT PRIOR TO LEAVING CONSTRUCTION SITE, SO AS NOT TO TRACK MUD, ASPHALT, ETC., ONTO PUBLIC RIGHT-OF-WAY. THE CONTRACTOR IS RESPONSIBLE FOR ANY CLEAN-UP OPERATIONS ON ADJACENT PROPERTY OR PUBLIC RIGHT-OF-WAY DUE TO MUD, ASPHALT, ETC., THAT IS TRACKED FROM THE CONSTRUCTION SITE.
12. REMOVAL OF ERODED SEDIMENTS SHALL INCLUDE REMOVAL OF SEDIMENTS FROM ANY OFF-SITE DRAINAGE SYSTEM, INCLUDING EXISTING DITCHES AND STORM SEWERS, WHICH CONTAIN SEDIMENTS ERODED FROM THE WORK AREA.
13. ALL STREETS, STORM SEWER PIPES, DROP INLETS, AND CURB INLETS SHALL BE CLEANED OF DEBRIS AND ERODED MATERIAL DURING THE FINAL STAGE OF CONSTRUCTION.
14. NEW SIDEWALKS ARE TO BE IN STRICT CONFORMANCE WITH THE CITY'S STANDARDS AND SPECIFICATIONS AND PROWAG REQUIREMENTS.
15. ALL NEW SIDEWALKS ARE REQUIRED TO USE SPRAY-LOK CURING COMPOUND.
16. ALL NEW CONCRETE IN RIGHT-OF-WAY TO BE THIRD PARTY TESTED.

PROPERTY INFORMATION

Parcel #: 046O L 007.00
Current Zoning: R-1B
Parcel Area: 4.86 ac. total
Setbacks:
- Min. Front Yard: 30'
- Min. Rear Yard: 30'
- Min. Side Yard: 8'

Disturbed Area: 0.XX ac.
New Impervious Area: 1.63 ac.
Existing Building Square Footage: XX,XXX sf.
Parking Required (Cultural Center):
- One space per 1,000 square feet of gross floor area
  3,150 sf = 13 Parking Spaces required

Existing Parking Provided:
- 29 spaces (of which 2 are ADA)

Proposed Parking Provided:

Total Parking Provided:

OWNER INFORMATION

City of Kingsport
415 Broad Street
Kingsport, TN 37660

SITE LAYOUT PLAN

SCALE: 1" = 20'-0"

PLAN NORTH / TRUE NORTH

0 20' 40' 60'
1" = 20'-0"

Alterations For:
KINGSPORT SENIOR CENTER
1200 East Center Street
Kingsport, TN 37660

Cain Rash West
Architects
130 Regional Park Dr.
Kingsport, TN 37660
Phn (423) 349-7760
Fax (423) 349-7413
www.grcinc.com

THIS DRAWING AS PREPARED BY CainRashWest Architects SHALL BE USED FOR THE SPECIFIC IDENTIFIED PROJECT ONLY. THIS DRAWING IS THE PROPERTY OF CainRashWest Architects AND SHALL BE RETURNED PER THEIR REQUEST

no.	date	rev. description

PRELIMINARY
7/22/2026
NOT FOR CONSTRUCTION

issued	TBD
checked	BWJ
drawn	BWJ
project no.	202611

SITE LAYOUT PLAN

C-11

plotted: 7/22/2026 11:59:44 AM file:C-11-12_SITELAYOUTPLAN-DETAILS_202611.DWG

KINGSPORT POLICE DEPARTMENT

MEMORANDUM

TO: **Kingsport Board of Mayor and Alderman**

FROM: **Captain Justin Quillin** JMQ 311

RE: **Certifications and Assurances- FY 2026 JAG Grant**

DATE: **October 20, 2026**

On September 15, 2026, the Kingsport BMA voted and approved AF-272-2026, granting the Kingsport Police Department permission to apply for and receive a JAG grant for approximately $26,000. This grant, if awarded, will be used to purchase a Utility Terrain Vehicle (UTV, or commonly known as a side-by-side). A UTV will give the department a versatile and reliable platform by which to transport officers and equipment where traditional patrol vehicles may have limited or restricted access.
The application for this grant was previously completed and submitted. Additionally, the Office of Justice Programs requires completion of the Certifications and Assurances form as part of the grant package.

Cc: File

Standard Applicant Information

Project Information

Project Title

Provide needs that significantly improve operational reach across terrain and environments where standard patrol cruisers cannot access, such as greenways, parks, and heavily congested areas.

Federal Estimated Funding (Federal Share)

25779.0

Total Estimated Funding

25779.0

Proposed Project Start Date

10/1/27

Applicant Estimated Funding (Non-Federal Share)

0.0

Proposed Project End Date

10/1/28

Program Income Estimated Funding

0.0

Areas Affected by Project (Cities, Counties, States, etc.)

No items

Type Of Applicant

Type of Applicant 1: Select Applicant Type:

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Item XII2.

—

Type of Applicant 3: Select Applicant Type:

—

Other (specify):

—

Application Submitter Contact Information

Application POC Prefix Name

Mr.

Application POC First Name

Justin

Application POC Middle Name

—

Application POC Last Name

Quillin

Application POC Suffix Name

—

Organizational Affiliation

Kingsport Police Department

Title

Captain

Email ID

justinquillin@kingsporttn.gov

Phone Number

423-343-9803

Fax Number

—

ORINumber

—

Executive Order and Delinquent Debt Information

Is Application Subject to Review by State Under Executive Order 12372? *

Item XII2.

b. Program is subject to E.O. 12372 but has not been selected by the State for review

Is the Applicant Delinquent on Federal Debt?

No

SF424 Attachments (3)

Name	Date Added
manifest.txt	9/25/26
Form SF424_4_0-V4.0.pdf	9/25/26
GrantApplication.xml	9/25/26

Authorized Representative

Authorized Representative Information

Prefix Name

—

First Name	Middle Name	Last Name	Suffix Name
Paul	Wesley	Montgomery	—

Title

Mayor

Verify Legal Name, Doing Business As, and Legal Address

Legal Name
CITY OF KINGSPORT

Doing Business As

UEI
YE45C4JZC5U1

Legal Address

Street 1
415 BROAD ST

Street 2

City	State	Zip/Postal Code
KINGSPORT	TN	37660

CongressionalDistrict	Country
01	USA

Certification

The legal name + Doing Business As (DBA) and legal address define a unique entity in the system as represented in its entity profile. The profile legal name and address is applicable to ALL applications and awards associated to this fiscal agent.

1. If this information is correct confirm/acknowledge to continue with completion of this application.

I confirm this is the correct entity.

Signer Name
Justin Quillin

Certification Date / Time
10/15/2026 09:32 AM

2. If the information displayed does not accurately represent the legal entity applying for federal assistance:

a. Contact your Entity Administrator.

b. Contact the System for Award Ma[illegible](SAM.gov) to update the entity legal name/address.

Item XII2.

3. If the above information is not the entity for which this application is being submitted, Withdraw/Delete this application. Please initiate a new application in Grants.gov with using the correct UEI/SAM profile.

Proposal Abstract *

Description of the Issue

The Kingsport Police Department consists of 124 full-time law enforcement personnel responsible for responding to a wide range of public safety incidents within the city and through mutual aid agreements with surrounding jurisdictions. The department routinely encounters incidents and operational environments where traditional patrol vehicles may have limited access due to rough terrain, damaged roadways, large outdoor areas, severe weather conditions, special events, or other circumstances that restrict vehicle access. The ability to rapidly deploy personnel and necessary equipment into these areas is critical to officer safety, emergency response, search and rescue operations, and effective incident management.

The Kingsport Police Department is seeking funding to acquire a Utility Task Vehicle (UTV) to enhance the department's ability to respond to incidents in areas that are inaccessible or difficult to navigate using conventional patrol vehicles. A UTV would provide the department with a versatile and reliable platform capable of transporting officers, equipment, medical supplies, and other necessary resources across a variety of terrain and operational environments. The addition of a UTV would improve the department's mobility, increase operational capabilities, and support safe and efficient responses to emergency and public safety incidents.

Stakeholder Engagement and Priority Setting Process

The City of Kingsport, through the Kingsport Police Department (KPD), utilizes a collaborative and multi-disciplinary approach to engage stakeholders across this jurisdiction. This process ensures that funding priorities under the Edward Byrne Memorial Justice Assistance Grant (JAG) Program are informed by operational needs and public safety strategies.

KPD maintains ongoing coordination with key criminal justice and public safety partners, including local sheriff's offices in Sullivan and Hawkins Counties, the Tennessee Highway Patrol, prosecutors, courts, emergency commu[Item XII2.]personnel, fire and emergency medical services,

and other agencies involved in public safety operations. Regular interagency meetings, joint training exercises, and mutual aid responses provide opportunities for these stakeholders to identify shared challenges, evaluate current capabilities, and recommend priority areas for improvement.

In addition to justice system partners, the department engages community stakeholders through public outreach initiatives, citizen advisory interactions, and feedback gathered during community policing efforts. Input from residents, local officials, and community organizations helps ensure that public safety strategies remain responsive to community needs and expectations.

Stakeholder input is reviewed by department leadership and command staff and is incorporated into strategic planning discussions, budget development, and grant funding decisions. Identified priorities—such as enhancing emergency response capabilities, improving officer safety, increasing operational mobility, and strengthening coordinated response capabilities—are considered when developing grant requests and departmental initiatives.

This collaborative process ensures that funding decisions are data-informed, operationally relevant, and reflective of both law enforcement needs and community priorities. By integrating stakeholder feedback into planning and decision-making, the City of Kingsport promotes a comprehensive and coordinated approach to public safety and justice system improvement.

Project Design and Implementation

The Kingsport Police Department consists of 124 full-time law enforcement personnel responsible for responding to a wide range of public safety incidents. The department's current vehicle resources are primarily designed for roadway-based operations and may not provide the mobility necessary to effectively access certain terrain, large outdoor areas, or locations where conventional vehicles cannot safely or efficiently operate.

Upon grant approval, the Kingsport Police Department will implement a phased approach to procure, equip, and place one Utility Task Vehicle (UTV) into departmental service. The UTV will be configured to support law enforcement and emergency response operations and will be equipped with appropriate safety and operational equipment based on departmental needs.

Implementation will include vehicle acquisition, installation of necessary equipment, development of operational procedures, and training for personnel assigned to operate the vehicle. Department leadership, in coordination with supervisory and training personnel, will oversee all phases of implementation to ensure the project is executed efficiently and effectively.

The UTV will provide KPD with an additional resource for responding to incidents involving difficult terrain, large public gatherings, severe weather, search operations, special events, and other situations where conventional patrol vehicles may have limited access. The vehicle will also provide an additional means of transporting personnel, equipment, and emergency supplies when conditions require an alternative to traditional patrol vehicles.

Capabilities and Competencies

The City of Kingsport is located within Sullivan and Hawkins Counties. The Kingsport Police Department maintains strong working relationships with both counties' sheriff's offices, as well as the Tennessee Highway Patrol, and routinely provides mutual aid and backup support. While the department's primary responsibility is responding to incidents within the city limits of Kingsport, it also operates under established mutual aid agreements, allowing personnel to assist neighboring jurisdictions when needed.

The department's regional partnerships provide opportunities for coordinated responses to incidents that may extend beyond a single jurisdiction. A UTV would further enhance KPD's ability to support these operations by providing an additional resource capable of operating in areas where conventional emergency vehicles may have difficulty accessing or navigating. The vehicle could support coordinated responses involving law enforcement, fire, emergency medical services, and other public safety partners during emergencies, special events, search operations, severe weather incidents, and other situations requiring specialized mobility.

Plan for Collecting Required Performance Data

The Kingsport Police Department maintains detailed records of operational activities, including training exercises, calls for service, special events, mutual aid responses, and other departmental activities. These records are tracked through the department's records management system and supplemented by supervisory oversight.

To support this project, the department will track the utilization of the UTV, including the number and type of deployments, training activities, special events supported, mutual aid operations, and incidents in which the vehicle provides access or transportation capabilities that would otherwise be limited. Supervisors and designated personnel will document significant uses of the vehicle and identify operational benefits or challenges associated with its deployment.

This data will be used to measure project performance, including increased operational mobility, improved access to difficult terrain or restricted areas, enhanced emergency response capabilities, and increased readiness for special events and multi-agency incidents. The department will ensure accurate and consistent data collection to meet applicable reporting requirements and evaluate the effectiveness of the UTV in supporting law enforcement and public safety operations.

Data Requested with Application *

› **Financial Management and System of Internal Controls**

› **FY2025 JAG NOFO**

Proposal Narrative *

Name	Category	Created by	Date Added
UTV abstract proposal.docx	Proposal Narrative	Justin Quillin	10/02/2026

Budget and Associated Documentation

Budget / Financial Attachments

Budget Worksheet and Budget Narrative *

Name	Category	Created by	Date Added
Budget Detail Worksheet JAG grant FY 2026.xlsm	Budget Worksheet	Justin Quillin	10/14/2026

Pre-Agreement Cost

No documents have been uploaded for Pre-Agreement Cost

Indirect Cost Rate Agreement

No documents have been uploaded for Indirect Cost Rate Agreement

Consultant Rate Justification

No documents have been uploaded for Consultant Rate Justification

Employee Compensation Waiver

No documents have been uploaded for Employee Compensation Waiver

Financial Management Questionnaire (Including applicant disclosure of high-risk status)

No documents have been uploaded for Financial Management Questionnaire

Additional Attachments

Name	Category	Created by	Date Added
CITY OF KPT POLICE DEPT UTV QUOTE UPDATED.pdf	Budget Other	Justin Quillin	10/14/2026

Memoranda of Understanding (MOUs) and Other Supportive Documents

Memoranda of Understanding (MOUs) and Other Supportive Documents

Upload

The recommended files to upload are PDF, Microsoft Word and Excel.

No documents have been uploaded for Memoranda of Understanding (MOUs) and Other Supportive Documents

Additional Application Components

Documentation of Anticipated Benef[illegible]fied Opportunity Zones (if applicable)

No documents have been uploaded for Documentation of Anticipated Benefit to Qualified Opportunity Zones (if applicable)

Research and Evaluation Independence and Integrity Statement

No documents have been uploaded for Research and Evaluation Independence and Integrity Statement

Additional Attachments

No documents have been uploaded for Additional Attachments

Disclosures and Assurances

No Lobbying Activities

The applicant is not required to submit a lobbying disclosure under 31 U.S.C. 1352 for this application.

No documents have been uploaded for Disclosure of Lobbying Activities

Disclosure of Duplication in Cost Items

No. [Applicant Name on SF-424] does not have (and is not proposed as a subrecipient under) any pending applications submitted within the last 12 months for federally funded grants or cooperative agreements (or for subawards under federal grants or cooperative agreements) that request funding to support the same project being proposed in this application to OJP and that would cover any identical cost items outlined in the budget submitted as part of this application.

DOJ Certified Standard Assuran

Item XII2.

DOJ Certified Standard Assurances

U.S. DEPARTMENT OF JUSTICE

CERTIFIED STANDARD ASSURANCES

On behalf of the Applicant, and in support of this application for a grant or cooperative agreement, I certify under penalty of perjury to the U.S. Department of Justice ("Department"), that all of the following are true and correct:

(1) I have the authority to make the following representations on behalf of myself and the Applicant. I understand that these representations will be relied upon as material in any Department decision to make an award to the Applicant based on its application.

(2) I certify that the Applicant has the legal authority to apply for the federal assistance sought by the application, and that it has the institutional, managerial, and financial capability (including funds sufficient to pay any required non-federal share of project costs) to plan, manage, and complete the project described in the application properly.

(3) I assure that, throughout the period of performance for the award (if any) made by the Department based on the application--

a. the Applicant will comply with all award requirements and all federal statutes and regulations applicable to the award;
b. the Applicant will require all subrecipients to comply with all applicable award requirements and all applicable federal statutes and regulations; and
c. the Applicant will maintain safeguards to address and prevent any organizational conflict of interest, and also to prohibit employees from using their positions in any manner that poses, or appears to pose, a personal or financial conflict of interest.

(4) The Applicant understands that the federal statutes and regulations applicable to the award (if any) made by the Department based on the application specifically include statutes and regulations pertaining to civil rights and nondiscrimination, and, in addition--

a. the Applicant understands that the applicable statutes pertaining to civil rights will include section 601 of the Civil Rights Act of 1964 (42 U.S.C. § 2000d); section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794); section 901

Item XII2.

of the Education Amendments of 1972 (20 U.S.C. § 1681); and section 303 of the Age Discrimination Act of 1975 (42 U.S.C. § 6102);

b. the Applicant understands that the applicable statutes pertaining to nondiscrimination may include section 809(c) of Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (34 U.S.C. § 10228(c)); section 1407(e) of the Victims of Crime Act of 1984 (34 U.S.C. § 20110(e)); section 299A(b) of the Juvenile Justice and Delinquency Prevention Act of 2002 (34 U.S.C. § 11182(b)); and that the grant condition set out at section 40002(b)(13) of the Violence Against Women Act (34 U.S.C. § 12291(b)(13)), which will apply to all awards made by the Office on Violence Against Women, also may apply to an award made otherwise;
c. the Applicant understands that it must require any subrecipient to comply with all such applicable statutes (and associated regulations); and
d. on behalf of the Applicant, I make the specific assurances set out in 28 C.F.R. §§ 42.105 and 42.204.

(5) The Applicant also understands that (in addition to any applicable program-specific regulations and to applicable federal regulations that pertain to civil rights and nondiscrimination) the federal regulations applicable to the award (if any) made by the Department based on the application may include, but are not limited to, 2 C.F.R. Part 2800 (the DOJ "Part 200 Uniform Requirements") and 28 C.F.R. Parts 22 (confidentiality - research and statistical information), 23 (criminal intelligence systems), 38 (regarding faith-based or religious organizations participating in federal financial assistance programs), and 46 (human subjects protection).

(6) I assure that the Applicant will assist the Department as necessary (and will require subrecipients and contractors to assist as necessary) with the Department's compliance with section 106 of the National Historic Preservation Act of 1966 (54 U.S.C. § 306108), the Archeological and Historical Preservation Act of 1974 (54 U.S.C. §§ 312501-312508), and the National Environmental Policy Act of 1969 (42 U.S.C. §§ 4321-4335), and 28 C.F.R. Parts 61 (NEPA) and 63 (floodplains and wetlands).

(7) I assure that the Applicant will give the Department and the Government Accountability Office, through any authorized representative, access to, and opportunity to examine, all paper or electronic records related to the award (if any) made by the Department based on the application.

(8) If this application is for an award from the National Institute of Justice or the Bureau of Justice Statistics pursuant to which award funds may be made available (whether by the award directly or by any subaward at any tier) to an institution of higher education (as defined at 34 U.S.C. § 10251(a)(17)), I assure that, if any award funds actually are made available to such an institution, the Applicant will require that, throughout the period of performance--

a. each such institution comply with any requirements that are imposed on it by the First Amendment to the Constitution of the United States; and
b. subject to par. a, each such institution comply with its own representations, if any, concerning academ[Item XII2.] freedom of inquiry and debate, research

independence, and research integrity, at the institution, that are included in promotional materials, in official statements, in formal policies, in applications for grants (including this award application), for accreditation, or for licensing, or in submissions relating to such grants, accreditation, or licensing, or that otherwise are made or disseminated to students, to faculty, or to the general public.

(9) I assure that, if the Applicant is a governmental entity, with respect to the award (if any) made by the Department based on the application--

a. it will comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655), which govern the treatment of persons displaced as a result of federal and federally-assisted programs; and
b. it will comply with requirements of 5 U.S.C. §§ 1501-1508 and 7324-7328, which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by federal assistance.

(10) If the Applicant applies for and receives an award from the Office of Community Oriented Policing Services (COPS Office), I assure that as required by 34 U.S.C. § 10382(c)(11), it will, to the extent practicable and consistent with applicable law--including, but not limited to, the Indian Self- Determination and Education Assistance Act--seek, recruit, and hire qualified members of racial and ethnic minority groups and qualified women in order to further effective law enforcement by increasing their ranks within the sworn positions, as provided under 34 U.S.C. § 10382(c)(11).

(11) If the Applicant applies for and receives a DOJ award under the STOP School Violence Act program, I assure as required by 34 U.S.C. § 10552(a)(3), that it will maintain and report such data, records, and information (programmatic and financial) as DOJ may reasonably require.

I acknowledge that a materially false, fictitious, or fraudulent statement (or concealment or omission of a material fact) in this certification, or in the application that it supports, may be the subject of criminal prosecution (including under 18 U.S.C. §§ 1001 and/or 1621, and/or 34 U.S.C. §§ 10271-10273), and also may subject me and the Applicant to civil penalties and administrative remedies for false claims or otherwise (including under 31 U.S.C. §§ 3729-3730 and 3801-3812). I also acknowledge that the Department's awards, including certifications provided in connection with such awards, are subject to review by the Department, including by its Office of the Inspector General.

Please Acknowledge *

Signed

SignerID

justinquillin@kingsporttn.gov

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Signing Date / Time

10/14/26 9:49 AM

DOJ Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements; Law Enforcement and Community Policing

U.S. DEPARTMENT OF JUSTICE

CERTIFICATIONS REGARDING LOBBYING; DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS; DRUG-FREE WORKPLACE REQUIREMENTS; COORDINATION WITH AFFECTED AGENCIES

Applicants should refer to the regulations and other requirements cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations or other cited requirements before completing this form. The certifications shall be treated as a material representation of fact upon which reliance will be placed when the U.S. Department of Justice ("Department") determines to award the covered transaction, grant, or cooperative agreement.

1. LOBBYING

As required by 31 U.S.C. § 1352, as implemented by 28 C.F.R. Part 69, the Applicant certifies and assures (to the extent applicable) the following:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Applicant, 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 the making of any Federal grant, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;

(b) If the Applicant's request for Federal funds is in excess of $100,000, and any funds other than Federal 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 Federal grant or cooperative agreement, the Applicant shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities" in accordance with its (and any DOJ awarding agency's) instructions; and

(c) The Applicant shall require that the language of this certification be included in the award documents for all subgrants and procurement contracts (and their subcontracts) funded with Federal award funds and shall ensure that any certifications or lobbying disclosures required of recipients of such subgrants and procurement contracts (or their subcontractors) are made and filed in accordance with 31 U.S.C. § 1352.

2. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

A. Pursuant to Department regulations on nonprocurement debarment and suspension implemented at 2 C.F.R. Part 2867, and to other related requirements, the Applicant certifies, with respect to prospective participants in a primary tier "covered transaction," as defined at 2 C.F.R. § 2867.20(a), that neither it nor any of its principals--

(a) is presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) has within a three-year period preceding this application been convicted of a felony criminal violation under any Federal law, or been convicted or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, tribal, or transaction or private agreement

or transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion or receiving stolen property, making false claims, or obstruction of justice, or commission of any offense indicating a lack of business integrity or business honesty that seriously and directly affects its (or its principals') present responsibility;

(c) is presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, tribal, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and/or

(d) has within a three-year period preceding this application had one or more public transactions (Federal, State, tribal, or local) terminated for cause or default.

B. Where the Applicant is unable to certify to any of the statements in this certification, it shall attach an explanation to this application. . Where the Applicant or any of its principals was convicted, within a three-year period preceding this application, of a felony criminal violation under any Federal law, the Applicant also must disclose such felony criminal conviction in writing to the Department (for OJP Applicants, to OJP at Ojpcompliancereporting@usdoj.gov; for OVW Applicants, to OVW at OVW.GFMD@usdoj.gov; or for COPS Applicants, to COPS at AskCOPSRC@usdoj.gov), unless such disclosure has already been made.

3. FEDERAL TAXES

A. If the Applicant is a corporation, it certifies either that (1) the corporation has no unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, or (2) the corporation has provided written notice of such an unpaid tax liability (or liabilities) to the Department (for OJP Applicants, to OJP at Ojpcompliancereporting@usdoj.gov; for OVW Applicants, to OVW at OVW.GFMD@usdoj.gov; or for COPS Applicants, to COPS at AskCOPSRC@usdoj.gov).

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B. Where the Applicant is unable to certify to any of the statements in this certification, it shall attach an explanation to this application.

4. DRUG-FREE WORKPLACE (GRANTEES OTHER THAN INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, as implemented at 28 C.F.R. Part 83, Subpart F, for grantees, as defined at 28 C.F.R. §§ 83.620 and 83.650:

A. The Applicant certifies and assures that it will, or will continue to, provide a drug-free workplace by--

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in its workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an on-going drug-free awareness program to inform employees about--

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the award be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the award, the employee will--

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of the employee's conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the Department, in writing, within 10 calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise recei[Item XII2.]al notice of such conviction.

Employers of convicted employees must provide notice, including

position title of any such convicted employee to the Department, as follows:

For COPS award recipients - COPS Office, 145 N Street, NE, Washington, DC, 20530;

For OJP and OVW award recipients - U.S. Department of Justice, Office of Justice Programs, ATTN: Control Desk, 999 North Capitol Street, NE Washington, DC 20531.

Notice shall include the identification number(s) of each affected award;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

5. COORDINATION REQUIRED UNDER PUBLIC SAFETY AND COMMUNITY POLICING PROGRAMS

As required by the Public Safety Partnership and Community Policing Act of 1994, at 34 U.S.C. § 10382(c)(5), if this application is for a COPS award, the Applicant certifies that there has been appropriate coordination with all agencies that may be affected by its award. Affected agencies may include, among others, Offices of the United States Attorneys; State, local, or tribal prosecutors; or correctional agencies.

I acknowledge that a materially false, fictitious, or fraudulent statement (or concealment or omission of a material fact) in this certification, or in the application that it supports, may be the subject of criminal prosecution (including under 18 U.S.C. §§ 1001 and/or 1621, and/or 34 U.S Item XII2. 271-10273), and also may subject

me and the Applicant to civil penalties and administrative remedies for false claims or otherwise (including under 31 U.S.C. §§ 3729-3730 and 3801-3812). I also acknowledge that the Department's awards, including certifications provided in connection with such awards, are subject to review by the Department, including by its Office of the Inspector General.

Please Acknowledge *

Certified

SignerID

justinquillin@kingsporttn.gov

Signing Date / Time

10/14/26 9:50 AM

Other Disclosures and Assurances

Applicant Disclosure and Justification - DOJ High Risk Grantees (if applicable)

No documents have been uploaded for Application Disclosure and Justification - DOJ High Risk Grantees

No documents have been uploaded for Other Disclosures and Assurances

Declaration and Certification to the U.S. Department of Justice as to this Application Submission

By [taking this action], I --

1. Declare the following to the U.S. Department of Justice (DOJ), under penalty of perjury: (1) I have authority to make this declaration and certification on behalf of the applicant; (2) I have conducted or there was conducted (including by the applicant's legal counsel as appropriate, and made available to me) a diligent review of all requirements pertinent to and all matters encompassed by this declaration and certification.

2. Certify to DOJ, under penalty of perjury, on behalf of myself and the applicant, to the best of my knowledge and belief, that the following are true as of the date of this application submission: (1) I have reviewed this application and all supporting materials submitted in connection therewith (including anything submitted in support of this application by any person on behalf of the applicant before or at the time of the application submission and any materials that accompany this declaration and certification); (2) The information in this application and in all supporting materials is accurate, true, and complete information as of the date of this request; and (3) I have the authority to submit this application on behalf of the applicant.

3. Declare the following to DOJ, under penalty of perjury, on behalf of myself and the applicant: (1) I understand that, in taking (or not taking) any action pursuant to this declaration and certification, DOJ will rely upon this declaration and certification as a material representation; and (2) I understand that any materially false, fictitious, or fraudulent information or statement in this declaration and certification (or concealment or omission of a material fact as to either) may be the subject of criminal prosecution (including under 18 U.S.C. §§ 1001 and/or 1621, and/or 34 U.S.C. §§ 10271-10273), and also may subject me and the applicant to civil penalties and administrative remedies under the federal False Claims Act (including under 31 U.S.C. §§ 3729-3730 and/or §§ 3801-3812) or otherwise.

Please Acknowledge *

Signed

SignerID

justinquillin@kingsporttn.gov

Signing Date / Time

10/14/26 10:12 AM

Item XII2.

Other

No documents have been uploaded for Other

Certified

GRANTS.GOV™

WORKSPACE FORM

1-800-518-4726
SUPPORT@GRANTS.GOV

This Workspace form is one of the forms you need to complete prior to submitting your Application Package. This form can be completed in its entirety offline using Adobe Reader. You can save your form by clicking the "Save" button and see any errors by clicking the "Check For Errors" button. In-progress and completed forms can be uploaded at any time to Grants.gov using the Workspace feature.

When you open a form, required fields are highlighted in yellow with a red border. Optional fields and completed fields are displayed in white. If you enter invalid or incomplete information in a field, you will receive an error message. Additional instructions and FAQs about the Application Package can be found in the Grants.gov Applicants tab.

OPPORTUNITY & PACKAGE DETAILS:

Opportunity Number:	O-BJA-2026-172705
Opportunity Title:	BJA FY 2026 Edward Byrne Memorial Justice Assistance Grant (JAG) Program—Local Formula
Opportunity Package ID:	PKG00294057
Assistance Listing Number:	16.738
Assistance Listing Title:	Edward Byrne Memorial Justice Assistance Grant Program
Competition ID:	
Competition Title:	
Opening Date:	08/25/2026
Closing Date:	10/09/2026
Agency:	Bureau of Justice Assistance
Contact Information:	OJP Response Center

APPLICANT & WORKSPACE DETAILS:

Workspace ID:	WS01748268
Application Filing Name:	City of Kingsport
UEI:	YE45C4JZC5U1
Organization:	CITY OF KINGSPORT
Form Name:	Application for Federal Assistance (SF-424)
Form Version:	4.0
Requirement:	Mandatory
Download Date/Time:	Aug 27, 2026 04:18:39 PM EDT
Form State:	No Errors

FORM ACTIONS:

OMB Number: 4040-0004
Expiration Date: 03/31/2029

Application for Federal Assistance SF-424

* 1. Type of Submission:	* 2. Type of Application:	* If Revision, select appropriate letter(s):
☐ Preapplication	☒ New	
☒ Application	☐ Continuation	* Other (Specify):
☐ Changed/Corrected Application	☐ Revision	

* 3. Date Received:	4. Applicant Identifier:
Completed by Grants.gov upon submission.	City of Kingsport

5a. Federal Entity Identifier:	5b. Federal Award Identifier:
YE45C4JZC5U1	

State Use Only:

6. Date Received by State:	7. State Application Identifier:
	TN

8. APPLICANT INFORMATION:

* a. Legal Name:	City of Kingsport

* b. Employer/Taxpayer Identification Number (EIN/TIN):	* c. UEI:
626000324	YE45C4JZC5U1

d. Address:

* Street1:	415 Broad Street
Street2:	
* City:	Kingsport
County/Parish:	Sullivan
* State:	TN: Tennessee
Province:	
* Country:	USA: UNITED STATES
* Zip / Postal Code:	37660-4263

e. Organizational Unit:

Department Name:	Division Name:
Kingsport Police Department	

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:	Mr.	* First Name:	Justin
Middle Name:			
* Last Name:	Quillin		
Suffix:			

Title:	Captain

Organizational Affiliation:
Kingsport Police Department

* Telephone Number:	423-343-9803	Fax Number:	

* Email:	justinquillin@kingsporttn.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

Bureau of Justice Assistance

11. Assistance Listing Number:

16.738

Assistance Listing Title:

Edward Byrne Memorial Justice Assistance Grant Program

*** 12. Funding Opportunity Number:**

O-BJA-2026-172705

* Title:

BJA FY 2026 Edward Byrne Memorial Justice Assistance Grant (JAG) Program—Local Formula

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Provide needs that significantly improve operational reach across terrain and environments where standard patrol cruisers cannot access, such as greenways, parks, and heavily congested areas.

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: 1st
* b. Program/Project: 1st

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 10/01/2027
* b. End Date: 10/01/2028

18. Estimated Funding ($):

* a. Federal	25,779.00
* b. Applicant	0.00
* c. State	0.00
* d. Local	0.00
* e. Other	0.00
* f. Program Income	0.00
* g. TOTAL	25,779.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- [ ] a. This application was made available to the State under the Executive Order 12372 Process for review on
- [x] b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- [ ] c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

- [ ] Yes
- [x] No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)**

- [x] ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix:	Mr.
* First Name:	Paul
Middle Name:	
* Last Name:	Montgomery
Suffix:	
* Title:	Mayor
* Telephone Number:	423-229-9414
Fax Number:	423-229-9350
* Email:	paulmontgomery@kingsporttn.gov
* Signature of Authorized Representative:	Completed by Grants.gov upon submission.
* Date Signed:	Completed by Grants.gov upon submission.

U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS

Edward Byrne Memorial Justice Assistance Grant Program FY 2026 Local Solicitation

Certifications and Assurances by the Chief Executive of the Applicant Government

On behalf of the applicant unit of local government named below, in support of that locality's application for an award under the FY 2026 Edward Byrne Memorial Justice Assistance Grant ("JAG") Program, and further to 34 U.S.C. § 10153(a), I certify to the Office of Justice Programs ("OJP"), U.S. Department of Justice ("USDOJ"), that all of the following are true and correct:

1. I am the chief executive of the applicant unit of local government named below, and I have the authority to make the following representations on my own behalf as chief executive and on behalf of the applicant unit of local government. I understand that these representations will be relied upon as material in any OJP decision to make an award, under the application described above, to the applicant unit of local government.

2. I certify that no federal funds made available by the award (if any) that OJP makes based on the application described above will be used to supplant local funds but will be used to increase the amounts of such funds that would, in the absence of federal funds, be made available for law enforcement activities.

3. I assure that the application described above (and any amendment to that application) was submitted for review to the governing body of the unit of local government (*e.g.*, city council or county commission), or to an organization designated by that governing body, not less than 30 days before the date of this certification.

4. I assure that, before the date of this certification— (a) the application described above (and any amendment to that application) was made public; and (b) an opportunity to comment on that application (or amendment) was provided to citizens and to neighborhood or community-based organizations, to the extent applicable law or established procedure made such an opportunity available.

5. I assure that, for each fiscal year of the award (if any) that OJP makes based on the application described above, the applicant unit of local government will maintain and report such data, records, and information (programmatic and financial), as OJP may reasonably require.

6. I have carefully reviewed 34 U.S.C. § 10153(a)(5), and, with respect to the programs to be funded by the award (if any), I hereby make the certification required by section 10153(a)(5), as to each of the items specified therein.

7. If the applicant named below is not the unit of local government itself, I certify that it is an instrumentality of the unit of local government and is approved to serve as the applicant and recipient of FY 2026 JAG funding on behalf of the unit of local government.

Signature of Chief Executive of the Applicant Unit of Local Government	Date of Certification
Printed Name of Chief Executive	Title of Chief Executive
Name of Applicant Unit of Local Government	

TENNESSEE COMPTROLLER OF THE TREASURY

Jason E. Mumpower
Comptroller

Report On Debt Obligation

Entity and Debt Information

Entity Name
City of Kingsport

Entity Address
415 Broad Street, Kingsport, TN 37660

Debt Issue Name
Reedy Creek Trunk Sewer Replacement - SRF

Series Year
2026

Debt Issue Face Amount
$4,200,000.00

Face Amount Premium or Discount?
N/A

Tax Status
Tax - Exempt

Interest Type
Other

Other Interest Type Description
Interest rate of 1.97%. Admin annual fee of 0.08%.

Debt Obligation
Loan Agreement

Moody's Rating
Unrated

Standard & Poor's Rating
Unrated

Fitch Rating
Unrated

Other Rating Agency Name
N/A

Other Rating Agency Rating
N/A

Security
General Obligation + Revenue

Type of Sale Per Authorizing Document
State or Federal Loan Program

Loan Program Name
State Revolving Loan Fund

Dated Date
8/4/2026

Issue/Closing Date
8/4/2026

Final Maturity Date
6/30/2046

Item XII3.

Debt Purpose

Purpose	Percentage	Description
Utilities	100%	Reedy Creek Trunk Sewer Replacement
Education	0%	N/A
General Government	0%	N/A
Other	0%	N/A
Refunding	0%	N/A

Cost of Issuance and Professionals

Does your Debt Issue have costs or professionals?

No

Maturity Dates, Amounts, and Interest Rates

Comments

$4,200,000 loan with $1,800,000 forgiveness.

Year	Amount	Interest Rate
2027	$173,064.00	1.97%
2028	$176,496.00	1.97%
2029	$180,012.00	1.97%
2030	$183,588.00	1.97%
2031	$187,236.00	1.97%
2032	$190,956.00	1.97%
2033	$194,760.00	1.97%
2034	$198,624.00	1.97%
2035	$202,572.00	1.97%
2036	$206,604.00	1.97%
2037	$210,708.00	1.97%
2038	$214,896.00	1.97%
2039	$219,168.00	1.97%
2040	$223,524.00	1.97%
2041	$227,976.00	1.97%
2042	$232,500.00	1.97%
2043	$237,120.00	1.97%
2044	$241,836.00	1.97%
2045	$246,648.00	1.97%
2046	$251,712.00	1.97%

TOTAL AMOUNT	$4,200,000.00

* See final page for Submission Details and Signatures *

Submission Details and Signatures

Is there an official statement or disclosure document, as applicable, that will be posted to EMMA: https://emma.msrb.org/?

Not Applicable

Signature - Chief Executive or Finance Officer of the Public Entity

Name	Title/Position
Paul W. Montgomery	Mayor
Email	**Alternate Email**
paulmontgomery@kingsporttn.gov	travisbishop@kingsporttn.gov

Signature - Preparer (Submitter) of This Form

Name	Title/Position
Travis Bishop	CFO/City Recorder
Email	**Alternate Email**
travisbishop@kingsporttn.gov	paulmontgomery@kingsporttn.gov
Relationship to Public Entity	**Organization**
City Recorder	City of Kingsport

Verification of Form Accuracy

By checking the box below as the signing of this form, I attest the following:

1. I certify that to the best of my knowledge the information in this form is accurate.
2. The debt herein complies with the approved Debt Management Policy of the public entity.
3. If the form has been prepared by someone other than the CEO or CFO, the CEO or CFO has authorized the submission of this document.

☑ Verify Form Accuracy

Date to be Presented at Public Meeting	Date to be emailed/mailed to members of the governing body
11/03/2026	10/16/2026

Final Confirmation:

I hereby submit this report to the Division of Local Government Finance of the Tennessee Comptroller of the Treasury and understand my legal responsibility to: File this report with the members of the governing body no later than 45 days after the issuance or execution of the debt disclosed on this form. The Report is to be delivered to each member of the Governing Body and presented at a public meeting of the body. If there is not a scheduled public meeting of the governing body within forty-five (45) days, the report will be delivered by email or regular US mail to meet the 45-day requirement and also presented at the next scheduled meeting.