BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING AGENDA

Tuesday, July 15, 2025 at 7:00 PM

City Hall, 415 Broad Street, Montgomery-Watterson Boardroom

Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding
Vice Mayor Darrell Duncan
Alderman Morris Baker
Alderman Betsy Cooper
Alderman Colette George
Alderman Gary Mayes
Alderman James Phillips

Leadership Team

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

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE TO THE FLAG

III. INVOCATION

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

IV. ROLL CALL

V. RECOGNITIONS AND PRESENTATIONS

1. Keep Kingsport Beautiful Beautification Awards - Sharon Hayes

VI. COMMENT

Citizens may speak on agenda items and issue-oriented items. When you come to the podium, please state your name and address, and sign the register that is provided. You are encouraged to

keep your comments non-personal in nature, and they should be limited to five minutes. A total of thirty minutes is allocated for public comment.

VII. APPOINTMENTS

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

VIII. APPROVAL OF MINUTES

1. June 16, 2025 - Work Session

2. June 17, 2025 - Business Meeting

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

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

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

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

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

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

XI. OTHER BUSINESS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

XIII. COMMUNICATIONS

1. City Manager

2. Mayor and Board Members

XIV. ADJOURN

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of Appointments to the Regional Planning Commission

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-188-2025
Work Session: July 14, 2025
First Reading: N/A

Final Adoption: July 15, 2025
Staff Work By: Ken Weems
Presentation By: Mayor Montgomery

Strategic Focus Area: Efficient & Responsive Government

Recommendation: Approve the appointments.

Executive Summary:
It is recommended to make the following appointments to the Regional Planning Commission:

- Appoint: BJ Walsh and Curtis Montgomery
- Reappoint: Sharon Duncan and Tim Lorimer

If approved by the Board of Mayor and Aldermen, the recommended table reflects term dates. The commission is comprised of nine members: one Board of Mayor and Aldermen representative, one residing within the regional area outside of the municipal boundary and seven at-large members. Terms are four years with no term limit.

Current Commission:

Member	Term Expires	No. of Terms	Eligibility
Gary Mayes	Term of ofc.		BMA Rep.
Anne Greenfield	6/30/27	1	At-large
Candice Hilton	6/30/28	1	At-large
Chip Millican	6/30/28	1	At-large
Jason Snapp	6/30/27	1	Regional Rep.
Travis Patterson	6/30/25	1	At-large
Sam Booher	6/30/25	2	At-large
Sharon Duncan	6/30/25	2	At-large
Tim Lorimer	6/30/25	Fulfilling unexpired term	At-large

Recommended Commission:

Member	Term Expires	No. of Terms	Eligibility
Gary Mayes	Term of ofc.		BMA Rep.
Anne Greenfield	6/30/28	1	At-large
Candice Hilton	6/30/28	1	At-large
Chip Millican	6/30/27	1	At-large
Jason Snapp	6/30/27	1	Regional Rep.
BJ Walsh	4/30/29	1	At-large
Curtis Montgomery	4/30/29	1	At-large
Sharon Duncan	4/30/29	3	At-large
Tim Lorimer	4/30/29	1	At-large

Attachments:
1. BJ Walsh Application
2. Curtis Montgomery Bio
3. Sharon Duncan Bio
4. Tim Lorimer Bio

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

Monday, May 19, 2025

Volunteer Application

Appointments for the City of Kingsport volunteer boards and commissions take place semi-annually in April and October, with applications being accepted in February for April appointments, and August for October appointments. Applications received late or for boards without vacancies will be held on file for one calendar year in case of unexpected vacancies.

Name	BJ Walsh
E-mail	[redacted]
Phone Number	[redacted]
Address	[redacted]
Do you live within the Kingsport City Limits?	Yes
Length of Residency:	21 years
Employer:	Blue Ridge Properties
Employment Status:	Full Time

Occupational Background:

Realtor
Broker
Bank Manager for First Virginia Bank

Educational Background:

Dobyns Bennett
ETSU
D and D school of real estate

Thank you for your interest in serving the City of Kingsport. Please be aware of the meeting frequency, dates and times as well as characteristics of members before choosing which board you would like to serve on. Appointment to a board or commission will require your consistent attendance at regularly scheduled meetings.	Planning Commission

Jotform
Now create your own Jotform PDF document - It's Free Create your own PDF Document

[A description of each board/commission and the characteristics of members can be found here.]

Have you ever applied to serve on a Kingsport board or commission?	Yes
If you served on a board or commission in the past, which one and how many terms did you serve?	No

Reason for Applying:

I am eager to to be a part of the planning commission because I am passionate about contributing to our community's growth and development. I want to enhance the quality of like to all residents.

Relevant Experience:

By working in real estate for 20 years, I have had learned many things about the city and would like to learn more. Real estate has a direct relation with understanding the needs of our community's growth.

Community Involvement:

Secretary of Netar for 2 years
Netar board of director 2 terms
Netar Leadership
Preaching Christ youth leader
Women's Symphony Honoree leader for 5 years
Lifebridge Christian food pantry leader

Please upload a recent biography and a professional photo.

Jotform
Now create your own Jotform PDF document - It's Free
Create your own PDF Document

Curtis is a lifelong resident of Kingsport, Tennessee, and a proud graduate of Dobyns-Bennett High School. He continued his education at the University of Tennessee, Knoxville, where he earned his bachelor's degree and performed with the esteemed Pride of the Southland Marching Band. He later received his MBA from King University, where he also met his wife, Johanna. Together, they are raising three children: Paul (8), Curtis (5), and Lucia (5 months).

Professionally, Curtis brings over five years of experience with Fidelity Investments in Johnson City, where he serves as a paraplanner supporting three Vice Presidents. In this role, he assists in delivering tailored financial strategies and long-term planning solutions—skills that translate directly to the analytical and strategic thinking necessary for planning and zoning oversight. Also, spent two years as an intern for the Kingsport Planning Department.

Curtis has a longstanding commitment to civic involvement. He has served on the Board of the Boys & Girls Club of Greater Kingsport since 2016 and is a former member of the King University Alumni Advisory Council. Recognized as a Paul Harris Fellow, he is passionate about service, stewardship, and fostering sustainable community growth.

With a deep appreciation for the values and character of the Kingsport area, Curtis is eager to contribute his experience and perspective to the Planning Commission. He is especially interested in supporting responsible development, preserving the community's heritage, and helping shape a vibrant, well-planned future for all residents.

SHARON DUNCAN - REALTOR

Sharon Duncan is an accomplished Affiliate Broker at Town & Country Realty, specializing in residential real estate. Based in Kingsport, TN, she resides with her husband Darrell, and together, they actively engage in their community through extensive volunteer work.

Sharon's commitment to public service is evident through her role as Chair on the Kingsport Planning Commission. She also serves on the Board of Directors as President for HOPE - Help our Potential Evolve, an organization focused on mentoring youth and teaching essential life skills. Additionally, Sharon is a valued member of the YMCA Board, where she contributes her expertise to the Impact Committee, Childcare Committee and the Annual Giving Campaign. Sharon is also a sustaining member of Jr. League of Kingsport where she served as President.

Recognized for her exceptional contributions to the real estate industry, Sharon has achieved several notable accolades. She is an RPAC Golden R recipient, signifying her substantial contributions to the Realtors Political Action Committee. Moreover, she has been inducted into the President's Circle and National Association of Realtors Hall of Fame, further exemplifying her outstanding professional accomplishments.

Sharon's involvement extends beyond the local level to the state level, where she actively participates in various real estate committees. Within the TN REALTORS association, she has held several chair positions and acts as a Tennessee Political Coordinator. In the past, Sharon has held several leadership positions, including Division 3 VP, Executive Committee member, Nominating Committee member, Convention Advisory Group member, and 2012 Convention Chair. Furthermore, she has contributed her expertise to the Strategic Thinking Advisory Board and served as the 2017 Chair. Sharon is a proud graduate of the TN Realtors Leadership program and Northeast Tennessee Association of Realtors Leadership program.

Within the NETAR (Northeast Tennessee Association of Realtors), Sharon has had a significant impact on the organization. In 2015, she served as the President of NETAR and was recognized with the Mark Keesecker Humanitarian Award. She has also been inducted into the NETAR Hall of Fame and received the Realtor of the Year award in 2011 and 2020. Sharon's involvement spans across numerous committees, including the Awards Committee, Election Committee, Education Committee, and RPAC Committee. She has also served on the Executive Committee, Nominating Committee, and the NETAR Board. As an MLS Proxy Holder and past MLS Board Member, Sharon continues to contribute her expertise to the organization.

Sharon Duncan's impressive accomplishments, dedication to her community, and active involvement in various real estate associations make her a highly respected and sought-after professional in the field

Tim Lorimer

[redacted]

Kingsport, Tennessee 37664

work
130 Regional Park Drive
Kingsport, TN 37660

home
[redacted]
Kingsport, TN 37664

cell
[redacted]

work
[redacted]

work
[redacted]

Experience

1988 –Present (37 Years)
GRC Construction Services, Inc. • Senior Vice President • Pre-Construction / Estimating.

1983–1988 (5 Years)
Rentenbach & Wright, Inc**.** • Reprographics / Architectural Designer

Education

Tri-Cities State Technical Institute, Blountville, Tennessee
1981 – 1983 Associate Degree in Drafting Design Technology

About

Born in 1963 in Miami, Florida lived there 11 years, in 1974 moved to Atlanta, Georgia lived there 7 years, moved to Kingsport, Tennessee in 1981 and have lived here for 44 years.

Married to Tory Lorimer, we have 4 Children (all girls), Ashley Ellis (35), Morgan Evans (32), Baylee Waye (25), and Rylee Waye (23). We have two Granddaughters, Anderson Ellis (14), and Lainee Ellis (9), and one Grandson, Brooks Evans (6 months).

We live in the Fairacres Community.

Leadership

Kingsport Regional Planning Commission (Present)
AGC of the Tri-Cities Board Member (former)
Rascals Teen Center Board Member (former)

Hobbies

Glamping (Fifth Wheel Camping – 38’)
Sailing (Catamaran - 45’)

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, June 16, 2025 at 4:30 PM

City Hall, 415 Broad Street, Montgomery - Watterson Boardroom

Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding
Vice Mayor Darrell Duncan
Alderman Morris Baker
Alderman Betsy Cooper
Alderman Colette George
Alderman Gary Mayes
Alderman James Phillips

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

II. ROLL CALL by City Recorder Travis Bishop.

III. DISCUSSION ITEMS

1. KEDB / NETWORKS Update - Craig Denison, Clay Walker

Mr. Craig Denison gave a presentation on projects that have moved forward since the last update in March. He also discussed facade redevelopment grants that have been awarded to downtown businesses, noting the success of that program. There was some discussion as he answered questions from the board.

Mr. Clay Walker discussed economic development updates and Mr. Micheal Parker provided information on several properties, including the Airport Parkway, Partnership Park III and Phipps Bend Industrial Park. Mr. Walker commented on some land under option that would be a one-billion-dollar investment and 450 high paying jobs. There was considerable discussion regarding Aerospace Park and how the industry has changed since Covid. More discussion ensued throughout as they answered questions.

IV. REVIEW OF BUSINESS MEETING AGENDA

City staff gave a summary for each item on the June 17, 2025 proposed agenda. The following items were discussed at greater length or received specific questions or concerns.

IX.1. Public Hearing and Consideration of an Ordinance to Set the Property Tax Rates for FY 2025-2026 (AF-168-2025) Mr. McCartt presented this item and provided details on the tax rate for both the Sullivan and Hawkins County portions of Kingsport since both counties have not gone through the reassessment process yet.

XI.1. Consideration to Amend the Fee Resolution for FY 2026 Fees and Charges Provided for in the City Code (AF-140-2025) The City Manager provided information on this item and the changes being made. Deputy City Manager McReynolds gave further details on the changes to the solid waste fees.

XI.6. Consideration of a Resolution Authorizing the Mayor to Execute CDBG Subrecipient Agreements (AF-152-2025) Assistant City Manager Jessica Harmon and City Planner Michael Price answered questions on this item confirming the funding may be cut for these projects and how that will affect this program.

V. ITEMS OF INTEREST

1. **Sales Tax Report**
2. **Projects Status Report**

VI. ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 5:45 p.m.

ANGELA MARSHALL	PAUL W. MONTGOMERY
Deputy City Recorder	Mayor

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, June 17, 2025 at 7:00 PM

City Hall, 415 Broad Street, Montgomery-Watterson Boardroom

Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding
Vice Mayor Darrell Duncan
Alderman Morris Baker
Alderman Betsy Cooper
Alderman Colette George
Alderman Gary Mayes
Alderman James Phillips

City Administration

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

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

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

III. INVOCATION led by Pastor Ed Clevinger, Grace Christian Church.

IV. ROLL CALL by City Recorder Travis Bishop.

V. RECOGNITIONS AND PRESENTATIONS

1. **Keep Kingsport Beautiful Beautification Awards** - Sharon Hayes
2. **Public Relations Society of America Awards - Communications Dept.** - Mayor Montgomery
3. **Chief Dale Phipps** - Chris McCartt

VI. COMMENT

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

Judy Johnson commented on the danger to pedestrian traffic on Stratford Road between Memorial Drive and Shipley Street. Tim Sanders commented on maintaining ditches, the permitting process for contractors and the water rate. Jeremy Pitts spoke on behalf of the Kingsport Firefighters Association to thank the board for their service and their investment into the employees. Ellen Yeager commented on the proposed tax increase and due cause for arrest. Jerome Hurtgen Jr. and James Walker also commented on the proposed tax increase.

VII. APPOINTMENTS

1. **Consideration of Appointment to the Tri-Cities Airport Authority** (AF-171-2025) (Mayor Montgomery)

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

   APPOINT CHRIS MCCARTT TO THE TRI-CITIES AIRPORT AUTHORITY TO REPLACE KEN MANNESS EFFECTIVE IMMEDIATELY AND EXPIRING JUNE 30, 2028.

   Passed: All present voting "aye."

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

Motion made by Alderman Baker, Seconded by Alderman Phillips.

1. **June 2, 2025 - Work Session**
2. **June 3, 2025 - Business Meeting**

Passed: All present voting "aye."

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

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

   PUBLIC HEARING: Tim Sanders spoke in opposition to the increase.

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

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

   Passed: All present voting "aye" except Alderman Baker voting “nay.”

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

   Motion made by Alderman George, Seconded by Alderman Phillips.
   AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE
   Passed: All present voting "aye."

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. **Consideration of a Budget Ordinance for Various Funds FY25** (AF-122-2025) (Chris McCartt)

   Motion made by Alderman George, Seconded by Alderman Cooper.
   ORDINANCE NO. 7207 AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE
   Passed on second reading with a roll call vote: Alderman Baker, Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery

2. **Consideration of an Ordinance to Adopt the FY 2025-2026 Budget** (AF-155-2025) (Chris McCartt)

   Motion made by Vice Mayor Duncan, Seconded by Alderman Cooper.
   ORDINANCE NO. 7208 AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE
   Passed on second reading with a roll call vote: Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery; Voting Nay: Alderman Baker

3. **Consideration of an Ordinance to Adopt the FY 2025-2026 Water Budget** (AF-156-2025) (Chris McCartt)

   Motion made by Alderman Baker, Seconded by Alderman Phillips.
   ORDINANCE NO. 7209 AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL WATER BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE
   Passed on second reading with a roll call vote: Alderman Baker, Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery

4. **Consideration of an Ordinance to Adopt the FY 2025-2026 Sewer Budget** (AF-157-2025) (Chris McCartt)

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

   ORDINANCE NO. 7210 AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE, ADOPTING A FINAL SEWER BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

5. **Consideration of an Ordinance to Adopt the FY 2025-2026 Metropolitan Planning Project Grant Fund Budget** (AF-158-2025) (Chris McCartt)

   Motion made by Alderman Baker, Seconded by Alderman George.

   ORDINANCE NO. 7211 AN ORDINANCE TO APPROPRIATE METROPOLITAN TRANSPORTATION PLANNING GRANT PROJECT FUNDS; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

6. **Consideration of an Ordinance to Adopt the FY 2025-2026 Community Development Block Grant Fund Budget** (AF-159-2025) (Chris McCartt)

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

   ORDINANCE NO. 7212 AN ORDINANCE TO APPROPRIATE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR THE FISCAL YEAR ENDING JUNE 30, 2026; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

7. **Consideration of an Ordinance to Adopt the FY 2025-2026 School Public Law 93-380 Grant Project Fund Budget** (AF-160-2025) (Chris McCartt)

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

ORDINANCE NO. 7213 AN ORDINANCE TO ESTABLISH PL93-380 GRANT PROJECT FUND FOR THE PL93-380 GRANT, TO APPROPRIATE SUCH FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

8. **Consideration of an Ordinance to Adopt the FY 2025-2026 Schools Special Projects Grant Fund Budget** (AF-161-2025) (Chris McCartt)

Motion made by Alderman Cooper, Seconded by Alderman Phillips.

ORDINANCE NO. 7214 AN ORDINANCE TO ESTABLISH SPECIAL SCHOOL GRANT PROJECT FUND 145 FOR SPECIAL SCHOOL PROJECTS GRANT, TO APPROPRIATE SUCH FUNDS AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

(NOTE: There was a brief recess at this time from 8:12pm to 8:16pm)

XI. OTHER BUSINESS

1. **Consideration to Amend the Fee Resolution for FY 2026 Fees and Charges Provided for in the City Code** (AF-140-2025) (Chris McCartt)

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

RESOLUTION NO. 2025-255 A RESOLUTION SETTING THE RATES, FEES AND CHARGES AS PROVIDED BY THE CITY OF KINGSPORT CODE OF ORDINANCES

Passed: All present voting "aye."

2. **Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Accept Federal and State Planning Funds from the Virginia Department of Transportation on Behalf of the Kingsport MTPO** (AF-153-2025) (Ryan McReynolds)

Motion made by Alderman Baker, Seconded by Alderman Mayes.

RESOLUTION NO. 2025-256 A RESOLUTION APPROVING A LETTER OF AUTHORIZATION BETWEEN THE CITY OF KINGSPORT AND THE VIRGINIA DEPARTMENT OF TRANSPORTATION TO RECEIVE FEDERAL HIGHWAY ADMINISTRATION PLANNING FUNDS FOR USE BY THE KINGSPORT AREA METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION FOR THE FISCAL YEAR 2026; AUTHORIZING THE MAYOR TO

EXECUTE THE SAME; AND AUTHORIZING THE MAYOR TO EXECUTE ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE LETTER OF AUTHORIZATION

Passed: All present voting "aye."

3. **Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Apply and Receive a SAFER Grant from the U.S. Department of Homeland Security** (AF-170-2025) (Jerry DeBerry)

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

RESOLUTION NO. 2025-257 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE GRANT FROM THE UNITED STATES DEPARTMENT OF HOMELAND SECURITY FOR THE KINGSPORT FIRE DEPARTMENT

Passed: All present voting "aye."

4. **Consideration of a Resolution to Authorize the Reimbursement of Materials Agreement Funds to Landstar LLC, Also Known as Landstar Development, Related to the Riverbend Townhomes Development** (AF-165-2025) (Ryan McReynolds)

Motion made by Alderman George, Seconded by Alderman Phillips.

RESOLUTION NO. 2025-258 A RESOLUTION AUTHORIZING REIMBURSEMENT OF MATERIALS AGREEMENT FUNDS TO LANDSTAR, LLC FOR RIVERBEND TOWNHOMES DEVELOPMENT PHASE 1

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

5. **Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Enter into a Materials Agreement with Land Star LLC Related to the Riverbend Townhomes (The Arbor) Ph. 2 Development** (AF-167-2025) (Ryan McReynolds)

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

RESOLUTION NO. 2025-259 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A MATERIALS AGREEMENT WITH LAND STAR LLC FOR THE RIVERBEND TOWNHOMES PHASE 2 DEVELOPMENT AND AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

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

6. **Consideration of a Resolution Authorizing the Mayor to Execute CDBG Subrecipient Agreements** (AF-152-2025) (Michael Price)

   Motion made by Alderman Phillips, Seconded by Alderman George.

   RESOLUTION NO. 2025-260 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AGREEMENTS WITH VARIOUS AGENCIES AND ORGANIZATIONS FOR COMMUNITY DEVELOPMENT BLOCK FUNDING IN FISCAL YEAR 2025-2026

   Passed: All present voting "aye."

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

Motion made by Vice Mayor Duncan, Seconded by Alderman Mayes

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

1. **Consideration of a Resolution Accepting a Grant Contract Extension for the 2024 Emergency Solutions Grant** (AF-162-2025) (Michael Price)

   RESOLUTION NO. 2025-261 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO THE FISCAL YEAR 2024-2025 EMERGENCY SOLUTIONS GRANT EXTENDING THE GRANT DEADLINE AND AUTHORIZING THE MAYOR TO EXECUTE ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

2. **Consideration of a Resolution Authorizing a License Agreement with the Tennessee Department of Environment and Conservation (TDEC) for Access to an Air Monitoring Station** (AF-97-2025) (Ryan McReynolds)

   RESOLUTION NO. 2025-262 A RESOLUTION APPROVING A LICENSE AGREEMENT WITH THE TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION; AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

3. **Consideration of a Resolution Renewing the Agreement with CORA Physical Therapy as the Service Provider for the Employee Physical Wellness Program** (AF-128-2025) (Tyra Copas)

RESOLUTION NO. 2025-263 A RESOLUTION RENEWING THE AGREEMENT WITH CORA PHYSICAL THERAPY FOR THE EMPLOYEE PHYSICAL WELLNESS PROGRAM AND AUTHORIZING THE MAYOR TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT AND THIS RESOLUTION

4. **Consideration of a Resolution Authorizing the Mayor to Execute an Amendment to the Contract Between the City of Kingsport and the Tennessee Department of Environment and Conservation** (TDEC) (AF-164-2025) (Ryan McReynolds)

   RESOLUTION NO. 2025-264 A RESOLUTION APPROVING AN AMENDMENT TO THE CONTRACT IN LIEU OF PERFORMANCE BOND WITH THE TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION INCREASING THE AMOUNT OF FINANCIAL ASSURANCE FOR THE LANDFILL; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT OR THIS RESOLUTION

5. **Consideration of a Resolution Authorizing the Mayor to Execute an Agreement Renewing Benchmark Testing Subscriptions with Instructure, Inc., and All Other Necessary Documents and Authorizing the Purchase of the Subscriptions** (AF-163-2025) (David Frye)

   RESOLUTION NO. 2025-265 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN ORDER FORM TO RENEW SUBSCRIPTIONS FROM INSTRUCTURE, INC. FOR STUDENT ASSESSMENT SOFTWARE AND ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

6. **Consideration of a Resolution Authorizing the Mayor to Execute an Agreement Renewing Kingsport City Schools' Canvas Software Platform with Instructure, Inc., and All Other Necessary Documents and Authorizing the Purchase of Canvas for Kingsport City Schools** (AF-166-2025) (David Frye)

   RESOLUTION NO. 2025-266 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN ORDER FORM TO RENEW THE CANVAS SOFTWARE SUBSCRIPTION FROM INSTRUCTURE, INC. FOR KINGSPORT CITY SCHOOLS AND ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

XIII. COMMUNICATIONS

1. City Manager

Mr. McCartt congratulated Chief Phipps on his retirement and expressed his appreciation for all he has done for Kingsport, noting he has left a legacy. He also offered congratulations to future Chief Bellamy who will be taking over. He thanked staff in regard to the budget, pointing out more time has been spent on this budget which has presented a tremendous amount of challenges. Mr. McCartt also thanked the board for the time that has been put in since last July with this being a busy fiscal year. He mentioned his six year anniversary as city manager is next week, stating he appreciated the support, confidence and trust from the board.

2. Mayor and Board Members

Alderman Mayes congratulated the city manager for six years and the police chief for his service, noting the turnout of officers earlier for support. Alderman Cooper mentioned the upcoming 4th of July events and commented on the new murals that are popping up downtown courtesy of Joseph Maye. She thanked Alderman George for an opportunity at Bays Mountain with Jamie the Fox. She also noted as a point of interest that a child born on Father's Day was named Bays. Alderman George stated Bays Mountain is looking at programs to expose more children to the animals. She thanked Chief Phipps for everything he'd done and thanked Chris for supporting the board with seven different viewpoints, pointing out they all want what is best for Kingsport. Alderman Baker congratulated Chief Phipps on his retirement and the city manager on six years and for always keeping everyone up to date. Alderman Phillips commented on new businesses and restaurants all over town. He also encouraged citizens to come to the Red, White and Boom event and provided details. He pointed out the Chief is strategically retiring just before this busy holiday, noting he will be missed and he's looking forward to working with Chief Bellamy. Vice-Mayor Duncan recognized the Chief, noting everything he has done has been with integrity. He wished Alderman Mayes a happy retirement as well after 36 years of service. The Vice Mayor also pointed out at the next meeting the BMA will be wearing Funfest shirts to follow tradition. Mayor Montgomery stated he appreciated the city manager's hard work on the budget, noting there is now relief on his forehead. He also thanked staff and the rest of the board stating the City is fortunate to have dedicated people working. Lastly the Mayor congratulated Chief Phipps.

XIV. ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 8:49 p.m.

ANGELA MARSHALL	PAUL W. MONTGOMERY
Deputy City Recorder	Mayor

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

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

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-177-2025	Final Adoption:	August 5, 2025
Work Session:	July 14, 2025	Staff Work By:	J. McMurray
First Reading:	July 15, 2025	Presentation By:	J. McMurray

Strategic Focus Area: Thriving Local Economy

Recommendation:

- Hold public hearing
- Approve ordinance

Executive Summary:

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

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

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

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

Attachments:

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

Item IX1.

	Y	N	O
Baker	__	__	__
Cooper	__	__	__
Duncan	__	__	__
George	__	__	__
Mayes	__	__	__
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 July 15, 2025 to consider the rezoning of Tax Map 046B, Parcel 013.00 and a Portion of Parcel 012.00 located along Tyson Lane from the R-1B, Residential District to P-1, Professional Offices District. 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 rezoning is generally described as follows:

BEGINNING at a point on the northerly right of way margin of E. Stone Road (US Hwy 11W / TN 1) 120' north of the centerline of right of way, at its intersection with the easterly right of way margin of Tyson Lane, 25' east of the centerline of right of way, being the southwestern most corner of property now or formerly owned by McDavid, Trustee, and identified as Parcel 13.00;

THENCE, along said Tyson Lane right of way margin and Parcel 13.00, now or formerly owned by McDavid, North 33 degrees 40 minutes 33 seconds East, 70.18 feet to a point;

THENCE, departing Tyson Lane and crossing Parcel 13.00, now or formerly owned by McDavid, Trustee, along the former right of way margin of E. Stone Drive (US 11W / TN 1), 180' north of and parallel to centerline of right of way, North 87 degrees 34 minutes 21 seconds West, for a distance of 164.95 feet to a point on the westerly boundary of Parcel 12.00, now or formerly owned by McKamey;

THENCE, turning northward along the westerly boundary of property now or formerly owned by McKamey and identified as Parcel 12.00, common with property now or formerly owned by McDavid, Trustee, and identified as Parcel 13.00, North 42 degrees 36 minutes 55 seconds East, 111.83 feet to a point on the rear boundary of Lot 21 of Block B in Bloomington Heights Subdivision as recorded in Plat Book 7 page 123-B, now or formerly owned by David W. Harper and Pamela L. Harper as recorded in Deed Book 1199C, page 562 et.seq.;

THENCE, along the common boundary of McKamey with Bloomington Heights Subdivision, Block B, Lot 21, South 54 degrees 46 minutes, 21 seconds East, for a distance of 35.00 feet to the common corner with Lot 20 of Block B in Bloomington Heights Subdivision, now or formerly owned by Theodore D. Vaughn and Tracy Vaughn as recorded in Deed Book 3235, page 805 et.seq.;

THENCE, continuing along the common boundary of McKamey with Bloomington Heights Subdivision, Block B, Lot 20, South 54 degrees 46 minutes 21 seconds East, for a distance of 122.71 feet to a point on the northerly right of way of E. Stone Drive (US 11W / TN 1), 180 feet from centerline of right of way;

THENCE, departing the boundary with Bloomington Heights Subdivision, turning southward along property now or formerly owned by McKamey and the right of way of E. Stone Drive (US 11W / TN 1), South 02 degrees 33 minutes 05 seconds East, for a distance of 60.23 feet to a point 120 feet from centerline of the right of way;

THENCE, continuing along the northerly right of way margin of E. Stone Drive (US 11W / TN 1), and the properties of McKamey and McDavid, Trustee, North 87 degrees 34 minutes 21 seconds West, for a total distance of 411.31 feet to the POINT OF BEGINNING.

All interested persons are invited to attend this meeting and public hearing. Additional information concerning this proposal may be obtained by contacting the Kingsport Planning Division, telephone 423-229-9485.

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
Angie Marshall, City Clerk
PIT: 6/23/2025

PRE-FILED
CITY RECORDER

ORDINANCE NO._____

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

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

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

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

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

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

PAUL W. MONTGOMERY
Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III
City Attorney

PASSED ON 1ST READING_____
PASSED ON 2ND READING_____

Kingsport Regional Planning Commission

Rezoning Report **File Number REZONE25-0122**

Tyson Lane Rezoning

Property Information			
Address	Tyson Lane		
Tax Map, Group, Parcel	Tax Map 046B Group D A Portion of Parcel 012.00 & Parcel 013.00		
Civil District	11		
Overlay District	N/A		
Land Use Designation	Retail/Commercial		
Acres	Rezone Site .77 acres +/-		
Existing Use	Vacant	**Existing Zoning**	R-1B
Proposed Use	Medical Spa	**Proposed Zoning**	P-1

Owner /Applicant Information

Name: Mickey McKamey

Address: 2295 Rock Springs Road

City: Kingsport

State: TN **Zip Code: 37660**

Phone Number: (423)430-7862

Intent: ***To rezone from R-1B (Residential District) to P-1 (Professional Offices District) to facilitate construction of a new medical spa.***

Planning Department Recommendation

The Kingsport Planning Division recommends sending a POSITIVE recommendation to the Kingsport Board of Mayor and Alderman for the following reasons:

- *The proposal conforms to the Future Land Use Plan as a commercial use.*
- *The zoning change to P-1 is compatible with abutting P-1 zone and nearby commercial zones along E. Stone Drive.*

Staff Field Notes and General Comments:

- *The rezoning site is currently vacant.*
- *Water and sewer available at the rezoning site.*
- *Medical spa facility is not expected to generate more than 750 trips per day, however the Traffic department reserves the right to request trip generation and/or traffic impact study for development.*
- *If the rezoning is approved, the property could be used as a medical spa; however, a Special Exception must still be granted by the Board of Zoning Appeals before the use can begin.*
- *The development review team is supportive of the request.*

Planner:	Jessica McMurray	Date:	May 21, 2025
Planning Commission Action		**Meeting Date:**	**June 19, 2025**
Approval:			
Denial:		Reason for Denial:	
Deferred:		Reason for Deferral:	

PROPERTY INFORMATION	
ADDRESS	A Portion of Parcel 012.00 & Parcel 013.00
DISTRICT	11
OVERLAY DISTRICT	N/A
EXISTING ZONING	R-1B
PROPOSED ZONING	P-1 (Professional Offices District)
ACRES	Rezone Site .77 acres +/-
EXISTING USE	vacant
PROPOSED USE	Medical Spa

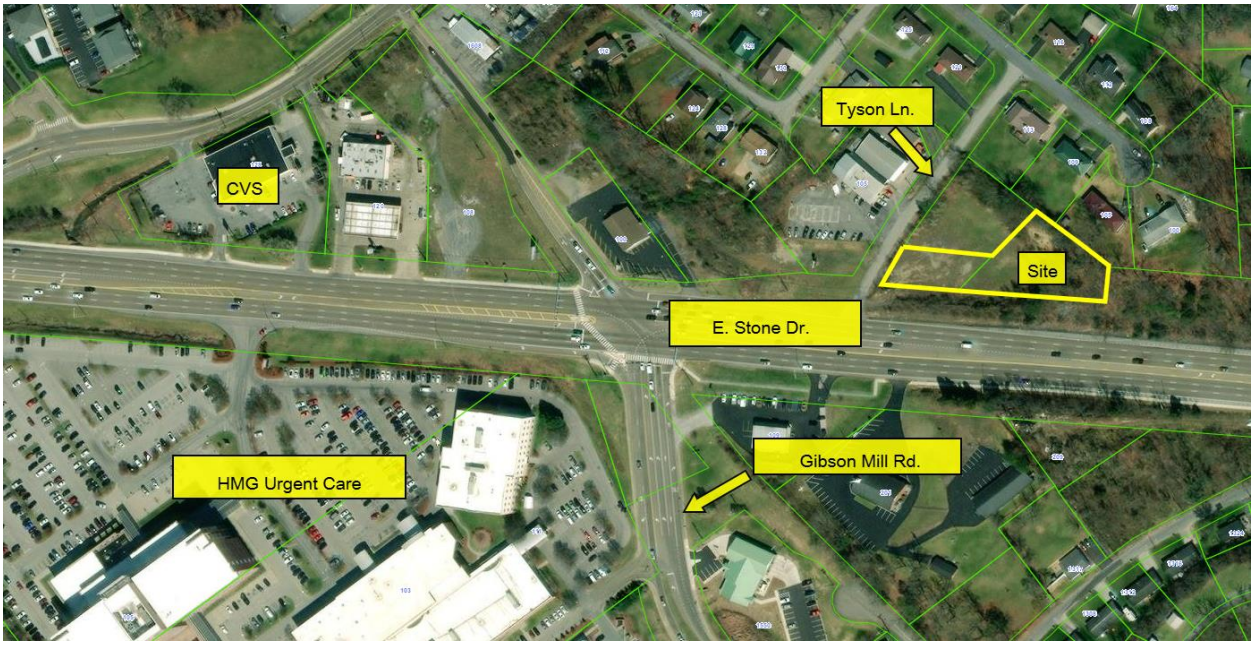
PETITIONER
ADDRESS **2295 Rock Springs Road, Kingsport, TN 37660**

REPRESENTATIVE
PHONE **(423)430-7862**

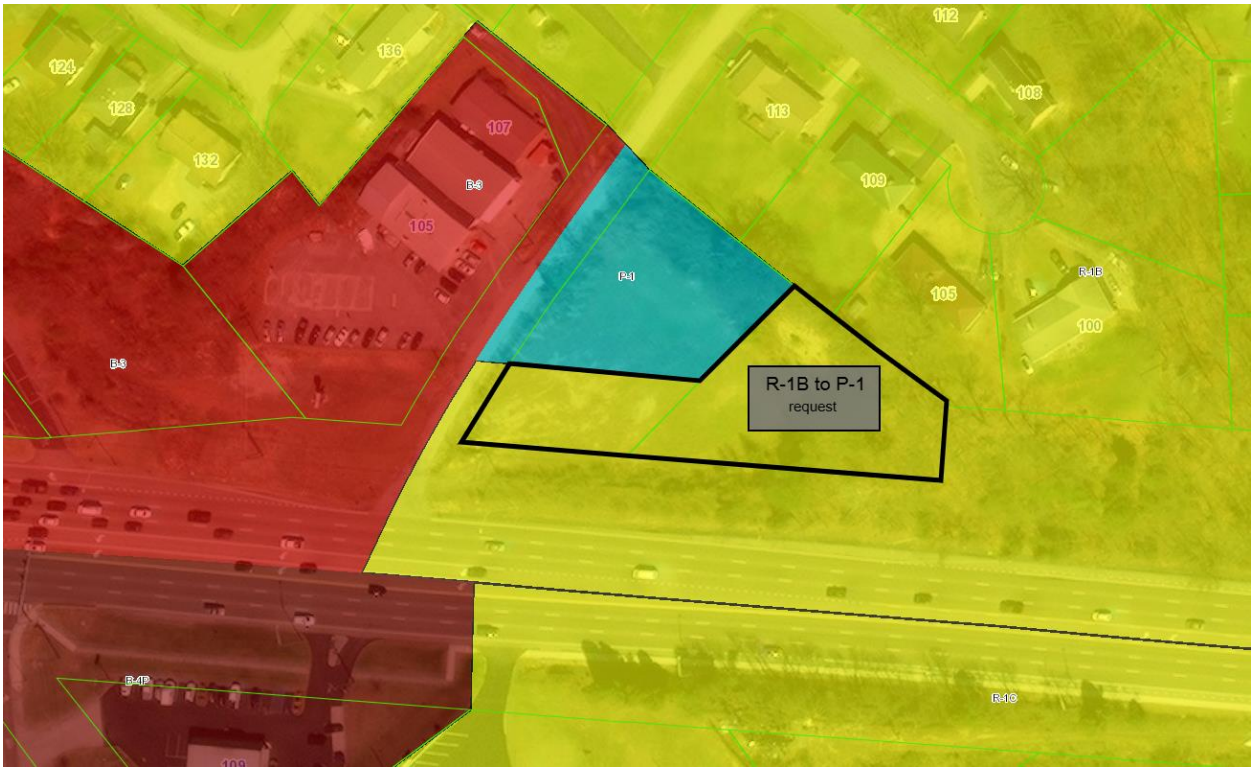
INTENT

To rezone from R-1B (Residential District) to P-1 (Professional Offices District) to facilitate construction of a new medical spa.

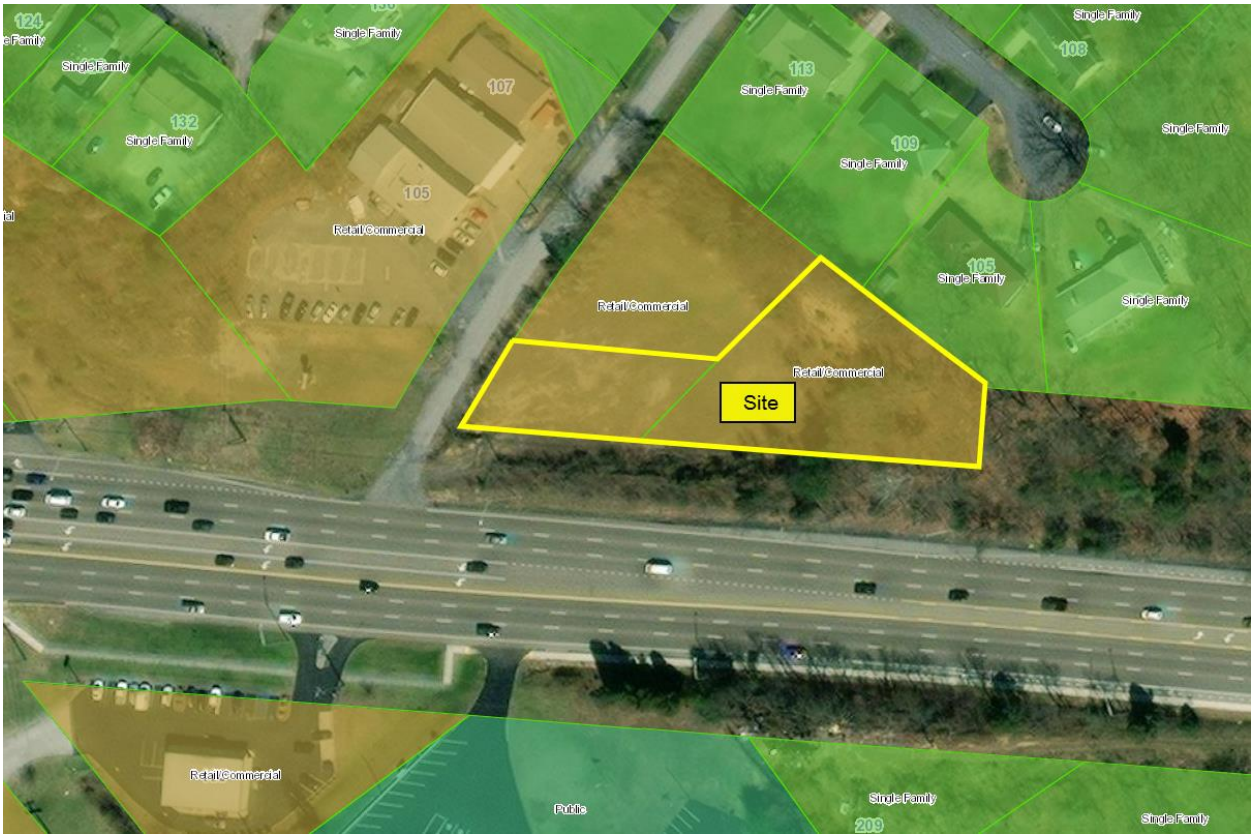
Vicinity Map



Surrounding City Zoning Map



Future Land Use Plan 2030



Aerial

View from Tyson Lane Site Facing West

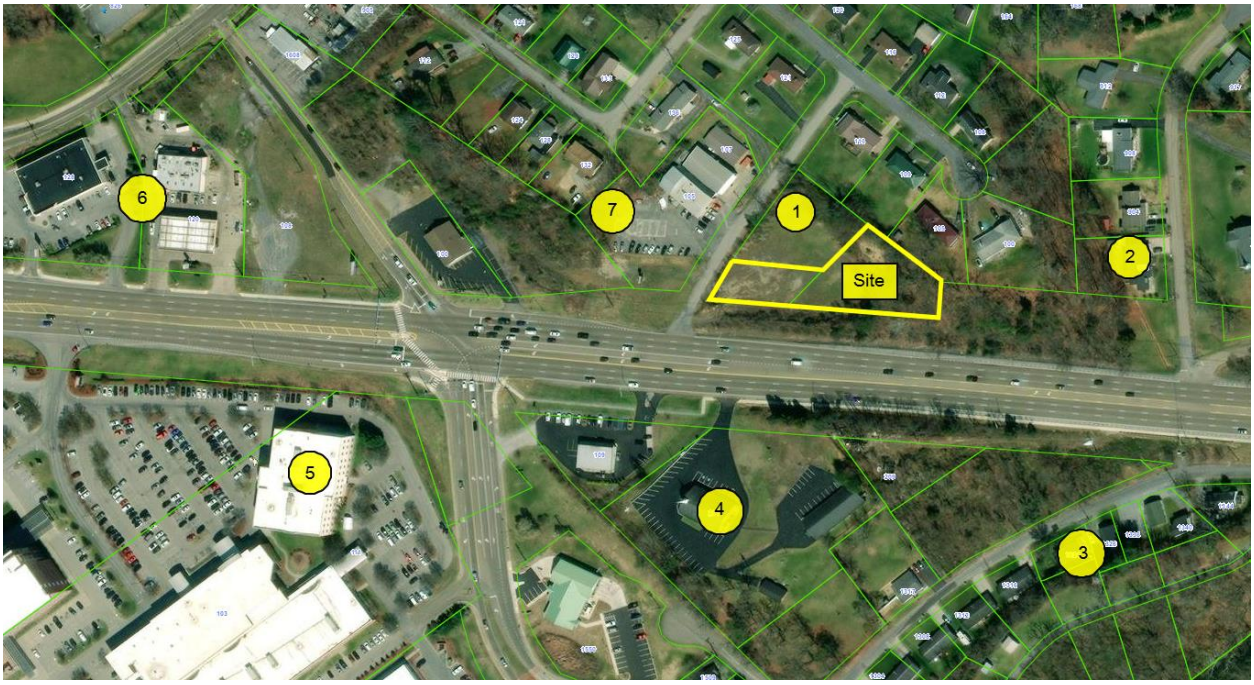
View of Tyson Lane Site

View from Tyson Lane Site Facing Stone Dr. (South)

View from Tyson Lane Site Facing Rosefield Drive (North)

Aerial Site View Tyson Lane (Google Earth)

EXISTING USES LOCATION MAP



Existing Zoning/ Land Use Table

Location	Parcel / Zoning Petition	Zoning / Name	History Zoning Action Variance Action
North	**1**	Zone: City P-1 Use: vacant	
Northeast	**2**	Zone: City R-1B Use: single family	
Southeast	**3**	Zone: City R-1C Use: single family	
South	**4**	Zone: City R-1C Use: church	
Southwest	**5**	Zone: City B-4P Use: medical offices	
West	**6**	Zone: City B-4P Use: retail	
Northwest	**7**	Zone: City B-3 Use: commercial	

Standards of Review

Planning Staff shall, with respect to each zoning application, investigate and make a recommendation with respect to factors 1 through 6, below, as well as any other factors it may find relevant.

1. **Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** Yes, the proposal will permit a use that is suitable given the surrounding development. The property is adjacent to a P-1 zone and near a B-3 highway-oriented business district. Rezoning to P-1 allows for professional office development that is compatible with both the nearby commercial uses and the remaining residential areas.

2. **Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** No, the proposal will not adversely affect the existing use or usability of adjacent or nearby property. Rezoning to P-1 (Professional Office) allows for low-intensity, daytime-oriented uses that are generally compatible with both residential and commercial neighbors. It serves as an appropriate transitional buffer between the adjacent residential and more intensive B-3 commercial zones, helping to reduce land use conflicts. Additionally, any future development will be subject to site plan review, ensuring proper screening, access, and design to protect neighboring properties.

3. **Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** The property has limited economic viability under its current R-1B single-family residential zoning. Its proximity to existing P-1 and B-3 zones exposes it to increased traffic, noise, and commercial activity, which diminishes its appeal and functionality for residential use. Rezoning to P-1 would provide a more reasonable and productive use consistent with surrounding development patterns.

4. **Whether the proposal is in conformity with the policies and intent of the land use plan?** Yes, the proposal is in conformity with the policies and intent of the land use plan. The 2030 Land Use Plan designates this area for future retail/commercial development and supports the transition of underutilized residential properties near commercial corridors into low-intensity office or retail uses. Rezoning the property from R-1B to P-1 aligns with this vision by promoting compatible, economically productive development while providing a buffer between higher-intensity commercial uses and nearby residential neighborhoods.

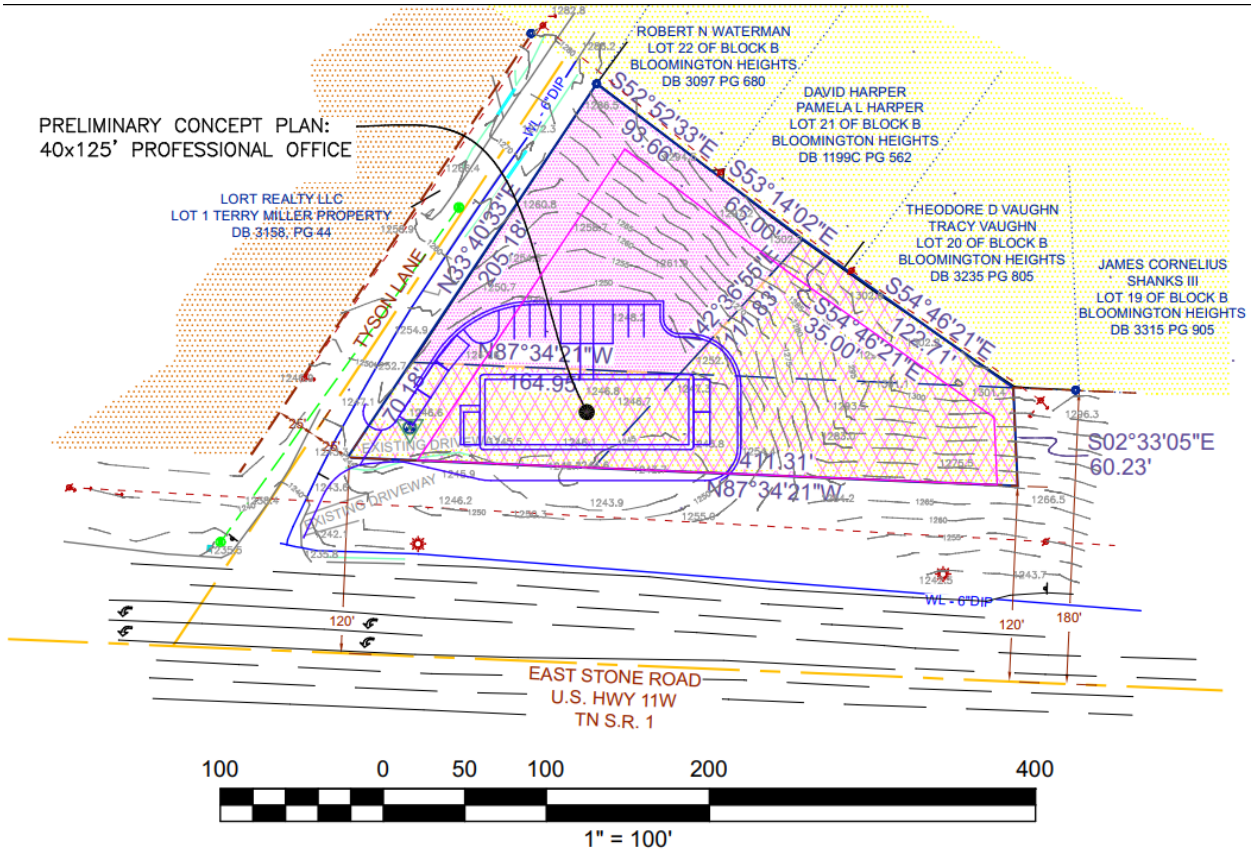
   Proposed use: New Medical Spa

   The Future Land Use Plan Map recommends retail/commercial.

5. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** The proposed rezoning is supported by existing and changed conditions, including the property's location between residential and commercial zones (P-1 and B-3), which makes it part of a natural transition area. Its continued use as single-family residential is less viable due to nearby commercial activity, increased traffic, and noise. The area has sufficient infrastructure to support office use, and the 2030 Land Use Plan designates the site for future retail/commercial development, encouraging the conversion of underutilized residential parcels along commercial corridors.

6. **Whether there are other existing or changed conditions affecting the use and development of the property which give supporting grounds for either approval or disapproval of the proposal?** The subject property borders a P-1 zone and is near a B-3 commercial district, placing it in a transitional area between residential and commercial uses. Rezoning to P-1 creates an appropriate buffer and supports a gradual land use shift. The 2030 Land Use Plan supports this transition, encouraging the conversion of underused residential parcels near commercial corridors into low-intensity office or retail uses.

Zoning Development Plan (A Full Size Copy Available for Meeting)



CONCLUSION

Staff recommends sending a positive recommendation to rezone from R-1B zone to the P-1 zone based upon conformance with the future land use plan.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

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

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-180-2025	Final Adoption:	August 5, 2025
Work Session:	July 14, 2025	Staff Work By:	Ken Weems
First Reading:	July 15, 2025	Presentation By:	K. Weems

Strategic Focus Area: Efficient & Responsive Government

Recommendation:

- Hold public hearing
- Approve ordinance

Executive Summary:

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

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

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

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

Attachments:

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

	Y	N	O
Baker	__	__	__
Cooper	__	__	__
Duncan	__	__	__
George	__	__	__
Mayes	__	__	__
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 Tuesday, July 15, 2025 to consider amending the Code of Ordinances as it pertains to zoning. The proposed ordinance will expand membership of the Board of Zoning Appeals from five to seven members and lessen membership terms of the Board of Zoning Appeals from five to three years. 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.

All interested persons are invited to attend this meeting and public hearing. Additional information concerning this proposal may be obtained by contacting the Kingsport Planning Department, telephone 423-229-9485.

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) 229-9485 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
Angie Marshall, City Clerk
PIT: 6/24/2025

ORDINANCE NO._____

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

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

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

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

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

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

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING_____
PASSED ON 2ND READING_____

Board of Zoning Appeals Zoning Text Amendment

Property Information	City-wide		
Address			
Tax Map, Group, Parcel			
Civil District			
Overlay District			
Land Use Designation			
Acres			
Existing Use		**Existing Zoning**	
Proposed Use		**Proposed Zoning**	

Owner /Applicant Information	
Name: City staff initiated **Address:** **City:** **State:** **Zip Code:** **Email:** **Phone Number:**	**Intent:** To amend Chapter 114, Zoning, as it pertains to the amount of members and span of membership terms of the Board of Zoning Appeals.

Planning Department Recommendation

(Approve, Deny, or Defer)

The Kingsport Planning Division recommends APPROVAL

Planner:	Ken Weems	Date:	5/1/2025
Planning Commission Action		**Meeting Date:**	**5/15/2025**
Approval:			
Denial:		Reason for Denial:	
Deferred:		Reason for Deferral:	

INTENT

To amend Chapter 114, Zoning, as it pertains to the amount of members and span of membership terms of the Board of Zoning Appeals.

Introduction:

The Kingsport Board of Zoning Appeals experienced a recent increase in membership from 5 to 7 members. Additionally, the term length for Board of Zoning Appeals members was decreased from 5 years to 3 years. The presentation below details the needed zoning text amendment to match existing conditions.

Presentation:

Current membership amount and term length of the Kingsport Board of Zoning Appeals as found in the zoning code:

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

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

Proposed membership amount and term length of the Kingsport Board of Zoning Appeals as viewed in the proposed text amendment (the two changes are highlighted in yellow):

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

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

Staff recommends sending a positive recommendation to the Board of Mayor and Aldermen in support of the proposed changes.

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

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

(Code 1981, app. A, art. II, § 3(A); Code 1998, § 114-66)

State law reference(s)—Similar provision, T.C.A. § 13-7-106 et seq.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2025

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-176-2025	Final Adoption:	August 5, 2025
Work Session:	July 14, 2025	Staff Work By:	Morris
First Reading:	July 15, 2025	Presentation By:	McCartt

Strategic Focus Area: Efficient & Responsive Government

Recommendation:
Approve the Budget Ordinance.

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

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

The Water Project Fund is being amended to clean up and close projects: Plant Facility Improvements, Water Intake Screens, and Distribution System Upgrades. A Hydrant Maintenance project in the amount of $94,000 is established and allocations are made to the Plant Facility Improvements project totaling $108,518 and to the Pump Station Improvements project totaling $42,966. Bond proceeds are being redistributed to the Fieldcrest annexation Water project.

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

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

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

Attachments:
1. Budget Ordinance

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

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

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

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

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

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

ITEM THREE: Water Project Fund Cleanup and Fieldcrest Water Relocation

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

ITEM FOUR: Sewer Project Fund Cleanup

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

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

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

ITEM SIX: Cattails Golf Fund Transfer

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

ITEM SEVEN Cattails Pump Improvements

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

PRE-FILED
CITY RECORDER

ORDINANCE NO.

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

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

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

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

SECTION III. That the Water Project Fund be amended by transferring $94,000 from the WTP High Service Improvements project (WA2007) to the Hydrant Maintenance project (WA2605), by transferring $108,518 from the WTP Water Intake Screen Replacement project (WA2308) to the Plant Facility Improvements project (WA2402), by transferring $107 from the Plant Facility Improvements project (WA2101) and $42,899 from the Pump Station Improvements O&M project (WA2401) for a total of $43,006 to be transferred to the WA Pump Station Improvements O&M project (WA2500) by transferring $325,000 from the Distribution Systems Upgrades project (WA2403), $205,000 from the Water Tank Rehab project (WA2407), and $202,586 from the Fieldcrest Annexation project (SW2408) for a total of $732,586 to be transferred to the Fieldcrest Annexation project (WA2408). Close WA2101, WA2401, and WA2403.

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

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

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

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

Gen Proj-Special Rev Fund: 111
TAC Creative Partnership Support (NC2519)

Account Number/Description:		**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:		**$**	**$**	**$**
111-0000-332.32-00 TN Arts Commission		0	12,300	12,300
	Total:	**0**	**12,300**	**12,300**
Expenditures:		**$**	**$**	**$**
111-0000-601.20-20 Professional/Consultant		0	12,300	12,300
	Total:	**0**	**12,300**	**12,300**

Coca Cola Appropriation (NC1604)

Account Number/Description:		**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:		**$**	**$**	**$**
111-0000-364.20-00 From Corporations		105,295	9,000	114,295
111-0000-391.01-00 From General Fund		0	14,123	14,123
	Total:	**105,295**	**23,123**	**128,418**
Expenditures:		**$**	**$**	**$**
111-0000-601.90-04 Equipment		105,295	23,123	128,418
	Total:	**105,295**	**23,123**	**128,418**

General Projects (NC2100)

Account Number/Description:		**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:		**$**	**$**	**$**
111-0000-391.01-00 From General Fund		977,833	(14,123)	963,710
	Total:	**977,833**	**(14,123)**	**963,710**
Expenditures:		**$**	**$**	**$**
111-0000-601.20-23 Arch/Eng/Landscaping Serv		127,277	0	127,277
111-0000-601.90-01 Land		34,485	0	34,485
111-0000-601.90-03 Improvements		816,071	(14,123)	801,948
	Total:	**977,833**	**(14,123)**	**963,710**

General Project Fund: 311
Border Reg Rd Improvements (GP1228)

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
311-0000-332.10-15 Border Regions Allocation	1,608,692	1,436,699	3,045,391
311-0000-368.10-41 Series 2012 C GO Pub Imp	272,168	0	272,168
311-0000-368.21-01 Premium from Bond Sale	19,633	0	19,633
Total:	**1,900,493**	**1,436,699**	**3,337,192**
Expenditures:	**$**	**$**	**$**
311-0000-601.20-20 Professional/Consultant	63,760	19,540	83,300
311-0000-601.20-23 Arch/Eng/Landscaping Serv	221,073	11,789	232,862
311-0000-601.40-41 Bond Sale Expense	11,867	0	11,867
311-0000-601.90-01 Land	110,000	0	110,000
311-0000-601.90-03 Improvements	1,493,793	1,405,370	2,899,163
Total:	**1,900,493**	**1,436,699**	**3,337,192**

Border Reg Rd Improvements (GP1228)

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
311-0000-332.10-15 Border Regions Allocation	3,045,391	(1,572,822)	1,472,569
311-0000-368.10-41 Series 2012 C GO Pub Imp	272,168	0	272,168
311-0000-368.21-01 Premium from Bond Sale	19,633	0	19,633
Total:	**3,337,192**	**(1,572,822)**	**1,764,370**
Expenditures:	**$**	**$**	**$**
311-0000-601.20-20 Professional/Consultant	83,300	0	83,300
311-0000-601.20-23 Arch/Eng/Landscaping Serv	232,862	0	232,862
311-0000-601.40-41 Bond Sale Expense	11,867	0	11,867
311-0000-601.90-01 Land	110,000	0	110,000
311-0000-601.90-03 Improvements	2,899,163	(1,572,822)	1,326,341
Total:	**3,337,192**	**(1,572,822)**	**1,764,370**

Street Resurfacing (GP2033)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
311-0000-332.10-15 Border Regions Allocation	0	32,000	32,000
311-0000-337.52-10 FHWA/TN FHWA 80%	2,000,000	128,000	2,128,000
311-0000-368.10-56 GO Bonds Series 2018 A	10,569	0	10,569
311-0000-368.10-66 Series 2019 GO Improvment	172,411	0	172,411
311-0000-368.21-01 Premium From Bond Sale	17,020	0	17,020
311-0000-391.01-00 From General Fund	300,000	0	300,000
Total:	**2,500,000**	**160,000**	**2,660,000**
Expenditures:	**$**	**$**	**$**
311-0000-601.20-23 Arch/Eng/Landscaping Serv	247,000	0	247,000
311-0000-601.90-01 Land	25,000	0	25,000
311-0000-601.90-03 Improvements	2,228,000	160,000	2,388,000
Total:	**2,500,000**	**160,000**	**2,660,000**

HI Mast LED (GP2514)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
311-0000-332.10-15 Border Regions Allocation	0	73,529	73,529
Total:	**0**	**73,529**	**73,529**
Expenditures:	**$**	**$**	**$**
311-0000-601.90-03 Improvements	0	73,529	73,529
Total:	**0**	**73,529**	**73,529**

Rescue Dry Suits (GP2515)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
311-0000-332.10-15 Border Regions Allocation	0	19,000	19,000
Total:	**0**	**19,000**	**19,000**
Expenditures:	**$**	**$**	**$**
311-0000-601.90-03 Improvements	0	19,000	19,000
Total:	**0**	**19,000**	**19,000**

Border Regions ST (GP2516)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
311-0000-332.10-15 Border Regions Allocation	0	1,448,293	1,448,293
Total:	**0**	**1,448,293**	**1,448,293**
Expenditures:	**$**	**$**	**$**
311-0000-601.90-03 Improvements	0	1,448,293	1,448,293
Total:	**0**	**1,448,293**	**1,448,293**

Water Project Fund: 451

WTP High Service Improvements (WA2007)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
451-0000-331.34-20 EDA Grant/High Service	1,500,000	0	1,500,000
451-0000-391.05-31 2014 B GO Bonds	310,000	0	310,000
451-0000-391.05-45 Series 2016 GO (Nov 4)	66,827	0	66,827
451-0000-391.05-48 GO Bonds Series 2018 B	142,704	0	142,704
451-0000-391.05-56 Series 2019 GO Improve	847,231	(94,000)	753,231
451-0000-391.05-71 DWF-2023-254 High Service	7,000,000	0	7,000,000
451-0000-391.45-00 From Water Fund	260,648	0	260,648
Total:	**10,127,410**	**(94,000)**	**10,033,410**
Expenditures:	**$**	**$**	**$**
451-0000-605.20-22 Construction Contracts	8,473,700	0	8,473,700
451-0000-605.20-23 Arch/Eng/Landscaping Serv	1,650,027	(94,000)	1,556,027
451-0000-605.90-03 Improvements	3,683	0	3,683
Total:	**10,127,410**	**(94,000)**	**10,033,410**

Hydrant Maintenance (WA2605)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
451-0000-391.05-56 Series 2019 GO Improve	0	94,000	94,000
Total:	**0**	**94,000**	**94,000**
Expenditures:	**$**	**$**	**$**
451-0000-605.90-03 Improvements	0	94,000	94,000
Total:	**0**	**94,000**	**94,000**

WTP Intake Screen (WA2308)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
451-0000-331.32-00 ARC	500,000	0	500,000
451-0000-337.16-23 American Rescue Plan	922,000	0	922,000
451-0000-391.05-56 Series 2019 GO Improve	126,000	(108,518)	17,482
Total:	**1,548,000**	**(108,518)**	**1,439,482**
Expenditures:	**$**	**$**	**$**
451-0000-605.20-20 Professional/Consultant	0	26,500	26,500
451-0000-605.20-22 Construction Contracts	1,507,320	(94,338)	1,412,982
451-0000-605.90-03 Improvements	40,680	(40,680)	0
Total:	**1,548,000**	**(108,518)**	**1,439,482**

Plant Facility Imp (WA2402)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
451-0000-391.05-56 Series 2019 GO Improve	0	108,518	108,518
451-0000-391.45-00 From Water Fund	100,000	0	100,000
Total:	**100,000**	**108,518**	**208,518**
Expenditures:	**$**	**$**	**$**
451-0000-605.90-03 Improvements	100,000	108.518	208.518
Total:	**100,000**	**108,518**	**208.518**

Plant Facility Imp (WA2101)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
451-0000-391.05-45 Series 2016 Go (Nov 4)	31,287	0	31,287
451-0000-391.05-56 Series 2019 GO Improvement	23,862	0	23,862
451-0000-391.45-00 From Water Fund	44,736	(107)	44,629
Total:	**99,885**	**(107)**	**99,778**
Expenditures:	**$**	**$**	**$**
451-0000-605.20-23 Arch/Eng/Landscaping Serv	99,600	(107)	99,493
451-0000-605.90-03 Improvements	285	0	285
Total:	**99,885**	**(107)**	**99,778**

Pump Station Imp O&M (WA2401)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
451-0000-391.45-00 From Water Fund		173,826	(42,889)	130,937
	Total:	**173,826**	**(42,889)**	**130,937**
Expenditures:		**$**	**$**	**$**
451-0000-605.90-19 Pump Stations		173,826	(42,889)	130,937
	Total:	**173,826**	**(42,889)**	**130,937**

Pump Station Imp O&M (WA2500)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
451-0000-391.45-00 From Water Fund		165,000	43,006	208,006
	Total:	**165,000**	**43,006**	**208,006**
Expenditures:		**$**	**$**	**$**
451-0000-605.90-19 Pump Stations		165,000	43,006	208,006
	Total:	**165,000**	**43,006**	**208,006**

Distribution System Upgrades (WA2403)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
451-0000-391.05-72 GO Bonds Series 2023		325,000	(325,000)	0
	Total:	**325,000**	**(325,000)**	**0**
Expenditures:		**$**	**$**	**$**
451-0000-601.90-03 Improvements		325,000	(325,000)	0
	Total:	**325,000**	**(325,000)**	**0**

Water Tank Rehab (WA2407)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
451-0000-391.05-72 GO Bonds Series 2023		1,000,000	(205,000)	795,000
	Total:	**1,000,000**	**(205,000)**	**795,000**
Expenditures:		**$**	**$**	**$**
451-0000-601.90-03 Improvements		1,000,000	(205,000)	795,000
	Total:	**1,000,000**	**(205,000)**	**795,000**

Fieldcrest Annexation (WA2408)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
451-0000-391.05-72 GO Bonds Series 2023		1,200,000	732,586	1,932,586
	Total:	**1,200,000**	**732,586**	**1,932,586**
Expenditures:		**$**	**$**	**$**
452-0000-391.05-72 GO Bonds Series 2023		0	17,872	17,872
451-0000-601.90-03 Improvements		1,200,000	714,714	1,914,714
	Total:	**1,200,000**	**732,586**	**1,932,586**

Sewer Project Fund: 452
Fieldcrest Annexation (SW2408)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
452-0000-391.05-72 GO Bonds Series 2023		2,500,000	(202,586)	2,297,414
	Total:	**2,500,000**	**(202,586)**	**2,297,414**
Expenditures:		**$**	**$**	**$**
452-0000-606.20-23 Arch/Eng/Landscaping Serv		275,000	0	275,000
452-0000-601.90-01 Land		50,000	2,029	52,029
452-0000-601.90-03 Improvements		2,175,000	(204,615)	1,970,385
	Total:	**2,500,000**	**(202,586)**	**2,297,414**

System Improvements SLS (SW2005)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
452-0000-391.05-40 2015 A (OCT) GP PUB IMP		310,429	0	310,429
452-0000-391.05-45 Series 2016 GO (Nov 4)		23,812	0	23,812
452-0000-391.05-47 Series 2017 B GO Bonds		706,000	0	706,000
452-0000-391.05-56 Series 2019 GO Improvement		446,853	0	446,853
452-0000-391.05-69 GO Bonds Series 2021		95,000	0	95,000
452-0000-391.42-00 From Sewer Fund		102,000	(10,350)	91,650
	Total:	**1,684,094**	**(10,350)**	**1,673,744**
Expenditures:		**$**	**$**	**$**
452-0000-606.20-22 Construction Contracts		1,348,716	0	1,348,716
452-0000-606.20-23 Arch/Eng/Landscaping Serv		257,232	(10,350)	246,882
452-0000-606.90-01 Land		2,686	0	2,686
452-0000-606.90-03 Improvements		75,460	0	75,460
	Total:	**1,684,094**	**(10,350)**	**1,673,744**

WWTP Equipment (SW2305)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
452-0000-391.05-56 Series 2019 GO Improvment		214,354	(17,350)	197,004
452-0000-391.05-69 GO Bonds Series 2021		715	(715)	0
	Total:	**215,069**	**(18,065)**	**197,004**
Expenditures:		**$**	**$**	**$**
452-0000-606.90-04 Equipment		215,069	(18,065)	197,004
	Total:	**215,069**	**(18,065)**	**197,004**

WWTP Electrical Improvements (SW2407)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
452-0000-391.05-72 GO Bonds Series 2023		2,401,660	(24,314)	2,377,346
	Total:	**2,401,660**	**(24,314)**	**2,377,346**
Expenditures:		**$**	**$**	**$**
452-0000-606.20-22 Construction Contracts		2,401,386	(24,314)	2,377,072
452-0000-601.90-03 Improvements		274	0	274
	Total:	**2,401,660**	**(24,314)**	**2,377,346**

Pump Station Improvements (SW2400)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
452-0000-391.05-56 Series 2019 GO Improvement		37,547	17,350	54,897
452-0000-391.05-69 GO Bonds Series 2021		80,525	715	81,240
452-0000-391.05-72 GO Bonds Series 2023		0	24,314	24,314
452-0000-391.42-00 From Sewer Fund		335,000	10,350	345,350
	Total:	**453,072**	**52,729**	**505,801**
Expenditures:		**$**	**$**	**$**
452-0000-606.90-19 Pump Stations		453,072	52,729	505,801
	Total:	**453,072**	**52,729**	**505,801**

Solid Waste Project Fund: 455
Demolition Landfill (DL2300)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
455-0000-391.13-00 From Solid Waste Fund	99,498	(99,498)	0
Total:	**99,498**	**(99,498)**	**0**
Expenditures:	**$**	**$**	**$**
455-0000-601.20-23 Arch/Eng/Landscaping Serv	99,498	(99,498)	0
Total:	**99,498**	**(99,498)**	**0**

Carts/Cart Repair (DL2500)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
455-0000-391.13-00 From Solid Waste Fund	0	99,498	99,498
Total:	**0**	**99,498**	**99,498**
Expenditures:	**$**	**$**	**$**
455-0000-601.90-04 Equipment	0	99,498	99,498
Total:	**0**	**99,498**	**99,498**

Cattails Fund: 421

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Expenditures:	**$**	**$**	**$**
421-5076-508.20-99 Miscellaneous	125,000	(119,727)	5,273
421-6996-696.76-06 To Cattails Project Fund	0	119,727	119,727
Total:	**125,000**	**0**	**125,000**

Cattails Project Fund: 453
Cattails Equipment (CG2000)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
453-0000-391.05-56 Series 2019 GO Improvement	40,000	(17,272)	22,728
Total:	**40,000**	**(17,272)**	**22,728**
Expenditures:	**$**	**$**	**$**
453-0000-601.90-03 Improvements	40,000	(17,272)	22,728
Total:	**40,000**	**(17,272)**	**22,728**

Cattails Collars (CG2200)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
453-0000-391.05-56 Series 2019 GO Improvement	150,000	(23,287)	126,713
Total:	**150,000**	**(23,287)**	**126,713**
Expenditures:	**$**	**$**	**$**
453-0000-601.20-23 Arch/Eng/Landscaping Serv	6,000	0	6,000
453-0000-601.90-03 Improvements	144,000	(23,287)	120,713
Total:	**150,000**	**(23,287)**	**126,713**

Cattails Pump Station (CG2400)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
453-0000-391.05-56 Series 2019 GO Improvement	28,580	(28,580)	0
453-0000-391.58-00 From Cattails Fund	321,420	(321,420)	0
Total:	**350,000**	**(350,000)**	**0**
Expenditures:	**$**	**$**	**$**
453-0000-601.20-10 Advertising & Publication	307	(307)	0
453-0000-601.90-03 Improvements	349,693	(349,693)	0
Total:	**350,000**	**(350,000)**	**0**

Cattails Miscellaneous (CG2401)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
453-0000-391.05-56 Series 2019 GO Improvement	0	69,139	69,139
453-0000-391.58-00 From Cattails Fund	144,539	441,147	585,686
Total:	**144,539**	**510,286**	**654,825**
Expenditures:	**$**	**$**	**$**
453-0000-601.90-03 Improvements	100,475	0	100,475
453-0000-601.90-04 Equipment	44,064	510,286	554,350
Total:	**144,539**	**510,286**	**654,825**

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

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT III, City Attorney

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

AGENDA ACTION FORM

Consideration of an Ordinance Setting Property Tax Rate for Property within the City of Kingsport, Sullivan and within the City of Kingsport, Hawkins County

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-168-2025	Final Adoption:	July 15, 2025
Work Session:	June 16, 2025	Staff Work By:	Morris
First Reading:	June 17, 2025	Presentation By:	McCartt

Strategic Focus Area: Efficient & Responsive Government

Recommendation:
Approve the Ordinance.

Executive Summary:
Approval of this ordinance will allow the City of Kingsport to set a property tax rate for the FY-26 budget.

The State of Tennessee Board of Equalization, based upon data submitted by the Sullivan County Property Assessor, set the equalized tax rate on June 5, 2025 to $1.3473 for property within the City of Kingsport, Sullivan County and to $2.2681 for property within the City of Kingsport, Hawkins County. The Hawkins County equalized rate is based upon comparable appraised values to the recently reassessed properties in Sullivan County. Hawkins County is on a 5-year reassessment cycle and will not be reassessed until 2026.

The City intends to exceed the equalized rate set by the State Board of Equalization with a rate of $1.6773 for property within the City of Kingsport, Sullivan County, which reflects a $0.33 tax increase. The tax rate for property within the City of Kingsport, Hawkins County will be $2.4878. This reflects an equal increase when compared to Sullivan County.

The property tax rate was set at $1.9983 in the FY24-25 budget for property within the City of Kingsport, Sullivan County and property within the City of Kingsport, Hawkins County.

Attachments:
1. Budget Ordinance

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

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

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

WHEREAS, the corporate boundaries of the City of Kingsport are situated within the boundaries of Sullivan County and Hawkins County; and

WHEREAS, the local property assessors have prepared assessment rolls of taxation on real, personal and mixed property for the 2025 tax year; and

WHEREAS, a tax rate of $1.6773 for Sullivan County and $2.4878 for Hawkins County will generate revenue adequate to support the Fiscal Year 2025-2016 budget.

Now therefore,

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

SECTION I. That the City tax on every $100.00 assessed value of real, personal and mixed property within the corporate limits of the City of Kingsport, Sullivan County and the City of Kingsport, and not exempt from taxation, shall be $1.6773, to fund current operating expenses of the City government, interest on bonded debt and other disbursements, which are legal obligations of the City of Kingsport; that said taxes received for the FY 2025-2026 shall be expended in accordance with the Annual Appropriation Ordinance.

SECTION II. That the City tax on every $100.00 assessed value of real, personal and mixed property within the corporate limits of the City of Kingsport and Hawkins County and not exempt from taxation, shall be $2.4878, to fund current operating expenses of the City government, interest on bonded debt and other disbursements, which are legal obligations of the City of Kingsport; that said taxes received for the FY 2025-2026 shall be expended in accordance with the Annual Appropriation Ordinance.

SECTION III. That this ordinance shall take effect from and after the date of its passage as the law directs, the public welfare 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:

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2025

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-169-2025
Work Session: June 16, 2025
First Reading: June 17, 2025

Final Adoption: July 15, 2025
Staff Work By: Morris
Presentation By: McCartt

Strategic Focus Area: Efficient & Responsive Government

Recommendation:
Approve the Budget Ordinance.

Executive Summary:
Various funds are being amended to prepare for project closures in FY2025. A transfer from the General Fund of $5,473 was needed to cover project overages in the General Project Fund and the General Projects-Special Revenue Fund.

A total of 15 projects are being balanced for closure in the General Projects Fund (4 projects) and the General Projects-Special Revenue Fund (11 Projects) in FY 2025.

A Community Development Grant Fund project is being established to receive CDBG grant funds for Child Care Creation to be distributed to the First Tennessee Development District.

The closure of the Warriors Path Water Line Project resulted in the return of $45,418 to the Visitors Enhancement Fund.

ARP Funds are being redistributed from two Water projects and one Stormwater project to fund the Stormwater Master Plan.

Donations in the amount of $350,000 for the BMP Otter Habitat project are being received in the Bays Mountain Park Association Fund and distributed to the BMP Otter Habitat project.

A summary page explaining changes is attached.

Attachments:
1. Budget Ordinance

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

PRE-FILED
CITY RECORDER

ORDINANCE NO.

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

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

SECTION I. That the General Fund be amended by transferring $5,473 from Advertising & Publication line (110-1008-408.20-10) to the To General Project Fund line (110-4804-481.70-36) in the amount of $5,012 and to the To Ten Proj-Special Rev Project line (110-4804-481.70-35) in the amount of $461 to balance several project for closure.

SECTION II. That the General Projects-Special Revenue Fund be amended by reducing the Bullet Proof Vest project (NC2011) by $2,475 and adding $273 from the General Fund, by increasing the Bullet Proof Vest project (NC2110) by $6,860 by adding $254 From the US Dept of Justice and $6,606 from the General Fund, by increasing the BMP Nature Center Balcony project (NC2220) by allocating $313 from the General Fund, by reducing the Traffic Signals/Poles project (NC2228) by returning $1,281 to the General Fund, by reducing the Greenbelt Bridge project (NC2231) by returning $2,000 to the General Fund, by reducing the Bullet Proof Vest Project (NC2232) by $16,900 by reducing the grant allocation by $8,450 and returning $8,450 to the General Fund, by reducing the Library ARPA Grant project (NC2233) by $2,659 by reducing the ARPA allocation by $2,085 and transferring $574 to the Parks ADA project (NC2207), by reducing the SRO Reimbursement project (NC2409) by $247,290, by transferring $40 from the Farmstead Museum Project (NC2413) to the Parks ADA project (NC2207), by transferring $3,457 from the Athletic Field Improvement project (NC2414) to the Parks ADA project (NC2207), by reducing the grant amount by $5,000 and allocating $5,000 from the General Fund to the Farmacy Fit project (NC2305), and by appropriating $1,500 from the Department of Agriculture to the FM Advertising project (NC2515). Close NC2011, NC2110, NC2220, NC2228, NC2231, NC2232, NC2233, NC2413, NC2414, NC2305, NC2409.

SECTION III. That the Community Development Block Grant Fund be amended by appropriating $9,400 from the TN Department of Econ & Community Dev to the CDBG Childcare Grant project (CD2506).

SECTION IV. That the Visitors Enhancement Fund be amended by returning $45,418 from the Warriors Path Water Line project (GP2023).

SECTION V. That the General Project Fund be amended by allocating $4,615 from the General Fund to the River Bend project (GP1512), by transferring $16,308 from the Local Roads project (GP1836) to the Pedestrian Bridge project (GP2108), by reducing the allocation from Sullivan County to the Warriors Path Water Line project (GP2023) by $45,418 and reducing the From the Visitors Enhancement Fund by $45,418, by allocating $540 from the General Fund to the General Park Improvements project (GP2106), by allocating 350,000 from the from the Bays Mountain Park Commission Fund to the BMP Otter Habitat project (GP2305), and by returning $143 to the General Fund from the Large Format Printer project (GP2505). Close GP1512, GP1836, GP2023, and GP2505.

SECTION VI. That the Water Project Fund be amended by reducing the ARP Funding to the AMI Meter Purchase project (WA2306) by $35,356 for use in the Stormwater Mater Plan

project (ST2302), and by reducing the ARP funding to the Water Valve Location & Assessment project (WA2307) by $30,008 for use in the Stormwater Mater Plan project (ST2302).

SECTION VII. That the Stormwater Project Fund be amended by reducing ARP funding to the Stormwater Asset Mapping project (ST2303) by $60,636 for use in the Stormwater Mater Plan project (ST2302), and by allocating $126,000 in ARP Funding to the Stormwater Mater Plan project (ST2302).

SECTION VIII.That the Bays Mountain Park Association Fund be amended by appropriating $350,000 in funds received from various donors to be allocated to the BMP Otter Habitat project (GP2305).

Fund 110: General Fund

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Expenditures:	**$**	**$**	**$**
110-1008-408.20-10 Advertising & Publication	10,000	(5,473)	4,527
110-4804-481.70-35 To Gen Proj-Special Rev	2,264,025	461	2,264,486
110-4804-481.70-36 General Project Fund	7,153,105	5,012	7,158,117
Total:	**9,427,130**	**0**	**9,427,130**

Gen Proj-Special Rev Fund: 111
Bullet Proof Vest (NC2011)

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
111-0000-331.38-00 U.S. Dept. of Justice	10,687	(2,475)	8,212
111-0000-391.01-00 From General Fund	10,687	273	10,960
Total:	**21,374**	**(2,202)**	**19,172**
Expenditures:	**$**	**$**	**$**
111-0000-601.30-20 Operating Supplies & Tool	21,374	(2,202)	19,172
Total:	**21,374**	**(2,202)**	**19,172**

Bullet Proof Vest (NC2110)

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
111-0000-331.38-00 U.S. Dept. of Justice	20,800	254	21,054
111-0000-391.01-00 From General Fund	20,800	6,606	27,406
Total:	**41,600**	**6,860**	**48,460**
Expenditures:	**$**	**$**	**$**
111-0000-601.30-20 Operating Supplies & Tool	41,600	6,860	48,460
Total:	**41,600**	**6,860**	**48,460**

BMP Nature Center Balcony (NC2220)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-331.95-00 American Rescue Plan Act	125,0000	0	125,000
111-0000-391.01-00 From General Fund	0	313	313
Total:	**1,250,000**	**313**	**125,313**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-22 Construction Contracts	120,100	(30,300)	89,800
111-0000-601.20-23 Arch/Eng/Landscaping Serv	4,900	13,731	18,631
111-0000-601.30-20 Operating Supplies & Tool	0	16,882	16,882
Total:	**125,000**	**313**	**125,313**

Traffic Signals/Poles (NC2228)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-364.20-00 From Corporations	9,900	0	9,900
111-0000-391.01-00 From General Fund	100,000	(1,281)	98,719
Total:	**109,900**	**9,900**	**108,619**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-23 Arch/Eng/Landscaping Serv	2,715	0	2,715
111-0000-601.90-03 Improvements	107,185	(1,281)	105,904
Total:	**109,900**	**9,900**	**108,619**

Greenbelt Bridge (NC2231)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-391.01-00 From General Fund	59,290	(2,000)	57,290
Total:	**59,290**	**(2,000)**	**57,290**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-22 Construction Contracts	46,500	0	46,500
111-0000-601.20-23 Arch/Eng/Landscaping Serv	12,790	(2,000)	10,790
Total:	**59,290**	**(2,000)**	**57,290**

Bullet Proof Vest Project (NC2232)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-331.38-00 U.S. Dept. of Justice	8,450	(8,450)	0
111-0000-391.01-00 From General Fund	8,450	(8,450)	0
Total:	**16,900**	**(16,900)**	**0**
Expenditures:	**$**	**$**	**$**
111-3020-442.30-20 Operating Supplies & Tools	16,900	(16,900)	0
Total:	**16,900**	**(16,900)**	**0**

Library ARPA Grant (NC2233)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-337.58-22 ARPA	17,112	(2,085)	15,027
111-0000-364.30-00 Non-Profit Groups	4,278	(574)	3,704
Total:	**21,390**	**(2,659)**	**18,731**
Expenditures:	**$**	**$**	**$**
111-0000-601.90-03 Improvements	21,390	(2,659)	18,731
Total:	**21,390**	**(2,659)**	**18,731**

SRO Reimbursement (NC2409)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-391.01-00 From General Fund	900,000	(247,290)	652,710
Total:	**900,000**	**(247,290)**	**652,710**
Expenditures:	**$**	**$**	**$**
111-0000-601.10-10 Salaries & Wages	271,500	94,891	366,391
111-0000-601.10-11 Overtime	16,000	(15,014)	986
111-0000-601.10-20 Social Security	27,000	(400)	26,600
111-0000-601.10-30 Group Health Insurance	111,500	(32,854)	78,646
111-0000-601.10-41 TCRS Retirement	0	71,478	71,478
111-0000-601.10-42 TCRS Hybrid Retirement	28,500	(23,749)	4,751
111-0000-601.10-43 ICMA Retirement	0	8,039	8,039
111-0000-601.10-44 TCRS Stabilization %	0	1,127	1,127
111-0000-601.10-50 Life Insurance	1,000	(363)	637
111-0000-601.10-52 Long Term Disability Ins	500	(20)	480
111-0000-601.10-60 Workmen's Compensation	5,500	(260)	5,240
111-0000-601.10-61 Unemployment Insurance	500	(196)	304
111-0000-601.20-99 Miscellaneous	49,577	(1,926)	47,651
111-0000-601.30-20 Operating Supplies & Tool	0	306	306
111-0000-601.90-04 Equipment	0	37,246	37,246
111-0000-601.90-06 Purchases $5,000 & Over	388,423	(385,595)	2,828
Total:	**900,000**	**(247,290)**	**652,710**

Farmstead Museum (NC2413)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-332.69-00 Miscellaneous Other State	75,000	0	75,000
111-0000-364.30-00 From Non-Profit Groups	15,000	0	15,000
111-0000-391.62-00 Bays Mountain Commission	40,000	(40)	39,960
Total:	**130,000**	**(40)**	**129,960**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-23 Arch/Eng/Landscaping Serv	0	3,258	3,258
111-0000-601.90-03 Improvements	130,000	(3,298)	126,702
Total:	**130,000**	**(40)**	**129,960**

Athletic Field Improvements (NC2414)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-391.69-00 Visitors Enhancement Fund	100,000	(3,457)	96,543
Total:	**100,000**	**(3,457)**	**96,543**
Expenditures:	**$**	**$**	**$**
111-0000-601.90-03 Improvements	100,000	(3,457)	96,543
Total:	**100,000**	**(3,457)**	**96,543**

Farmacy Fit (NC2305)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-368.99-00 Miscellaneous	5,000	(5,000)	0
111-0000-391.01-00 From General Fund	0	5,000	5,000
Total:	**5,000**	**0**	**5,000**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-20 Professional/Consultant	5,000	0	5,000
Total:	**5,000**	**0**	**5,000**

Parks ADA (NC2207)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-364.30-00 Non-Profit Groups	0	574	574
111-0000-391.01-00 From General Fund	300,000	0	300,000
111-0000-391.69-00 Visitors Enhancement Fund	0	3,457	3,457
111-0000-391.62-00 Bays Mountain Commission	0	40	40
Total:	**300,000**	**4,071**	**304,071**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-22 Construction Contracts	300,000	4,071	304,071
Total:	**300,000**	**4,071**	**304,071**

FM Advertising (NC2515)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-332.61-00 TN Dept of Agriculture	0	1,500	1,500
Total:	**0**	**1,500**	**1,500**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-10 Improvements	0	1,500	1,500
Total:	**0**	**1,500**	**1,500**

CDBG Fund: 124
CDBG Childcare Grant (CD2506)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
124-0000-337.49-00 Housing & Urban Dev	0	9,400	9,400
Total:	**0**	**9,400**	**9,400**
Expenditures:	**$**	**$**	**$**
124-0000-603.40-23 Grants	0	9,400	9,400
Total:	**0**	**9,400**	**9,400**

Visitors Enhancement Fund: 135

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Expenditures:	**$**	**$**	**$**
135-4804-481.70-36 To General Project Fund	200,000	(45,418)	154,582
Total:	**200,000**	**(45,418)**	**154,582**

General Project Fund: 311

River Bend (GP1512)

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
311-0000-334.50-10 KHRA	666,666	0	666,666
311-0000-368.10-47 2014 A GO Bonds	1,099,802	0	1,099,802
311-0000-368.10-66 Series 2019 GO Improvment	134,981	0	134,981
311-0000-368.21-01 Premium From Bond Sale	125,749	0	125,749
311-0000-391.01-00 From General Fund	503,855	4,615	508,470
Total:	**2,531,053**	**4,615**	**2,535,668**
Expenditures:	**$**	**$**	**$**
311-0000-601.20-23 Arch/Eng/Landscaping Serv	265,000	(18,398)	246,602
311-0000-601.40-41 Bond Sale Expense	14,968	0	14,968
311-0000-601.90-01 Land	6,827	0	6,827
311-0000-601.90-03 Improvements	2,244,258	23,013	2,267,271
Total:	**2,531,053**	**4,615**	**2,535,668**

Local Roads (GP1836)

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
311-0000-368.10-55 Series 2017 A GO Bonds	711,356	(16,308)	695,048
311-0000-368.21-01 Premium From Bond Sale	72,590	0	72,590
Total:	**783,946**	**(16,308)**	**767,638**
Expenditures:	**$**	**$**	**$**
311-0000-601.20-23 Arch/Eng/Landscaping Serv	90,358	(2,401)	87,957
311-0000-601.40-41 Bond Sale Expense	37,199	0	37,199
311-0000-601.90-03 Improvements	656,389	(13,907)	642,482
Total:	**783,946**	**(16,308)**	**767,638**

Pedestrian Bridge (GP2108)

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
311-0000-368.10-55 Series 2017 A GO Bonds	0	16,308	16,308
311-0000-368.10-66 Series 2019 GO Improvment	64,145	0	64,145
311-0000-368.10-72 GO Bonds Series 2023	689,329	0	689,329
311-0000-368.21-01 Premium From Bond Sale	28,769	0	28,769
311-0000-391.01-00 From General Fund	7,000	0	7,000
Total:	**789,243**	**16,308**	**805,551**
Expenditures:	**$**	**$**	**$**
311-0000-601.20-22 Construction Contracts	700,000	16,308	716,308
311-0000-601.40-41 Bond Sale Expense	7,243	0	7,243
311-0000-601.90-03 Improvements	82,000	0	82,000
Total:	**789,243**	**16,308**	**805,551**

Warriors Path Water Line (GP2023)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
311-0000-333.99-00 Other County Revenue	75,000	(45,418)	29,582
311-0000-391.69-00 Vistors Enhancement Fund	75,000	(45,418)	29,582
Total:	**150,000**	**(90,836)**	**59,164**
Expenditures:	**$**	**$**	**$**
311-0000-601.90-03 Improvements	150,000	(90,836)	59,164
Total:	**150,000**	**(90,836)**	**59,164**

General Park Improvements (GP2106)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
311-0000-364.20-00 From Corporations	2,000	0	2,000
311-0000-364.30-00 From Non-Profit Groups	13,000	0	13,000
311-0000-368.10-55 Series 2017 A GO Bonds	26,950	0	26,950
311-0000-368.10-66 Series 2019 GO Improvement	11,128	0	11,128
311-0000-368.21-01 Premium From Bond Sale	2,104	0	2,104
311-0000-391.01-00 From General Fund	106,737	540	107,277
311-0000-391.69-00 Visitor Enhancement Fund	5,824	0	5,824
Total:	**167,743**	**540**	**168,283**
Expenditures:	**$**	**$**	**$**
311-0000-601.90-03 Improvements	167,743	540	168,283
Total:	**167,743**	**540**	**168,283**

BMP Otter Exhibit (GP2305)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
311-0000-368.10-66 Series 2019 Improvement	53,693	0	53,693
311-0000-368.10-69 GO Bond Series 2021	865,043	0	865,043
311-0000-368.21-01 Premium From Bond Sale	84,957	0	84,957
311-0000-391.01-00 From General Fund	500,000	0	500,000
311-0000-391.62-00 Bays Mtn Park Comm	31,382	350,000	381,382
Total:	**1,535,075**	**350,000**	**1,885,075**
Expenditures:	**$**	**$**	**$**
311-0000-601.20-23 Arch/Eng/Landscaping Serv	170,177	28,713	198,890
311-0000-601.90-03 Improvements	1,364,898	321,287	1,686,185
Total:	**1,535,075**	**350,000**	**1,885,075**

Large Format Printer (GP2505)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
311-0000-391.01-00 From General Fund		50,000	(143)	49,857
	Total:	**50,000**	**(143)**	**49,857**
Expenditures:		**$**	**$**	**$**
311-0000-601.90-04 Equipment		50,000	(143)	49,857
	Total:	**50,000**	**(143)**	**49,857**

Water Project Fund: 451

AMI Meter Purchase (WA2306)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
451-0000-337.16-23 American Rescue Plan		2,526,363	(35,356)	2,491,007
451-0000-391.05-56 Series 2019 GO Improve		300,000	0	300,000
	Total:	**2,826,363**	**(35,356)**	**2,791,007**
Expenditures:		**$**	**$**	**$**
451-0000-605.20-22 Construction Contracts		75,000	0	75,000
451-0000-605.90-04 Equipment		500,000	0	500,000
451-0000-605.90-23 New Meters		100,000	0	100,000
451-0000-605.90-24 Replacement Meters		2,151,363	(35,356)	2,116,007
	Total:	**2,826,363**	**(35,356)**	**2,791,007**

Wa Valve Loc & Assessment (WA2307)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
451-0000-337.16-23 American Rescue Plan		750,000	(30,008)	719,992
451-0000-391.05-56 Series 2019 GO Improve		91,241	0	91,241
451-0000-391.05-72 GO Bonds Series 2023		100,000	0	100,000
	Total:	**941,241**	**(30,008)**	**911,233**
Expenditures:		**$**	**$**	**$**
451-0000-605.90-03 Improvements		941,241	(30,008)	911,233
	Total:	**941,241**	**(30,008)**	**911,233**

Stormwater Project Fund: 457
Stormwater Asset Mapping (ST2303)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
457-0000-337.16-23 American Rescue Plan		763,636	(60,636)	703,000
457-0000-391.95-00 Storm Water Fund		91,800	0	91,800
	Total:	**855,436**	**(60,636)**	**794,800**
Expenditures:		**$**	**$**	**$**
457-0000-622.20-20 Professional/Consultant		855,436	(60,636)	794,800
	Total:	**855,436**	**(60,636)**	**794,800**

Stormwater Master Plan (ST2302)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
457-0000-337.16-23 American Rescue Plan		150,000	126,000	276,000
457-0000-391.95-00 Storm Water Fund		17,500	0	17,500
	Total:	**167,500**	**126,000**	**293,500**
Expenditures:		**$**	**$**	**$**
457-0000-622.20-20 Professional/Consultant		167,500	126,000	293,500
	Total:	**167,500**	**126,000**	**293,500**

Bays Mt Park Comm Fund: 612

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
612-0000-364.20-00 From Corporations		0	125,000	125,000
612-0000-364.30-00 From Non-Profit Groups		411,091	225,000	636,091
	Total:	**411,091**	**350,000**	**761,091**
Expenditures:		**$**	**$**	**$**
612-4804-481.70-35 To Gen Proj-Special Rev Fund		412,647	350,000	762,647
	Total:	**412,647**	**350,000**	**762,647**

SECTION IX. 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 2024-2025
BUDGET AMENDMENT NUMBER 24

ITEM ONE: Transfer $5,743 to cover project overages

The General Fund is being amended to transfer $5,743 to cover project overages in both the General Project fund ($5,012) and the General Projects-Special Revenue Fund ($461).

ITEM TWO: General Projects-Special Revenue Fund Cleanup

The General Projects-Special Revenue fund is being amended to clean up and close 11 projects and accepts a $1,500 grant from the TN Department of Agriculture for Farmers Market Advertising.

ITEM THREE: Sets up CDBG Childcare Grant project

The CDBG Project Fund is being amended by accepting a CDBG Grant for $9,400 to be allocated to the First Tennessee Development District for the Childcare Creation project.

ITEM FOUR: Returning Unused Match Dollars

In FY 2020 a project was set up for Water line work at Warriors Path State Park. The agreement was for a 50/50 match with Sullivan County. This project has been completed and the remaining match funds of $45,418 are being returned to the Visitors Enhancement Fund.

ITEM FIVE: General Project Fund Cleanup

The General Project Fund is being amended to clean up and close 4 projects and moves $350,000 in donations received to the BMP Otter Habitat project.

ITEM SIX: Reduction in ARP Funding for Stormwater Usage

The Water Project Fund is being amended by reducing the ARP funding to two projects by a total of $65,364 to be transferred to the Stormwater Master Plan project.

ITEM SEVEN: Adds Funding for the Stormwater Master Plan

The Stormwater Project Fund is being amended by reducing the ARP funding to the Stormwater Asset Mapping project by $60,636 and increasing the ARP Funds contributed to the Stormwater Master Plan by $126,000.

ITEM EIGHT: Allocating Funds Received for BMP Otter Habitat

The Bays Mountain Park Commission Fund is being amended by appropriating $350,000 donations received for the BMP Otter Habitat.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Approving Change Order One to the DBHS Band Room HVAC Replacement Project and Ratifying the Mayor's Execution of the Same

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-184-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the resolution.

Executive Summary:
The accompanying resolution authorizes a change order in the amount of $34,011.00 for replacement duct work as part of the HVAC replacement project for the Dobyns-Bennett Band facility.

On June 6, 2025, the City entered into an agreement with Custom Heating & Air Conditioning LLC to replace the HVAC in the DB Band Room. The total cost of the agreement was not to exceed $175,441.00 and contingency for the project is $10,526.00. Sec. 2-606 (Execution of Contracts and Purchase Orders) of the Code of Ordinances allowed for execution of the agreement without board approval.

While doing the work, the contractor discovered that the exterior return duct was badly rusted and needed to be replaced. This damage could not be seen until the insulation was stripped off. The cost for this work will not exceed $34,011.00. Based upon the cost for this previously unanticipated work and the requirements of 2-515 (Changes in Contract Work Requiring Board Approval) and 2-517 (Change in Work, New Work Distinguished) BMA approval is needed for a change order to be issued.

It was necessary for the Mayor to execute the change order in order to meet the project completion date of July 18, 2025.

Funding is appropriated in the project GP2111 (Dobyns-Bennett Renovation).

Attachments:
1. Resolution
2. Change Order

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO._____

A RESOLUTION APPROVING CHANGE ORDER ONE TO THE DOBYNS-BENNETT HIGH SCHOOL BAND ROOM HVAC REPLACEMENT PROJECT AND RATIFYING THE MAYOR'S EXECUTION OF THE SAME

WHEREAS, the City entered into an agreement with Custom Heating & Air Conditioning to replace the HVAC in the DB Band Room for a total cost not to exceed $175,441.00; and

WHEREAS, during the scope and course of the work the exterior return duct was found to be badly rusted and also required replacement; and

WHEREAS, cost to replace the duct will not exceed $34,011.00 which does exceed the contingency of $10,526.00; and

WHEREAS, the project is time sensitive due to pre-academic year extracurricular activities as well as the start of the academic year; and

WHEREAS, it was necessary for the Mayor to execute the Change Order in order for the contractor to continue the work; and

WHEREAS, funds are in the Dobyns-Bennett Renovation Project GP2111.

Now therefore,

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

SECTION I. That Change Order One to the DB Band Room HVAC Replacement Project dated June 30, 2025, is approved, and execution of the same by the Mayor is hereby ratified.

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 effectuate the purpose of 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 15th day of July 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

No. 1

CHANGE ORDER

Date June 30, 2025

OWNER's Project No. ..... ENGINEER's Project No.....

Project DB Band Room HVAC Replacement

CONTRACTOR Custom Heating and Air Conditioning LLC

Contract For $175,441.00 Contract Date June 6, 2025

To: .....
Contractor

You are directed to make the changes noted below in the subject Contract:

ATTEST: _____ 7/1/25
CITY RECORDER

CITY OF KINGSPORT
OWNER

APPROVED AS TO FORM:
_____ 07/01/2025
CITY ATTORNEY

By: _____
MAYOR OF KINGSPORT

Dated 7/1/25

Nature of the Changes

Replace rusted out return duct with insulation.

Enclosures

Contractor Change Order Request

These changes result in the following adjustment of Contract Price and Contract Time:

Contract Price Prior to This Change Order	$ 175,441.00
Net (Increase) (Decrease) Resulting from this Change Order	$ 34,011.00
Current Contract Price Including This Change Order	$ 209,452.00

Contract Time Prior to this Change Order ....July 18, 2025.....
(Days or Date)

Net (Increase)(Decrease) Resulting from this Change Order .....0.....
(Days)

Current Contract Time Including This Change Order .....July 18, 2025.....
(Days or Date)

The Above Changes Are Approved — DERUYTER CAMPBELL HOLSTON ENGINEERING, INC.
ENGINEER

By .....

Date 6/30/25

The Above Changes Are Accepted — Chad Salyer Custom Heating & Air LLC
CONTRACTOR

By .....

Date 6-30-25

Routing
1. Board of Mayor and Aldermen for approval and authorization for the Mayor to sign on behalf of the City
2. Project Manager
3. Contractor
4. City Attorney
5. Mayor
6. City Recorder

Distribution by City Recorder
1. Original executed change order to contract file
2. Copy to contractor
3. Copy to project manager
4. Copy to purchasing director

Change Order Request

Custom Heating and Air Conditioning, LLC
P. O. Box 1218
Church Hill, TN 37642

City of Kingsport

Project: DBHS Band Room HVAC

Change Order Number: 1

Project #

Date: 06/24/2025

Approved by: _____

Date Approved: _____

Change Request Description
Remove all ductwork insulation from both supply & return. Remove & replace all return duct with new 22-gauge metal ductwork with 1" sound liner, re-insulate both supply & return ductwork with R-8 ArmaFlex insulation & cover with Alumaguard weather-proofing jacket. **+$36,162.00** Deduct **-$2,151.00** for using existing isolation curb.

Change Order Cost	
Change Order Amount	+ **$34,011.00**

HOLSTON ENGINEERING, INC.
301 Montgomery Street, Suite #4
Johnson City, TN 37604
(423) 926-5991
e-mail: Holston.Engineering@holsteng.com
June 30, 2025

Ms. Sandra Sloan
Kingsport City Schools
400 Clinchfield Street, Ste. 200
Kingsport, TN 37660

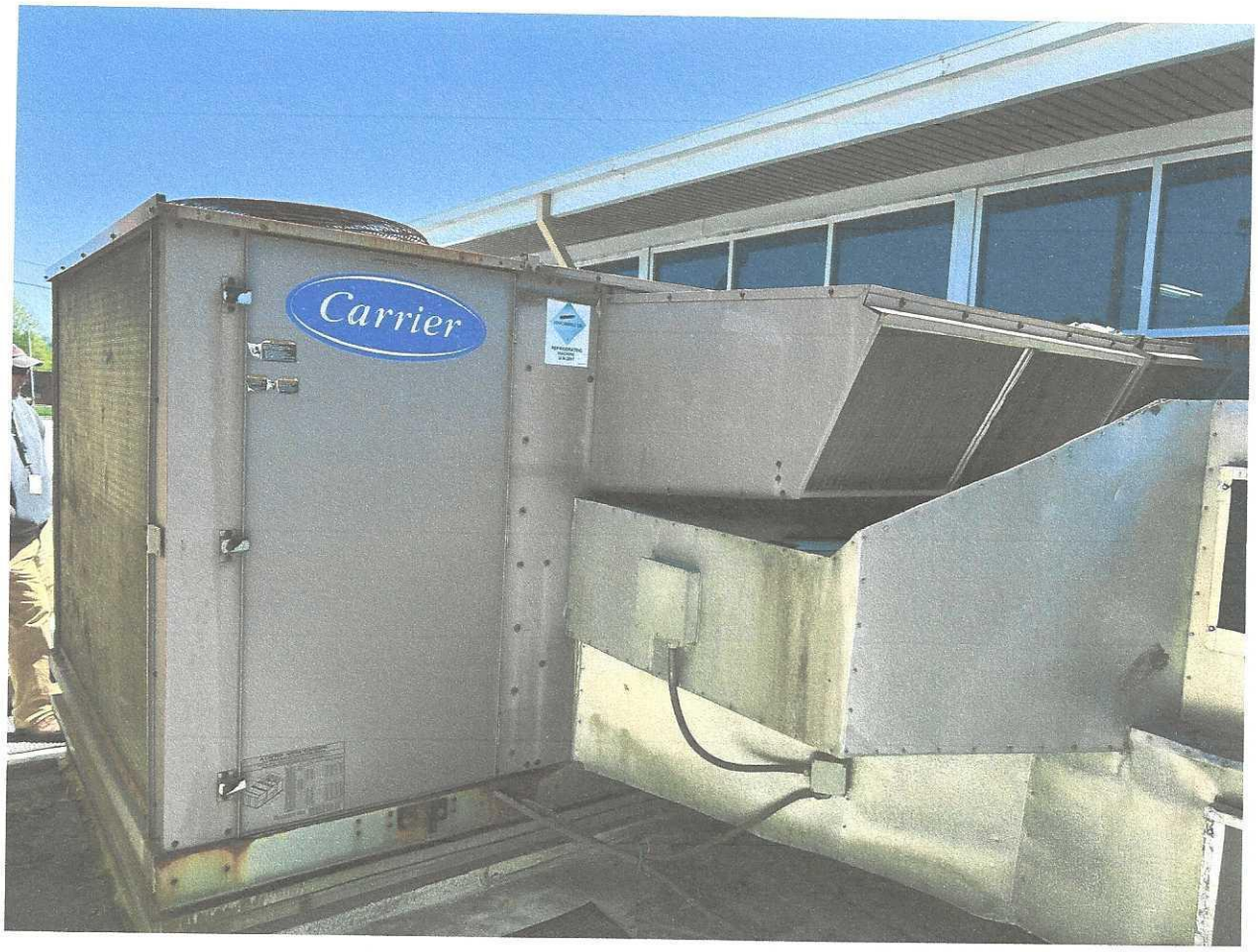
Re: DB Band Room HVAC Replacement Change Order 001

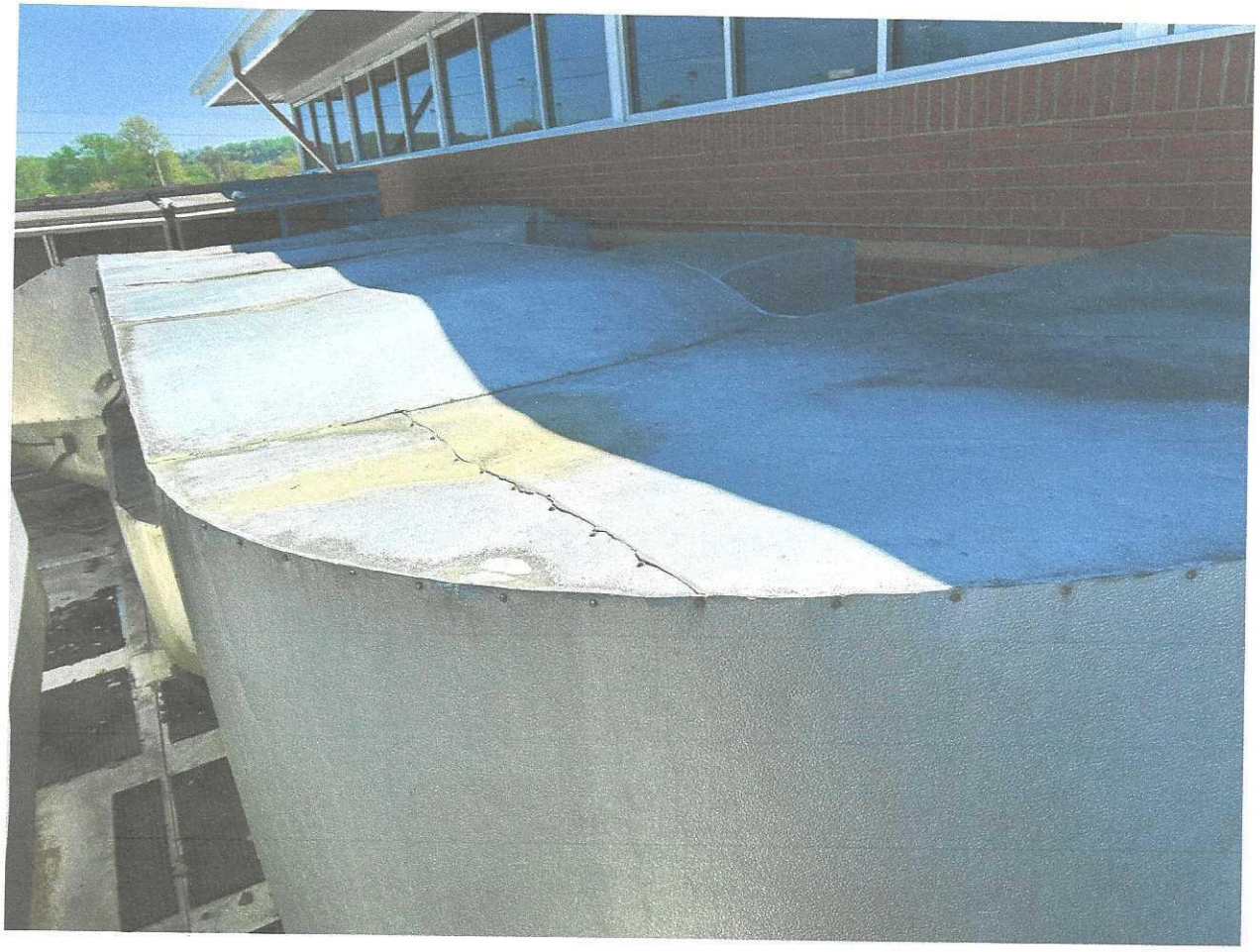
Dear Sandra:

In response to questions of why the duct damage that is causing the change order on the project above was not discovered during the project development we offer the following explanation:

The duct was very badly rusted, and all the internal insulation was wet, which created a need for replacing the exterior return duct on the band room unit. There was no sign of this on the exterior insulation cover and all looked fine without stripping the insulation off. The insulation leaked water beyond the insulation jacket and kept the insulation wet and that rusted the duct and caused water to leak into the duct as well which has sound deadening insulation which held water and promoted rust as well. See the attached photos of the return duct before it was dismantled. It is the duct on top. There are no visible rust stains on the insulation cover or no missing insulation covers. There was no way to discover this without removing the insulation or disconnecting the duct from the unit.

This one of those times that you expect items to be in good condition and there were unseen causes for failure. I know that there are other units on this building with exterior ductwork that may be in the same condition. We are just taking care of the failed unit for the band room on this project. I am glad we found this and paid attention because if we had sucked some of the wet loose insulation into the new machine it most likely would have caused a failure.


Carrier



If you have any questions, please feel free to contact us.

Sincerely,
HOLSTON ENGINEERING, INC.

Derwin E. Cartmel, PE
President

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Accept a Donation from Kingsport Citizen Debbie Waggoner

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF- 182-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Fire Chief Jerry DeBerry
First Reading:	July 15, 2025	Presentation By:	Fire Chief Jerry DeBerry

Strategic Focus Area: Safe and Welcoming Community

Recommendation:
Approve the resolution.

Executive Summary:
Approval of the accompanying resolution authorizes the acceptance of a donation in the amount of $6,927.88 from Mrs. Debbie Waggoner for the purchase of four bicycles for the fire department's bike medic team.

The Kingsport Fire Department respectfully recommends the acceptance of four bicycles for use by our Bike Medic Team. This valuable addition will enhance our department's ability to provide rapid emergency medical response during special events and in high-traffic areas that are not easily accessible by traditional apparatus. More importantly, this initiative strengthens our commitment to community engagement and delivering the highest level of service to all citizens and visitors. The deployment of the Bike Medic Team directly supports the Strategic Plan Focus Areas established by our Mayor and Board of Aldermen—specifically, promoting a "Safe and Welcoming Community" and contributing to a sustainable infrastructure for public safety services in Kingsport. This effort reflects our dedication to innovation, preparedness, and responsive care for our growing city. Money to be placed in the Technical Rescue Team budget line item 110-3505-451-3020.

The support for the Kingsport Fire Department by Mrs. Waggoner through this thoughtful and impactful offer of support to our department and the community we serve is sincerely appreciated.

Attachments:
1. Resolution

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION ACCEPTING A DONATION OF FUNDS TO PURCHASE FOUR BICYCLES FOR THE KINGSPORT FIRE DEPARTMENT'S BIKE MEDIC TEAM

WHEREAS, Debbie Waggoner, a Kingsport citizen, would like to donate $6,927.88 for the purchase of four (4) bicycles for use by the Kingsport Fire Department's Bike Medic Team; and

WHEREAS, these bicycles will enhance the fire department's ability to provide rapid emergency medical response during special events and in high-traffic areas that are not easily accessible by traditional apparatus.

Now therefore,

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

SECTION I. That the donation to the city from Debbie Waggoner, of funds in the amount of $6,927.88 for the purchase of four (4) bicycles for use by the Kingsport Fire Department's Bike Medic Team, is accepted.

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

ADOPTED this the 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Award Bid to Summers-Taylor, Inc. for 2025 Contracted Paving Airport Parkway Authorizing the Mayor to Sign all Applicable Documents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-197-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Staff
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
Approval of the accompanying resolution awards the bid for the paving of Airport Parkway project to Summers-Taylor, Inc. in the amount of $545,240.00.

Bids were opened on July 2, 2025 for the 2025 Contracted Paving Airport Parkway. This project consists of placing approximately 1,800 tons of asphalt on a quarter mile portion of Airport Parkway within the City of Kingsport. Project also includes milling, traffic control, and other associated work. The project shall be completed by November 1, 2025.

City staff reviewed the bids and recommends awarding the bid to the apparent low bidder, Summers-Taylor, Inc. in the amount of $545,240.00.

Base Bid w/Bid Alternate #1	$ 545,240.00
Contingency 6%	32,714.00
Engineering Inspection & Admin 6%	34,677.00
Total Project Cost	$ 612,631.00

The base engineering estimate for the referenced project is $480,500.00.

Funding is available and identified in NC2600.

Attachments:
1. Resolution
2. Bid Opening Minutes
3. Map

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

RESOLUTION NO. _____

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

WHEREAS, bids were opened July 2, 2025 for the resurfacing of Airport Parkway project; and

WHEREAS, the project will consist of placing approximately 1,800 tons of asphalt on a quarter mile portion of Airport Parkway within the City of Kingsport, as well as milling, traffic control, and other associated work; and

WHEREAS, upon review of the bids, the board finds Summers-Taylor, Inc. is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into an agreement with Summers-Taylor, Inc. at an estimated cost of $545,240.00; and

WHEREAS, funding is available and identified in NC2600.

Now therefore,

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

SECTION I. That the bid for the resurfacing of Airport Parkway project, consisting of placing approximately 1,800 tons of asphalt on a quarter mile portion of Airport Parkway within the City of Kingsport, as well as milling, traffic control, and other associated work, at an estimated cost of $545,240.00 is awarded to Summers-Taylor, Inc. and the mayor is authorized to execute an agreement for same and all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 15th day of July, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

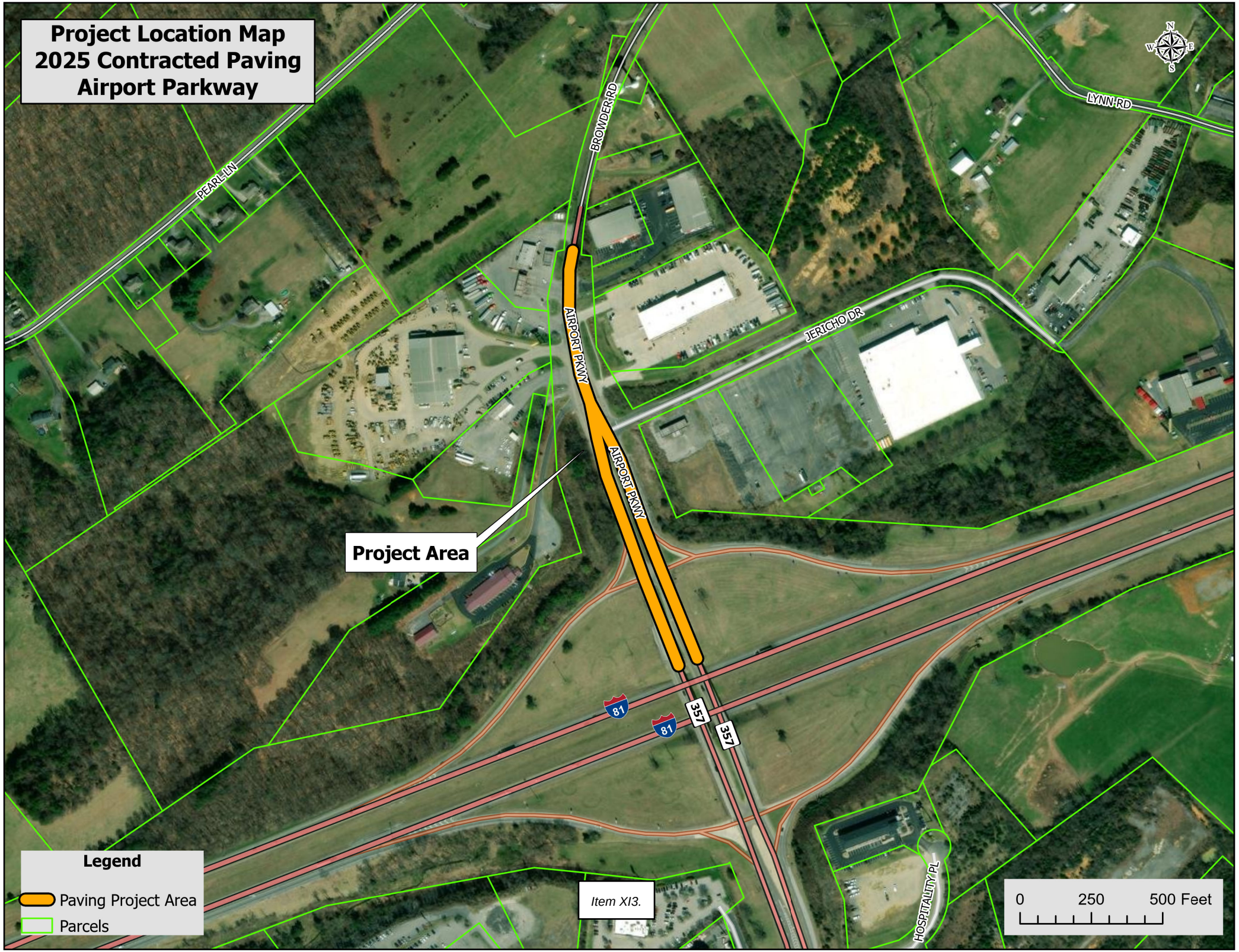
ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III, CITY ATTORNEY


Project Location Map
2025 Contracted Paving
Airport Parkway
PEARL LN
BROWDER RD
LYNN RD
JERICHO DR
AIRPORT PKWY
AIRPORT PKWY
Project Area
81
81
357
357
HOSPITALITY PL
Legend
Paving Project Area
Parcels
0
250
500 Feet
Item XI3.

MINUTES
BID OPENING
July 2, 2025
4:00 P.M.

Present: Brent Morelock, Procurement Manager; and Nikisha Eichmann, Assistant Procurement Manager

The Bid Opening was held in the Conference Room 436, 4th Floor, City Hall.

The Procurement Manager opened with the following bids:

2025 Contracted Paving – Airport Parkway	
Vendor:	Total Cost:
W-L Construction & Paving, Inc.	$590,410.00
Summers-Taylor, Inc.	$545,240.00

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

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Amend Agreement with CDM Smith for Professional Consulting Services for Phase II Stormwater Master Plan to perform a Cost of Service Analysis.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-183-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Will Stallard
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:
Approve the Resolution.

Executive Summary:
If approved, this resolution would amend the professional services agreement with CDM Smith.

On January 3, 2024, the City entered into a professional services agreement with CDM Smith to complete Phase I of the Stormwater Master Plan. As part of the next steps, the City plans to amend this agreement to include Phase II, which involves a comprehensive cost of service analysis.

Phase II will evaluate the current stormwater program's performance and needs, analyze levels of service, review the existing rate structure, and provide recommendations for improvements. It will also include an update to the City's utility billing system, including revisions to the impervious area data and a recalculation of billing units.

Amendment request for Phase II of the Stormwater Master Plan is $126,000. This project is funded with ARP grant funds. Funding is allocated to project SW2302.

Original Agreement (Phase 1):	$167,500
Amended Agreement (Phase 2):	$126,000
	$293,500

Attachments:
1. Resolution
2. Engineering Amendment Proposal

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AMENDMENT TO THE AGREEMENT WITH CDM SMITH FOR THE STORMWATER MASTER PLAN; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, on December 19, 2023, the board approved Resolution No.: 2024-128 authorizing the mayor to sign an agreement with CDM Smith for Phase 1 of the Stormwater Master Plan project; and

WHEREAS, Phase 1 has recently been completed, and staff recommend amending the agreement with CDM Smith to provide further analysis and evaluation of the stormwater systems performance, level of service and rate structure; and

WHEREAS, fees for this amendment are in the amount of $126,000.00 and funds are available in SW2302.

Now therefore,

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

SECTION I. That an amendment to the agreement with CDM Smith for updated Cost of Service Analysis for the Stormwater Utility Funding Program 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 CDM Smith for updated Cost of Service Analysis for the Stormwater Utility Funding Program, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution.

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

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

ADOPTED this the 15th day of July, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

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

June 30, 2025

Mr. Will Stallard
Civil Engineer
City of Kingsport
Utilities Department
20 West Industry Drive
Kingsport, TN 37660

Subject: Proposal to Amend Professional Services for Stormwater Master Plan – Phase 1 to Perform a Cost of Service Analysis

Dear Will:

Background

In 2011, the City's Stormwater Advisory Committee reached consensus on the recommendation for implementing a stormwater utility fee and enhanced stormwater management program. The Stormwater Utility is responsible for the operation, construction, maintenance, and rehabilitation of stormwater facilities; for stormwater system planning, property acquisition related to stormwater management, and for review of stormwater development plans for compliance with federal and state regulations, stormwater management ordinances, policies, procedures and manuals.

Following the recent Phase 1 Stormwater Master Planning effort, the City wishes to amend the current Stormwater Master Planning contract to perform an updated cost of service analysis for the Stormwater Utility funding program to identify and assess the needs of the community following 13- years of stable program funding. The study will include an evaluation of current program performance and needs, a level of service analysis, a rate structure evaluation and a recommended path forward. Also, to build on the Phase 1 Master Planning effort, this study will include an update of the City's existing utility billing file, including a revision to the impervious area layer and updated billing unit determination.

Scope of Services

Task 1 – Project Kickoff Meeting

At the project kickoff meeting, CDM Smith (CONSULTANT) will work with the City of Kingsport (CITY) staff to establish the goals and objectives of the project, review the project scope items, develop the overall project schedule, as well as discuss project data needs from the CITY. If available for the project kickoff workshop, the CITY will provide to the CONSULTANT data related to the stormwater program, current CITY budget, an updated billing database and associated GIS digital data, and a list of contact names for staff associated with elements of the stormwater management programs.

The meeting will be conducted in person. CONSULTANT will provide a meeting summary with action items for team members within two weeks following the meeting.

Task 2 – Data Collection and Analysis

Following the project kickoff meeting, the CONSULTANT will work with the CITY to provide relevant information regarding the current stormwater program as well as accomplishments of the program since stormwater utility implementation. The CONSULTANT will use the reports and data from, and build upon, information provided by the CITY on existing expenditures, fiscal budgets, existing procedures and workflows, water quality needs based on NPDES and/or TMDLs and other available existing documents to help define existing and potential future program needs. The CONSULTANT will submit a request to the CITY for additional information to understand the CITY's system, the stormwater activities, and associated services currently provided by the CITY. This information may include:

- Existing NPDES Phase II permit and any correspondence from TDEC;
- Existing ordinances and studies (comprehensive plans, master plans, etc.);
- Water quality information on impairments for streams and rivers;
- CITY records documenting water quality and/or flooding complaints, such as monitoring information and work orders;
- Geographic Information System (GIS) inventories of stormwater facilities maintained by the CITY along with available condition data, parcels, sanitary sewer system, septic areas, land use, zoning, elevation data (DEM/las), Stormwater Control Measure (SCMs), greenways/parks, and current aerials;
- Most recent, parcel-level impervious area information;
- Stormwater utility billing file(s) and summaries of recent revenues from the fee;
- Stormwater program expenditures;
- Existing organizational structure and responsibilities by activities and department;
- Existing operations and maintenance (O&M) activities;
- Listing of known capital project needs and capital improvement projects for other departments (transportation, water, and sewer).

Task 3 – Stormwater Utility Program Needs Analysis

Building upon the information supplied by the CITY in Tasks 1 and 2 and work completed by the CONSULTANT in the Stormwater Master Plan – Phase 1 project, the CONSULTANT will review the details and compile the total annual stormwater program costs (MS4 compliance, O&M, administrative, plus capital costs) for a 10-year planning period. To compare the impacts upon user rates and funding sources, the CONSULTANT will generate estimates for different levels of service (LOS) based on the qualitative data related to comparable programs for which the CONSULTANT has compiled similar data and the future goals of the CITY. The information will be presented in tabular and graphical form to meet the annual expenditures developed during Tasks 1 and 2 in the Final Report (Task 5) and as defined by the following Subtasks.

Subtask 3.1 – Existing Stormwater Program Evaluation

The CONSULTANT's will categorize the CITY's stormwater management into four areas: program management (e.g., administration, planning, enforcement, engineering, etc.), regulatory compliance (e.g., NPDES MS4 requirements and other related water quality program elements), O&M (e.g., cleaning, pond maintenance, minor repair, etc.), and Capital Improvement Program (CIP). The current program offered by the CITY can be objectively reviewed, assigning a grade or score (A to F or 1 to 5) depending on the services provided by the CITY.

Subtask 3.2 – Expanded Stormwater Program Evaluation

Using the results from Subtask 3.1, the CONSULTANT will work with the CITY to develop a list of stormwater management activities and associated costs that yield a higher LOS than the existing program. While a minimum of LOS C is recommended for NPDES Compliance, the LOS for each of the other program elements is a function of what the CITY desires and is willing to fund. The LOS determination will be augmented with the budgets for the existing LOS as well as estimates of budgets needed to improve the LOS to a higher grade. These costs, along with the listing of services needed to improve the LOS, provide a basis for a consideration of funding alternatives.

Subtask 3.3 – Stormwater Program Cost Evaluation

Based on the existing and potential future costs, the CONSULTANT will prepare the CITY's 10-year program needs analysis to include two alternatives: the first will be a projection of costs over the 10-year period with no substantial change in LOS; the second will be projection of costs over the 10-year period with an increase in LOS mutually agreed upon by the CONSULTANT and the CITY for the four stormwater program elements defined under this task. It is anticipated that the results of the cost evaluation will be presented to CITY staff in a workshop to develop final report recommendations. The results will be included in the final report (Task 5).

Task 4 – Stormwater Utility Billing File Update and Future Rate Evaluation

As an outcome of the Stormwater Master Plan – Phase 1 project, the CONSULTANT provided recommendations for an update of the Stormwater Utility Billing file. The study identified approximately 800 residential properties and approximately 200 non-residential properties that may require review or update to bring the billing file to a current state. For this project, the CONSULTANT will use the results of the previous study to identify the parcels for review and will update the CITY'S existing utility billing file. The update will also include digitized impervious areas for the 200 non-residential properties. The level of effort for this task includes the 1000 total properties as described above. If additional properties are identified that require updates, this agreement will need to be amended accordingly.

Using the updated utility billing file, the CONSULTANT will develop an updated rate model with associated billing units to evaluate potential rate impacts for the levels of service identified in Task 3. The CONSULTANT will evaluate up to 3 scenarios. The results of this analysis will be included in the final report (Task 5).

Task 5 – Summary Report

The CONSULTANT will prepare a final draft report in "pdf" format summarizing the efforts defined in previous tasks and submit to the CITY for review. The report will include:

- An executive summary;
- Summary of background information and collected data;
- Estimation of the existing level of service and analysis of future needs;
- Analysis of baseline costs associated with the utility and funding options;
- Summary of billing file updates and adjustments to the base number of billing units;
- A 10-year projection of stormwater management costs for up to 3 levels of service; and
- Statement of final recommendations.

Following the review by the CITY, a meeting will be held to discuss the CITY's comments. The CONSULTANT will incorporate the comments received relative to the final draft report into a final report to be prepared and delivered to the CITY. The CONSULTANT will provide one electronic copy in "pdf" format delivered on a flash drive.

Task 6 - Project and Quality Management and Meetings

Subtask 6.1 - Project Progress Meetings

The CONSULTANT will attend up to 2 progress meetings with the CITY to discuss the progress of the project for the estimated 6-month duration of the project. The CONSULTANT will prepare meeting notes of each meeting as appropriate. This task also includes internal team meetings.

Subtask 6.2 - Project Quality Management

The CONSULTANT maintains a quality management system (QMS) on all of CITY projects. An internal project planning and scope review meeting will be conducted at the start of the project. This action is required by CONSULTANT's QMS guidelines. Technical specialist reviews are budgeted for and will be performed to review various submittals.

Subtask 6.3 - Project Schedule and Status Reports

The CONSULTANT will prepare and submit a project schedule identifying major tasks, duration, and task relationships. The project schedule shall be submitted within ten 10 days after receiving a notice to proceed (NTP). The CONSULTANT's project manager will prepare and submit a monthly written status report and invoice for anticipated project duration of 6 months.

Data or Coordination Assistance Provided by the City

1. The CITY shall designate individuals who will be responsible to coordinate information and schedule necessary meetings to facilitate transfer of information and CITY's needs defined under Task 1 and Task 2.

2. The CITY will meet with the CONSULTANT to discuss the stormwater management activities accomplished by the CITY during the last year and potential future needs for the programs, potential stormwater management activities needed to accomplish future needs of the CITY.

Assumptions

1. Public meetings and/or CITY board meetings are not included in this scope of work.

2. The CONSULTANT will review and update a maximum of 1,000 parcels/accounts in the utility billing file, subdivided by 800 residential parcels and 200 non-residential parcels.

3. The CONSULTANT will rely upon data provided by the CITY for future CIP costs and/or use benchmarks from other similar sized communities. The CONSULTANT will not be responsible for developing capital projects or costs through modeling/engineering analysis.

4. CITY shall be responsible for, and CONSULTANT may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by CITY to CONSULTANT pursuant to this Agreement. CONSULTANT may use such requirements, programs, instructions, reports, data, and information in

performing or furnishing services under this Agreement. CONSULTANT's scope of work does not include verifying CITY Provided Information for accuracy or completeness. CITY may request an independent review of CITY Provided Information by CONSULTANT pursuant to a mutually agreed amendment to this Agreement. CONSULTANT shall be entitled to an adjustment in price and schedule to the extent that any corrective action in CONSULTANT's Services arises out of inaccurate CITY Provided Information.

Deliverables

The CONSULTANT will provide the following deliverables to the CITY:

1. One project kickoff meeting and subsequent summary meeting notes (Task 1).
2. One summary email of additional data collection needs (Task 2).
3. One digital copy of the Draft Stormwater Utility Cost of Service Analysis Report in "pdf" format.
4. One electronic copy in "pdf" format delivered on a flash drive of the Final Stormwater Utility Cost of Service Analysis Report (Task 5).

Time of Completion/Schedule

It is anticipated that the project will take 6 months to complete, starting within 10 days of receipt of a formal NTP. The estimated schedule for completion by task is shown below:

- Project Kick off Meeting and Data Collection (Month 1)
- Cost of Services and Program Needs Analysis (Months 2 & 3)
- Stormwater Utility Billing File Update Rate Structure Analysis (Month 4)
- Draft Summary Report (Month 5)
- Final Summary Report (Month 6)

A detailed schedule will be submitted to the CITY within 10 days after receiving the NTP.

Payment and Compensation

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

An estimated breakdown of cost for this Amendment #1 by task is provided for informational purposes below. The fee for this Amendment #1 is $126,000. The project total upper limit, including this Amendment #1, shall not exceed $293,500 without written amendment to this authorization.

Task Number	Task Name	Estimated Cost	Estimated Hours
1	Kickoff Meeting	$8,000	30
2	Data Collection	$11,000	58
3	LOS Analysis	$24,000	122
4	Rate & Billing File Update	$34,000	232
5	Draft and Final Report	$29,000	164
6	Project/Quality Management	$20,000	84
TOTAL		**$126,000**	**690**

CDM Smith looks forward to continuing our partnership with you for the on-going development of your stormwater management program. Please contact me with any questions or need for any additional information.

Sincerely,

Daniel Unger, PE, PMP
Client Service Leader
CDM Smith Inc.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Award the Bid to GRC Civil Services for the Waterline Extension on Lynn Road and Authorize the Mayor to Sign all Applicable Documents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-202-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	P. Gilmer
First Reading:	N/A	Presentation By:	R. McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:
Approve the resolution

Executive Summary:
Approval of the accompanying resolution awards the bid for the waterline extension on Lynn Road project to GRC Civil Services, Inc. in the amount of $1,583,057.00

In July 2022, nearly 200 acres of property along Fieldcrest Rd and Catawba Ln was annexed into the City of Kingsport. The plan was to develop this property for residential housing. According to the plan of services approved by the BMA, water service is to be provided within five years (July 2027). Construction funding was approved in FY 2024. The development has recently been approved and is under construction.

Bids were opened on June 26, 2025, for the Waterline Extension on Lynn Rd project to extend the existing waterline. This project consists of construction to be bid upon as follows: Extension of existing waterline with 1,211 L.F. of 12-inch DIP, 3,763 L.F. of 8-inch DIP, and all related appurtenances to serve the Lynn Road and Fieldcrest Development Area. The project shall be completed in 150 calendar days.

City staff have reviewed the bids, negotiated with the contractor to reduce quantities of two line items through value engineering, and recommend awarding the contract to the apparent low bidder, GRC Civil Services, Inc. in the amount of $1,583,057.00. Project funding resides in WA2408.

Base Bid:	$1,583,057.00
Contingency (6%):	94,984.00
Engineering (7%):	117,463.00
Total Project Costs:	$1,795,504.00

Attachments:
1. Resolution
2. Bid Opening Minutes
3. Bid Tab
4. Location Map
5. Contractor Letter

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR LYNN ROAD WATERLINE EXTENSION PROJECT TO GRC CIVIL SERVICES, INC., AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, bids were opened June 26, 2025, for the Lynn Road Waterline Extension Project; and

WHEREAS, upon review of the bids, the board finds GRC Civil Services, Inc. is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into a contract for the extension of existing waterline with 1,211 linear feet. of 12-inch DIP, 3,763 linear feet of 8-inch DIP, and all related appurtenances to serve the Lynn Road and Fieldcrest Development Area from GRC Civil Services, Inc. at an estimated construction cost of $1,583,057.00; and

WHEREAS, funding is identified in project numbers WA2408;

Now therefore,

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

SECTION I. That the bid for the Lynn Road Waterline Extension Project, consisting of extension of existing waterline with 1,211 linear feet. of 12-inch DIP, 3,763 linear feet of 8-inch DIP, and all related appurtenances to serve the Lynn Road and Fieldcrest Development Area at an estimated cost of $1,583,057.00 is awarded to GRC Civil 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 15th day of July, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

BID OPENING
MINUTES
June 26, 2025
4:00 P.M.

Present: Brent Morelock, Procurement Manager; Nikisha Eichmann, Assistant Procurement Manager; Pamela Gilmer, Engineering

The Bid Opening was held in the Conference Room 436, 4th Floor, City Hall.

The Procurement Manager opened with the following bids:

Waterline Extension on Lynn Road	
Vendor:	Total Cost:
GRC Civil Services	$1,754,124.00

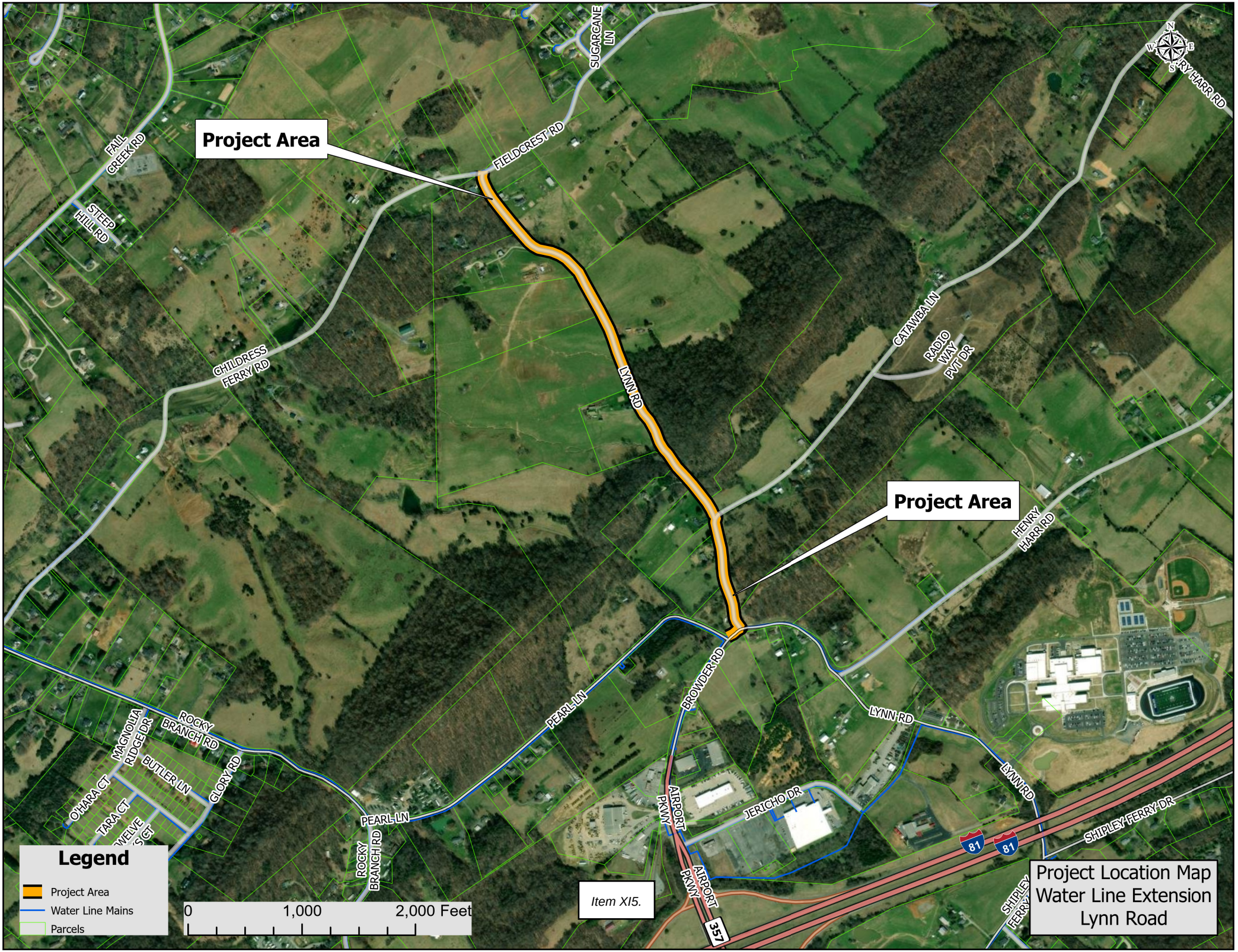
The submitted bids will be evaluated and a recommendation made at a later date.

BID TABULATION FOR 2022-C7 Waterline Extension for Lynn Rd

				CITY OF KINGSPORT ESTIMATE		GRC CIVIL SERVICES INC		Revised GRC	
ITEM NO.	EST. QTY.	UNIT	DESCRIPTION	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST
1	1	LS	MOBILIZATION (SECTION 02 41 00)	$ 115,000.00	**$ 115,000.00**	$ 68,935.00	**$ 68,935.00**	1	**$ 68,935.00**
2	1	LS	TRAFFIC CONTROL	$ 25,000.00	**$ 25,000.00**	$ 25,000.00	**$ 25,000.00**	1	**$ 25,000.00**
3	1	LS	CLEARING AND GRUBBING & GRADING	$ 2,500.00	**$ 2,500.00**	$ 25,000.00	**$ 25,000.00**	1	**$ 25,000.00**
4	1	LS	TOPSOIL, MULCHING, SEEDING, & STRAWING	$ 3,000.00	**$ 3,000.00**	$ 25,000.00	**$ 25,000.00**	1	**$ 25,000.00**
5	580	CY	SOLID ROCK EXCAVATION IN TRENCH ALLOWANCE (SECTION 31 23 33)	$ 35.00	**$ 20,300.00**	$ 35.00	**$ 20,300.00**	580	**$ 20,300.00**
6	2,926	TONS	BACKFILL STONE - PUG (SECTION 31 22 16)	$ 28.76	**$ 84,151.76**	$ 42.00	**$ 122,892.00**	2,926	**$ 122,892.00**
7	8,167	SY	COLD PLANING (PAVEMENT MILLING) @ 1.5" (SECTION 32 12 16)	$ 13.00	**$ 106,171.00**	$ 5.00	**$ 40,835.00**	8,167	**$ 40,835.00**
8	1,120	TONS	ASPHALT TRENCH REPAIR (BINDER) 4-INCHES (SECTION 32 12 16)	$ 100.00	**$ 112,000.00**	$ 298.00	**$ 333,760.00**	825	**$ 245,850.00** Quantity revised through value engineering
9	747	TONS	ASPHALT SURFACE COURSE TDOT 411D 1.5 INCHES (SECTION 32 12 16)	$ 150.00	**$ 112,050.00**	$ 204.00	**$ 152,388.00**	747	**$ 152,388.00**
10	5	TONS	ASPHALT DRIVEWAY/PARKING LOT REPAIRS (SURFACE) 3 INCHES (SECTION 32 12 16)	$ 95.00	**$ 475.00**	$ 273.00	**$ 1,365.00**	5	**$ 1,365.00**
11	34	SY	CONCRETE DRIVEWAY/PARKING LOT REPAIRS 6 INCHES (SECTION 32 13 13)	$ 125.00	**$ 4,250.00**	$ 135.00	**$ 4,590.00**	34	**$ 4,590.00**
12	6	TONS	PUG STONE GRAVEL DRIVEWAY REPAIRS 4 INCHES (SECTION 31 22 16)	$ 24.00	**$ 144.00**	$ 50.00	**$ 300.00**	6	**$ 300.00**
13	580	CY	BACKFILL MATERIAL (FLOWABLE FILL)	$ 321.00	**$ 186,180.00**	$ 169.00	**$ 98,020.00**	88	**$ 14,872.00** Quantity revised through value engineering
14	4,800	LF	4" DOUBLE SOLID YELLOW LINE (THERMOPLASTIC)	$ 1.50	**$ 7,200.00**	$ 4.00	**$ 19,200.00**	4,800	**$ 19,200.00**
15	15	LF	24" SINGLE SOLID WHITE LINE (THERMOPLASTIC)	$ 12.50	**$ 187.50**	$ 20.00	**$ 300.00**	15	**$ 300.00**
16	3,763	LF	8 INCH DUCTILE IRON PIPE (SECTION 33 11 00)	$ 120.00	**$ 451,560.00**	$ 96.00	**$ 361,248.00**	3,763	**$ 361,248.00**
17	1,211	LF	12 INCH DUCTILE IRON PIPE (SECTION 33 11 00)	$ 140.00	**$ 169,540.00**	$ 207.00	**$ 250,677.00**	1,211	**$ 250,677.00**
18	3	EA	8 INCH GATE VALVES & BOXES (SECTION 33 11 00)	$ 1,200.00	**$ 3,600.00**	$ 4,704.00	**$ 14,112.00** Above amount was miscalcualted on original bid document	3	**$ 14,112.00**
19	3	EA	AIR/VACUUM RELIEF ASSEMBLY - COMPLETE INCLUDES TAP, VALVE & HYDRANT (SECTION 33 11 00)	$ 2,800.00	**$ 8,400.00**	$ 2,939.00	**$ 8,817.00**	3	**$ 8,817.00**
20	4	EA	FIRE HYDRANT ASSEMBLY - COMPLETE (SECTION 33 11 00)	$ 7,200.00	**$ 28,800.00**	$ 11,000.00	**$ 44,000.00**	4	**$ 44,000.00**
21	10	EA	SERVICE CONNECTION 3/4" - SHORT COPPER WITH NEW METER, BOX AND SETTER (SECTION 33 11 00)	$ 1,500.00	**$ 15,000.00**	$ 3,912.00	**$ 39,120.00**	10	**$ 39,120.00**
22	2	EA	SERVICE CONNECTION 3/4" - LONG COPPER WITH NEW METER, BOX AND SETTER (SECTION 33 11 00)	$ 1,950.00	**$ 3,900.00**	$ 5,412.00	**$ 10,824.00**	2	**$ 10,824.00**
23	1	EA	6 INCH CONNECTION AT BROWDER RD (SECTION 33 11 00)	$ 5,000.00	**$ 5,000.00**	$ 5,727.00	**$ 5,727.00**	1	**$ 5,727.00**
24	1	EA	6 INCH WET TAP CONNECTION	$ 3,500.00	**$ 3,500.00**	$ 8,887.00	**$ 8,887.00**	1	**$ 8,887.00**

Item XI5.

ITEM NO.	EST. QTY.	UNIT	DESCRIPTION	CITY OF KINGSPORT ESTIMATE		GRC CIVIL SERVICES INC		Revised GRC	
				UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST
			(SECTION 33 11 00)		**$ -**				
25	1	EA	12 INCH WET TAP CONNECTION (SECTION 33 11 00)	$ 16,000.00	**$ 16,000.00**	$ 13,702.00	**$ 13,702.00**	1	**$ 13,702.00**
26	90	LF	24 INCH HDPE DUAL WALL STORM PIPE (SECTION 33 40 00) INCLUDING FLOW FILL IN PLACE	$ 400.00	**$ 36,000.00**	$ 501.00	**$ 45,090.00**	90	**$ 45,090.00**
27	26	LF	15 INCH HDPE DUAL WALL STORM PIPE (SECTION 33 40 00) INCLUDING FLOW FILL IN PLACE	$ 250.00	**$ 6,500.00**	$ 501.00	**$ 13,026.00**	26	**$ 13,026.00**
28	1	EA	PROJECT SIGN (SECTION 01 50 00)	$ 1,500.00	**$ 1,500.00**	$ 1,000.00	**$ 1,000.00**	1	**$ 1,000.00**
					$ -				
			Base Bid Project Total:		**$ 1,527,909.26**		**$ 1,754,115.00**		**$ 1,583,057.00**


Project Area
Project Area
FIELDCREST RD
SUGARCANE LN
FALL CREEK RD
STEEP HILL RD
CHILDRESS FERRY RD
LYNN RD
CATAWBA LN
RADIO WAY PVT DR
HENRY HARR RD
HENRY HARR RD
ROCKY BRANCH RD
MAGNOLIA RIDGE DR
BUTLER LN
GLORY RD
O'HARA CT
TARA CT
PEARL LN
PEARL LN
ROCKY BRANCH RD
BROWDER RD
AIRPORT PKWY
AIRPORT PKWY
JERICHO DR
LYNN RD
LYNN RD
SHIPLEY FERRY DR
SHIPLEY FERRY
81
81
357
N
W
E
S
Legend
Project Area
Water Line Mains
Parcels
0
1,000
2,000 Feet
Item XI5.
Project Location Map
Water Line Extension
Lynn Road

GRC
Civil Services
130 Regional Park Dr. • Kingsport, TN 37660 • (423) 349-7760 • www.grcinc.com

July 7, 2025

Pamela Gilmer, P.E.
City of Kingsport Engineering
130 Shelby Street
Kingsport, Tennessee 37660

RE: Lynn Road Waterline Extension – Value Engineering

Mrs. Gilmer,

GRC Civil Services, Inc., agrees to the reduced quantities as shown in the attached description of bid quantities. The attached form shows the reduction of item numbers eight (8) and thirteen (13). The reduction in quantities will reduce the total cost to $1,583,057.00.

Thank You,

Todd R. Johnson
President
423-579-8089

Contractor Bid Value Engineered
Waterline Extension on Lynn Road

Project # 2022-C7 Lynn Rd

ITEM NO.	QUAN	UNIT	DESCRIPTION	UNIT COST	TOTAL COST
1	1	LS	MOBILIZATION (SECTION 02 41 00)	$ 68,935.00	$ **68,935.00**
2	1	LS	TRAFFIC CONTROL	$ 25,000.00	$ **25,000.00**
3	1	LS	CLEARING AND GRUBBING, & GRADING	$ 25,000.00	$ **25,000.00**
4	1	LS	TOPSOIL, MULCHING, SEEDING & STRAWING	$ 25,000.00	$ **25,000.00**
5	580	CY	SOLID ROCK EXCAVATION IN TRENCH **ALLOWANCE** (SECTION 31 23 33)	$ 35.00	$ **20,300.00**
6	2,926	TONS	BACKFILL STONE - PUG (SECTION 31 22 16)	$ 42.00	$ **122,892.00**
7	8,167	SY	COLD PLANING (PAVEMENT MILLING) @ 1.5" (SECTION 32 12 16)	$ 5.00	$ **40,835.00**
8	825	TONS	ASPHALT TRENCH REPAIR (BINDER) 4-INCHES (SECTION 32 12 16)	$ 298.00	$ **245,850.00**
9	747	TONS	ASPHALT SURFACE COURSE TDOT 411D 1.5-INCHES (SECTION 32 12 16)	$ 204.00	$ **152,388.00**
10	5	TONS	ASPHALT DRIVEWAY/PARKING LOT REPAIRS (SURFACE) 3-INCHES (SECTION 32 12 16)	$ 273.00	$ **1,365.00**
11	34	SY	CONCRETE DRIVEWAY/PARKING LOT REPAIRS 6-INCHES (SECTION 32 13 13)	$ 135.00	$ **4,590.00**
12	6	TONS	PUG STONE GRAVEL DRIVEWAY REPAIRS 4-INCHES (SECTION 31 22 16)	$ 50.00	$ **300.00**
13	88	CY	BACKFILL MATERIAL (FLOWABLE FILL)	$ 169.00	$ **14,872.00**
14	4,800	LF	4" DOUBLE SOLID YELLOW LINE (THERMOPLASTIC)	$ 4.00	$ **19,200.00**
15	15	LF	24" SINGLE SOLID WHITE LINE (THERMOPLASTIC)	$ 20.00	$ **300.00**
16	3,763	LF	8-INCH DUCTILE IRON PIPE (SECTION 33 11 00)	$ 96.00	$ **361,248.00**
17	1,211	LF	12-INCH DUCTILE IRON PIPE (SECTION 33 11 00)	$ 207.00	$ **250,677.00**
18	3	EA	8-INCH GATE VALVES & BOXES (SECTION 33 11 00)	$ 4,704.00	$ **14,112.00**
19	3	EA	AIR/VACUUM RELIEF ASSEMBLY - COMPLETE INCLUDES TAP, VALVE & VAULT (SECTION 33 11 00)	$ 2,939.00	$ **8,817.00**
20	4	EA	FIRE HYDRANT ASSEMBLY - COMPLETE INCLUDES TEE, VALVE & HYDRANT (SECTION 33 11 00)	$ 11,000.00	$ **44,000.00**
21	10	EA	SERVICE CONNECTION 3/4" - SHORT COPPER WITH NEW METER, BOX AND SETTER (SECTION 33 11 00)	$ 3,912.00	$ **39,120.00**
22	2	EA	SERVICE CONNECTION 3/4" - LONG COPPER WITH NEW METER, BOX AND SETTER (SECTION 33 11 00)	$ 5,412.00	$ **10,824.00**
23	1	EA	6-INCH CONNECTION at Browder Rd (SECTION 33 11 00)	$ 5,727.00	$ **5,727.00**
24	1	EA	6-INCH WET TAP CONNECTION (SECTION 33 11 00)	$ 8,887.00	$ **8,887.00**
25	1	EA	12-INCH WET TAP CONNECTION (SECTION 33 11 00)	$ 13,702.00	$ **13,702.00**
26	90	LF	24-INCH HDPE DUAL WALL STORM PIPE (SECTION 33 40 00) INCLUDING FLOW FILL IN PLACE	$ 501.00	$ **45,090.00**
27	26	LF	15-INCH HDPE DUAL WALL STORM PIPE (SECTION 33 40 00) INCLUDING FLOW FILL IN PLACE	$ 501.00	$ **13,026.00**
28	1	EA	PROJECT SIGN (SECTION 01 50 00)	$ 1,000.00	$ **1,000.00**
				TOTAL	$ **1,583,057.00**

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Purchase One (1) Vogele Super 2003-3i Utilizing Sourcewell Cooperative Purchasing Agreement

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-198-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	R. McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
It is the recommendation of the committee to purchase One (1) Vogele Super 2003-3i Paver from Power Equipment utilizing Sourcewell Cooperative Purchasing Agreement #060122-WAI for use by the Streets Maintenance Department. The delivery from the dealership to the agency is included in the total price of $578,406.37. The estimated delivery date is 1-2 months after the PO has been received.

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

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

This unit is a fleet replacement of units 1926 & 2159. Unit 1926 will be placed for auction on GovDeals. Unit 2159 will be placed as a holdover enabling the Streets Maintenance Department to operate 2 pavers at one time as needed.

Funding is identified in Project/Account # 51150085019010

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

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

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

WHEREAS, staff recommends the purchase of one (1) Vogele Super 2003-3i from Power Equipment utilizing Sourcewell Cooperative Purchasing Agreement #060122-WAI for use by the Public Works Department; and

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

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

WHEREAS, in order to purchase the equipment, a purchase order needs to be issued to Municipal Equipment, Inc.**,** in an amount not to exceed $578,406.37; 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 Power Equipment for one (1) Vogele Super 2003-3i from Power Equipment utilizing Sourcewell Cooperative Purchasing Agreement #060122-WAI, for use by the public works department in an amount not to exceed $578,406.37.

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

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

ADOPTED this the 15th day of July, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

FLEET MAINTENANCE DEPARTMENT

City of Kingsport

To: Nikisha Eichmann, Assistant Procurement Manager

From: Steve Leonard, Fleet Manager

Date: June 23, 2025

Re: Fleet Replacement of 1926 & 2159 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement of unit # 1926 & 2159 in the amount of $578,406.37. The unit bid meets the expectations of the Streets Maintenance Department and will fulfill the requirements of their operational needs. This unit will be purchased utilizing Sourcewell Contract # 060122-WAI. A copy of the Sourcewell Contract is attached. The estimated delivery is 1-2 months.

Item	Quantity	Description	Award to Vendor	Fuel Economy
1	1	Vogele Super 2003-3i	Power Equipment	N/A City/N/A Hwy

The unit will be a Fleet Replacement

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

The Sourcewell offering was reviewed by Greg Willis and he is in agreement with this recommendation.

Fuel Economy Improvement N/A

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

Sourcewell Contract 060122-WAI

Replacements

1926	2010 Vogele S700 Asphalt Paver	Hours	6043	To be sold on GovDeals	Depreciation of $144,500.40
2159	2014 5103-2 6x4 Paver	Hours	4,329	Holdover for future use when 2 pavers are needed	Depreciation of $266,886.14
					Total depreciation $411,386.14. 40% increase in cost

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

Thank you.

VÖGELE
HAYDEN-MURPHY
SUPER 2000-3i

Power Equipment Company
1487 Rock Springs Road
Kingsport TN 37664
Phone
www.powerequipco.com

Construction, Mining, & Forestry Equipment Sales, Parts, Service and ***Certified Rental***®

7/3/2025
Quote #: tjessee-0166 (Sourcewell contract# 060122-WAI)

CITY OF KINGSPORT
ACCOUNTS PAYABLE
Kingsport, TN 37660

Dear Steve Leonard,

Power Equipment Company appreciates the opportunity to be the preferred vendor for your equipment needs. Not only do we offer a diversified selection of the finest heavy, general and light construction equipment products available, we support our customers with quality service and solutions unique to each customer's circumstance.

Since 1946, Power Equipment Co.'s mission has been to sell, rent and service the finest mobile construction, paving, forestry and material handling equipment in Tennessee, Northern Mississippi and Arkansas. Power Equipment, together with its sister company, Brandeis Machinery & Supply Company, constitutes one of the largest construction, mining, and forestry equipment distribution networks in the United States. Together, we have sixteen full-service branches throughout Tennessee, Northern Mississippi, Arkansas, Kentucky and Indiana.

Power Equipment Company is in the enviable position of having the broadest line up of equipment of any distributor in our area, regardless of the customer's industry segment. Whether it is the mining, aggregate, highway, grade and drain, site preparation, scrap, marine or other industry, our customers have the most choices available. We are one of the largest Komatsu dealers in North America, and are proud to also represent the Wirtgen Group of milling machines and soil stabilizers, Vogele pavers, Hamm compaction products and Kleeman crushing and screening equipment. Wirtgen's North American headquarters is located in Antioch, TN. Other manufacturers we represent are Takeuchi, Barko and Sennebogen among many others. We also offer a wide variety of construction and forestry attachments.

Power Equipment Company recognizes the importance of supporting the equipment we sell. In addition to the millions of dollars in parts we keep on the shelf, we are fortunate to have Komatsu's North American Parts Depot in Ripley, Tennessee. Power Equipment is committed to providing an unsurpassed level of service. When you purchase equipment from Power, you can depend on us to provide solutions to your parts and service needs.

2023 VOGELE SUPER 2003-3i stock number 35523 sn975.0203 Hours 23

Again, thank you for providing Power Equipment Co. the opportunity to present this information regarding our products and services. We look forward to discussing in further detail the information enclosed.

Respectfully,

Tim Jessee
Sales Representative

Power Equipment Company
1487 Rock Springs Road
Kingsport TN 37664
Phone
www.powerequipco.com

Construction, Mining, & Forestry Equipment Sales, Parts, Service and ***Certified Rental***®

Machine Configuration VOGELE SUPER 2003-3i (Sourcewell contract #060122-WAI)

SUPER 2003--3i/VF600-3 stock number 35523 - $700,914
Work Lights LED - $3,971
Power Tunnel - $8,843
NIVELTRONIC Plus - $7,229
Slope Sensor - $2,414
Bracket for Grade Sensor at VF Screed, 2 piece - $1,429
Mounting kit to attach bracket at grade sensor - $157
Multi-Cell Sonic Sensor, 1 unit - $6,557
Screed Lock, hydraulic - $1,543
Guide Rollers for Screed Arm - $1,486
Screed Assist - $1,957
Heating Rod for End Gate Ski - $1,157
Cut-off Shoes, 6in, 2 piece - $729

Total Machine Pricing - $738,386
Sourcewell discount 24.93% ($184,079.63)
Subtotal of machine with discounts $554,306.37
PDI - $6,000
Training - $3,500
Freight - $3,500
Extended Service Protection Plan – 48mo/4000hr (PT Expanded & TTM-PT Expanded) $11,100

Sale Price FOB:	$578,406.37
Purchase Price: (plus any applicable taxes,UCC1 & Doc Fees)	**$578,406.37**

NOTE: No price, terms or descriptions in this proposal shall supersede any published terms and conditions of a fully executed Purchase Contract. Terms of sales are subject to credit approval and subject to prior sale.

Thank you for the opportunity to submit this proposal, which will remain valid for 30 days. Price is subject to availability and does not include applicable taxes. Should you have any questions, please feel free to contact us. We look forward to earning your business!

Power Equipment Company
1487 Rock Springs Road
Kingsport TN 37664
Phone
www.powerequipco.com

Construction, Mining, & Forestry Equipment Sales, Parts, Service and ***Certified Rental***®

VOGELE SUPER 2003-3i

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

Sourcewell

Solicitation Number: RFP #060122

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Wirtgen America, Incorporated, 6030 Dana Way, Antioch, TN 37013 (Supplier).

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

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

1. TERM OF CONTRACT

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

B. EXPIRATION DATE AND EXTENSION. This Contract expires August 1, 2026, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.

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

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

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

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

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

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

3. PRICING

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

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

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

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

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

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

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

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

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

4. PRODUCT AND PRICING CHANGE REQUESTS

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

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

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

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

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

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

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

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

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

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

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

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

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

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

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

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

7. CUSTOMER SERVICE

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

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

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

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

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

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

The Report must contain the following fields:

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

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

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

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

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

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

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

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

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

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

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

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

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

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

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

11. INDEMNITY AND HOLD HARMLESS

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

12. GOVERNMENT DATA PRACTICES

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

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
   a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
   b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers,

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination*. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

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

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

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

14. GOVERNING LAW, JURISDICTION, AND VENUE

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

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

15. FORCE MAJEURE

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

16. SEVERABILITY

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

17. PERFORMANCE, DEFAULT, AND REMEDIES

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

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

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

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

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

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

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

18. INSURANCE

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

1. *Workers' Compensation and Employer's Liability.*
Workers' Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in amounts not less than listed below:
Minimum limits:
$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.
Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for products liability-completed operations
$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.
Minimum Limits:
$1,000,000 each accident, combined single limit

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

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

Minimum Limits:
$2,000,000

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

Minimum limits:
$2,000,000 per occurrence
$2,000,000 annual aggregate

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

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

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

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

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

19. COMPLIANCE

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

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

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

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

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

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

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

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

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

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

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

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

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

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

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

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

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

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

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

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

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

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

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

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

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

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

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

DocuSigned by:
By: Jeremy Schwartz
C0FD2A139D06489...

Jeremy Schwartz
Title: Chief Procurement Officer
Date: 7/29/2022 | 12:58 PM CDT

Wirtgen America, Incorporated

DocuSigned by:
By: Sandy Draper
870139758F27469...

Sandy Draper
Title: Director-Inside Sales Operations
Date: 8/10/2022 | 11:54 AM PDT

Approved:

DocuSigned by:
By: Chad Coauette
7E42B8F817A64CC...

Chad Coauette
Title: Executive Director/CEO
Date: 8/10/2022 | 1:57 PM CDT

DocuSign Envelope ID: 83B1516C-6E2A-4BCA-9D00-6F3B9EE2ACBF

RFP 060122 - Roadway Paving Equipment

Vendor Details

Company Name:	Wirtgen America, Inc.
Address:	6030 Dana Way Antioch, TN 37013
Contact:	Melanie Braband
Email:	melanie.braband@wirtgen-group.com
Phone:	615-598-4892
HST#:	62-1250621

Submission Details

Created On:	Monday May 23, 2022 13:59:36
Submitted On:	Wednesday June 01, 2022 15:36:50
Submitted By:	Melanie Braband
Email:	melanie.braband@wirtgen-group.com
Transaction #:	e407d577-ebe1-4767-a7b1-84d61f533dd1
Submitter's IP Address:	216.170.179.162

Specifications

Table 1: Proposer Identity & Authorized Representatives

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

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Wirtgen America, Incorporated	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	N/A	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	N/A	*
5	Proposer Physical Address:	6030 Dana Way Antioch, TN 37013	*
6	Proposer website address (or addresses):	www.wirtgen-group.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Sandy Draper - Director Inside Sales Operations, 6030 Dana Way Antioch, TN 37013 Sandy.Draper@wirtgen-group.com Tel.: 615-477-8046	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Melanie Braband, Contract Administrator, 6030 Dana Way Antioch, TN 37013 E-Mail: Melanie.Braband@wirtgen-group.com Phone #: 615-598-4892	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Sandy Draper - Director Inside Sales Operations, 6030 Dana Way Antioch, TN 37013 E-Mail: Sandy.Draper@wirtgen-group.com Phone #: 615 477 8046	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	

10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	In 1985 Wirtgen America was founded in Nashville, TN with a rented office and a small warehouse space with less than 10,000 sq. ft. combined. In 1989, Wirtgen America moved to their second location in Nashville, where we purchased office and warehouse space, and expanded in 1994/1995 adding a shop to work on larger machines. In 2000, Wirtgen moved a third and final time, settling in Antioch, TN at our 6030 Dana Way address. We had an initial purchase of 8 acres of land at 6030 Dana Way, and constructed a new facility with 75,000 sq ft consisting of 10,000 sq ft office space, 10,000 sq ft shop, and 55,000 sq ft warehouse space. In 2008, we opened the Reinhard Wirtgen Learning Center at 6040 Dana Way with 20,000 sq ft training facility, hosting 4 classrooms & labs, 70-seat cafeteria, and a training shop. We also acquired additional 23 acres of land for a later expansion. In 2012, 6030 Dana Way expanded to 130,000 sq ft facility, +8,000 sq ft shop, and 37,000 sq ft warehouse space. This brought our Total areal to 36 acres and 150,000 sq ft area under roof (incl. Training Center). In 2013, we expanded further, with an additional 10,000 sq ft office space, a remodel of the existing 20,000 sq ft. and we doubled employee seating capacity. In 2017, Wirtgen America invested $4 million for the expansion of the Center for Training & Technology (CTT) at 6040 Dana Way. We added 20,000 sq ft (= doubling the space), expanded to two stories and built in a total of 11 classrooms and 180-seat cafeteria. The Wirtgen Group was acquired by Deere & Company in December 2017. We are now a John Deere Company. United, we form one of the biggest players in the construction equipment industry and complement one another product line perfectly. Wirtgen America and its dealer network offer a broad range of services tailored to the customer's individual requirements for all areas of road construction, as well as the mining and processing of minerals. With passion and know-how, our experienced team ensures success every single day. Market-leading products, excellent service, and tried and tested quality standards give the confidence needed in their competitive environment. The WIRTGEN GROUP's successful long-standing brands keeps the customers safely on the road of success. Wirtgen America is located in the middle of North America. We offer our world-renowned service at more than 250 locations, operated by our 34 dealers families located all over the United States and Canada with locations in every state and province. And our dealer network does more than just sell the high quality WIRTGEN GROUP products: The delivery of one of our machines marks the beginning of a long-standing partnership. Our dealer network puts the machines, parts and service expertise close to our customers. Our dealers can always rely on the specialists of Wirtgen America with the strong background of the four specialized brand headquarters. Wirtgen's number 1 objective is to always be close to our customers.	*
11	What are your company's expectations in the event of an award?	We look forward to continuing a very collaborative and positive relationship with Sourcewell and its members, as well as building new relationships, while going above and beyond to supply each buying agency's equipment needs with state of the art products and superior customer service.	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Upload supporting documents (as applicable) in the document upload section of your response. Please see the 2021 Annual Report attached.	*
13	What is your US market share for the solutions that you are proposing?	• Mills 80.1% • Stabilizers 58.1% • Vögele 34.2% • Vögele Commercial 4% • Hamm 18.2% • Kleemann Crushers Tracked 26.4% • Kleemann Screens Tracked 15.6%	*

14	What is your Canadian market share for the solutions that you are proposing?	• Mills 83.3% • Stabilizers 0% • Vögele 100% • Vögele Commercial 33.3% • Hamm 12.6% • Kleemann Crushers Tracked 10% • Kleemann Screens Tracked 6.3%	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No bankruptcy proceedings have taken place.	*
16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. 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?	At Wirtgen America, the Director Inside Sales Operations, a contract administrator, 20 District Sales Managers will support the needs of our Sourcewell contract. These individuals are employees of Wirtgen America. The Director Inside Sales Operations and the District Sales Managers promote this contract to the dealers and customers, provide guidance on using the contract and partner with dealers to provide customer solutions as necessary. We offer our world-renowned service at more than 250 locations, operated by our 34 dealer groups with locations in every state and province all over the United States and Canada. The dealers are employees of third party independently owned businesses. The District Sales Managers work with the dealers to ensure prompt delivery and customer service satisfaction. The dealer handles equipment servicing after the sale. The dealers receive factory-built machines, install, handle customer requested services (extended warranty, trade-ins…), process pre-delivery inspection, handle local deliveries and provide requested service as needed. We utilize our parent company John Deere to assist with training. We have transitioned to primarily a dealer-direct sales approach since our last contract. We reserve the right to sell direct from our office in Antioch, TN if/when needed. Dealer Search North America | WIRTGEN GROUP (www.wirtgen-group.com)	*
17	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.	Wirtgen America maintains all licenses and certifications necessary to conduct its business around the world. This is supported by our Supply Management, Engineering Safety, Accounting, Human Resources, and Tax and Legal Departments. Wirtgen America self-audits and has regular outside audits performed by Deloitte & Touche for compliance with all required licenses, certifications and regulations.	*
18	Provide all “Suspension or Debarment” information that has applied to your organization during the past ten years.	There are no suspensions or disbarments to note.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	Wirtgen America falls under John Deere’s industries awards and recognition. John Deere has received numerous levels of recognition and awards worldwide for quality production standards, environmental responsibility, ethics, diversity, safety and corporate citizenship. A link to the current listing follows. https://www.deere.com/en/our-company/citizenship-and-sustainability/	*
20	What percentage of your sales are to the governmental sector in the past three years	Customer specifics are not shared publicly. By nature of the products being offered, government agencies take on construction and roadway paving projects more often than most public or private schools. The lion’s share of sales is to government agencies. Nonetheless, there are educational customers that make good use of the cooperative contract as well.	*
21	What percentage of your sales are to the education sector in the past three years	Customer specifics are not shared publicly. By nature of the products being offered, government agencies take on construction and roadway paving projects more often than most public or private schools. The lion’s share of sales is to government agencies. Nonetheless, there are educational customers that make good use of the cooperative contract as well.	*
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	State of Oklahoma – OMES Central Purchasing, BuyBoard, TXSmart, PennDOT. Sales figures are not publicly shared. Our other cooperatives will not impede Wirtgen America’s ability to participate in the Sourcewell program.	*
23	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?	N/A	*

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Customer information is not shared publicly. Our sales growth over the course of previous contracts serves as testament to our commitment of growing the contract and our customers appreciation of same.	/	/	*
/	/	/	*
/	/	/	*

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
/	Government	Alabama - AL	Customer information is not shared publicly. Our sales growth over the course of previous contracts serves as testament to our commitment of growing the contract and our customers appreciation of same.	/	/	*
/	Government	Alabama - AL	/	/	/	*
/	Government	Alabama - AL	/	/	/	*
/	Government	Alabama - AL	/	/	/	*
/	Government	Alabama - AL	/	/	/	*

Table 6: Ability to Sell and Deliver Service

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

Line Item	Question	Response *	
26	Sales force.	Wirtgen America is located in Antioch, TN and our sales team consists of approx. 80 direct employees like Vice Presidents, District Sales Managers, Technical Sales Managers, Product Specialists, etc. The Director Inside Sales and the District Sales Managers work with the dealers to ensure prompt delivery and customer service satisfaction.	*
27	Dealer network or other distribution methods.	Wirtgen America has 34 dealers at more than 250 locations located all over the United States and Canada. We have locations in every state and province: Dealer Search North America and Canada: Dealer Search North America | WIRTGEN GROUP (www.wirtgen-group.com) The dealers sell our factory-built machines directly to the Sourcewell members.	*
28	Service force.	The dealers handle equipment servicing after the sale. The dealers receive factory-built machines, install, handle customer requested services (extended warranty, trade-ins…), process pre-delivery inspection, handle local deliveries and provide requested service as needed. In addition, the dealers are supported by the Wirtgen America service team consisting of approximately 120 direct employees like Field Service Engineers, Parts Specialist, Warranty Specialists, Service Trainers, etc.	*

29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Wirtgen America authorizes the US and Canadian dealers to sell directly to the Sourcewell members. Sourcewell members will contact their local dealer for assistance with machine and option selection. Dealer Search North America | WIRTGEN GROUP (www.wirtgen-group.com) The local dealer will provide the contract quote (according to the awarded pricelists). Sourcewell members will submit their purchase orders to the authorized quoting party noted on their contract quote. The quote number and the Sourcewell contract number must be noted on the PO. Wirtgen America will ship the unit to the selling dealer. The local selling dealer will quote and arrange the freight move from dealer to customer. Setup, installs, inspection and final delivery are handled by the local dealer. Authorized seller will invoice Sourcewell member upon receipt of product delivery acceptance notice.	*
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.	• More than 250 certified Dealer locations throughout North America to provide close range support to the end user. • 24/7 OEM phone support through dedicated service and after-hours lines. • After hours service support has a second and third escalation tier to insure the customers/dealers are supported, this will escalate to the product manager if required • Wirtgen America Area Customer Support Managers as well as Area field service engineers located throughout North America to provide a closer relationship between the customer, dealer and Wirtgen America.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	A professional, capable, well-trained, well-capitalized dealer network is one of Wirtgen America's competitive advantages. Our dealers, backed by Wirtgen America, provide local customer support, repairs, maintenance, and parts. Wirtgen America has authorized dealers in more than 250 locations located all over the United States and Canada. These dealers sign contracts to sell and service Wirtgen America's products in their assigned areas. Dealers must submit an annual business plan that contains their commitment to effectively selling and supporting all potential customers in their area, including but not limited to commercial accounts, national accounts, and state, county and local governmental agencies. Customers can count on Wirtgen America's dealers to support our products and customers.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	See reply to question 31 – this includes Canada	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	All areas of the U.S. and Canada will be served.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	Governmental and educational agencies are eligible to receive the contemplated contract discounts on the products contemplated in this RFP. Non-profit entities will also be eligible, as long as they meet the following criteria: o Exempt from state and federal income taxes o Generally funded exclusively by contributions o Function to provide charitable, safety, educational, and other beneficial services to entire communities. o Social organizations such as golf course country clubs, hunting and fishing clubs do not qualify. o If a non-profit agency does not fit the profiles shown above, it then must specifically be recognized by the IRS as being a 501 (c), (3), (4), (10), or (13) organization.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	Wirtgen America has assigned dealers in both Alaska and Hawaii. As is the case for the continental U.S. (CONUS), factory to dealer freight as well as local delivery by dealer to end-user will be quoted and invoiced for any applicable areas outside of the continental U.S. (OCONUS). Location specific factors related to moves by; ocean, barge, inland… will affect final delivery date.	*

Table 7: Marketing Plan

Line Item	Question	Response *	
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	We will issue the following information upon award: • Dealer Sales Bulletin - outline of award and points of contact • DealerPath Link - internal John Deere dealer website, which provides contract specifics i.e., eligible customers, ordering process, pricing, discounts… Upon award, the Wirtgen America Director Inside Sales Operations and the contract administrator will notify our District Sales Managers about the outline of award, points of contact, contract specifics i.e., eligible customers, ordering process, pricing, discounts. The District Sales Managers will inform their assigned dealers about it. In addition to this, all information will be available on our internal Wirtgen America website – the Wirtgen Group Portal. Our dealers have access to the Portal and can access this information anytime. Wirtgen America Director Inside Sales Operations and the contract administrator work with the District Sales Managers by participating in meetings and training events to educate them on the Sourcewell contract. We use these opportunities to generate an understanding of the contract benefits, solutions, and ease of use for eligible customers by promoting Sourcewell as an effective and efficient solution that satisfies the cumbersome, time consuming, and tedious bid process. We see the Sourcewell contract as a prime solution for these eligible customers	*
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Home | Wirtgen Group in North America (www.wirtgen-group.com) provides detailed product information for the equipment offered. The public can review product features, specifications and accessories. We also use social media channels as Facebook, LinkedIn and Youtube to enhance our marketing effectiveness. We send direct mailers to contractors in our industry at least four times a year. It is designed to create community, as well as inform followers of training opportunities, equipment innovations and parts programs.	*
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Wirtgen America's sales team works together with our dealer network to identify opportunities and promote sales Together we can engage in conference calls, webinars, dealer training, mailings to increase Sourcewell awareness, membership, and sales. District Managers and/or local dealers are available for Trade Show participation as may be applicable. The Wirtgen America Sales Administration Team work with the Wirtgen America District Sales representatives by participating in meetings and training events to educate the dealers and other Wirtgen America personnel on the contract. We use these opportunities to generate an understanding of the contract benefits and solutions for eligible customers. Additionally, the Wirtgen America team communicates the contract benefits to customers that have expressed interest in purchasing Wirtgen America products; promoting Sourcewell as an effective and efficient solution that satisfies the cumbersome, time consuming, and tedious bid process. We see the Sourcewell contract as a prime solution for these eligible customers.	*
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Due to the customizable nature of the equipment, there are many possible configurations. Many build-code dependencies must be taken into consideration for a properly functioning machine to be built. For that reason, we feel it is best to contact the local dealer for machine configuration guidance prior to requesting a contract quote.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *	

40	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.	Training on equipment operation and safety is provided through the local dealer. At time of delivery, the dealer provides an introductory walk-around of the unit, explaining general operation and maintenance procedures - free of charge as part of the purchase. Additional product or specific system training is optional and quoted by the local dealer. The Center for Training and Technology (CTT), located on the grounds of the WIRTGEN AMERICA, Inc. North American Campus, is a world-class facility for educating Road and Minerals Technology professionals. Classes and curriculum are offered for both Dealers and end users including technical service, operations, sales and parts. The 38,000 sq. ft. state-of-the-art facility houses two lecture classrooms and two laboratories as well as a four-bay shop (dedicated exclusively to training) so hands-on training can take place regardless of the weather. The most recent expansion added seven additional classrooms and five technology rooms, representing our four brands and customer support. The CTT includes a 5-acre test track for equipment demonstrations and hands-on application training for the WIRTGEN GROUP products. The training fees at the CTT vary between our different kinds of classes and the duration.	*
41	Describe any technological advances that your proposed products or services offer.	WIRTGEN GROUP WITOS fleetview telematics solution – Safety and planning tool This system optimizes the fleet and service management of your WIRTGEN, HAMM and VÖGELE machines. System-based preprocessing, transmission, visualization and evaluation of machine and position data mean that your processes will become even more efficient. The WITOS FleetView service portfolio ranges from targeted monitoring of the operating status of the machines in day-to-day operating to supporting maintenance and diagnostiv processes. This minimizes response times and downtimes and optimizes maintenance work. In addition, the WITOS FMI (Fleet Management Interface) allows you to import data from existing systems via a standardized server-2-server interface. The machines-specific SmartService inspection and maintenance agreement ideally complement the possibility of WITOS FleetView – such as qualified maintenance, services aimed at minimizing downtimes and targeted documentation of the measures implemented. This makes it possible to optimize costs and ensure the long-term value retention of you machines.	*
42	Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Safeguarding the environment is nothing new to Wirtgen America. We know that responsible resource management is vital not just to our company and our employees, but also to our customers, our neighbors, and our world. Wirtgen America wholly owned by John Deere fall under their rigorous standards for green initiatives as noted below: • Our Enterprise Eco-Efficiency Goals - As part of our commitment to being good stewards of the environment, we have developed a set of goals regarding four key areas: Energy, Water, Waste, and Product Lifecycle. • Our Operations and The Environment - Our operating processes reflect a strong commitment to protecting the world around us. We're constantly on the lookout for energy- and water-efficient systems, systems that sustain air and water quality, systems that eliminate or reduce waste. And when investing in new products, approaches, or technologies, we give preference to those that have the most favorable environmental impact. • Our Products and The Environment - John Deere products are designed for efficiency and productivity. And by truly understanding our customers' needs while incorporating innovative technology, we're able to offer machines that are not only more productive and more efficient, but also demonstrate a deep respect for the environment	*
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	See attached certificate for ISO 14001 for Wirtgen America’s Hamm products.	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	John Deere is committed to Supplier Diversity. Each year we submit to GSA a commercial plan that outlines our commitment to use WMBE’s, SBE’s, and other MBE’s suppliers in support of our business.	*

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?	Wirtgen America has a very strong presence as a heavy construction equipment provider. Wirtgen America is also the world's leading manufacturer of roadway paving equipment. As being wholly owned by John Deere, we have access to John Deere Financial, one of the largest equipment finance companies.	*

Table 9A: Warranty

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

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	Warranty for Wirtgen, Vogele, Hamm is one year or 1000 hours whichever comes first, and Kleemann is one year or 2000 hours whichever comes first (see attached Warranty Statements). Reasonable labor and travel are covered when repair is made thru an authorized dealer.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Wear items are not covered - see attached Warranty Statement	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Reasonable travel time covered – no mileage by an authorized dealer.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	Dealers are assigned for complete coverage of the entire U.S. and Canada.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Warranty will cover original OEM parts. Engines are covered by the engine manufacturer - see attached Warranty Statement	*
51	What are your proposed exchange and return programs and policies?	Our RGA process with our dealers is outlined below: Defective parts may be returned to Wirtgen America only after approval and obtaining a Return Goods Authorization (RGA). Dealers are required to hold all defective warranty parts for 120 days from the date credit is given or the claim is denied. There is no mandatory parts return list; any part may be recalled for inspection. However, hydraulic parts, motors, pumps, gear boxes, planetary, track rollers, controllers, electronic consoles, CGC dis-plays, milling depth regulators, tracers, sonic sensors, etc. must always be returned to Wirtgen America. Note: • Do not return parts COD. Parts shipped COD will be refused. • Freight costs are not covered under warranty. • A RGA is required for the return of any parts.	*
52	Describe any service contract options for the items included in your proposal.	No service contracts are made part of this RFP response or resultant award. Local dealers are allowed to quote service contracts and extended warranties at time of machine quote for buying agency's consideration.	*

Table 9B: Performance Standards or Guarantees

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

Line Item	Question	Response *	

53	Describe any performance standards or guarantees that apply to your services	Wirtgen America is the holder of the referenced Contract. Pursuant to the Contract Terms and Conditions, a documented relationship exists between Wirtgen America and its dealer network thereby permitting Dealer to quote, accept purchase orders, order, deliver, and invoice the Sourcewell customer provided dealer agrees to the following: Compliance: 1. Dealer agrees to cooperate with Wirtgen America to comply with all Contract sales and administration requirements. Contract # 081221 Terms and Conditions are hereby incorporated in their entirety. 2. Dealer bears all contractual responsibility associated with equipment and parts sales to the Sourcewell member, including post sale warranty and service obligations, in accordance with the Contract. Post-sale warranty support includes standard factory warranty as well as any dealer provided extended warranty, same as for a commercial sale. 3. Dealer hereby agrees to comply with the Certificate of Insurance ("COI") requirement as defined under the Contract and will produce a copy of the certificate if requested by Wirtgen America. 4. Certain states may adopt Sourcewell by way of a Participating Addendum. In those instances, there may be additional local contract stipulations that must be adhered to in addition to the national contract. Dealer agrees to review state specific requirements, as may be applicable, and abide by same. Quoting: 1. Quote training and contract questions should be directed to the Contract Administrator. 2. The Contract is not a fixed price contract, quotes are to stipulate 30-day validity to allow for re-quoting. Contract orders shall be processed by dealer at the then current factory pricing. In other words, Wirtgen America will not "price protect" a sale if Sourcewell or customer does not accept a price increase. Thus, the dealership, and not Wirtgen America, will be liable for any resulting price differences. 3. Prices for dealer provided non-contract goods and services, which serve to complete the machine sale, shall be no greater than permitted under the Contract, including without limitation (and as applicable), factory freight, PDI, set-up, local delivery, taxes etc. 4. If/when customer requests contract pricing verification, dealer agrees to provide itemized quotes that include List prices for base and factory build codes and the contract discount utilized. 5. Wirtgen America reserves the right to audit dealer's contract sales records for compliance and training.	*

54	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	Wirtgen America is the holder of the referenced Contract. Pursuant to the Contract Terms and Conditions, a documented relationship exists between Wirtgen America and its dealer network thereby permitting Dealer to quote, accept purchase orders, order, deliver, and invoice the Sourcewell customer provided dealer agrees to the following: Compliance: 1. Dealer agrees to cooperate with Wirtgen America to comply with all Contract sales and administration requirements. Contract # 081221 Terms and Conditions are hereby incorporated in their entirety. 2. Dealer bears all contractual responsibility associated with equipment and parts sales to the Sourcewell member, including post sale warranty and service obligations, in accordance with the Contract. Post-sale warranty support includes standard factory warranty as well as any dealer provided extended warranty, same as for a commercial sale. 3. Dealer hereby agrees to comply with the Certificate of Insurance ("COI") requirement as defined under the Contract and will produce a copy of the certificate if requested by Wirtgen America. 4. Certain states may adopt Sourcewell by way of a Participating Addendum. In those instances, there may be additional local contract stipulations that must be adhered to in addition to the national contract. Dealer agrees to review state specific requirements, as may be applicable, and abide by same. Quoting: 1. Quote training and contract questions should be directed to the Contract Administrator. 2. The Contract is not a fixed price contract, quotes are to stipulate 30-day validity to allow for re-quoting. Contract orders shall be processed by dealer at the then current factory pricing. In other words, Wirtgen America will not "price protect" a sale if Sourcewell or customer does not accept a price increase. Thus, the dealership, and not Wirtgen America, will be liable for any resulting price differences. 3. Prices for dealer provided non-contract goods and services, which serve to complete the machine sale, shall be no greater than permitted under the Contract, including without limitation (and as applicable), factory freight, PDI, set-up, local delivery, taxes etc. 4. If/when customer requests contract pricing verification, dealer agrees to provide itemized quotes that include List prices for base and factory build codes and the contract discount utilized. 5. Wirtgen America reserves the right to audit dealer's contract sales records for compliance and training	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
55	Describe your payment terms and accepted payment methods.	Wirtgen America's only option for payment terms is Net 30 Days.	*
56	Describe any leasing or financing options available for use by educational or governmental entities.	Wirtgen America wholly owned by John Deere has access to John Deere Financial. They offer leasing/financing options. The John Deere Municipal Lease Purchase Plan is a special low-rate financing plan that is designed to provide flexibility of leasing while building equity toward ownership of the John Deere equipment. Any state or local government body, or their political subdivisions, having the power to tax may be eligible for the John Deere Municipal Lease Purchase Plan, subject to approval. John Deere Financial also offers other leasing and financing options for governmental, educational, and non-profit entities, subject to approval. All leasing and financing options are handled through the local dealer and John Deere Financial. The lease/finance provider funds the contract sales invoice within 30 days.	*
57	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	See examples attached: WGS Quotation Sales order to the customer with terms and conditions Invoice to the customer Statement of Warranty Start-up Registration/Machine inspection form	*
58	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?	Wirtgen America does not accept P-card procurement.	*

Table 11: Pricing and Delivery

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

Line Item	Question	Response *	
59	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.	As in previous contracts, we will use a discount off current List price for each product model. Complete commercial price pages as well as a discount matrix are included with our bid response.	*
60	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.	Wirtgen - 18% Discount Hamm - 20% Discount Kleemann - 15% Discount Vogele - 18% Discount	*
61	Describe any quantity or volume discounts or rebate programs that you offer.	5-7 machines receive 3% additional discount 8-14 machines receive 4% additional discount 15-30 machines receive 5% additional discount	*
62	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	Wirtgen America can certainly offer “Sourced Goods”. “Sourced Goods” are also referred to by Wirtgen America as non-contract items, allied items, referral attachments, dealer provided goods/services... We define non-contract as Wirtgen America non-factory items, such as Field Kits and Parts for dealer installation that appear in the price pages. Allied equipment is defined as other OEM equipment (ex. Betek teeth). Dealer provided goods/services are items such as; Attachments, Parts, Setup, Installs, Inspection, Preventative Maintenance services, Extended Warranty… Non-contract, allied, and dealer provided goods/services would be sold as sourced goods and the price of the item or service is quoted by the Wirtgen America dealer. Sourced goods will appear on the quote along with the contract item and would be listed as “Dealer provide…”	*
63	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.	Dealer provided goods and services: Customer requested non-factory goods/services will be quoted by dealer. Set-up and installation fees: Dealer applied charges that cover their costs for installing and ensuring the proper operation of sourced goods and field attachments. The set-up and installation fees are quoted by the dealer. Pre-Delivery Inspection (PDI): A PDI is performed on all new machine purchases to ensure proper fluid levels, check system pressures, verify accurate system operation, and cleaning of the unit prior to delivery. The cost of the PDI is quoted by the dealer and will vary by machine model and complexity. Taxes: Local taxes, if applicable, will be assessed.	*
64	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	All shipments in the continental U.S. (CONUS) region will be FOB Destination, Pre-Paid and Added. Factory to dealer freight will be quoted. Local delivery by dealer to customer location will also be quoted. Prospective buying agency must supply the full address for the end-user’s delivery location at time of quote request. Should buying agency choose not to use their nearest equipment dealer, the preferred dealer needs to be clearly stated on the Purchase Order accordingly. All equipment dealers have a defined coverage area and are not selectable by the customer. Wirtgen America will make every effort to deliver ordered items in as timely a fashion as possible. Actual delivery cannot be defined ahead of time as warehouse dates are assigned based on number of orders placed on the factory, logistics assignment, transit time to local dealer, installs/setup/inspection by local dealer and final delivery to end user. In most cases, goods are delivered within 90 days, but there may be exceptions from time to time.	*

65	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	As is the case for the continental U.S., factory to dealer freight as well as local delivery by dealer to end-user will be quoted and invoiced. Location specific constraints related to moves by; ocean, barge, inland… may affect final delivery time.	*
66	Describe any unique distribution and/or delivery methods or options offered in your proposal.	None noted that vary from what has previously been described. Should a request come in that requires further consideration, we will be happy to review for applicability.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
67	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	We are utilizing Sourcewell as our primary tool for municipal purchasing

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
68	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	For sales that are processed through our office, the quote and purchase order are reviewed by the contract administrator for accuracy. If the purchase order needs to be modified, the change request is submitted prior to commencing the factory ordering process. Monthly spot checks are performed by our accounting department to ensure the department is compliant with published pricing and contract discounts. Additionally, the accuracy of the contract sales reporting and administrative fee paying are also audited. For sales that are processed through the dealer network, the quote and purchase order are reviewed by the selling dealer. Dealers acquire the machines at a discount when selling through this contract. At this time pricing is verified against contract. On a quarterly basis, Wirtgen America receives a dealer settlement report from which the dealer sales are retrieved and added to the in-house sales noted above. Together, the full report is reviewed, approved and processed for sales reporting to Sourcewell and for payment of admin fees.	*
69	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	The quarterly sales report will be reviewed by our top management. We are keeping a list of requested quotes to review closure rate. We will follow up on all lost sales to see where we were deficient. We also want to plan a quarterly performance review with Sourcewell Account Managers.	*
70	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	We propose a 1% admin fee applicable only to the equipment's contract selling price (List price of equipment on contract reduced by the contract discount percentage). The incidental, non-factory items and dealer provided goods and services (all items not priced/discounted by contract), will be excluded from the calculation. This process has proven functional in the past to accurately report sales activity stemming from dealers across the nation and for paying admin fees in a timely fashion.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
71	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	WIRTGEN is the market leader in milling machines and recyclers for road construction, as well as the quality and technology leader in slipform pavers and surface miners. WIRTGEN cold milling machines efficiently strip and remove damaged paving. The possible applications range from excavation of complete road structures through partial repairs to milling out trenches.	

WIRTGEN cold recyclers remove the existing road paving by milling and mix binders such as foamed bitumen into the granulated paving. When stabilizing soil, the recyclers mix binders such as lime or cement into moist soils, to increase their load-bearing capacity.

WIRTGEN slipform pavers pave high-volume carriageways and other traffic areas as well as concrete monolithic profiles in one continuous process.
VÖGELE offers a complete range of pavers, paving screeds and feeders and is the world market leader and pacesetter in the industry.

VÖGELE pavers of the SUPER series boast practically-oriented machine dimensions, large paving withs, high compaction performances and an outstanding mobility. Altogether, this makes for a high economic efficiency and reliability.

HAMM is the roller specialist and the No. 1 in asphalt compaction. The compactor's job is to produce a high load-bearing capacity. Compactors from HAMM achieve this through maximum productivity and quality, combined with low consumption and comfortable operation. The large range includes machines from 5 to 25 t with smooth, padfoot and VC crusher drums.

The articulated tandem rollers of our HD COMPACTLINE SERIES are perfectly adapted to applications on smaller road construction and landscaping sites. These highly manoeuvrable machines permit economical compaction even on very cramped sites.
The articulated tandem rollers of our HD+ SERIES are perfectly designed for road construction and for the paving of large asphalt surfaces. The convince with high compaction quality and excellent visibility. The new operating concept Easy Drive stands for intuitive operation and an ergonomically optimized workplace.

Rubber-wheeled rollers of the HP SERIES are used to compact asphalt pavements. They convince due to their high compaction quality and the flexible ballast design. The comfortable operator platform, compact dimensions and sight channels in the asymmetric frame offer drivers improved comfort and visibility. *

Compactors of the H COMPACTLINE SERIES are allrounders for earthwork applications. Their convincing arguments are easy operations, powerful gradeability and compact dimensions.

Compactors of the H SERIES for earthwork applications are characterized by top perfomace, perfect visibility and powerful gradeability. The new operating concept Easy Drive stands for intuitive operation and an ergonomically optimized workplace. These compactors are equipped with the latest exhaust technology.

KLEEMANN The crushing plants in the MOBICAT series are used for pre-crushing of almost all natural stone and for recycling. The output of the MOBICAT crushing plants, however, is not determined by the jaw crusher alone, but rather the optimised interaction all components plays a decisive role. The focus is also increasingly on cost and environmental consciousness, availability of the plants, versatility and quality of the final product.

KLEEMANN The mobile MOBICONE cone crushers are used in medium-hard to hard and abrasive natural stone as well as for raw material preparation in mining applications. The cone crushers delivery top quality cubic final grain sizes in the 2nd and 3rd crushing stage. The MOBICONE plants are available in different sizes and for various applications. The cone crushers are particularly suitable for linking with primary crushers and screening plants.

KLEEMANN The mobile MOBIREX impact crushers are used in soft to medium-hard natural stone and in recycling. The performance of the plants is impressive – not just in terms of pure volume reduction. The focus today is on cost and environmental awareness, availability, versatility and, above all, the quality of the end-product to be achieved. The MOBIREX plants crush stone so efficiently that the grain shape, grain size distribution and cleanness comply with the strict standards for concrete and asphalt aggregates.

KLEEMANN The MOBISCREEN mobile screening plants are used for screening almost all natural stone and in recycling. The classifying and scalping screens are available with two or three decks, with hydraulic or diesel-electric drives. The areas of application of the MOBISCREEN plants are multifaceted. A large number of suitable screen surfaces are available for achieving the different final grain sizes and for different feed material.

72	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Small Milling machines Models: W35XRi, W50 Ri, W60 Ri, W100 Ri, W120Ri Compact Milling machines: Models: W100 Fi, W120 Fi, W120FTi, W130 Fi, W150 XFi Large Milling machines: Models: W200 Hi, W210Fi, W220Fi, W250Fi Cold Recyclers and Soil Stabilizers: Models: WR200 Xli, WR240i, WR250i Tractor towed Soil Stabilizers: Models: WS220, WS250 Slipform Pavers Models: SP15i, SP25i Binding Agent Spreader Models: SW 16TC, SW 20MC VÖGELE - SUPER Series Mini class Models: SUPER 700-3i Compact class Models: SUPER 1300-3i Universal class Models: SUPER 1700-3i, SUPER 1703-3i Highway class Models: SUPER 2000-3i, SUPER 2003-3i HAMM Articulated tandem rollers of the HD CompactLine Series Models: HD 8, HD 10C, HD 10, HD12, HD13, HD14 Articulated tandem rollers of the HD+ Series Models: HD+ 70i, HD+ 80i, HD+ 90i, HD+ 110i, HD+ 120i, HD+ 140i Articulated tandem rollers of the DV+ Series Models: DV+ 70i, DV+ 90i Rubber-wheeled rollers of the HP Series Models: HP 180i, HP 280i Compactors of the H CompactLine Series Models: H5i, H7i Compactors of the H Series Models: H10i, H12i, H13i, H16i, H18i, H20i, H25i Trench Roller Model: HTC15 KLEEMANN Mobile jaw crushers Models :MOBICAT MC 100i EVO, MOBICAT MC 110i EVO2, MOBICAT MC 120i PRO Mobile cone crushers Models: MOBICONE MCO 110i PRO, MOBICONE MCO 90i EVO2, Mobile impact crushers: Models: MOBIREX MR 110i EVO2, MOBIREX MR 122 Zi, MOBIREX MR 130i EVO2 Mobile screening plants Models: MOBISCREEN MSS 802i EVO, MOBISCREEN MS 13 Z MOBISCREEN MS 15 Z, MOBISCREEN MS 702i EVO, MOBISCREEN MS 703i EVO, MOBISCREEN MS 952i EVO, MOBISCREEN MS 953i EVO, MOBISCREEN MS 21 Z ,	*

Table 14B: Depth and Breadth of Offered Equipment Products and Services

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

Line Item	Category or Type	Offered *	Comments
73	Asphalt pavers, screeds, distributors, and loaders	(•) Yes ( ) No	
74	Steel-wheeled and pneumatic tire rollers	(•) Yes ( ) No	
75	Wideners, tack distributors, cold planers, and compactors	(•) Yes ( ) No	
76	Concrete mixers, and gunite or shotcrete delivery equipment	( ) Yes (•) No	
77	Other	(•) Yes ( ) No	Milling machines, Cold Recyclers and Soil Stabilizers, Slipform Pavers, Binding Agent Spreaders

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

Line Item 78. **NOTICE**: To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification

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 - 2022-2023 Price File for U.S_Wirtgen America.zip - Wednesday June 01, 2022 15:36:09
- Financial Strength and Stability - 2021 Annual Report - Table 2 - Question 12.zip - Wednesday June 01, 2022 12:16:20
- Marketing Plan/Samples (optional)
- WMBE/MBE/SBE or Related Certificates - Certificate ISO 14001 - Table 8 - Question 43.zip - Wednesday June 01, 2022 12:16:38
- Warranty Information - Warranty Handbooks- Table9A - Question 46,47,50.zip - Wednesday June 01, 2022 12:16:54
- Standard Transaction Document Samples - Standard Transaction Documents - Table 10 - Question 57.zip - Wednesday June 01, 2022 12:17:16
- Upload Additional Document (optional)

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

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

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.

3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.

5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.

6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.

7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.

8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

11. Proposer its employees, agents, and subcontractors are not:
    1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;

    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or

    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

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

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Melanie Braband, Contract Administrator, Wirtgen America, Incorporated

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

○ **Yes** ◉ **No**

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

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

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_4_Roadway_Paving_Eqpt_RFP_060122 Tue May 24 2022 04:31 PM	☑	1
Addendum_3_Roadway_Paving_Eqpt_RFP_060122 Thu May 19 2022 09:01 AM	☑	1
Addendum_2_Roadway_Paving_Eqpt_RFP_060122 Fri April 29 2022 04:09 PM	☑	1
Addendum_1_Roadway_Paving_Eqpt_RFP_060122 Fri April 15 2022 03:54 PM	☑	1

AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute Agreements with Various Agencies and Organizations for Services in Fiscal Year 2025-2026 Benefiting the General Welfare of Kingsport Residents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-200-2025	Final Adoption:	July 09, 2025
Work Session:	July 08, 2025	Staff Work By:	Noel McCurry
First Reading:	n/a	Presentation By:	Chris McCartt

Strategic Focus Area: Strong & Vibrant Neighborhoods

Recommendation:
Approve the Resolution

Executive Summary:
The City of Kingsport desires to enter into agreements with various agencies and organizations for services in the fiscal year 2025-2026 benefiting the general welfare of Kingsport residents. The agencies and organizations are listed below:

- Branch House
- Boys and Girls Club of Greater Kingsport Inc.
- Children's Advocacy Center of Sullivan County
- Downtown Kingsport Association
- First Tennessee Development District
- First Tennessee Human Resource Agency
- Kingsport Chamber Foundation for the Healthy Kingsport Program
- Holston Business Development Center
- Kingsport Ballet
- Kingsport Chamber Foundation for the Keep Kingsport Beautiful Program
- Kingsport Chamber Foundation for the Small Business Development and Entrepreneurship Program (KOSBE)
- Kingsport Chamber Foundation for the Move to Kingsport Program
- Petworks
- Symphony of the Mountains
- Kingsport Theatre Guild

Attachments:
1. Resolution
2. Agreements

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AGREEMENTS WITH VARIOUS AGENCIES AND ORGANIZATIONS FOR SERVICES IN FISCAL YEAR 2025-2026 BENEFITING THE GENERAL WELFARE OF KINGSPORT RESIDENTS

WHEREAS, the City of Kingsport desires to enter into agreements for services in fiscal year 2025-2026, benefiting the general welfare of city residents, with the Children's Advocacy Center of Sullivan County; Downtown Kingsport Association; First Tennessee Development District; First Tennessee Human Resource Agency; Holston Business Development Center; Kingsport Chamber Foundation for the Keep Kingsport Beautiful Program, Move to Kingsport Program and Small Business Development and Entrepreneurship Program, and the Healthy Kingsport Program; Kingsport Ballet; Kingsport Theatre Guild; Petworks; Symphony of the Mountains; Boys and Girls Club of Greater Kingsport Inc., and the Branch House.

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized 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, agreements for services in fiscal year 2025-2026, benefiting the general welfare of City of Kingsport residents, with the Children's Advocacy Center of Sullivan County; Downtown Kingsport Association; First Tennessee Development District; First Tennessee Human Resource Agency; Holston Business Development Center; Kingsport Chamber Foundation for the Keep Kingsport Beautiful Program, Move to Kingsport Program and Small Business Development and Entrepreneurship Program, and the Healthy Kingsport Program; Kingsport Ballet; Kingsport Theatre Guild; Petworks; Symphony of the Mountains; Boys and Girls Club of Greater Kingsport Inc.; and the Branch House,

SECTION II. That authorization to enter into these agreements is subject to appropriation of the funds for the agreements in the 2025-2026 budget.

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

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

ADOPTED this the 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

_____

ATTEST:

_____

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III, CITY ATTORNEY

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

BRANCH HOUSE FAMILY JUSTICE CENTER
"BRANCH HOUSE"

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereinafter called "CITY", and the Branch House Family Justice Center, hereinafter called "BRANCH HOUSE".

W I T N E S S E T H:

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

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

WHEREAS, BRANCH HOUSE will receive financial assistance from the CITY; and

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

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

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

2. **DESCRIPTION OF THE PROJECT.**

BRANCH HOUSE agrees to coordinate free services for survivors and provides assistance for meeting immediate and long-term needs, including medical and legal assistance. On-site services include representatives from local agencies that have been specially trained to provide assistance to people who have experienced domestic or sexual violence.

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to

be paid by CITY to BRANCH HOUSE under this Agreement will not exceed TWENTY FIVE THOUSAND DOLLARS and NO/100 ($25,000).

4. **REQUEST FOR REIMBURSEMENT.** BRANCH HOUSE will bill CITY for payment of funds after July 1, 2025, using forms and procedures specified by CITY.

5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

6. **AUDITS.** BRANC HOUSE prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. BRANCH HOUSE will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of BRANCH HOUSE with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

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

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. ASSIGNMENT AND SUBLETTING. BRANCH HOUSE will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.

10. TERMINATION. This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, BRANCH HOUSE will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed TWENTY FIVE THOUSAND DOLLARS and NO/100 ($25,000).

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

12. ASSURANCES. BRANCH HOUSE hereby assures CITY that BRANCH HOUSE is legally entitled to funds from CITY.

13. OPERATING INFORMATION. BRANCH HOUSE will provide any relevant information requested by CITY concerning BRANCH HOUSE's program, including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

14. PROJECT TERM. CITY and BRANCH HOUSE have previously agreed that the project term for this contract is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to BRANCH HOUSE can be used to reimburse BRANCH HOUSE for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

15. REPORTING. BRANCH HOUSE will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to BRANCH HOUSE assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

16. INDEPENDENT CONTRACTOR. BRANCH HOUSE'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. BRANCH HOUSE is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY**.** Neither BRANCH HOUSE nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and

CITY will at no time be legally responsible for any negligence or other wrong doing by BRANCH HOUSE, or it employees or agents.

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

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

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

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

BRANCH HOUSE

_____

DEB RICHMOND
Executive Director

CITY OF KINGSPORT

_____

PAUL W. MONTGOMERY
Mayor

ATTEST:

City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

BOYS AND GIRLS CLUB OF GREATER KINGSPORT INC.

THIS AGREEMENT made and entered into as of this ____ day of July, 2025, by and between the City of Kingsport, hereafter called "CITY" and the Boys and Girls Club of Greater Kingsport Inc. , hereafter called "B&GC ".

WITNESSETH:

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

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

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

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

1. **PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to provide the means for the operation of competitive recreational youth basketball teams for the CITY and state the terms and conditions upon which financial assistance will be provided by CITY, to state the terms and conditions upon which financial assistance will be provided by CITY, the manner in which the services will be carried out by B&GC , and responsibilities of each party.

2. **DESCRIPTION OF THE OPERATION.** B&GC agrees as follows to undertake the following action items and responsibilities:

A. Operate boys competitive youth basketball teams for the CITY in the fall season.

B. Operate girls competitive youth basketball teams for the CITY in the fall season.

C. Open try-outs will be conducted in a manner that allows opportunity for all desirous and age eligible CITY residents or Kingsport City School (KCS) students to try out for the team.

a. Residents and KCS students shall be given priority for a position on the team(s) over non-residents and non-students.

b. B&GC will work with CITY to schedule tryouts and post results prior to evaluations for the CITY's league.

c. B&GC shall create and share advertising materials with the CITY at least two weeks prior to tryouts, which will then be advertised by the CITY.

D. B&GC will certify that background checks have been conducted on all coaches in a leadership role and have direct contact with Children. B&GC agrees that no coach shall come in direct contact with Children if the background check indicates that he or she has ever been convicted of any of the offenses listed in Tenn. Code Ann. § 49-5-413 including the following offenses, or the same or similar offense in any jurisdiction, including convictions for the solicitation of, attempt to commit, conspiracy, or acting as an accessory to:

a. a sexual offense or a violent sexual offense as defined in Tenn. Code Ann. § 40-39-202;

b. any offense in Title 39, Chapter 13 (offenses against persons);

c. Tenn. Code Ann. § 39-14-301 AND § 39-14-203 (arson, aggravated arson);

d. Tenn. Code Ann. § 39-14-401 through § 39-14-404 (definitions for burglary and related offenses; burglary; aggravated burglary; especially aggravated burglary);

e. Tenn. Code Ann. § 39-15-401 through § 39-15-402 (child abuse and child neglect or endangerment; Haley's Law – aggravated child abuse and aggravated child neglect or endangerment);

f. Tenn. Code Ann. § 39-17-417 (controlled substances offenses);

g. Tenn. Code Ann. § 39-17-1320 (providing handgun to juveniles); or

h. any other offenses in Title 39, Chapter 17, Part 13 (weapons).

i. B&GC shall certify to CITY in writing that all coaches coming into direct contact with children have successfully completed the required background and that such individual has none of the convictions listed above, are not registered sex offenders and have no other disqualifications.

E. B&GC shall provide reasonable participation fees. Fees will be presented to the CITY on an annual basis prior to advertisement for

tryouts. If the CITY and B&GC cannot agree on reasonable participation fees financial support may be withheld by the CITY.

a. B&GC will provide a process that allows for participation by indigent individuals.

F. Comply with Tenn. Code Ann. § 68-55-501 et seq. regarding concussions which shall include but not necessarily be limited to:

a. Inform and educate coaches, youth athletes and their parents and require them to sign a concussion information form before competing.

b. Require removal of a youth athlete who appears to have suffered a concussion from play or practice at the time of the suspected concussion.

c. Require a youth athlete to be cleared by a licensed health care professional before returning to play or practice.

d. Comply with state law on Cardiac arrest training. Adopt guidelines and other pertinent information and forms as approved by the department of health to inform and educate coaches, school administrators, young athletes, and their parents or guardians of the nature, risk, and symptoms of sudden cardiac arrest including the risks associated with continuing to play or practice when experiencing any of the following symptoms. Tenn. Code Ann. §68-55-501 et seq. has 6 symptoms to watch for:

i. fainting or seizures;

ii. unexplained shortness of breath;

iii. chest pains;

iv. dizziness;

v. racing heart; and

vi. extreme fatigue

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to B&GC under this Agreement will not exceed TEN THOUSAND DOLLARS ($10,000.00). FIVE THOUSAND DOLLARS ($5,000) is payable for operation of boys teams and FIVE THOUSAND DOLLARS ($5,000) is payable for operations of girls teams. B&GC may invoice the CITY after team rosters are finalized and presented to the CITY.

4. **ANNUAL REPORTS.** B&GC will submit a report to the CITY showing:

   i. The actual net operating costs incurred by operating the teams on an annual basis.

   ii. Number of teams, players by sex and age group, along with % of total players that are CITY residents or KCS students.

   iii. The reports are due on January 1, 2026 and delivered in person or electronically to the City Manager's office.

5. **REIMBURSEMENT BY CITY.** CITY will review the annual reports, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allow ability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

6. **AUDITS.** B&GC prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

   (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization.
   (B) A description of the program that serves the residents of the municipality; and
   (C) The proposed use of municipal assistance.
   (D) A listing of revenue sources detailing what percentage of the total operating budget they cover

   The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. B&GC will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the operation of the teams, and to audit the books, records, and accounts of B&GC with regard to the same. Such records will be retained for this purpose for a period of not less than three years.

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

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. **ASSIGNMENT AND SUBLETTING.** B&GC will not assign any rights to funds without prior written authorization from CITY.

10. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of termination, B&GC will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed $10,000.00.

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

12. **ASSURANCES.** B&GC hereby assures CITY that B&GC is legally entitled to funds from CITY.

13. **OPERATING INFORMATION.** B&GC will provide any relevant information requested by CITY concerning B&GC 'S Teams including but not limited to contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

14. **TERM.** Funds allocated by CITY to B&GC can be used to reimburse B&GC for eligible expenses beginning on July 1, 2025. In no event will CITY participate in expenses incurred after June 30, 2026.

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

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

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

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

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

BOYS AND GIRLS CLUB OF GREATER KINGSPORT INC.

Secretary

ATTEST:

Jessica Poore
Executive Director

CITY OF KINGSPORT

PAUL W. MONTGOMERY
Mayor

ATTEST:

City Recorder

APPROVED AS TO FORM;

RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

CHILDREN'S ADVOCACY CENTER OF SULLIVAN COUNTY

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereinafter called "CITY", and the Children's Advocacy Center of Sullivan County, Inc., hereinafter called "CHILDREN'S CENTER".

W I T N E S S E T H:

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

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

WHEREAS, CHILDREN'S CENTER has requested financial assistance pursuant to said state law which CITY has approved; and

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

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

1. **PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to help provide a children's advocacy center for abused children in the Sullivan County area and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by CHILDREN'S CENTER.

2. **DESCRIPTION OF THE PROJECT.**

CHILDREN'S CENTER agrees as follows:

A. Education and Training Coordination

- The Child Advocacy Center provides educational and prevention programs as well as in-depth training programs for professionals about child abuse

B. Medical Examination Program

- The Child Advocacy Center provides medical exams for children, which assist in the collection of physical evidence, as well as attends to the child's physical needs.

C. Child Protective Investigative Team

- Sullivan County professionals from DCS, law enforcement, the district attorney's office, mental health, and juvenile court work to provide services to children and families in a unified effort.

D. Court Group

- The Child Advocacy Center provides several means of support to any child and family who have to appear in court.

E. Mother Advocate Program

- The Mother Advocate Program is designed to support the non-offending parents in cases of alleged sexual abuse in such a manner that they can act responsibly to protect and support the alleged child victim.

F. Transportation

- The Children's Advocacy Center staff and volunteers provide van transportation to clients and their families when needed.

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to CHILDREN'S CENTER under this Agreement will not exceed FIVE THOUSAND FOUR HUNDRED DOLLARS ($5,400).

4. **REQUEST FOR REIMBURSEMENT.** CHILDREN'S CENTER will bill CITY for the actual net operating costs incurred on a quarterly basis using forms and procedures specified by CITY.

5. **REIMBURSEMENT BY CITY.** CITY will honor all requests for reimbursement up to amount as stated in paragraph 3 provided that CHILDREN'S CENTER is complying with its obligations provided herein. However, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

6. **AUDITS.** CHILDREN'S CENTER prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. CHILDREN'S CENTER will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of CHILDREN'S CENTER with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

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

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. **ASSIGNMENT AND SUBLETTING.** CHILDREN'S CENTER will not assign any rights to funds without prior written authorization from CITY.

10. **TERMINATION.** This Agreement may be terminated by either party by giving written

notice to the other at least 30 days before the effective date of such termination. In the event of such termination, CHILDREN'S CENTER will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed FIVE THOUSAND FOUR HUNDRED DOLLARS ($5,400).

11. CHANGED CONDITIONS AFFECTING PERFORMANCE. CHILDREN'S CENTER will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.

12. ASSURANCES. CHILDREN'S CENTER hereby assures CITY that CHILDREN'S CENTER is legally entitled to funds from CITY.

13. OPERATING INFORMATION. CHILDREN'S CENTER will provide any relevant information requested by CITY concerning CHILDREN'S CENTER's program including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

14. PROJECT TERM. CITY and CHILDREN'S CENTER have previously agreed that the project term for this contract is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to CHILDREN'S CENTER can be used to reimburse CHILDREN'S CENTER for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

15. REPORTING. CHILDREN'S CENTER will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to CHILDREN'S CENTER assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

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

17. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS. CHILDREN'S CENTER will indemnify, defend, and hold harmless CITY, including

without limitation, its officers, agents, employees and volunteers from and against:

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

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

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

CHILDREN'S ADVOCACY CENTER OF SULLIVAN COUNTY, INC.

_____
Executive Director

CITY OF KINGSPORT

_____
PAUL W. MONTGOMERY
Mayor

ATTEST:

_____
City Recorder

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

DOWNTOWN KINGSPORT ASSOCIATION
"CENTRAL BUSINESS DISTRICT PROJECT"

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereafter called "CITY" and the Downtown Kingsport Association, hereafter called "ASSOCIATION".

WITNESSETH:

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

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

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

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

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

1. PURPOSE OF THE AGREEMENT. The purpose of this Agreement is to provide services in the central business district and to state the terms and conditions upon which financial assistance will be provided by CITY, the manner in which the project will be carried out by ASSOCIATION, and responsibilities of each party.

2. DESCRIPTION OF THE PROJECT. ASSOCIATION agrees as follows to undertake the following action items and responsibilities:

A. Implement the City's policy and objectives for and in downtown Kingsport.

B. Maintain Main Street certification and implement the Main Street action program.

C. Undertake a marketing program for downtown Kingsport, which should include:

1. Providing a printed and digital guide to downtown;

2. Creating and maintaining an up to date website promoting downtown; and

3. Partnering with other entities (including CITY Public Information Staff) tasked with promoting Kingsport to provide an all-encompassing marketing approach. Meetings to discuss marketing plans and strategies shall occur no less than 6 times a year.

D. Become the point of education for downtown stakeholders by conducting workshops for business and property owners. Utilize City of Kingsport staff members and other community members as presenters for knowledge based workshops as it relates to downtown.

E. Work in partnership with other entities of the Chamber of Commerce and City Economic Development Director to promote vacant and leasable first floor storefronts within the central business district.

F. Facilitate the installation of seasonal décor around downtown including but not limited to hanging flower baskets in the spring/summer months and the Christmas Decorations in the winter months.

1. Hanging flower basket decisions shall be coordinated with the City Landscape Specialist.

2. Church Circle Tree decoration shall be the responsibility of the ASSOCIATION. The ASSOCIATION shall coordinate the installation of holiday lights with the City allowing for an appropriate amount of time to be agreed upon.

G. Produce events that promote downtown, including by way of example:

1. Downtown Wine and Whiskey Festival
2. Farm to Table Events
3. Downtown Holiday Loft Tours
4. First Thursdays
5. Merchant Open House Events
6. Christmas Tree Lighting & Parade
7. Small Business Saturday
8. July 4th Celebration

H. Work in conjunction with other organizations hosting events in the downtown core to assist in promotion when applicable.

I. Facilitate projects that directly relate to the Downtown Master Plan, when appropriate

J. Facilitate any maintenance needed with the Church Circle Improvements.

K. Maintain an active Design Committee that takes the initiative in looking for ways to improve aesthetics in the Downtown.

L. Such other responsibilities as the board of mayor and aldermen may request and the DKA accept.

3. MAXIMUM PAYMENT. It is expressly understood and agreed that the total amount to be paid by CITY to ASSOCIATION under this Agreement will not exceed NINETY THOUSAND DOLLARS ($90,000). FORTY-FIVE THOUSAND DOLLARS ($45,000) will be paid to the ASSOCIATION upon the proper execution of this Agreement by all parties. FORTY-FIVE THOUSAND DOLLARS ($45,000) will be paid to the ASSOCIATION on January 1, 2026.

4. REQUEST FOR REIMBURSEMENT. ASSOCIATION will submit a report to the CITY showing the actual net operating costs incurred on a biannual basis using forms and procedures specified by CITY. The reports are due upon the proper execution of this Agreement by all parties and on January 1, 2026.

5. REIMBURSEMENT BY CITY. CITY will review the semiannual reports, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allow ability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

6. AUDITS. ASSOCIATION prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. ASSOCIATION will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of ASSOCIATION with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

7. ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS. ASSOCIATION will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no

less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. ASSOCIATION further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.

8. CHANGES. Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. ASSIGNMENT AND SUBLETTING. ASSOCIATION will not assign any rights to funds without prior written authorization from CITY.

10. TERMINATION. This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of termination, ASSOCIATION will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed $90,000.00.

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

12. ASSURANCES. ASSOCIATION hereby assures CITY that ASSOCIATION is legally entitled to funds from CITY.

13. OPERATING INFORMATION. ASSOCIATION will provide any relevant information requested by CITY concerning ASSOCIATION'S Central Business District Program including, but not limited to contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees. ASSOCIATION will hold regularly scheduled meetings with the ASSOCIATION Board, as stated in ASSOCIATION By-Laws, to provide updates on events, financials and other information as deemed necessary.

14. PROJECT TERM. CITY and ASSOCIATION have previously agreed that the project term for this Agreement is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to ASSOCIATION can be used to reimburse ASSOCIATION for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

15. REPORTING. ASSOCIATION will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to ASSOCIATION assist in carrying out the purpose of the project as described under the terms of this Agreement. The ASSOCIATION will give a formal presentation to the Board of Mayor and Aldermen.

16. INDEPENDENT CONTRACTOR. ASSOCIATION'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. ASSOCIATION is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY**.** Neither ASSOCIATION

nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by ASSOCIATION, or it employees or agents.

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

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

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

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

DOWNTOWN KINGSPORT ASSOCIATION

FRANK LETT
Secretary

ATTEST:

Robin Cleary
Executive Director

CITY OF KINGSPORT

PAUL W. MONTGOMERY
Mayor

ATTEST:

City Recorder

APPROVED AS TO FORM;

RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

FIRST TENNESSEE DEVELOPMENT DISTRICT

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereinafter called "CITY", and the First Tennessee Development District, hereinafter called "FTDD".

W I T N E S S E T H:

WHEREAS, FTDD is a political subdivision of the State of Tennessee and is eligible to receive funds for this purpose; and

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

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

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

1. PURPOSE OF THE AGREEMENT. The purpose of this Agreement is to provide an advocate for issues of regional concern for area wide planning and intergovernmental relations and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by FTDD.

2. DESCRIPTION OF THE PROJECT.
FTDD agrees as follows:

A. To be a liaison for local governments and state and federal governments.

B. To provide data collections services, regional plan preparations, project implementation activities, grants management and preparation, coordination functions

and technical assistance.

C. To provide the residents of Kingsport with a means to cooperate in comprehensive regional programs to prevent future environmental degradation and to resolve existing waste disposal problems.

3. MAXIMUM PAYMENT. It is expressly understood and agreed that the total amount to be paid by CITY to FTDD under this Agreement will not exceed SIX THOUSAND THREE HUNDRED SEVENTY FOUR DOLLARS ($6,374.00).

4. REQUEST FOR REIMBURSEMENT. FTDD will bill CITY for the actual net operating costs incurred on an annual basis using forms and procedures specified by CITY.

5. REIMBURSEMENT BY CITY. CITY will honor all requests for reimbursement up to amount as stated in paragraph 3 provided that FTDD is complying with its obligations provided herein. However, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

6. AUDITS. FTDD prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. FTDD will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of FTDD with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

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

government.

8. CHANGES. Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. ASSIGNMENT AND SUBLETTING. FTDD will not assign any rights to funds without prior written authorization from CITY.

10. TERMINATION. This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, FTDD will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed SIX THOUSAND THREE HUNDRED SEVENTY FOUR DOLLARS ($6,374.00).

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

12. ASSURANCES. FTDD hereby assures CITY that FTDD is legally entitled to funds from CITY.

13. OPERATING INFORMATION. FTDD will provide any relevant information requested by CITY concerning FTDD's program including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

14. PROJECT TERM. CITY and FTDD have previously agreed that the project term for this contract is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to FTDD can be used to reimburse FTDD for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

15. REPORTING. FTDD will submit to the Board of Mayor and Aldermen its quarterly status report setting out how funds allocated by CITY to FTDD assist in carrying out the purpose of the project as described under the terms of this Agreement.

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

17. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.

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

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

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

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

FIRST TENNESSEE DEVELOPMENT DISTRICT

_____
Executive Director

CITY OF KINGSPORT

_____
PAUL W. MONTGOMERY
Mayor

ATTEST:

_____
City Recorder

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

THE FIRST TENNESSEE HUMAN RESOURCE AGENCY

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereinafter called "CITY", and the First Tennessee Human Resource Agency, hereinafter called "FIRST TENNESSEE".

W I T N E S S E T H:

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

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

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

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

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

1. PURPOSE OF THE AGREEMENT. The purpose of this Agreement is to help provide an additional staff person to help protect individuals who are abused or neglected in the Kingsport area and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by FIRST TENNESSEE.

2. DESCRIPTION OF THE PROJECT.

FIRST TENNESSEE agrees as follows:

A. To provide basic homemaker service to include:

- Provide instructional training in light housekeeping, laundry, cooking, personal care, and grocery shopping.

- Provide educational assistance with banking, budgeting, and bill payments.

- Provide medication pick-up and monitoring as well as assistance with medical appointments and transportation to those appointments.

- Provide coordination with area agencies and local charities and assistance with utilization of other public services.

B. Provide self-sufficiency and prevent institutional placement by providing in-home care for individuals in threat of harm due to abuse or neglect.

3. MAXIMUM PAYMENT. It is expressly understood and agreed that the total amount to be paid by CITY to FIRST TENNESSEE under this Agreement will not exceed NINE THOUSAND TWO HUNDRED AND TWELVE DOLLARS ($9,212.00).

4. REQUEST FOR REIMBURSEMENT. FIRST TENNESSEE will bill CITY for the actual net operating costs incurred on a quarterly basis using forms and procedures specified by CITY.

5. REIMBURSEMENT BY CITY. CITY will honor all requests for reimbursement up to amount as stated in paragraph 3 provided that FIRST TENNESSEE is complying with its obligations provided herein. However, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

6. AUDITS. FIRST TENNESSEE prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
(B) A description of the program that serves the residents of the municipality; and
(C) The proposed use of the municipal assistance.
(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. FIRST TENNESSEE will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of FIRST TENNESSEE with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

7. ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS. FIRST TENNESSEE will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. FIRST TENNESSEE

further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State government.

8. CHANGES. Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. ASSIGNMENT AND SUBLETTING. FIRST TENNESSEE will not assign any rights to funds without prior written authorization from CITY.

10. TERMINATION. This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, FIRST TENNESSEE will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed NINE THOUSAND TWO HUNDRED AND TWELVE DOLLARS ($9,212.00).

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

12. ASSURANCES. FIRST TENNESSEE hereby assures CITY that FIRST TENNESSEE is legally entitled to funds from CITY.

13. OPERATING INFORMATION. FIRST TENNESSEE will provide any relevant information requested by CITY concerning FIRST TENNESSEE Family Support Services including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

14. PROJECT TERM. CITY and FIRST TENNESSEE have previously agreed that the project term for this contract is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to FIRST TENNESSEE can be used to reimburse FIRST TENNESSEE for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

15. REPORTING. FIRST TENNESSEE will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to FIRST TENNESSEE assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

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

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

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

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

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

FIRST TENNESSEE HUMAN RESOURCE AGENCY

_____

Executive Director

CITY OF KINGSPORT

_____

PAUL W. MONTGOMERY
Mayor

ATTEST:

_____

City Recorder

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

THE KINGSPORT CHAMBER FOUNDATION
"HEALTHY KINGSPORT PROGRAM"

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereafter called "CITY" and, the Kingsport Chamber Foundation hereafter called "FOUNDATION".

WITNESSETH:

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

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

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

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

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

1. PURPOSE OF THE AGREEMENT. The purpose of the Agreement is to assist FOUNDATION in continuing a Healthy Kingsport Program and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by FOUNDATION.

2. DESCRIPTION OF THE PROJECT.

FOUNDATION will work to develop and promote programs designed to promote positive health outcomes and provide information to improve the health for the citizens of Kingsport. FOUNDATION agrees as follows to undertake the following action items and responsibilities:

A. Work in coordination with the City Leisure Service Departments to promote recreational activities.

B. Create programming that focuses on healthy initiatives that can be done year round.

C. Produce events located in different areas throughout the entire City Limits that reflect FOUNDATION initiatives.

D. Work with the Kingsport City School system to create programming centered on a healthy lifestyle including but not limited to smoking prevention, substance abuse, underage drinking, nutrition, and exercise.

E. Maintain a website with up to date information on topics to general health and wellbeing as well as event and partner opportunities.

F. Coordinate Marketing/Promotions with CITY public information staff.

3. MAXIMUM PAYMENT. It is expressly understood and agreed that the total amount to be paid by CITY to FOUNDATION under this Agreement will not exceed FIFTY THOUSAND DOLLARS ($50,000).

4. REQUEST FOR REIMBURSEMENT. FOUNDATION will bill CITY for payment of funds after July 1, 2025, using forms and procedures specified by CITY.

5. REIMBURSEMENT BY CITY. CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

6. AUDITS. FOUNDATION prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
(B) A description of the program that serves the residents of the municipality; and
(C) The proposed use of the municipal assistance.
(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. FOUNDATION will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of FOUNDATION with

regard to the project. Such records will be retained for this purpose for a period of not less than three years.

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

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. **ASSIGNMENT AND SUBLETTING.** FOUNDATION will not assign any rights to funds without prior written authorization from CITY.

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

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

12. **ASSURANCES.** FOUNDATION hereby assures CITY that FOUNDATION is legally entitled to funds from CITY.

13. **OPERATING INFORMATION.** FOUNDATION will provide any relevant information requested by CITY concerning FOUNDATION'S Keep Kingsport Beautiful Program including, but not limited to contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

14. **PROJECT TERM.** CITY and FOUNDATION have previously agreed that the project term for this contract is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to FOUNDATION can be used to reimburse FOUNDATION for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

15. **REPORTING.** FOUNDATION will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to FOUNDATION assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

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

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

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

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

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

KINGSPORT CHAMBER FOUNDATION

_____
MILES BURDINE
Secretary

ATTEST:

By: _____

Director, Healthy Kingsport

CITY OF KINGSPORT

_____
PAUL W. MONTGOMERY
Mayor

ATTEST:

_____
City Recorder

APPROVED AS TO FORM;

_____
RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE,

AND

HOLSTON BUSINESS GROUP
SMALL BUSINESS INCUBATOR PROGRAM

THIS AGREEMENT made and entered into as of the 1st day of July, 2025, by the City of Kingsport, hereinafter called "CITY", and HOLSTON BUSINESS GROUP, hereinafter called "HOLSTON".

W I T N E S S E T H:

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

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

WHEREAS, the parties desire to work together in the common effort of actively assist in the establishment of new small businesses in Kingsport; and

WHEREAS, CITY has decided to contract with and provide financial resources to an outside entity for creation and operation of a small business incubator, and CITY has requested that HOLSTON be that outside entity pursuant to said state law which CITY has approved; and

WHEREAS, HOLSTON is willing to create and operate the Small Business Incubator Program; and

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

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

I. TERM.

This Agreement will be for a term of twelve (12) months commencing July 1, 2025 through June 30, 2026, subject to other termination provisions in this Agreement. The funds allocated by CITY to HOLSTON can be used to reimburse HOLSTON for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026, without its written consent.

II. SCOPE OF WORK.

HOLSTON will promote, coordinate, develop and operate the Small Business Incubator Program to assist and develop small businesses.

III. MONITORING AND REPORTING REQUIREMENTS.

HOLSTON prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
(B) A description of the program that serves the residents of the municipality; and
(C) The proposed use of the municipal assistance.
(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. HOLSTON will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of HOLSTON with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

IV. COMPENSATION.

A. CITY will pay HOLSTON Thirty Three Eight Hundred and Forty Dollars and NO/100 ($33,840.00) dollars annually for services provided under this Agreement as described in Section II Scope of Work.

B. CITY will pay HOLSTON one quarter of CITY's annual budgeted amount at the beginning of each quarter of the CITY's fiscal year (July 1, 2025; October 1, 2025; January 1, 2026; and April 1, 2026).

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

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

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

V. ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.

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

VI. CHANGED CONDITIONS AFFECTING PERFORMANCE.

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

VII. STAFFING.

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

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

VIII. TERMINATION OF AGREEMENT FOR CAUSE.

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

IX. EXTENSION OF AGREEMENT.

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

X. OPERATING INFORMATION.

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

XI. ASSURANCES.

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

XII. REPORTING.

HOLSTON will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to HOLSTON assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

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

HOLSTON BUSINESS GROUP

_____
Executive Director

ATTEST:

By: _____

CITY OF KINGSPORT, TENNESSEE

ATTEST:

_____
City Recorder

_____
PAUL W. MONTGOMERY
Mayor

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

THE KINGSPORT BALLET
"DANCE CO."

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereinafter called "CITY", and the Kingsport Ballet, hereinafter called "KINGSPORT BALLET".

W I T N E S S E T H:

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

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

WHEREAS, KINGSPORT BALLET will receive financial assistance from the CITY; and

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

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

1. PURPOSE OF THE AGREEMENT. The purpose of this Agreement is to assist KINGSPORT BALLET with operational expenses and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by KINGSPORT BALLET.

2. DESCRIPTION OF THE PROJECT.

KINGSPORT BALLET agrees to provide free of charge classical ballet instruction to underserved children in the community through its Developing Artists and Nurturing Cultural Education through Community Outreach (DANCE CO.) program.

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to KINGSPORT BALLET under this Agreement will not exceed SEVEN THOUSAND TWO HUNDRED DOLLARS and NO/100 ($7,200).

4. **REQUEST FOR REIMBURSEMENT.** KINGSPORT BALLET will bill CITY for payment of funds after July 1, 2025, using forms and procedures specified by CITY.

5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

6. **AUDITS.** KINGSPORT BALLET prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. KINGSPORT BALLET will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of KINGSPORT BALLET with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

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

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed

by all parties hereto.

9. ASSIGNMENT AND SUBLETTING. KINGSPORT BALLET will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.

10. TERMINATION. This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, KINGSPORT BALLET will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed SEVEN THOUSAND TWO HUNDRED DOLLARS and NO/100 ($7,200).

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

12. ASSURANCES. KINGSPORT BALLET hereby assures CITY that KINGSPORT BALLET is legally entitled to funds from CITY.

13. OPERATING INFORMATION. KINGSPORT BALLET will provide any relevant information requested by CITY concerning KINGSPORT BALLET's program, including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

14. PROJECT TERM. CITY and KINGSPORT BALLET have previously agreed that the project term for this contract is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to KINGSPORT BALLET can be used to reimburse KINGSPORT BALLET for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

15. REPORTING. KINGSPORT BALLET will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to KINGSPORT BALLET assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

16. INDEPENDENT CONTRACTOR. KINGSPORT BALLET'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. KINGSPORT BALLET is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither KINGSPORT BALLET nor its

employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrong doing by KINGSPORT BALLET, or it employees or agents.

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

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

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

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

KINGSPORT BALLET

BERTINA S. DEW
Executive Director

CITY OF KINGSPORT

PAUL W. MONTGOMERY
Mayor

ATTEST:

City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

THE KINGSPORT CHAMBER FOUNDATION
"KEEP KINGSPORT BEAUTIFUL PROGRAM"

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereafter called "CITY" and, the Kingsport Chamber Foundation hereafter called "FOUNDATION".

WITNESSETH:

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

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

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

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

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

1. PURPOSE OF THE AGREEMENT. The purpose of the Agreement is to assist FOUNDATION in continuing a Keep Kingsport Beautiful Program and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by FOUNDATION.

2. DESCRIPTION OF THE PROJECT.

FOUNDATION agrees as follows:

To develop and carry out short term and long term projects relating specifically to involving the community of Kingsport in responsible solutions for a clean and beautiful environment including but not limited to:

- Litter prevention.

- Coordination of the Trashbuster program that provides community volunteer assistance for litter prevention for various community sponsored events.
- Maintaining a public/private partnership for the sponsorship of the Trashbuster program.
- Coordination of focused clean-ups of selected areas based upon need for removal of garbage, trash and other undesirable items.
- Involving the community with the annual Great American Cleanup.

- Beautification of the environs.
  - Coordinate the Tree Planting Fund program that is dedicated to the planting of various varieties of trees indigenous to the area in an effort to provide shade, attractive appearance and a shelter for wildlife.
  - Maintaining a public/private partnership for the sponsorship of the Tree Planting Fund program.

- Promotion of recycling.

- Promotion of environmental improvements.

- Increase public awareness through education and promotion.
  - Coordinating the annual Conservation Camp for 4th graders.
  - Maintaining the Environmental Reading program and other educational programs.

- Recognition of excellence in environmental and beautification improvements.
  - Coordinating, preparing and presenting such recognition at the appropriate regularly scheduled Board of Mayor and Aldermen meetings.
  - Maintaining a public/private partnership of such programs that provide recognition of excellence in improvements.

- Continually seek out new funding opportunities through local, state and federal grants and sponsorships.

- Coordinate with CITY Public Information staff on cross promotion of events and activities.

3. MAXIMUM PAYMENT. It is expressly understood and agreed that the total amount to be paid by CITY to FOUNDATION under this Agreement will not exceed FIFTY THOUSAND TWO HUNDRED FORTY DOLLARS and NO/100 ($52,240.00).

4. REQUEST FOR REIMBURSEMENT. CITY will pay the amount set out in Section 3 in two payments of TWENTY SIX THOUSAND ONE HUNDRED TWENTY DOLLARS and NO/100 ($26,120.00) each. FOUNDATION is to send to CITY reports of the actual net operating cost on a semi-annual basis.

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

6. **AUDITS.** FOUNDATION prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. FOUNDATION will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of FOUNDATION with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

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

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. **ASSIGNMENT AND SUBLETTING.** FOUNDATION will not assign any rights to funds without prior written authorization from CITY.

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

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

12. ASSURANCES. FOUNDATION hereby assures CITY that FOUNDATION is legally entitled to funds from CITY.

13. OPERATING INFORMATION. FOUNDATION will provide any relevant information requested by CITY concerning FOUNDATION'S Keep Kingsport Beautiful Program including, but not limited to contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

14. PROJECT TERM. CITY and FOUNDATION have previously agreed that the project term for this contract is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to FOUNDATION can be used to reimburse FOUNDATION for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

15. REPORTING. FOUNDATION will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to FOUNDATION assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

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

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

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

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

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

KINGSPORT CHAMBER FOUNDATION

_____
MILES BURDINE
Secretary

ATTEST:

By: _____
SHARON HAYES
Director, Keep Kingsport Beautiful

CITY OF KINGSPORT

_____
PAUL W. MONTGOMERY
Mayor

ATTEST:

_____
City Recorder

APPROVED AS TO FORM;

_____
RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

THE KINGSPORT CHAMBER FOUNDATION
"SMALL BUSINESS DEVELOPMENT
AND ENTREPRENEURSHIP PROGRAM

THIS AGREEMENT made and entered into as of the 1st day of July, 2025, by the City of Kingsport, hereinafter called "CITY", and the Kingsport Chamber Foundation, Inc., hereinafter called "FOUNDATION".

W I T N E S S E T H:

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

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

WHEREAS, the parties desire to work together in the common effort of actively assist in the establishment of new small businesses and the growth and development of existing small businesses in Kingsport; and

WHEREAS, CITY has decided to contract with and provide financial resources to an outside entity for small business development support and CITY has requested that FOUNDATION be that outside entity pursuant to said state law which CITY has approved; and

WHEREAS, the FOUNDATION is willing to create the Office of Small Business Development and Entrepreneurship; and

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

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

I. TERM.

The term for this Agreement is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to FOUNDATION can be used to reimburse FOUNDATION for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

II. SCOPE OF WORK.

A. The scope of work for this Agreement will be to assist in the establishment of new small businesses and the growth and development of existing small businesses in Kingsport through the creation of the Office of Small Business Development and Entrepreneurship. Notwithstanding anything in this agreement to the contrary, all funds provided by the CITY under this agreement will be used only to accomplish the purposes set forth in this Section II.

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

C. FOUNDATION will seek to accomplish the items listed below and positively affect the measures described in the Appendix. It is understood that unusual circumstances affecting the economy may impact the achievement of these items.

D. The parties may make changes as mutually agreed upon in the scope of the work of this Agreement. Such changes will be incorporated in written amendments to this Agreement.

E. Under separate agreement, FOUNDATION may manage the small business incubator program.

F. The parties agree to jointly establish the criteria, qualifications, and job description for the fulltime small business development professional contemplated to be hired by FOUNDATION pursuant to this Agreement. Accordingly the FOUNDATION agrees:

1. To employ an executive director of the Office of Small Business Development and Entrepreneurship and an Administrative Assistant meeting the criteria for and qualifications established, in conjunction with CITY and implementing the job description agreed to by the parties; and

2. To maintain the necessary support staff to provide logistical support and advice to the executive director of the Office of Small Business Development and Entrepreneurship; and

3. Coordinate with CITY Public Information staff on Marketing and Promotion of events related to FOUNDATION programming; and

4. To provide some or all of the following, as needed:

   - Establish an education course in entrepreneurship—"School of Entrepreneurship-Small Business University" . . .Celebrate both success and failure to encourage risk taking
   - Establish a pool of funds (loans, grants, venture capital)
   - Expand the Business Advisory Panel. Make it available to more businesses. (Make it mandatory for those who receive a loan, grant, venture capital)
   - Establish incentives program
   - Continue seminars & training opportunities
   - Live Here. Play Here. Shop Here. Dine Here. "Shop Here First Program"
   - Establish a database of goods and services available and / or needed locally—Business-to-Business
   - Create an environment that makes Kingsport the location of choice for healthcare providers
   - Link to Holston Business Development Center
   - Link to FOUNDATION networking opportunities
   - Link to local business parks and retail/commercial locations
   - Link to KHRA for redevelopment opportunities
   - Link to developers
   - Link to government agencies (especially city)
   - Link to KEDP
   - Solicit and address concerns/problems from existing businesses. Use a combination of BMA member, business leader, city staff and executive director of the Office of Small Business Development
   - Maintain a working knowledge of available state / federal programs that can assist small business
   - Link to grant writers as appropriate (Critical for technology-based businesses)
   - Link to Sullivan County Economic Development Partnership
   - Link to tourism (KCVB & NETTA)
   - Link to First Tennessee Development District
   - Link to Northeast Tennessee Tech Council
   - Recruit people to start businesses in Kingsport (Local, national & international)
   - Create positive attitude for doing business in Kingsport
   - Continue lobbying local, state & federal officials for the benefit of small business
   - Develop program for employee recruiters (Program will be similar to one developed for physicians)
   - Continue *Kingsport Times-News* Small Business Start-up Contest
   - Emphasize Ribbon Cuttings / Groundbreakings
   - Expand program that helps businesses recruit key employees

III. MONITORING AND REPORTING REQUIREMENTS.

FOUNDATION will provide CITY with quarterly written reports due on or before the third Monday of September, December, March and June. On the third Monday in September and the third Monday in March FOUNDATION will appear at the regularly scheduled work session of the Board of Mayor and Aldermen to review the reports and present an update. The report will detail the efforts taken by FOUNDATION toward accomplishment of the items listed in Section II, as well as a statement of other efforts and accomplishments within the scope of the Agreement not specifically included in Section II. Within the same report, FOUNDATION will assess the impact its efforts have had on small business growth and development, and will annually report on the measures in the Appendix of this Agreement.

IV. COMPENSATION.

A. CITY will pay FOUNDATION ONE HUNDREDD THOUSAND and NO/100 Dollars annually for services provided under this Agreement as described in Section II Scope of Work.

B. CITY will pay the FOUNDATION FIFTY THOUSAND DOLLARS and NO/100 ($50,000) on July 1, 2025 and FIFTY THOUSAND DOLLARS and NO/100 ($50,000) January 1, 2026, provided the agreement is not otherwise terminated.

C. FOUNDATION will be responsible for raising an additional amount of at least Twenty-Five Thousand and NO/100 to Fifty Thousand and NO/100 ($25,000- $50,000) from sources other than CITY to fund the balance of this program. FOUNDATION will send CITY reports of the actual net operating cost on a quarterly basis at the same time the reports required in Section III are issued. The reports will be provided in a format that is generally compatible with quarterly budget line item reports used by city departments. FOUNDATION will also provide some in kind contributions including work from members of the staff of FOUNDATION to assist the small business growth and development efforts from time to time and in meeting the performance initiatives contained this Agreement.

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

E. FOUNDATION prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
   (A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
   (B) A description of the program that serves the residents of the municipality; and
   (C) The proposed use of the municipal assistance.

(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. FOUNDATION will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of FOUNDATION with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

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

V. ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.

The FOUNDATION will not assign or subcontract any portion of this Agreement without the prior written approval of the CITY. FOUNDATION will not assign any rights to funds provided herein without the prior written authorization of the CITY.

VI. CHANGED CONDITIONS AFFECTING PERFORMANCE.

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

VII. STAFFING.

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

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

VIII. TERMINATION

This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, FOUNDATION will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed ONE HUNDRED THOUSAND and NO/100 Dollars ($100,000).

IX. EXTENSION OF AGREEMENT.

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

X. OPERATING INFORMATION.

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

XI. CITY-DESIGNATED REPRESENTATIVES.

The City Manager will serve as the CITY representative on the Board of FOUNDATION, and will be entitled to attend all meetings of FOUNDATION, and participate on all issues before the Board.

XII. ASSURANCES.

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

XIII. REPORTING.

FOUNDATION will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to FOUNDATION assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

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

XV. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.
FOUNDATION will indemnify, defend, and hold harmless CITY, including without

limitation, its officers, agents, employees and volunteers from and against:

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

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

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

KINGSPORT CHAMBER FOUNDATION

_____
MILES BURDINE
Secretary

ATTEST:

_____
AUNDREA SALYER
Executive Director, Kingsport Office of Small Business Development & Entrepreneurship

CITY OF KINGSPORT, TENNESSEE

ATTEST:

_____
City Recorder

_____
PAUL W. MONTGOMERY
Mayor

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

THE KINGSPORT CHAMBER FOUNDATION, INC.
"MOVE TO KINGSPORT PROGRAM"

THIS AGREEMENT made and entered into as of the 1st day of July, 2025, by the City of Kingsport, hereinafter called "CITY", and the Kingsport Chamber Foundation, Inc., hereinafter called "CHAMBER".

W I T N E S S E T H:

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

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

WHEREAS, the parties desire to work together in the common effort to enhance current efforts and to actively recruit residents of quality to Kingsport; and

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

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

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

I. TERM.

The term for this Agreement is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to CHAMBER can be used to reimburse CHAMBER for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

II. SCOPE OF WORK.

A. The scope of work for this Agreement will be to assist in the enhancement and formulation of the Chamber's program of processing relocation inquiries and relocation recruiting as a non-traditional form of economic development.

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

C. CHAMBER will seek to accomplish the items listed below and positively affect the measures described in the Appendix. It is understood that unusual circumstances affecting the economy may impact the achievement of these items.

D. The parties may make changes as mutually agreed upon in the scope of the work of this Agreement. Such changes will be incorporated in written amendments to this Agreement.

E. Accordingly the CHAMBER agrees:

1. Establish and continue on with a Program Council consisting of representatives of the City, Chamber, NETWORKS, Real Estate professionals and others. The responsibilities of this Council are as advisory and oversight. The Chair of said Council will serve as a Vice President on the Board of Directors of the Chamber; and

2. To maintain the necessary support staff to provide logistical support and advice to the Kingsport Residential Recruitment program; and

3. To provide some or all of the following, as needed:

   - Maintain a dedicated internet web site (movetokingsport.com) as the primary source to recruit people to move to Kingsport.
   - Establish and implement a marketing plan to promote said web site. Coordinate marketing efforts with CITY Public Information Department.
   - Enhance, expand and synergize existing materials used to respond to relocation inquiries, including a 4-color relocation guide to Kingsport, movetokingsport.com information, Kingsport map, real estate information, employment information and other community information.
   - Coordinate and assist with NETWORKS in their link to the state of Tennessee's Recruitment Co Op, American Association of Retirement Communities' membership and other related efforts.
   - Continue the employer assistance program in recruiting professionals to live and work in Kingsport.

III. MONITORING AND REPORTING REQUIREMENTS.

CHAMBER will provide CITY with quarterly written reports delivered to the Board of Mayor and Aldermen. The report will detail the efforts taken by CHAMBER toward accomplishment of the items listed in Section II, as well as a statement of other efforts and accomplishments within the scope of the Agreement not specifically included in Section II. Within the same report, CHAMBER will assess the impact its efforts have had on residential recruitment, and will annually report on the measures in the Appendix of this Agreement.

IV. COMPENSATION.

A. CITY will pay CHAMBER TWENTY FIVE THOUSAND and NO/100 DOLLARS ($25,000.00) for the term of this agreement for services provided as described in Section II Scope of Work.

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

C. CHAMBER prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
(B) A description of the program that serves the residents of the municipality; and
(C) The proposed use of the municipal assistance.
(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. §6-56-105. CHAMBER will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of CHAMBER with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

D. CHAMBER will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. CHAMBER further

agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State.

V. ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.

The CHAMBER will not assign or subcontract any portion of this Agreement without the prior written approval of the CITY. CHAMBER will not assign any rights to funds provided herein without the prior written authorization of the CITY.

VI. CHANGED CONDITIONS AFFECTING PERFORMANCE.

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

VII. STAFFING.

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

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

VIII. TERMINATION

This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, CHAMBER will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed TWENTY FIVE THOUSAND and NO/100 DOLLARS ($25,000.00)

IX. EXTENSION OF AGREEMENT.

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

X. OPERATING INFORMATION.

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

XI. CITY-DESIGNATED REPRESENTATIVES.

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

XII. ASSURANCES.

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

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

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

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

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

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

KINGSPORT CHAMBER FOUNDATION, INC.

MILES BURDINE
Secretary

ATTEST:

FRANK LETT
Executive Director, Visit Kingsport

CITY OF KINGSPORT, TENNESSEE

ATTEST:

City Recorder

PAUL W. MONTGOMERY
Mayor

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III
City Attorney

CITY OF KINGSPORT, TENNESSEE

AND

PETWORKS ANIMAL SERVICES, INC.

OPERATIONAL AGREEMENT

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereinafter called "CITY", and the PETWORKS Animal Services, Inc., hereinafter called “CENTER”.

W I T N E S S E T H:

WHEREAS, CENTER desires to enter into an Agreement with CITY whereby CENTER will, subject to the terms and conditions of this Agreement, provide animal control and animal shelter services; and,

WHEREAS, CITY by and through its duly elected officials and officers, desires to provide for an animal control program and shelter for CITY and its residents; and

WHEREAS, CENTER will provide certain animal control and shelter services for the City of Kingsport and its residents; and,

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

SECTION 1. PURPOSE OF THE AGREEMENT.

The purpose of this Agreement is to provide an Animal Control/Shelter Program for CITY and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by CENTER.

SECTION 2. DESCRIPTION OF THE PROJECT.

CENTER agrees as follows:

A. Provide shelter, food and housing for lost, stray and unwanted animals. It is the intention and understanding of the parties that CENTER will continue the operation of the Animal Control/Shelter Program as it exists in the City of Kingsport as of the date of this Agreement, except as altered or amended by this Agreement. In no event

will the quality or quantity of services be decreased except by express written consent of CITY and agreed upon by CENTER.

B. Endeavor to answer all calls for service within the corporate limits, but not required to maintain a dedicated dispatch employee. CENTER shall have a message on their answering machine that directs callers to leave a message or dial 911 in case of an emergency. Missed calls are expected to be returned the next business day at the latest.

C. Maintain regular posted hours of operation at its premises, on its website and on all social media platforms operated, such hours being open to the public at a minimum of four (4) hours, five days per week, either morning or afternoon at the discretion of CENTER. CENTER will have the option to close the facility on the following holidays: Thanksgiving Day, Christmas Day, New Years Day, Good Friday, Easter, Memorial Day, the Fourth of July and Labor Day. The facility may also be closed due to bad weather, power outages, public health emergencies, or other unusual occurrences. Notice of all unscheduled closings should be provided to the CITY prior to closing of the facility.

D. Provide and be responsible for, all personnel, including a Manager for the animal shelter and animal adoption program, and to assist in CITY'S animal control program. Staff shall be kept at a rate consistent with budgeted positions. Vacant positions shall be filled in a timely manner to eliminate any gap in service. The Manager will be an employee of CENTER and will not for any purpose be considered to be an employee of CITY. The salary of the Manager will be paid by CENTER. The Manager will be responsible for the day-to-day operation and maintenance of the animal shelter and animal control program, and will be responsible for the efficient and appropriate operation of these programs. In the event the Manager does not adequately provide for the efficient and appropriate operation of these programs, CITY may, at its option, require that the Manager be replaced, or CITY may require other reasonable steps be taken to remedy the situation. Failure of CENTER to take appropriate steps as requested by CITY in such event will constitute grounds for termination of this Agreement. All staff shall be appropriately trained on the day to day operations of the CENTER as well as all laws that relate to the CENTER.

E. Keep the facility safe, secure, clean and orderly at all times, including both the building and grounds.

F. Admit animals to the facility on a daily basis, except on those holidays and occurrences when the shelter may be closed as provided above. CENTER will accept animals brought to the shelter by residents of the City of Kingsport. CENTER will allow access to the facility for Animal Control Officers for after-hours or emergency admissions to the shelter. The following constitutes an emergency:

i. Vicious domestic animal or domesticated animal that poses a threat to human life.

ii. An animal whose owner law enforcement officials or other government officials have detained and whose welfare depends on

being placed into protective custody by animal control.

iii. An animal whose life is endangered unless immediate care/assistance is provided.

iv. Anytime confirmation is made by medical authority or a law enforcement officer that an animal has bitten a human.

G. CENTER's employees or volunteers, during normal working hours, will be available to release animals to their owners that are being held by Animal Control Officers for violations of CITY codes.

H. Provide a continuing community-wide educational program to familiarize the public with the Animal Control/Shelter Program.

I. Maintain an up to date website with hours of operation and phone number.

J. Maintain an animal lost and found service.

K. Maintain appropriate administrative records.

L. Prepare a monthly administrative report for CITY to be delivered no later than the 10th day of each month which will include the following information on the previous month's activities:

i. Total number of animals brought in – including when available – the location where the animal came from and identification of the source of the animal;

ii. Purpose for which each animal was brought to the facility;

iii. Total number of rabies test performed;

iv. Number of animals reclaimed by owners – and length of stay;

v. Number of animals euthanized;

vi. Number of animals remaining at shelter; and

vii. Record of all monetary transactions.

In addition, CENTER will make available to CITY any other information regarding the activities of CENTER carried out pursuant to this Agreement, at reasonable times upon request by CITY as well as a presentation to the Board of Mayor and Aldermen at the end of the third quarter of the fiscal year on the operations of the CENTER.

M. Provide assistance to the Animal Control Officers in the investigation of animal cruelty and abandonment reports in corporate limit of CITY. Provide assistance and aid in the prosecution of all charges of animal cruelty and abandonment (records, Veterinarian treatment, charges etc.).

N. Provide information on animals brought to the shelter to a newspaper of general circulation within city.

O. Encourage adoption through appropriate news media, including "Pet of the Week"

features, stories and interviews.

P. Provide for the training of assistants to work at the shelter.

Q. Abide by all local, state and federal laws, and regulations which may be applicable to the operation of the program herein provided for.

SECTION 3. RESPONSIBILITY FOR EXPENSES.

It is understood and agreed by the parties that CENTER is to be self-sustaining financially. Specifically, but without limitation, CENTER will be responsible for the following expenses:

A. CENTER will pay for all food for the animals in the program.

B. CENTER will pay all utility charges, such as electricity, water, and phone, and all operational and administrative expenses to operate one or more animal shelters and provide an animal control program at least as comprehensive as the program previously operated by CITY.

C. CENTER will perform all necessary cleaning and janitorial functions, and will be responsible for providing the necessary cleaning supplies and equipment, and personnel at its own expense. CENTER will, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or that may hereafter be in force relating to or affecting the condition, use or occupancy of its premises.

D. CENTER will perform, and bear the expense for all euthanasia and will assume responsibility for final disposal of animals.

E. Except as otherwise provided herein, CENTER will make arrangements for and bear the expenses of all necessary veterinary services.

F. CENTER will coordinate with the Tennessee Wildlife Resources Agency and other local organizations for the care, relocation, removal and /or disposal of wild animals in the corporate limits of the CITY.

G. All animals which are placed in the shelter which are not subsequently reclaimed by owner within five (5) days will become the property of CENTER. CENTER will then have five (5) additional days for adoption of animals. It is agreed that no animals will be sold or released to research or experimental labs. Wild dogs and cats, not suitable for adoption may be immediately euthanized following the waiting period or upon meeting the requirements of City Ordinance 14-85 be euthanized immediately.

SECTION 4. MAXIMUM PAYMENT.

It is expressly understood and agreed that the total amount to be paid by CITY to CENTER under this Agreement will not exceed FOUR HUNDRED THOUSAND DOLLARS (400,000.00), except as approved by CITY. The payment will be made on July 1, 2025.

SECTION 5. PAYMENT BY CITY.

Payments made pursuant to this Agreement will not constitute a final determination by CITY of the allowability of any costs and will not constitute a waiver of any violation of the terms of the Agreement.

SECTION 6. AUDITS.

CENTER prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

A. Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

B. A description of the program that serves the residents of the municipality; and

C. The proposed use of the municipal assistance.

D. A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. CENTER will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of CENTER with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

SECTION 7. ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENTS.

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

SECTION 8. LIABILITY.

CENTER agrees to hold CITY harmless from any liability of any kind or nature whatsoever which may in any way result from any activities of CENTER, or any of its agents, employees, or any person, firm or corporation utilizing the premises or the services of CENTER. Specifically, but without limitation, CENTER agrees to the following:

A. CENTER will provide workers compensation insurance for its employees or other appropriate individuals operating upon the premises. It is further understood by and between the parties that the CENTER director, and any other employees, volunteers or agents of CENTER, will not be considered agents or employees of CITY, but will be solely under the direct control and supervision of CENTER, an independent contractor, under the terms of this Agreement.

B. CENTER will furnish liability insurance, specifically naming CITY as an additional insured, to defend, indemnify and save harmless CITY from any and all claims and suits for injuries to person or property arising in any way out of the performance of the Agreement, the use of the premises, or caused in any way by the acts or omissions of CENTER, its agents, employees and representatives, including volunteer workers. CENTER will obtain and maintain in effect at all times said liability insurance in amounts and coverages approved by CITY, within its sole discretion, and will present proof of such insurance to CITY.

C. CENTER will maintain liability, fire, and other related insurance upon the contents of the building or buildings upon the premises, and CITY will have no responsibility thereof. In case of extensive damage by fire or other casualty to the building or buildings upon the premises, CITY will have the option to terminate this Agreement.

SECTION 9. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No member, official, or employee of CITY shall be personally liable to CENTER in the event any provision of the Agreement is unenforceable for any reason; 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

SECTION 10. INDEPENDENT CONTRACTOR.

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

SECTION 11. CHANGES.

This Agreement may be amended only by a written instruments signed by properly authorized

representatives of CITY and CENTER.

SECTION 12. ASSIGNMENT AND SUBLETTING.

CENTER may not assign this Agreement without the express written consent of CITY.

SECTION 13. TERMINATION.

This Agreement may be terminated by CITY at any time by giving written notice to CENTER at least thirty (30) days before the effective date of such termination. The parties will meet and discuss the terms of a possible successor agreement, commencing ninety (90) days before this Agreement terminates.

SECTION 14. CHANGED CONDITIONS AFFECTING PERFORMANCE.

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

SECTION 15. ASSURANCES.

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

SECTION 16. OPERATING INFORMATION.

CENTER will provide any relevant information requested by CITY concerning CENTER's program including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees. When this Agreement requires written permission from the CITY, the Chief of Police is the individual that may grant such permission.

SECTION 17. PROJECT TERM.

The term of this Agreement will be one (1) year, commencing upon the day and date above written.

SECTION 18. MISCELLANEOUS.

This written Agreement represents the entire Agreement of the parties, and except as set out herein, any prior Agreements, understandings, statements or negotiations are merged herein. This Agreement will be binding upon the parties and their respective successors and assigns.

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

CITY OF KINGSPORT, TENNESSEE

PETWORKS ANIMAL SERVICES, - INC.

PAUL W. MONTGOMERY
Mayor

Michelle Watts
Executive Director

ATTEST:

City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

SYMPHONY OF THE MOUNTAINS

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereinafter called "CITY", and Symphony of the Mountains, hereinafter called "SYMPHONY".

W I T N E S S E T H:

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

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

WHEREAS, SYMPHONY will receive financial assistance from the CITY; and

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

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

1. **PURPOSE OF THE AGREEMENT.** The purpose of this Agreement is to fund a concert chair for SYMPHONY and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by SYMPHONY.

2. **DESCRIPTION OF THE PROJECT.** SYMPHONY agrees to fund a concert chair for the Symphony of the Mountains Association of Kingsport in the amount of SEVEN THOUSAND FIVE HUNDRED DOLLARS and NO/100 ($7,500).

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to SYMPHONY under this Agreement will not exceed SEVEN THOUSAND FIVE HUNDRED DOLLARS and NO/100 ($7,500).

4. **REQUEST FOR REIMBURSEMENT.** SYMPHONY will bill CITY for payment of funds after July 1, 2022, using forms and procedures specified by CITY.

5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

6. **AUDITS.** SYMPHONY prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105. SYMPHONY will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of SYMPHONY with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

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

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. **ASSIGNMENT AND SUBLETTING.** SYMPHONY will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.

10. TERMINATION. This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, SYMPHONY will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed SEVEN THOUSAND FIVE HUNDRED DOLLARS and NO/100 ($7,500).

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

12. ASSURANCES. SYMPHONY hereby assures CITY that SYMPHONY is legally entitled to funds from CITY.

13. OPERATING INFORMATION. SYMPHONY will provide any relevant information requested by CITY concerning SYMPHONY's program, including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

14. PROJECT TERM. CITY and SYMPHONY have previously agreed that the project term for this contract is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to SYMPHONY can be used to reimburse SYMPHONY for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

15. REPORTING. SYMPHONY will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to SYMPHONY assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

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

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

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

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

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

SYMPHONY OF THE MOUNTAINS

_____
SCOTT EDDLEMON
General Manager

CITY OF KINGSPORT

_____
PAUL W. MONTGOMERY
Mayor

ATTEST:

_____
City Recorder

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III
City Attorney

AGREEMENT

BETWEEN

THE CITY OF KINGSPORT, TENNESSEE

AND

KINGSPORT THEATRE GUILD

THIS AGREEMENT made and entered into as of this 1st day of July, 2025, by and between the City of Kingsport, hereinafter called "CITY", and the Kingsport Theatre Guild, hereinafter called "THEATRE GUILD".

W I T N E S S E T H:

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

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

WHEREAS, THEATRE GUILD will receive financial assistance from the CITY; and

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

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

1. PURPOSE OF THE AGREEMENT. The purpose of this Agreement is to assist THEATRE GUILD in producing and presenting community-wide productions. The staff and actors are from the Greater Tri-Cities area. The THEATER GUILD hosts a Youth Camp and Teen Camp in the summer and partners with Barter Youth Academy to provide workshops in the fall, spring and summer targeting a young audience and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by THEATRE GUILD.

2. DESCRIPTION OF THE PROJECT.

THEATRE GUILD agrees to produce and present community-wide "Youth Series" productions targeting a young audience during the 2025-2026 theatre season.

3. **MAXIMUM PAYMENT.** It is expressly understood and agreed that the total amount to be paid by CITY to THEATRE GUILD under this Agreement will not exceed SEVEN THOUSAND TWO HUNDRED DOLLARS ($7,200).

4. **REQUEST FOR REIMBURSEMENT.** THEATRE GUILD will bill CITY for payment of funds after July 1, 2023, using forms and procedures specified by CITY.

5. **REIMBURSEMENT BY CITY.** CITY will review all billing submitted, however, reimbursement of any cost, not to exceed the amount as shown in paragraph 3, will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.

6. **AUDITS.** THEATRE GUILD prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

(D) A listing of revenue sources detailing what percent of the total operating budget they cover

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under T.C.A. § 6-56-105 THEATRE GUILD will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records, and accounts of THEATRE GUILD with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

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

8. **CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.

9. ASSIGNMENT AND SUBLETTING. THEATRE GUILD will not assign any rights to funds, except as set forth herein, without prior written authorization from CITY.

10. TERMINATION. This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, THEATRE GUILD will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed SEVEN THOUSAND TWO HUNDRED DOLLARS ($7,200).

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

12. ASSURANCES. THEATRE GUILD hereby assures CITY that THEATRE GUILD is legally entitled to funds from CITY.

13. OPERATING INFORMATION. THEATRE GUILD will provide any relevant information requested by CITY concerning THEATRE GUILD's program, including, but not limited to, contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.

14. PROJECT TERM. CITY and THEATRE GUILD have previously agreed that the project term for this contract is from July 1, 2025 to June 30, 2026. Accordingly, funds allocated by CITY to THEATRE GUILD can be used to reimburse THEATRE GUILD for eligible project expenses beginning on July 1, 2025. In no event will CITY participate in project expenses incurred after June 30, 2026.

15. REPORTING. THEATRE GUILD will submit to the Board of Mayor and Aldermen a quarterly report setting out how funds allocated by CITY to THEATRE GUILD assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

16. INDEPENDENT CONTRACTOR. THEATRE GUILD'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture or employer-employee relationship. THEATRE GUILD is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY**.** Neither THEATRE GUILD nor its employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and

CITY will at no time be legally responsible for any negligence or other wrong doing by THEATRE GUILD, or it employees or agents.

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

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

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

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

KINGSPORT THEATRE GUILD

_____
JOHN KAYWOOD
Executive Director

CITY OF KINGSPORT

_____
PAUL W. MONTGOMERY
Mayor

ATTEST: APPROVED AS TO FORM:

City Recorder

RODNEY B. ROWLETT, III
City Attorney

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Award the Bid to East Tennessee Turf and Landscape for the Gravity Sanitary Sewer Extension and Authorize the Mayor to Sign all Applicable Documents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-175-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	M. Hickman
First Reading:	N/A	Presentation By:	R. McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:
Approve the resolution.

Executive Summary:
Approval of the accompanying resolution awards the bid for the Fieldcrest annexation sanitary sewer extension project to East Tennessee Turf and Landscape in the amount of $1,851,550.00.

In July 2022, nearly 200 acres of property along Fieldcrest Rd and Catawba Ln were annexed into the City of Kingsport. The plan was to develop this property for residential housing. According to the plan of services approved by the BMA, sewer service is to be provided within five years of the annexation (July 2027). Construction funding was approved in FY 2024. The development has recently been approved and is under construction.

Bids were opened on June 11, 2025, for the Gravity Sanitary Sewer Extension - Fieldcrest Rd project to provide service for this annexation. This project consists of construction of approximately 7,300 linear feet of public sanitary sewer line and related appurtenances. The project shall be completed in 210 calendar days.

City Staff has reviewed the bids and recommend awarding the contract to the apparent low bidder, East Tennessee Turf and Landscape in the amount of $1,851,550.00. Project funding resides in SW2408.

Base Bid:	$1,851,550.00
Contingency (6%):	111,093.00
Engineering, Admin., Inspection (14%):	274,770.00
Total Project Costs:	$2,237,413.00

Attachments:
1. Resolution
2. Bid Opening Minutes
3. Location Map

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR THE FIELDCREST ANNEXATION SANITARY SEWER EXTENSION PROJECT TO EAST TENNESSEE TURF AND LANDSCAPE AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, bids were opened June 11, 2025, for the Gravity Sanitary Sewer Extension - Fieldcrest Road project; and

WHEREAS, upon review of the bids, the board finds East Tennessee Turf and Landscape 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 replacement of existing waterlines with approximately 7,300 linear feet of public sanitary sewer line and related appurtenances from East Tennessee Turf and Landscape at an estimated construction cost of $1,851,550.00; and

WHEREAS, funding is identified in project number SW2408 in the amount of $2,237,413.00 which accounts for contingency as well engineering, administrative and inspection fees;

Now therefore,

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

SECTION I. That the bid for the Gravity Sanitary Sewer Extension - Fieldcrest Road project, consisting of the construction of 7,300 linear feet of public sanitary sewer line and related appurtenances, at an estimated cost of $1,851,550.00 is awarded to East Tennessee Turf and Landscape, and the mayor is authorized to execute an agreement for same and all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 15th day of July, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

BID TABULATION FOR 2022-C7 Sewer Extension for Fieldcrest

				CITY OF KINGSPORT ESTIMATE		EAST TN Turf & Landscape		Thomas Construction		Merkel	
ITEM NO.	EST. QTY.	UNIT	DESCRIPTION	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST
1	1	LS	MOBILIZATION	$ 125,000.00	**$ 125,000.00**	$ 60,000.00	**$ 60,000.00**	$ 43,000.00	**$ 43,000.00**	$ 200,000.00	**$ 200,000.00**
2	1	LS	CLEARING AND GRUBBING (SECTION 31 11 00)	$ 100,000.00	**$ 100,000.00**	$ 100,000.00	**$ 100,000.00**	$ 99,000.00	**$ 99,000.00**	$ 175,000.00	**$ 175,000.00**
3	110	T	CRUSHED STONE FOR BACKFILL At ROAD & DRIVEWAY CROSSINGS (SECTION 31 23 33)	$ 60.00	**$ 6,600.00**	$ 65.00	**$ 7,150.00**	$ 60.00	**$ 6,600.00**	$ 50.00	**$ 5,500.00**
4	4,200	CY	SOLID ROCK EXCAVATION IN TRENCH (SECTION 31 23 33)	$ 35.00	**$ 147,000.00**	$ 35.00	**$ 147,000.00**	$ 35.00	**$ 147,000.00**	$ 35.00	**$ 147,000.00**
5	10	LF	15" CMP STORM SEWER IF REQ'D (SECTION 33 40 00)	$ 50.00	**$ 500.00**	$ 150.00	**$ 1,500.00**	$ 77.00	**$ 770.00**	$ 100.00	**$ 1,000.00**
6	10	LF	15" RCP STORM SEWER IF REQ'D (SECTION 33 40 00)	$ 75.00	**$ 750.00**	$ 200.00	**$ 2,000.00**	$ 123.00	**$ 1,230.00**	$ 150.00	**$ 1,500.00**
7	190	LF	FENCE REPLACEMENT (MATCH EXIST) (IF NECESSARY)(SECTION 32 31 13)	$ 50.00	**$ 9,500.00**	$ 100.00	**$ 19,000.00**	$ 65.00	**$ 12,350.00**	$ 50.00	**$ 9,500.00**
8	1	LS	SEEDING WITH MULCH (SECTION 32 92 20)	$ 30,000.00	**$ 30,000.00**	$ 65,000.00	**$ 65,000.00**	$ 45,000.00	**$ 45,000.00**	$ 200,000.00	**$ 200,000.00**
9	20	T	ASPHALT BINDER 4" IN TRENCH (SECTION 32 12 16)	$ 250.00	**$ 5,000.00**	$ 500.00	**$ 10,000.00**	$ 400.00	**$ 8,000.00**	$ 200.00	**$ 4,000.00**
10	20	T	ASPHALT TOPPING 1-1/4" (SECTION 32 12 16)	$ 275.00	**$ 5,500.00**	$ 500.00	**$ 10,000.00**	$ 400.00	**$ 8,000.00**	$ 200.00	**$ 4,000.00**
11	1	LS	SOIL & EROSION CONTROL (SECTION 31 25 13)	$ 40,000.00	**$ 40,000.00**	$ 35,000.00	**$ 35,000.00**	$ 21,000.00	**$ 21,000.00**	$ 35,000.00	**$ 35,000.00**
12	190	LF	24" HDPE CASING PIPE (SECTION 33 30 00)	$ 300.00	**$ 57,000.00**	$ 1,000.00	**$ 190,000.00**	$ 8,000.00	**$ 1,520,000.00**	$ 1,400.00	**$ 266,000.00**
13	190	LF	10" JOINTLESS HDPE GRAVITY SEWER PIPE (SECTION 33 30 00)	$ 250.00	**$ 47,500.00**	$ 200.00	**$ 38,000.00**	$ 22.00	**$ 4,180.00**	$ 200.00	**$ 38,000.00**
14	6,900	LF	10" PVC GRAVITY SEWER PIPE (SECTION 33 30 00)	$ 200.00	**$ 1,380,000.00**	$ 110.00	**$ 759,000.00**	$ 213.00	**$ 1,469,700.00**	$ 350.00	**$ 2,415,000.00**
15	250	LF	10" SDR 11 PVC GRAVITY SEWER PIPE (SECTION 33 30 00)	$ 220.00	**$ 55,000.00**	$ 300.00	**$ 75,000.00**	$ 240.00	**$ 60,000.00**	$ 350.00	**$ 87,500.00**
16	180	LF	6" PVC SEWER (SECTION 33 30 00)	$ 150.00	**$ 27,000.00**	$ 80.00	**$ 14,400.00**	$ 200.00	**$ 36,000.00**	$ 100.00	**$ 18,000.00**
17	23	EA	SEWER LATERAL ASSEMBLIES (8x8x6 PVC TEES)(SECTION 33 30 00)	$ 1,200.00	**$ 27,600.00**	$ 600.00	**$ 13,800.00**	$ 750.00	**$ 17,250.00**	$ 300.00	**$ 6,900.00**
18	23	EA	CLEANOUT ASSEMBLIES @ LATERALS (SECTION 33 30 00)	$ 750.00	**$ 17,250.00**	$ 1,500.00	**$ 34,500.00**	$ 1,500.00	**$ 34,500.00**	$ 300.00	**$ 6,900.00**
19	16	EA	STANDARD SEWER MANHOLES (SECTION 33 30 00)	$ 7,000.00	**$ 112,000.00**	$ 7,000.00	**$ 112,000.00**	$ 10,000.00	**$ 160,000.00**	$ 13,000.00	**$ 208,000.00**
20	12	EA	WATERTIGHT SEWER MANHOLES (SECTION 33 30 00)	$ 9,000.00	**$ 108,000.00**	$ 8,000.00	**$ 96,000.00**	$ 10,500.00	**$ 126,000.00**	$ 13,700.00	**$ 164,400.00**
21	5	EA	SEWER MANHOLE VENT ASSEMBLY (SECTION 33 30 00)	$ 1,000.00	**$ 5,000.00**	$ 3,000.00	**$ 15,000.00**	$ 1,400.00	**$ 7,000.00**	$ 5,000.00	**$ 25,000.00**
22	20	EA	PIPE TRENCH CHECK DAM (SECTION 33 30 00)	500	**$ 10,000.00**	$ 500.00	**$ 10,000.00**	$ 1,040.00	**$ 20,800.00**	$ 1,000.00	**$ 20,000.00**
23	1	EA	CONNECT TO EXISTING MANHOLES (SECTION 33 30 00)	2000	**$ 2,000.00**	$ 10,000.00	**$ 10,000.00**	$ 1,940.00	**$ 1,940.00**	$ 20,000.00	**$ 20,000.00**
24	34	VF	EXTRA DEPTH MANHOLE (SECTION 33 30 00)	$1,000.00	**$ 34,000.00**	$ 800.00	**$ 27,200.00**	$ 750.00	**$ 25,500.00**	$ 1,000.00	**$ 34,000.00**
			Base Bid Project Total:		**$ 2,352,200.00**		**$ 1,851,550.00**		**$ 3,874,820.00**		**$ 4,092,200.00**

BID OPENING
MINUTES
June 11, 2025
4:00 P.M.

Present: Nikisha Eichmann, Assistant Procurement Manager; Olivia Nickens, Procurement Specialist; Mike Hickman, Engineering Project Manager

The Bid Opening was held in the Conference Room 436, 4th Floor, City Hall.

The Procurement Manager opened with the following bids:

Sanitary Sewer Extension – Fieldcrest Road	
Vendor:	Total Cost:
Merkel Bros. Construction, Inc.	$4,092,200.00
Thomas Construction Co., Inc.	$3,874,820.00
East Tennessee Turf and Landscape	$1,851,550.00

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

Project Area
Project Area
Project Area
SILVER LEAF CT
SADDLE RIDGE DR
FALL CREEK RD
SOUTHRIDGE DR
CAIN DR
GLASGOW LN
COURTNEY DR
ERIC CT
ROSE TRACE CT
SHILOH PVT DR
SUGARCANE LN
RED LEAF LN
SUGARFIELD LN
BROOKWOOD CT
CEDAR BROOK CT
LONESOME PINE RD
SMITH DR
SHAWNEE DR
HYDAWAY PL
ODD FELLOW RD
N VALLEY VIEW CIR
W VALLEY VIEW CIR
S VALLEY VIEW CIR
HOPKINS ST
HOBART ST
FOXCROFT DR
KILKENNY RD
SELKIRK DR
HILL RD
APACHE DR
COCHISE TRL
INCA LN
DAKOTA DR
CASSIDY RD
SIOUX DR
FIELDCREST RD
BAILEY RD
CATAWBA LN
HENRY HARR RD
LYNN RD
Project Location Map
Sanitary Sewer Connection
To Fieldcrest Road
City Of Kingsport
Legend
Sewer Line Project Area
Parcels
Kingsport City Limits
Item XI8.
NC CGIA, Maxar, Microsoft

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Authorizing a Change Order to the Contract with Summers-Taylor, Inc. for the Kingsport Resurfacing Project (PIN: 129800.00) and Authorize the Mayor to Sign all Applicable Documents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-181-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Staff
First Reading:	NA	Presentation By:	Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution.

Executive Summary:
If approved the contract with Summers-Taylor, Inc. for the Kingsport Resurfacing Project (PIN: 129800.00) will reflect change order #3 adding 12 days (total of 192 days) to the construction completion time; and change order #4 increasing the contract in the amount of $313,601.98 (80% Federal / 20% Local) to account for actual quantities installed for this project.

TDOT's process for resurfacing projects is based on unit price for quantities which will vary during construction. To deliver this project some quantities were higher and some lower than those referenced in the bid documents. Additional guardrail, asphalt quantities and expenses to deal with unsuitable soil were added in the field.

The city entered into a contract with Summers-Taylor, Inc. on July 31, 2024, for the Kingsport Resurfacing Project (PIN: 129800.00). This project leverages 80% federal funds, while using 20% Local funds for resurfacing and other associated work on portions of Moreland Drive, Netherland Inn Road, Cooks Valley Road, and Fall Creek Road within the City of Kingsport. This project is funded by Federal (80%) and Local (20%). Total revised contract would be $2,619,976.73.

Funding is available in GP2033.

Attachments:
1. Resolution
2. Change Order #3 & #4 Documentation

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING CHANGE ORDER NUMBERS 3 AND 4 TO THE CONTRACT WITH SUMMERS-TAYLOR, INC FOR THE KINGSPORT RESURFACING PROJECT CONTRACT AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDERS

WHEREAS, the city has a contract with Summers-Taylor, Inc for the Kingsport Resurfacing Project (PIN: 129800.00), (Resolution No. 2025-006); and

WHEREAS, the project consisted of resurfacing and other associated work on portions of Moreland Drive, Netherland Inn Road, Cooks Valley Road, and Fall Creek Road within the city; and

WHEREAS, as the project nears completion it is recommended to approve Change Order # 3 and Change Order # 4; and

WHEREAS, Change Order #3 will add 12 days (total of 192 days) to the construction completion time due to the need to add various guardrail items that were not included in the original bid documents as well as time to address unsuitable subgrade conditions on Cooks Valley Road that turned up during the subgrade work slated for that area; and

WHEREAS, Change Order #4 will increase the contract dollar amount by $313,601.98 required to reconcile the final quantities for the various roadways in this project.; and

WHEREAS, the revised contract amount is $2,619,976.73, and funding is available and identified in project GP2033.

Now therefore,

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

SECTION I. That Change Order #3 to the contract with Summers-Taylor, Inc for the Kingsport Resurfacing Project (PIN: 129800.00) to add an additional 12 days to the contract completion date, is approved.

SECTION II. That Change Order #4 to the contract with Summers-Taylor, Inc for the Kingsport Resurfacing Project (PIN: 129800.00) to increase the dollar amount to reconcile the final quantities for the various roadways in the amount of $313,601.98, is approved.

SECTION III. 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, the change order and all documents necessary and proper to effectuate the change order to the contract with Summer-Taylor, Inc.

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

ADOPTED this the 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

No. 3 & 4

CHANGE ORDER

Date 06/30/25

OWNER'S Project No. GP2033 / PO AB0272 ENGINEER'S Project No. GP2023/2024-C9

Project Moreland Dr, Meadowview Pkwy, Fall Creek Rd, Cooks Valley Rd, & Netherland Inn Rd - Resurface and Safety

CONTRACTOR Summers-Taylor, Inc.

Contract For Resurfacing Project (PIN: 129800.00) Contract Date 07/31/24

To: Summers-Taylor, Inc.
Contractor

You are directed to make the changes noted below in the subject Contract:

ATTEST:

CITY OF KINGSPORT OWNER

CITY RECORDER

APPROVED AS TO FORM:

By:

CITY ATTORNEY

MAYOR OF KINGSPORT

Dated:

Nature of the Changes

CO 3 - add 12 days to contract completion time - to add various guardrail items

CO 4 - reconciliation of final project quantities of certain items of construction

Enclosures

These changes result in the following adjustment of Contract Price and Time:

Contract Price Prior to This Change Order	$ 2,306,374.75
Net Increase Resulting from this Change Order	$ 313,601.98
Current Contract Price Including This Change Order	$ 2,619,976.73

Contract Time Prior to This Change Order	180	Days
Net Increase Resulting from this Change Order	12	Days
Current Contract Date Including this Change Order	192	Days or Date

The Above Changes Are Approved

Project Manager

By: _____

Date: _____

The Above Changes Are Accepted

Summers-Taylor, Inc.

Contractor

By: _____

Date: _____

Routine

1. Board of Mayor and Aldermen for approval and authorization for the Mayor to sign on behalf of the City
2. Project Manager
3. Contractor
4. City Attorney
5. Mayor
6. City Recorder

Distribution by City Recorder

1. Original executed change order to contract file
2. Copy to Contractor
3. Copy to Project Manager
4. Copy to Purchasing Director

Supplemental Agreement and/or Request for Construction Change
Change Order Request #3

Project Title/Termini:	Moreland Drive, Meadowview Parkway, Fall Creek Road, Cooks Valley road, ad Netherland Inn Road in Kingsport, Resurface & Safety.		
Owner:	City of Kingsport	PIN:	129800.00
Address:	415 Broad St.	State Project No.:	82LPM-F3-096
	Kingsport, TN 37660	Federal Project No.:	STP-M-9108(51)
		Contract No.:	4597
County:	Sullivan / Hawkins		

Whereas, we Summers Taylor with Fidelity and Deposit Company of Maryland, as a Surety, entered into a contract with City of Kingsport, on 7/31/2024, for the construction by said Contractor of the above designated contract; and *Whereas,* certain items of construction encountered, are not covered by the original contract, we desire to submit the following additional items of construction to be performed by the Contractor and paid by the Owner at the price(s) scheduled therefore below:

The purpose of this Change Order is to:

Add 12 days to the construction completion time due to the need to add various guradrail items that were not included in the original bid documents as well as time to address unsuitable subgrasde condtitions on Cooks Valley Road that turned up during the subgrade work slated for that area.

As a result of this Change Order, contract time shall:

☐ Not Change, ☒ Increase by 12 days, ☐ Decrease by _____ days

Original Construction Completion Time: 180days (Date:3/15/25)

Original Contract Amount (A):	$2,295,402.50
Previously Approved Change Orders (B):	$10,972.25
Pending Change Orders (Awaiting Approval) (C):	$_____
Current Change Order Request (D):	$_____
Proposed Total Change Order Amount (B)+(C)+(D):	$10,972.25
New Proposed Contract Amount (A)+(B)+(C)+(D):	$ 2,306,374.75

Contract Completion Time with Change Orders: 192 days (Date: 3/27/25)

Item XI9.

Supplemental Agreement and/or Request for Construction Change
Change Order Request # 3

Unit prices listed below include labor, materials, profit, overhead, and incidentals necessary to complete this work. A separate attached spreadsheet with the same information may be used in lieu of the table below.

Item No.	Description	Unit	Current/ Pending Quantities	Revised Quantities	QTY Over + QTY Under -	Contract Price	Net Amount Due Change
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
					Total Net Amount Due Change		$

Now, Therefore, We, Summers Taylor Contractors, and Fidelity and Deposit Company of Maryland, Surety, hereby agree to the Supplemental Agreement consisting of the above mentioned items and prices, and agree that this Supplemental Agreement is hereby made a part of the original contract and will be performed by this Contractor in accordance with specifications thereof, and that the original contract remain in full force and effect, except insofar as specifically modified by this Supplemental Agreement.

Recommended for Approval

_____ _____
Engineer/CEI (Signature) Date

Approved for Eligibility By: _____ _____
Local Programs (Signature) Date

Approved By: _____ _____
Contractor (Signature) Date

By: _____ _____
Surety (Signature) Date

By: _____ _____
Owner (Signature) Date

Summers-Taylor, Inc.
600 Sevier Street
Johnson City, TN 37604
Phone (423) 543-3181 Fax (423) 543-6189
www.summerstaylor.com

06/14/2025

Mr. Jason Snapp, P.E.,CPESC
Mattern & Craig Consulting Engineers
429 Clay St.
Kingsport, TN 37660

RE: CONTRACT TIME EXTENSION REQUEST
Contract No: 4597
County: Sullivan
Project No.: 129800.00
State Project No.: 82LPLM-F3-096
Federal Project No.: STP-M-9108(51)

Greetings,

Per TDOT request. Due to the unforeseen issues with the subgrade on Cooks Valley Road and the additions added to the guardrail items and other contract changes to be listed in the final quantities, please accept this letter as a formal request for a contract time extension of twelve days.

Thank you for your consideration in this matter.

Respectfully,
Summers-Taylor, Inc

Mike Williams
Estimator/PM

Randy W. Beckner
Bradley C. Craig
Wm. Thomas Austin
James B. Voso
Chad M. Thomas
Jason A. Carder
Brian R. Newman
D. Jason Snapp
Ryan P. Kincer

Mattern & Craig
ENGINEERS • SURVEYORS

Edwin K. Mattern, Jr. (1949-1982)
J. Wayne Craig (1940-2024)
Gene R. Cress (1935-2014)
Sam H. McGhee, III (1940-2018)
Stewart W. Hubbell (Retired)
Michael S. Agee (Retired)
Steven A. Campbell (Retired)
Randy L. Dodson (Retired)

June 25, 2025

To:
Tennessee Department of Transportation.
Local Programs Office
505 Deaderick Street,
Nashville, TN, 37243-0341

Re: Kingsport Safety and Resurfacing, Moreland Drive
Kingsport, TN
TDOT Proj. # 82LPLM-F3-096
Comm. No.: 4597

To Whom It may concern,

This Change order #3 is required to extend the contract time for the referenced project. The City of Kingsport, TDOT Construction, and M&C staff met onsite for a final inspection on April 29th, 2025, all parties were in agreeance with the completion of the project and that the additional time was required due to the addition of guardrail items that were not included in the original contract.

Sincerely,
MATTERN & CRAIG

D. Jason Snapp, P.E.
Principal/Construction Manager

KINGSPORT
TENNESSEE

Public Works

June 12, 2025

Mr. Jason Snapp
Principal
Mattern & Craig
429 Clay Street
Kingsport, TN 37660

Re: Evaluation of Change Order #3 TDOT PIN 128900.00, Moreland Drive, Meadowview Parkway, Fall Creek Road, Cooks Valley Road, and Netherland Inn Road in Kingsport, TN, Hawkins/Sullivan County

Dear Mr. Snapp:

The City of Kingsport has reviewed change order #3 for the above referenced contract, and is agreement with the additional 12 days for this project.

Please feel free to contact me if you need anything further from the City regarding this project.

Sincerely,

Timothy Elsea, PE
Asst. Public Works Director
City of Kingsport

Supplemental Agreement and/or Request for Construction Change
Change Order Request #4- Final

Project Title/Termini:	Moreland Drive, Meadowview Parkway, Fall Creek Road, Cooks Valley road, ad Netherland Inn Road in Kingsport, Resurface & Safety.		
Owner:	City of Kingsport	PIN:	129800.00
Address:	415 Broad St.	State Project No.:	82LPM-F3-096
	Kingsport, TN 37660	Federal Project No.:	STP-M-9108(51)
		Contract No.:	4597
County:	Sullivan / Hawkins		

Whereas, we Summers Taylor with Fidelity and Deposit Company of Maryland, as a Surety, entered into a contract with City of Kingsport, on 7/31/2024, for the construction by said Contractor of the above designated contract; and *Whereas,* certain items of construction encountered, are not covered by the original contract, we desire to submit the following additional items of construction to be performed by the Contractor and paid by the Owner at the price(s) scheduled therefore below:

The purpose of this Change Order is to:

1) Reconciliation of Final Project Quantities (See "FINAL QUANTITIES" spreadsheet for detailed project quanitities.

2) See "FINAL QUANTITIES EXPLAINATION" for details regarding over and underran quantities.

As a result of this Change Order, contract time shall:

☐ Not Change, ☐ Increase by _____ days, ☐ Decrease by _____ days

Original Construction Completion Time: 180days (Date:3/15/25)

Original Contract Amount (A):	$2,295,402.50
Previously Approved Change Orders (B):	$10,972.25
Pending Change Orders (Awaiting Approval) (C):	$_____
Current Change Order Request (D):	$ 313,601.98
Proposed Total Change Order Amount (B)+(C)+(D):	$324,574.23
New Proposed Contract Amount (A)+(B)+(C)+(D):	$ 2,619,976.73

Contract Completion Time with Change Orders: 192 days (Date: 3/27/25)

Supplemental Agreement and/or Request for Construction Change
Change Order Request # 4- Final

Unit prices listed below include labor, materials, profit, overhead, and incidentals necessary to complete this work. A separate attached spreadsheet with the same information may be used in lieu of the table below.

Item No.	Description	Unit	Current/ Pending Quantities	Revised Quantities	QTY Over + QTY Under -	Contract Price	Net Amount Due Change
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
						$	$
					Total Net Amount Due Change		$

Now, Therefore, We, Summers Taylor Contractors, and Fidelity and Deposit Company of Maryland, Surety, hereby agree to the Supplemental Agreement consisting of the above mentioned items and prices, and agree that this Supplemental Agreement is hereby made a part of the original contract and will be performed by this Contractor in accordance with specifications thereof, and that the original contract remain in full force and effect, except insofar as specifically modified by this Supplemental Agreement.

Recommended for Approval

_____ _____
Engineer/CEI (Signature) Date

Approved for Eligibility By: _____ _____
Local Programs (Signature) Date

Approved By: _____ _____
Contractor (Signature) Date

By: _____ _____
Surety (Signature) Date

By: _____ _____
Owner (Signature) Date

129800.00 Final Quantities Explanation

- 208-01.05 Booming & Degrassing Shoulders.
    - Not required due to construction phasing.
- 307-01.01 Asphalt Concrete Mix(PG64-22) Grading A
    - Material not required as there was minimal full depth patching required on 2 lane roads.
- 307-01.08 Asphalt Concrete Mix(PG64-22) Grading B-m2
    - Additional material required due to the need for leveling on Cooks Valley, requested by COK due to observed conditions after milling. Additional material was also required for similar conditions found on Fall Creek rd.
- 307-025.08 Asphalt Concrete Mix(PG70-22) Grading B-m2
    - Additional material required due to additional full dept patches required on Moreland Drive. Full depth patches were discussed with COK prior to performing.
- 403-01 Bituminous Material for Tack coat (TC)
    - Additional material required to provide proper adhesion of layers. This is partially due to the overrun on quantities for Fall Creek Rd (noted under 411), as well as TC being applied to the higher range of acceptable throughout the project. Inspection staff deemed it appropriate.
- 407-20.05 Saw Cutting Asphalt Pavement
    - Less required as Milling machine was used to cut all full depth patches. Only minor areas required saw cutting.
- 411-01.10 ACS Mix (Pg64-22) Grading D
    - Over run due to inconsistency from field conditions to plans. Plans call out Fall Creek Road as 24’ throughout. Field inspection, Measured every 100lf, showed that the correct width was 25’-26’ with turn lane, and shoulder variances near sub divisions adding additional width. As well as having some spawling areas, this added to a significant overrun. Inspection staff worked closely with Paving foreman and verified correct depth was placed.
- 411-02.10 ACS Mix (PG70-22) Grading D
    - Additional Material required mainly on Netherland INN Road. At the East end near the bridge the width was called out at 12’ per lane, however field conditions near bridge varied from 12’-17’ per lane. Turn lane from hwy 11, to Netherland inn was called out on plans to leave a small section of old asphalt, it was decided to add approx. 50 lf of turn lane to properly square off connection with mainline. Additional material was required to compensate.

- 415-01.01 COLDPLANING BITUMINOUS PAVEMENT
    - Additional Milling was required, due to inconsistencies between plans and field conditions, specifically related to Fall Creek and Netherland Inn Rd.
- 701-02.01 CONCRETECURB RAMP (RETROFIT)
    - Additional material was required to make curb ramp meet Standards. An additional concrete panel was required to be in compliance with ADA.
- 705-06.30 GR TERMINAL (ENERGY ABSORBING) MASH TL-2
    - Underrun due to end sections left on plans in error, and the omission of one end section due to conflicts with storm drain.
- 712-01.05 FLAGMAN
    - Additional Flagman required due to extensive rehab work required on Cooks Valley Rd.
- 712-04.01 FLEXIBLE DRUMS (CHANNELIZING)
    - Due to traffic control required in field, not all drums were required.
- 712-05.01 WARNING LIGHTS (TYPE A)
    - No required due to Traffic control Phasing.
- 712-06 SIGNS(CONSTRUCTION)
    - Additional Signs required to meet MUTCD.
- 712-07.03 TEMPORARY BARRICADES (TYPE III)
    - Not required due to Traffic control phasing.
- 712-08.03 ARROW BOARD (TYPE C)
    - Additional arrow boards required due to shift added to facilitate work.
- 716-02.04 PLASTIC PAVEMENT MARKING(CHANNELIZATION STRIPING)
    - Underrun due to changes in gore sections. Plans called for more striping that is standard and was decided in field to match MUTCD and State requirements.
- 716-02.05 PLASTIC PAVEMENT MARKING (STOP LINE)
    - Replaced stop bars that were present prior to the start of project. Plans missed some stop bars.
- 716-02.06 PLASTIC PAVEMENT MARKING (TURN LANE ARROW)
    - Underran due to space constraints and keeping MUTCD spacing.
- 716-02.08 PLASTIC PAVEMENT MARKING (8" DOTTED LINE)
    - Not required per MUTCD.
- 716-02.12 PLASTIC PAVEMENT MARKING (8IN LINE)
    - Under ran due to field conditions and meeting MUTCD
- 716-03.01 PLASTIC WORD PAVEMENT MARKING (ONLY)
    - Additional words required per MUTCD
- 716-04.01 PLASTIC PAVEMENT MARKING (STRAIGH-TURN ARROW)
    - Not required per field conditions.

- 716-05.01 PAINTED PAVEMENT MARKING (4" LINE)
    - Required due to construction phasing, and maintenance of center line throughout project.
- 716-08.01 REMOVAL OF PAVEMENT MARKING LINE
    - Not required due to construction phasing. All markings removed while milling.
- 716-12.02 ENHANCED FLATLINE THERMO PVMT MRKING (6IN LINE)
    - Under run due to field conditions, all markings placed per MUTCD
- 730-14.02 SAW SLOT
    - Over run required to place loops properly.
- 730-14.03 LOOP WIRE
    - Over run required to place loops properly. Installer noted plans looked off on the numbers. Inspector instructed them to install loops properly.
- 705-02.10 GR Transitions 27" to 31"
    - Under run due to omission of 2 end sections and 1 section not requiring transition.
- 705-02.20 SING GRDRL (TY 2) LONG POST (6-9FT)
    - Under ran due to installer having to modify slightly due to field conditions.
- 705-02.25 SING GRDRL (TY 2) LONG POST (9-12FT)
    - Overran due to installers having to modify slightly due to field conditions.
- 706-03.01 POSTS FURNISHED
    - Under ran, due to installer not requiring them to place per MUTCD.

TDOT

FINAL QUANTITIES

STATE PROJECT # 85LPM-F3-096
FEDERAL PROJECT # STP-M-9108(51) PIN #129800.00
PROJECT DESC Paving and Safety improvement on various Roads (Kingsport)
CONTRACT # 190342

CURRENT AMOUNT 2,306,374.75 REVISED AMOUNT $ 2,619,976.73

BID ITEM NO.	DESCRIPTION	UNIT OF MEAS	QUANTITIES CURRENT	BID	CHANGE	UNIT PRICE	DIFFERENCE
202-03.01	REMOVAL OF ASPHALT PAVEMENT	SY	9662.38	9,662.38	-	$24.00	$ -
208-01.05	BROOMING & DEGRASSING SHOULDERS	LM	9.4	-	(9.40)	$1,620.00	$ (15,228.00)
303-01	MINERAL AGGREGATE, TYPE A BASE, GRADING D	TON	3690.64	3,690.64	-	$67.50	$ -
307-01.01	ASPHALT CONCRETE MIX(PG64-22)(BPMB-HM) GRADING A	TON	165.000	8.000	(157.00)	$174.00	$ (27,318.00)
307-01.08	ASPHALT CONCRETE MIX(PG64-22)(BPMB-HM) GRADING B-M2	TON	585.000	1189.420	604.42	$158.00	$ 95,498.36
307-02.01	ASPHALT CONCRETE MIX(PG70-22)(BPMB-HM) GRADING A	TON	435.940	435.940	-	$195.00	$ -
307-02.08	ASPHALT CONCRETE MIX(PG70-22)(BPMB-HM) GRADING B-M2	TON	475.000	585.680	110.68	$206.00	$ 22,800.08
402-01	BITUMINOUS MATERIAL FOR PRIME COAT(PC)	TON	0	-	-	$1,460.00	$ -
402-02	AGGREGATE FOR COVER MATERIAL (PC)	TON	0	-	-	$83.00	$ -
403-01	BITUMINOUS MATERIAL FOR TACKCOAT(TC)	TON	32	56.1680	24.17	$1,120.00	$ 27,068.16
407-20.05	SAW CUTTING ASPHALT PAVEMENT	LF	4495	22.00	(4,473.00)	$2.50	$ (11,182.50)
411-01.10	ACS MIX (PG64-22) GRADING D	TON	1570	2,589.92	1,019.92	$134.00	$ 136,669.28
411-02.10	ACS MIX (PG70-22) GRADING D	TON	4130	4,406.23	276.23	$137.00	$ 37,843.51
415-01.01	COLDPLANING BITUMINOUS PAVEMENT	TON	4910	6,212.80	1,302.80	$22.50	$ 29,313.00
701-02.01	CONCRETECURB RAMP (RETROFIT)	SF	75	159.36	84.36	$80.50	$ 6,790.98
705-06.30	GR TERMINAL (ENERGY ABSORBING) MASH TL-2	EACH	11	8.00	(3.00)	$3,830.00	$ (11,490.00)
712-01	TRAFFIC CONTROL	LS	1	1.00	-	$45,600.00	$ -
712-01.05	FLAGMAN	HOURS	450	695.00	245.00	$86.00	$ 21,070.00
712-04.01	FLEXIBLE DRUMS (CHANNELIZING)	EACH	349	287.00	(62.00)	$35.00	$ (2,170.00)
712-05.01	WARNING LIGHTS (TYPE A)	EACH	4	-	(4.00)	$22.00	$ (88.00)
712-06	SIGNS(CONSTRUCTION)	SF	748	1,407.50	659.50	$12.50	$ 8,243.75
712-07.03	TEMPORARY BARRICADES (TYPE III)	LF	24	-	(24.00)	$14.00	$ (336.00)
712-08.03	ARROW BOARD (TYPE C)	EACH	2	4.00	2.00	$1,500.00	$ 3,000.00
716-02.04	PLASTIC PAVEMENT MARKING(CHANNELIZATION STRIPING)	SY	185	87.12	(97.88)	$28.00	$ (2,740.64)
716-02.05	PLASTIC PAVEMENT MARKING (STOP LINE)	LF	67	109.50	42.50	$15.00	$ 637.50
716-02.06	PLASTIC PAVEMENT MARKING (TURN LANE ARROW)	EACH	10	11.00	1.00	$200.00	$ 200.00
716-02.08	PLASTIC PAVEMENT MARKING (8" DOTTED LINE)	LF	62	-	(62.00)	$2.00	$ (124.00)
716-02.12	PLASTIC PAVEMENT MARKING (8IN LINE)	LM	0.16	0.09	(0.07)	$12,500.00	$ (875.00)
716-03.01	PLASTIC WORD PAVEMENT MARKING (ONLY)	EACH	3	5.00	2.00	$250.00	$ 500.00
716-04.01	PLASTIC PAVEMENT MARKING (STRAIGH-TURN ARROW)	EACH	1	-	(1.00)	$250.00	$ (250.00)
716-04.05	PLASTIC PAVEMENT MARKING (STRAIGHT ARROW)	EACH	2	2.00	-	$175.00	$ -
716-05.01	PAINTED PAVEMENT MARKING (4" LINE)	LM	4.08	9.2080	5.128	$1,500.00	$ 7,692.00
716-08.01	REMOVAL OF PAVEMENT MARKING LINE	LM	5800	-	(5,800.00)	$1.00	$ (5,800.00)
716-12.02	ENHANCED FLATLINE THERMO PVMT MRKING (6IN LINE)	LM	15.6	14.551	(1.05)	$7,450.00	$ (7,815.05)
717-01	MOBILIZATION	LS	1	1.00	-	$129,800.00	$ -
730-14.02	SAW SLOT	LF	336	474.00	138.00	$14.00	$ 1,932.00
730-14.03	LOOP WIRE	LF	672	1,292.00	620.00	$2.00	$ 1,240.00

CHANGE ORDERS

203-05	UNDERCUTTING	CY	1070.46	1,070.46	-	$21.00	$ -
303-10.02	Mineral Aggregate, Size 2	Ton	1200.92	1,200.92	-	$72.50	$ -
307-01.15	307 CS (64-22) LEVELING	TON	8	8.00	-	$157.20	$ -
740-07.03	GEOGRID REINFORCING TYPE 1	SY	3975.01	3,975.01	-	$3.90	$ -
705-02.10	GR Transitions 27" to 31"	EA	11	8	(3.00)	$210.00	$ (630.00)
705-02.20	SING GRDRL (TY 2) LONG POST (6-9FT)	LF	25	8.5	(16.50)	$45.15	$ (744.98)
705-02.25	SING GRDRL (TY 2) LONG POST (9-12FT)	LF	31.25	37.5	6.25	$48.30	$ 301.88
705-04.09	EARTH PAD FOR TYPE 38 GR END TREATMENT	EA	1	1	-	$1,942.50	$ -
705-06.05	RADIUS RAIL (LONG POST)	LF	12.5	12.5	-	$65.10	$ -
705-06.11	GR TERMINAL (IN INLINE) MASH TL3	EA	1	1	-	$1,575.00	$ -
705-07.11	TRUCK MOUNTED ENERGY ATTENUATOR	EA	1	1	-	$2,100.00	$ -
706-03.01	POSTS FURNISHED	EA	11	8	(3.00)	$135.45	$ (406.35)
706-10.26	ROUNDED END ELEMENT	EA	1		-	$111.30	$ -

Item XI9.

$ 313,601.98

Summers-Taylor, Inc.

600 Sevier Street
Johnson City, TN 37604
Phone (423) 543-3181 Fax (423) 543-6189
www.summerstaylor.com

06/14/2025

Mr. Jason Snapp, P.E.,CPESC
Mattern & Craig Consulting Engineers
429 Clay St.
Kingsport, TN 37660

RE: FINAL QUANTIES CHANGE ORDER REQUEST
Contract No: 4597
County: Sullivan
Project No.: 129800.00
State Project No.: 82LPLM-F3-096
Federal Project No.: STP-M-9108(51)

Greetings,

Per TDOT request. Please accept this letter as a formal request that the final contract quantities be updated as detailed in the table below.

BID ITEM NO.	DESCRIPTION	UNIT OF MEAS	QUANTITIES CURRENT	QUANTITIES BID	CHANGE	UNIT PRICE	DIFFERENCE
202-03.01	REMOVAL OF ASPHALT PAVEMENT	SY	9662.38	9,662.38	-	$24.00	$ -
208-01.05	BROOMING & DEGRASSING SHOULDERS	LM	9.4	-	(9.40)	$1,620.00	$ (15,228.00)
303-01	MINERAL AGGREGATE, TYPE A BASE, GRADING D	TON	3690.64	3,690.64	-	$67.50	$ -
307-01.01	ASPHALT CONCRETE MIX(PG64-22)(BPMB-HM) GRADING A	TON	165.000	8.000	(157.00)	$174.00	$ (27,318.00)
307-01.08	ASPHALT CONCRETE MIX(PG64-22)(BPMB-HM) GRADING B-M2	TON	585.000	1189.420	604.42	$158.00	$ 95,498.36
307-02.01	ASPHALT CONCRETE MIX(PG70-22)(BPMB-HM) GRADING A	TON	435.940	435.940	-	$195.00	$ -
307-02.08	ASPHALT CONCRETE MIX(PG70-22)(BPMB-HM) GRADING B-M2	TON	475.000	585.680	110.68	$206.00	$ 22,800.08
402-01	BITUMINOUS MATERIAL FOR PRIME COAT(PC)	TON	0	-	-	$1,460.00	$ -
402-02	AGGREGATE FOR COVER MATERIAL (PC)	TON	0	-	-	$83.00	$ -
403-01	BITUMINOUS MATERIAL FOR TACKCOAT(TC)	TON	32	56.1680	24.17	$1,120.00	$ 27,068.16
407-20.05	SAW CUTTING ASPHALT PAVEMENT	LF	4495	22.00	(4,473.00)	$2.50	$ (11,182.50)
411-01.10	ACS MIX (PG64-22) GRADING D	TON	1570	2,589.92	1,019.92	$134.00	$ 136,689.28
411-02.10	ACS MIX (PG70-22) GRADING D	TON	4130	4,406.23	276.23	$137.00	$ 37,843.51
415-01.01	COLDPLANING BITUMINOUS PAVEMENT	TON	4910	6,212.80	1,302.80	$22.50	$ 29,313.00
701-02.01	CONCRETECURB RAMP (RETROFIT)	SF	75	159.36	84.36	$80.50	$ 6,790.98
705-06.30	GR TERMINAL (ENERGY ABSORBING) MASH TL-2	EACH	11	8.00	(3.00)	$3,830.00	$ (11,490.00)
712-01	TRAFFIC CONTROL	LS	1	1.00	-	$45,600.00	$ -
712-01.05	FLAGMAN	HOURS	450	695.00	245.00	$86.00	$ 21,070.00
712-04.01	FLEXIBLE DRUMS (CHANNELIZING)	EACH	349	287.00	(62.00)	$35.00	$ (2,170.00)
712-05.01	WARNING LIGHTS (TYPE A)	EACH	4	-	(4.00)	$22.00	$ (88.00)
712-06	SIGNS(CONSTRUCTION)	SF	748	1,407.50	659.50	$12.50	$ 8,243.75
712-07.03	TEMPORARY BARRICADES (TYPE III)	LF	24	-	(24.00)	$14.00	$ (336.00)
712-08.03	ARROW BOARD (TYPE C)	EACH	2	4.00	2.00	$1,500.00	$ 3,000.00
716-02.04	PLASTIC PAVEMENT MARKING(CHANNELIZATION STRIPING)	SY	185	87.12	(97.88)	$28.00	$ (2,740.64)
716-02.05	PLASTIC PAVEMENT MARKING (STOP LINE)	LF	67	109.50	42.50	$15.00	$ 637.50
716-02.06	PLASTIC PAVEMENT MARKING (TURN LANE ARROW)	EACH	10	11.00	1.00	$200.00	$ 200.00
716-02.08	PLASTIC PAVEMENT MARKING (8" DOTTED LINE)	LF	62	-	(62.00)	$2.00	$ (124.00)
716-02.12	PLASTIC PAVEMENT MARKING (8IN LINE)	LM	0.16	0.09	(0.07)	$12,500.00	$ (875.00)
716-03.01	PLASTIC WORD PAVEMENT MARKING (ONLY)	EACH	3	5.00	2.00	$250.00	$ 500.00
716-04.01	PLASTIC PAVEMENT MARKING (STRAIGH-TURN ARROW)	EACH	1	-	(1.00)	$250.00	$ (250.00)
716-04.05	PLASTIC PAVEMENT MARKING (STRAIGHT ARROW)	EACH	2	2.00	-	$175.00	$ -
716-05.01	PAINTED PAVEMENT MARKING (4" LINE)	LM	4.08	9.2080	5.128	$1,500.00	$ 7,692.00
716-08.01	REMOVAL OF PAVEMENT MARKING LINE	LM	5800	-	(5,800.00)	$1.00	$ (5,800.00)
716-12.02	ENHANCED FLATLINE THERMO PVMT MRKING (8IN LINE)	LM	15.6	14.551	(1.05)	$7,450.00	$ (7,815.05)
717-01	MOBILIZATION	LS	1	1.00	-	$129,800.00	$ -
730-14.02	SAW SLOT	LF	336	474.00	138.00	$14.00	$ 1,932.00
730-14.03	LOOP WIRE	LF	672	1,292.00	620.00	$2.00	$ 1,240.00

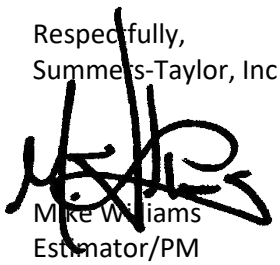
CHANGE ORDERS

203-05	UNDERCUTTING	CY	1070.46	1,070.46	-	$21.00	$ -
303-10.02	Mineral Aggregate, Size 2	Ton	1200.92	1,200.92	-	$72.50	$ -
307-01.15	307 CS (64-22) LEVELING	TON	8	8.00	-	$157.20	$ -
740-07.03	GEOGRID REINFORCING TYPE 1	SY	3975.01	3,975.01	-	$3.90	$ -
705-02.10	GR Transitions 27" to 31"	EA	11	8	(3.00)	$210.00	$ (630.00)
705-02.20	SING GRDRL (TY 2) LONG POST (6-9FT)	LF	25	8.5	(16.50)	$45.15	$ (744.98)
705-02.25	SING GRDRL (TY 2) LONG POST (9-12FT)	LF	31.25	37.5	6.25	$48.30	$ 301.88
705-04.09	EARTH PAD FOR TYPE 38 GR END TREATMENT	EA	1	1	-	$1,942.50	$ -
705-06.05	RADIUS RAIL (LONG POST)	LF	12.5	12.5	-	$65.10	$ -
705-06.11	GR TERMINAL (IN INLINE) MASH TL3	EA	1	1	-	$1,575.00	$ -
705-07.11	TRUCK MOUNTED ENERGY ATTENUATOR	EA	1	1	-	$2,100.00	$ -
706-03.01	POSTS FURNISHED	EA	11	8	(3.00)	$135.45	$ (406.35)
706-10.26	ROUNDED END ELEMENT	EA	1	1	-	$111.30	$ -

$ 313,601.98

Item XI9.

Respectfully,
Summers-Taylor, Inc



Mike Williams
Estimator/PM

Randy W. Beckner
Bradley C. Craig
Wm. Thomas Austin
James B. Voso
Chad M. Thomas
Jason A. Carder
Brian R. Newman
D. Jason Snapp
Ryan P. Kincer

Mattern & Craig
ENGINEERS • SURVEYORS

Edwin K. Mattern, Jr. (1949-1982)
J. Wayne Craig (1940-2024)
Gene R. Cress (1935-2014)
Sam H. McGhee, III (1940-2018)
Stewart W. Hubbell (Retired)
Michael S. Agee (Retired)
Steven A. Campbell (Retired)
Randy L. Dodson (Retired)

June 25, 2025

To:
Tennessee Department of Transportation.
Local Programs Office
505 Deaderick Street,
Nashville, TN, 37243-0341

Re: Kingsport Safety and Resurfacing, Moreland Drive
Kingsport, TN
TDOT Proj. # 82LPLM-F3-096
Comm. No.: 4597

To Whom It may concern,

This Change order #4 is required to reconcile the final quantities for the referenced project. The City of Kingsport, TDOT Construction, and M&C staff met onsite for a final inspection on April 29th, 2025, all parties were in agreeance with the final reconciled quantities and that project was complete. The final breakdown of reconciled quantities is detailed and can be reviewed in the "FINAL QUANTITIES" attachment.

Sincerely,
MATTERN & CRAIG

D. Jason Snapp, P.E.
Principal/Construction Manager

429 Clay Stre[illegible], TN 37660
(423) 245-49[illegible] 345-7691
www.matternandcraig.com

KINGSPORT
TENNESSEE

Public Works

June 12, 2025

Mr. Jason Snapp
Principal
Mattern & Craig
429 Clay Street
Kingsport, TN 37660

Re: Evaluation of Change Order #4 TDOT PIN 128900.00, Moreland Drive, Meadowview Parkway, Fall Creek Road, Cooks Valley Road, and Netherland Inn Road in Kingsport, TN, Hawkins/Sullivan County

Dear Mr. Snapp:

The City of Kingsport has reviewed change order #4 for the above referenced contract, and is agreement with the final reconciled quantities for this project.

Please feel free to contact me if you need anything further from the City regarding this project.

Sincerely,

Timothy Elsea, PE
Asst. Public Works Director
City of Kingsport

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Approving an Amendment to the Agreement with Doxim, LLC for Additional Billing Services and Authorizing the Mayor to Sign all Necessary and Proper Documents.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-190-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Floyd Bailey
First Reading:	N/A	Presentation By:	Floyd Bailey

Strategic Focus Area: Efficient and Responsive Government

Recommendation:
Approve the Resolution.

Executive Summary:
The accompanying resolution approves an amendment to the current agreement with Doxim, LLC through a change request form to redesign and implement new demolition landfill bills in the amount of $5,210.81.

Currently, the city has a contract with Doxim for utility billing services. It is recommended to expand the services provided to include a redesign of the landfill bill template and to then implement the redesigned bills.

The cost of the redesign is $5,000 plus $0.1597 per bill for implementation of the redesigned bill. The addition of these services increases the total contract amount to $88,385.81.

The original contract upgraded us to the Doxim modern platform and Doxim Customer Communications Management (CCM) which improves customer service relations in areas such as, a new customer portal, USPS mail tracking capabilities, internal bill message controls. This project also includes integration with the new Hansen Customer Information System and a fresh bill redesign.

These funds are identified in project code GP2502, Account Number 311-0000-601.90-03.

Attachments:
1. Resolution
2. Change Request Form

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING A CHANGE REQUEST FORM WITH DOXIM LLC TO EXPAND THE SCOPE OF UTILITY BILLING SERVICES AND AUTHORIZING THE MAYOR TO EXECUTE THE CHANGE REQUEST FORM AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, on February 18, 2025, the board approved Resolution No.: 2025-172 authorizing the mayor to sign an agreement with Doxim, LLC as a utility bill print vendor; and

WHEREAS, at this time, the city would like to add additional services through Doxim, LLC to redesign the construction and demolition landfill bill template and to then implement the redesigned bills; and

WHEREAS, the cost for the redesign is $5,000 plus $0.1597 per bill for implementation, for a new contract total of $88,385.81; and

WHEREAS, funding is identified in project code GP2502.

Now therefore,

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

SECTION I. That an amendment to the contract with Doxim, LLC to redesign the landfill bill template at a cost of $5,000 and to then implement the redesigned bills at a cost of $0.1597 per bill, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a change request form as well as any other necessary and proper documents to amend the contract with Doxim, LLC to add additional services for the redesign and implementation of construction and demolition landfill bills, 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 and this resolution.

SECTION II. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the necessary and proper documents the execution of which is necessary to effectuate the purposes of this resolution, 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 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

CHANGE REQUEST FORM

Project / Change Request Identification			
Change Request (CR) Number / ID:	***Landfill Bills***		
Project Name:	Redesign / Implementation – Landfill Bills	**Date:**	06/17/25
Client / Company Name:	City of Kingsport	**Requested by:**	
Prepared by:	Josh Ciccia		
Request Type:	Change Request		
Priority:	**High**		
Assessed by:		**Assessed Date:**	

Change Request Details / Description

Summary: In conjunction with the current utility bill redesign and migration to Doxim CCM project, the City of Kingsport would like to also have Doxim redesign and implement landfill bills. Once moved to production, Doxim will receive a data file from Hansen which will be set up to be processed, composed and delivered either via print/mail or email.

The City of Kingsport will send a file monthly anticipates 110 statements to be generated and distributed to the corresponding customers. Doxim will also archive these documents per the current agreement period.

Any items not implicitly included herein, is subject to Doxim's standard Change Request (CR) process.

Pricing and payment terms

Description	Effort / QTY	Cost $
Professional Services - Land Fill redesign and template development	20 hrs.	$5,000 (one-time)
****Base Statement Package** – includes processing, postal optimization, suppression, PDF creation, all materials (highlight color lasering, paper, envelopes), electronic delivery to customers, return of PDF file to Hansen, document archival for 13 months.	110/month	$0.1597/bill
Total		$5,000

The prices above are for one-time delivery of Professional Services and exclude applicable taxes.

Additional ongoing processing costs/licencing fees as agreed to between the Client and Doxim may apply. These fees are excluded in this change request.

Payment Terms:
One-time setup fee due upon signing, statements will be involved monthly.

If Purchase Order is required, please indicate, and provide details upon signing:
☐ PO required, PO number _____

Expiry: This Change Request is valid for 30 business days from Change Request date.

If this period has lapsed without a decision to move forward, Doxim reserves the right to re-evaluate the solution and the associated costs and timelines for the engagement.

Change Request Approval

CR Number:			
Client Signature:		**Doxim Signature:**	
Name:		**Name:**	
Position:		**Position:**	
Date:		**Date:**	

It is assumed the above signing authorities are able to bind this agreement for their respective company.
Above signing authorities will make all required respective company representatives aware of this Change Request and possible impacts.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Approving the Renewal of Naviline Software with CentralSquare for Fiscal Year 2026 And Authorizing the Issuance of a Purchase Order for the Same.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-191-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Floyd Bailey
First Reading:	N/A	Presentation By:	Floyd Bailey

Strategic Focus Area: Efficient & Responsive Government

Recommendation:
Approve the Resolution.

Executive Summary:
The accompanying resolution approves the renewal of the city's financial software subscription, Naviline, from CentralSquare in the amount of $247,188.87 for fiscal year 2026.

The Naviline Finance Software (ERP) from Central Square is currently being renewed on a year-by-year basis. It is not advisable at this time to renew for a longer timeframe due to implementation of a new financial information system in the next couple of years.

This resolution is requesting that we pay a one-year renewal amount of $247,188.87 as identified in Invoice number 439550 (attached). This is comparable with what has been paid every year for the FIS software we currently use.

Funding for this invoice is identified as budgeted in Account: 110-1013-404-2057.

Attachments:
1. Resolution
2. Invoice

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

RESOLUTION NO. _____

A RESOLUTION APPROVING THE RENEWAL OF THE NAVILINE FINANCIAL SOFTWARE FROM CENTRALSQUARE; AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER; AND AUTHORIZING THE MAYOR TO EXECUTE ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, the city's current subscription to the Naviline financial software from CentralSquare needs to be renewed for fiscal year 2026; and

WHEREAS, it is in the best interest and advantage to the city to renew the subscription for an additional year in the amount of $247,188.87; and

WHEREAS, a longer renewal is not advisable at this time as the city anticipates implementing a entirely new financial information system in the next one to two years; and

WHEREAS, funding is available in account No.: 110-1013-404-2057.

Now therefore,

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

SECTION I. That the renewal of the current subscription to the Naviline financial software from CentralSquare is approved for which a purchase order may be issued.

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 all documents necessary and proper to renew for one year the Naviline financial software from Central Square in the amount of $247,188.47, 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 documents 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 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III, CITY ATTORNEY

Invoice

Invoice No	Date	Page
439550	6/4/2025	1 of 5

Superion, LLC, a CentralSquare Company
1000 Business Center Drive
Lake Mary, FL 32746

Billing Inquiries: Accounts.Receivable@centralsquare.com

Bill To
City of Kingsport
Accounts Payable
415 Broad Street
Kingsport TN 37660
United States

Ship To
City of Kingsport
Accounts Payable
415 Broad Street
Kingsport TN 37660
United States

Customer No	Customer Name	Customer PO #	Currency	Due Date
1703LG	City of Kingsport		USD	7/4/2025

Invoice Sequence Number 1 of 1

	Description	Units	Rate	Extended
Quote No. Q-211419				
1	NaviLine Click2Gov3 Business Licenses - Access Fee NaviLine Click2Gov3 Business Licenses Maintenance: Start:7/1/2025, End: 6/30/2026	1	986.13	986.13
2	NaviLine User Interface Annual Access Fee - Access Fee Superion NaviLine User Interface Maintenance: Start:7/1/2025, End: 6/30/2026	1	0.00	0.00
3	NaviLine m.WorkOrders - Access Fee NaviLine m.WorkOrders Maintenance: Start:7/1/2025, End: 6/30/2026	1	417.63	417.63
4	NaviLine Click2Gov3 Customer Information System - Access Fee NaviLine Click2Gov3 Customer Information System Maintenance: Start:7/1/2025, End: 6/30/2026	1	2,243.79	2,243.79
5	NaviLine Click2Gov3 Tax Billing & Collections - Access Fee NaviLine Click2Gov3 Tax Billing & Collections Maintenance: Start:7/1/2025, End: 6/30/2026	1	3,015.54	3,015.54
6	NaviLine Click2Gov3 Employee Self Service - Access Fee NaviLine Click2Gov3 Employee Self Service Maintenance: Start:7/1/2025, End: 6/30/2026	1	2,643.99	2,643.99
7	NaviLine Click2Gov3 Accounts Receivable & Loans - Access Fee NaviLine Click2Gov3 Accounts Receivable & Loans Maintenance: Start:7/1/2025, End: 6/30/2026	1	843.23	843.23
8	NaviLine Click2Gov3 Map Access Fee - Access Fee NaviLine Click2Gov3 Map Access Fee Maintenance: Start:7/1/2025, End: 6/30/2026	1	2,054.36	2,054.36
9	Modifications - Access Fee Modifications Maintenance: Start:7/1/2025, End: 6/30/2026	126	0.00	0.00
10	NaviLine Customer Information System - Access Fee NaviLine Customer Information System Maintenance: Start:7/1/2025, End: 6/30/2026	1	19,665.14	19,665.14

Invoice

Invoice No	Date	Page
439550	6/4/2025	2 of 5

Superion, LLC, a CentralSquare Company
1000 Business Center Drive
Lake Mary, FL 32746

Billing Inquiries: Accounts.Receivable@centralsquare.com

Bill To
City of Kingsport
Accounts Payable
415 Broad Street
Kingsport TN 37660
United States

Ship To
City of Kingsport
Accounts Payable
415 Broad Street
Kingsport TN 37660
United States

Customer No	Customer Name	Customer PO #	Currency	Due Date
1703LG	City of Kingsport		USD	7/4/2025

Invoice Sequence Number 1 of 1

	Description	Units	Rate	Extended
11	NaviLine CIS Handheld Interface - Access Fee NaviLine CIS Handheld Interface Maintenance: Start:7/1/2025, End: 6/30/2026	1	2,488.56	2,488.56
12	NaviLine Accounts Receivable-Annual Access Fee-NSP - Access Fee NaviLine Accounts Receivable Maintenance: Start:7/1/2025, End: 6/30/2026	1	6,166.30	6,166.30
13	NaviLine Business Licenses - Access Fee NaviLine Business Licenses Maintenance: Start:7/1/2025, End: 6/30/2026	1	3,075.88	3,075.88
14	NaviLine Payroll/Personnel-Annual Access Fee-NSP - Access Fee NaviLine Payroll/Personnel Maintenance: Start:7/1/2025, End: 6/30/2026	1	10,233.45	10,233.45
15	NaviLine Tax Billing & Collections - Access Fee NaviLine Tax Billing & Collections Maintenance: Start:7/1/2025, End: 6/30/2026	1	27,974.36	27,974.36
16	NaviLine CIS Voice Response Interface-Generic - Access Fee NaviLine CIS Voice Response Interface-Generic Maintenance: Start:7/1/2025, End: 6/30/2026	1	2,252.24	2,252.24
17	NaviLine Work Orders/Facility Management - Access Fee NaviLine Work Orders/Facility Management Maintenance: Start:7/1/2025, End: 6/30/2026	1	10,466.70	10,466.70
18	NaviLine Land/Parcel Mgmt-Annual Access Fee-NSP - Access Fee NaviLine Land/Parcel Mgmt Maintenance: Start:7/1/2025, End: 6/30/2026	1	4,606.52	4,606.52
19	NaviLine Cash Receipts-Annual Access Fee-NSP - Access Fee NaviLine Cash Receipts Maintenance: Start:7/1/2025, End: 6/30/2026	1	4,431.58	4,431.58
20	NaviLine Cash Receipts Lock Box Interface - Access Fee NaviLine Cash Receipts Lock Box Interface Maintenance: Start:7/1/2025, End: 6/30/2026	1	867.37	867.37

CENTRALSQUARE TECHNOLOGIES

Invoice

Invoice No	Date	Page
439550	6/4/2025	3 of 5

Superion, LLC, a CentralSquare Company
1000 Business Center Drive
Lake Mary, FL 32746

Billing Inquiries: Accounts.Receivable@centralsquare.com

Bill To
City of Kingsport
Accounts Payable
415 Broad Street
Kingsport TN 37660
United States

Ship To
City of Kingsport
Accounts Payable
415 Broad Street
Kingsport TN 37660
United States

Customer No	Customer Name	Customer PO #	Currency	Due Date
1703LG	City of Kingsport		USD	7/4/2025

Invoice Sequence Number 1 of 1

	Description	Units	Rate	Extended
21	NaviLine CIS IVR Credit Card Interface-Generic - Access Fee NaviLine CIS IVR Credit Card Interface-Generic Maintenance: Start:7/1/2025, End: 6/30/2026	1	889.25	889.25
22	NaviLine Delinquency Call Out Listing Interface-Generic - Access Fee NaviLine Delinquency Call Out Listing Interface-Generic Maintenance: Start:7/1/2025, End: 6/30/2026	1	889.25	889.25
23	NaviLine Document Management Services - Access Fee NaviLine Document Management Services Maintenance: Start:7/1/2025, End: 6/30/2026	1	1,479.63	1,479.63
24	NaviLine Fixed Assets-Annual Access Fee-NSP - Access Fee NaviLine Fixed Assets Maintenance: Start:7/1/2025, End: 6/30/2026	1	4,198.34	4,198.34
25	NaviLine Fleet Management-Annual Access Fee-NSP - Access Fee NaviLine Fleet Management Maintenance: Start:7/1/2025, End: 6/30/2026	1	8,440.39	8,440.39
26	NaviLine Purchasing/Inventory-Annual Access Fee-NSP - Access Fee NaviLine Purchasing/Inventory Maintenance: Start:7/1/2025, End: 6/30/2026	1	9,584.76	9,584.76
27	NaviLine GMBA w/Extended Reporting - Access Fee NaviLine GMBA w/Extended Reporting Maintenance: Start:7/1/2025, End: 6/30/2026	1	17,442.06	17,442.06
28	NaviLine Web Enablement - Access Fee NaviLine Web Enablement Maintenance: Start:7/1/2025, End: 6/30/2026	1	700.51	700.51
29	NaviLine m.MobileUser License - Access Fee NaviLine m.MobileUser License Maintenance: Start:7/1/2025, End: 6/30/2026	1	2,694.27	2,694.27
30	NaviLine Click2Gov3 Purchasing - Access Fee NaviLine Click2Gov3 Purchasing Maintenance: Start:7/1/2025, End: 6/30/2026	1	614.53	614.53

Invoice

Invoice No	Date	Page
439550	6/4/2025	4 of 5

Superion, LLC, a CentralSquare Company
1000 Business Center Drive
Lake Mary, FL 32746

Billing Inquiries: Accounts.Receivable@centralsquare.com

Bill To
City of Kingsport
Accounts Payable
415 Broad Street
Kingsport TN 37660
United States

Ship To
City of Kingsport
Accounts Payable
415 Broad Street
Kingsport TN 37660
United States

Customer No	Customer Name	Customer PO #	Currency	Due Date
1703LG	City of Kingsport		USD	7/4/2025

Invoice Sequence Number 1 of 1

	Description	Units	Rate	Extended
31	NaviLine Global Financials Annual Maintenance Fee - Annual Maintenance Fee Maintenance: Start:7/1/2025, End: 6/30/2026	1	0.00	0.00
32	AnalyticsNOW - Access Fee AnalyticsNOW Maintenance: Start:7/1/2025, End: 6/30/2026	1	9,095.63	9,095.63
33	NaviLine Work Orders/Facility Management - Annual Maintenance Fee Maintenance: Start:7/1/2025, End: 6/30/2026	1	0.00	0.00
34	NaviLine Mobile Server Framework Annual Access Fee - Access Fee NaviLine Mobile Server Framework Maintenance: Start:7/1/2025, End: 6/30/2026	1	1,185.47	1,185.47
35	Horizon Cloud for ONESolution Annual Access Fee - Access Fee NaviLine Horizon Cloud Maintenance: Start:7/1/2025, End: 6/30/2026	1	77,934.96	77,934.96
36	NaviLine Click2Gov3 Core - Access Fee NaviLine Click2Gov3 Core Maintenance: Start:7/1/2025, End: 6/30/2026	1	1,543.31	1,543.31
37	CentralSquare Payments - Annual Subscription Fee Maintenance: Start:7/1/2025, End: 6/30/2026	1	0.00	0.00
38	Fusion Proprietary - Access Fee Fusion Proprietary Maintenance: Start:7/1/2025, End: 6/30/2026	1	6,063.74	6,063.74
39	Distribution Services - Annual Maintenance Fee Maintenance: Start:7/1/2025, End: 6/30/2026	1	0.00	0.00
40	Technical Services - TS - Annual Maintenance Fee Maintenance: Start:7/1/2025, End: 6/30/2026	1	0.00	0.00

Invoice

Invoice No	Date	Page
439550	6/4/2025	5 of 5

Superion, LLC, a CentralSquare Company
1000 Business Center Drive
Lake Mary, FL 32746

Billing Inquiries: Accounts.Receivable@centralsquare.com

Bill To
City of Kingsport
Accounts Payable
415 Broad Street
Kingsport TN 37660
United States

Ship To
City of Kingsport
Accounts Payable
415 Broad Street
Kingsport TN 37660
United States

Customer No	Customer Name	Customer PO #	Currency	Due Date
1703LG	City of Kingsport		USD	7/4/2025

Invoice Sequence Number 1 of 1

Please include invoice number(s) on your remittance advice.
ACH:
Routing Number 121000358
Account Number 1416612641
E-mail payment details to: Accounts.Receivable@CentralSquare.com

Check:
12709 Collection Center Drive
Chicago, IL 60693

Subtotal	247,188.87
Tax	0.00
Invoice Total	247,188.87
Payments Applied	0.00
Balance Due	**USD 247,188.87**

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute a Submitter Merchant Agreement with J.P. Morgan Chase Bank Necessary to Implement the Paymentus Payment Processing Service

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-193-2025
Work Session: July 14, 2025
First Reading: N/A

Final Adoption: July 15, 2025
Staff Work By: Floyd Bailey
Presentation By: Floyd Bailey

Strategic Focus Area: Efficient & Responsive Government

Recommendation:
Approve the resolution.

Executive Summary:
The accompanying resolution authorizes the Mayor to execute a Submitter Merchant Agreement with J. P. Morgan Chase Bank so that credit card and other electronic methods of payment can be processed by Paymentus, the new payment processing service for the city.

In April, the city entered into an agreement with Paymentus for the implementation of an electronic bill payment service. The service enables the city to accept credit card and other forms of electronic payments for city services.

As part of the implementation process, the city needs to execute a Submitter Merchant Agreement with J.P. Morgan Chase Bank ("Chase"). The Submitter Merchant Agreement allows Paymentus to process payments made through financial networks owned by Chase as well as American Express. The Agreement governs the terms and conditions of the city's receipt of payments through the payment networks operated by Chase and American Express.

It was well after the city's execution of the service agreement with Paymentus before Paymentus advised the city of the need to execute the Submitter Merchant Agreement with Chase.

Attachments:
1. Resolution
2. Submitter Merchant Agreement

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A SUBMITTER MERCHANT AGREEMENT WITH J. P. MORGAN CHASE BANK FOR THE PAYMENTUS PAYMENT PROCESSING SERVICE AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, on March 18, 2025 the board adopted Resolution No. 2025-185 which approved an agreement with Paymentus Corporation for the implementation of a bill payment service which will enable the city to accept of various electronic payment methods such as credit/debit cards, bank transfers, and eChecks; and

WHEREAS, since that time, city has been advised that in order to receive payments through certain financial networks a submitter merchant agreement must be executed with J. P. Morgan Chase bank must be executed; and

WHEREAS, execution of this agreement allows the city to receive payments through financial networks operated by J. P. Morgan Chase Bank and American Express; and

Now therefore,

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

SECTION I. That the submitter merchant payment processing agreement with J. P. Morgan Chase Bank 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 submitter merchant payment processing agreement, 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 15th day of July, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

CHASE J.P.Morgan

SUBMITTER MERCHANT
PAYMENT PROCESSING INSTRUCTIONS AND GUIDELINES

Paymentech, LLC, also known as Chase Merchant Services ("CMS", "we", or "us"), for itself and on behalf of JPMorgan Chase Bank, N.A. ("Chase"), is excited about the opportunity to join **Paymentus Corporation** (referred to herein as "Submitter") in providing you, the Merchant signing below (hereinafter referred to as "you" or "Merchant") with state-of-the-art payment processing services.

When you use the services of Submitter to receive payments for Transactions initiated by Card or by ECP, those Transactions are processed by us through systems and networks owned by the Networks, each of which maintains its own set of Network Rules governing Transactions processed over such Network.

The Network Rules, generally require that we have a direct contract with each merchant for which we process payment transactions through the Network, and this agreement (this "Agreement") contains certain contractual commitments required by the Network Rules to be contained in each such contract.

1. Compliance with Network Rules, Applicable Law and User Guide; Network Liabilities.

You agree to comply with the Network Rules (including the Security Standards) of each Network, as they pertain to the Transactions you submit to us (directly or via Submitter) for processing through Submitter. You shall not, through act or omission, cause CMS or Chase to violate any Network Rules. You shall perform your obligations under this Agreement in compliance with all applicable federal, state and local laws and regulations and shall not submit any Transaction that it knows to be illegal. CMS reserves the right to temporarily suspend funding or refuse to process any Transaction if we reasonably suspect that it was prepared in violation of any provision of this Agreement, applicable law, or the Network Rules. You agree to pay any and all fines, fees, penalties, liabilities, charges and other amounts which may be imposed or assessed by the Networks on you, Chase or CMS as a result of your actions, omissions, Transactions, Chargebacks or Returns, including without limitation, your failure to comply with the Network Rules, this Agreement or any Security Standards (the "Network Liabilities").

2. Your Transactions; Chargebacks and Returns.

You represent and warrant that you will only use our services and submit Transactions for processing which represent the sale or lease of goods or the provision of services by you to a Customer and not on behalf of any third-party seller. You shall have full liability for all Chargebacks (with respect to Card Transactions) and all Returns (with respect to ECP Transactions), as may be assessed in accordance with the applicable Network Rules, provided, however, that in the event that any Chargeback or Return is ultimately reversed by the applicable Network in your favor, CMS shall refund you for the amount thereof.

3. Settlement and Funding.

(a) CMS will submit your Transactions to the applicable Network for processing, and thereafter will provisionally fund the Settlement Account (as defined below).
(b) You must designate at least one bank account for the deposit and settlement of funds and the debit of any fees and costs associated with CMS's processing of the Transactions (all such designated bank accounts shall be collectively referred to herein as the "Settlement Account"). You authorize CMS to initiate electronic credit entries, debit entries, and adjustments to your Settlement Account for amounts due to or from you in1 connection with this Agreement. CMS will not be liable for any delays in receipt of funds or errors in Settlement Account entries caused by third parties, including but not limited to delays or errors by Submitter, the Networks, or your bank.
(c) Unless otherwise agreed, the dollar amount payable to you for your Transactions will be equal to the amount submitted by you in connection with your sale Transactions, minus the sum of amounts due from you, including Refunds, Chargebacks, Returns, Network Liabilities, and all applicable charges and adjustments; provided, however, that in the event we fail to withhold any such amounts from your Transaction proceeds, we may debit your Settlement Account for such amounts ;
(d) If we fail to withhold any Refunds, Returns, Chargebacks, Network Liabilities or other charges or amounts due from the proceeds payable to the Settlement Account (including where such proceeds are insufficient to cover such obligations), or if the Settlement Account does not have a sufficient balance to pay amounts due from you under these guidelines, we may pursue one or more of the following options: (i) demand and receive immediate payment for such amounts; (ii) debit the Settlement Account for the amount of the negative balance; (iii) withhold settlement payments to the Settlement Account until all amounts are paid, (iv) delay

presentation of refunds until a payment is made to us of a sufficient amount to cover the negative balance; and (v) pursue any remedies we may have at law or in equity.

(e) To the extent you or Submitter elect to assess a Convenience Fee for eligible Transactions, and unless otherwise agreed to in writing, you hereby acknowledge and agree that (i) all Convenience Fee Transactions will be submitted by Submitter to CMS under the terms of the separate agreement in place between CMS and Submitter, (ii) all CMS processing fees, interchange and assessment fees, or other fees that may apply associated with the Convenience Fee Transaction shall be paid by Submitter, (iii) all Chargebacks, Chargeback fees, funds transfer fees, returns and similar charges related to Convenience Fee Transactions shall be paid by Submitter, and (iv) settlement funding for Convenience Fee transactions will be paid directly to a bank account designated by Submitter.

4. Specific Requirements, Representations and Warranties Relating to ACH Transactions.

(a) The NACHA Operating Rules ("NACHA Rules") are the applicable Network Rules governing your ECP Transactions that utilize the ACH network, including, without limitation, ACH, ARC, TEL and WEB Transactions ("ACH Transactions"). You are responsible for complying with the NACHA Rules as set forth in Section 1 of this Agreement. The originating depository financial institution which CMS uses (currently Chase) to originate and process your ACH Transactions (the "ODFI", as that term is further defined in the NACHA Rules) retains the right to reject or delay any ACH Transaction, to execute an ACH Transaction through any clearing house or channel it deems appropriate, to terminate or suspend your right to originate ACH Transactions, or to audit your compliance with the NACHA Rules.

(b) Any credit made to your Customer's account as a result of an ACH Transaction originated by you (e.g., an issuance of a refund) is provisional until your Customer's receiving depository financial institution (the "RDFI", as further defined in the NACHA Rules) receives final settlement for such entry through a Federal Reserve Bank. If final settlement is not received by the RDFI, the RDFI will receive a refund from your Customer, and your Customer will not be deemed to have been paid by you.

(c) You represent and warrant that: (i) each ACH Transaction you originate will comply with all applicable laws and NACHA Rules; (ii) you will not originate any ACH Transaction as a Third Party Sender (as that term is defined in the NACHA Rules) and will not allow any third party to originate an ACH Transaction through your account under this Agreement; (iii) all ACH Transactions resulting in a debit to the Customer will be authorized by the Customer in writing and signed or similarly authenticated in a manner that complies with the NACHA Rules; (iv) you will obtain and retain proper authorization, in accordance with all applicable laws and the NACHA Rules, for each initiation of an ACH debit or credit to a Customer's account, and will make copies thereof available to us upon request; and (v) you hereby make to us, and certify compliance with, all warranties that we or the ODFI make, or are deemed to make, under the NACHA Rules, in connection with any ACH Transaction you originate.

5. Safeguarding Account Information; Security Standards.

(a) By accepting Card and ECP payments from your Customers, you acknowledge and understand the importance of protecting Transactions and Account Information and complying with the applicable Network Rules, Security Standards, and applicable law. You also acknowledges the heightened risk associated with access to Transactions and Account Information, and, to the extent you do have access to Transactions and Account Information, you must establish policies and procedures to protect such information in conformity with the Network Rules, Security Standards, and applicable law, including the storage and disclosure of such information. You shall exercise reasonable care to prevent use or disclosure of Transactions, Account Information, other than as necessary to complete a Transaction or as otherwise specifically permitted by the Network Rules or required by applicable law. If at any time you determine or suspect that Transactions or Account Information have been compromised, you must notify CMS immediately and assist in providing notification to such parties as may be required by law or Network Rules, or as CMS otherwise reasonably deems necessary. You further agree to provide CMS, upon its request, with information related to your compliance with the Network Rules and Security Standards as may from time to time be required by the Networks or reasonably requested by us.

(b) You acknowledge that failure to comply with the Network Rules, including the Security Standards, or the occurrence of a Data Compromise Event, may result in assessments, fines and/or penalties by the Networks. In the event CMS or Chase incurs any damage, loss, liability or expense as a result of any such failure or occurrence, including, without limitation, any Network Liability, you shall reimburse CMS and Chase, as applicable, immediately for all such amounts. Furthermore, if any Network requires a forensic examination of you or any of your agents, business partners, contractors, or subcontractors due to a Data Compromise Event, you agree to cooperate with such forensic examination until it is completed, including, without limitation, the engagement of an examiner acceptable to the relevant Network. Notwithstanding the foregoing, the Networks may directly, or demand that CMS, engage an examiner on your behalf in order to expedite the investigation of the Data Compromise Event.

6. Merchant Taxpayer Certification and CMS Reporting Obligations.

Upon request from time to time, Merchant shall provide CMS with the appropriate taxpayer certification documentation, via Internal Revenue Service (IRS) Form W-9 (or the appropriate versions of Form W-8, if applicable). Merchant shall promptly notify CMS if there are any changes in this information. CMS may deduct withholding taxes, if any, from proceeds payable to Merchant or any entity that is a party to this agreement where required under applicable law. CMS may, in accordance with applicable law and from time to time during the term of this Agreement, request Merchant to recertify its taxpayer certification hereunder. Furthermore, Merchant shall be responsible for any penalties related to the reporting obligations of CMS hereunder to the extent such penalties accrue based on the actions or inactions of Merchant despite reasonable notice from CMS.

7. Amendments and Updates.

We reserve the right to update or amend this Agreement from time to time, including as may be required to ensure compliance with the Network Rules, applicable law, or the policies, procedures or requirements of the ODFI. In such event, we will provide you with the changes, or with an updated copy of this Agreement, and your continued use of our processing services after your receipt of such changes shall constitute your agreement to comply with the Agreement as so amended.

8. Data Security and Privacy

By signing below, you represent to us that you **do not** have access to any Account Information (such as the Customer's primary account number, expiration date, security code or personal identification number) and you will not request access to such Account Information from Submitter. In the event that you do happen to receive Account Information in connection with the processing services provided by Submitter or CMS under these guidelines, you agree that you will not use it for any fraudulent purpose or in violation of any Network or applicable law and you will comply with all applicable Network Rules and Security Standards. If at any time you believe that Account Information has been compromised, you must notify us promptly and assist in providing notification to the proper parties. You must insure compliance with all Security Standards that are applicable to you and which may be published form time to time by the Network. If any Network requires an audit of you due to a Data Compromise Event or suspected event, you agree to cooperate with such audit. You may not use Account Information other than for the sole purpose of completing the Transaction authorized by the Customer for which the information as provided to you, or as specifically allowed by Network Rules, or required by law. In the event of your failure, including bankruptcy, insolvency or other suspension of business operations, you shall not sell, transfer or disclose any materials that contain Transaction information or Account Information to third parties.

9. American Express OptBlue.

If you wish to accept American Express payment transactions, then you must comply with the requirements set forth in **Exhibit 1** to this Agreement. Capitalized terms not otherwise defined in **Exhibit 1** shall have the meaning set forth in this Agreement.

10. Definitions.

(a) "***Card***" means a physical or virtual credit, debit card, pre-paid card, or stored value card, or any evidence thereof (e.g. account number, access number, token, code, payment credential, or other form factor or access device), or any device, mobile application, digital wallet or other technology, medium or method (regardless of form) used to access an account or account number associated therewith and through which Network payment services are delivered, authorized and established between a Customer and a Network, or representatives or members of a Card Network that Merchant accepts from Customers as payment for goods or services.

(b) "***Account Information***" is information related to a Customer or the Customer's Card or any bank account, depository account, or other account maintained by the Customer, and that is obtained by you or Submitter from the Customer's Card or any check provided by the Customer, or that is otherwise obtained by you from the Customer in connection with a Transaction (for example, an account number, a security code, a PIN number, or the customer's zip code when provided as part of an address verification system). Without limiting the foregoing, such information may include a the Card account number, a bank account number, a card expiration date, the Customer's name or date of birth, PIN data, security code data (such as CVV2 and CVC2) and any data read, scanned, imprinted, or otherwise obtained from the Card or any check printed thereon, or magnetically, electronically or otherwise stored thereon.

(c) "***ACH***" means Automated Clearing House.

(d) "***Chargeback***" is a rejection, reversal or return of a Transaction you previously presented to CMS, as permitted and governed by the applicable Network Rules. The term Chargeback shall include any Return of an ECP Transaction.

(e) "***Convenience Fee***" is a charge to a Customer for the convenience of using the payment channel offered by Merchant through Submitter.

(f) "***Customer***" is the person or entity to whom a Card is issued or who is otherwise authorized to use a Card and who initiates a payment with you relating to a Transaction.

(g) "***Data Compromise Event***" means an occurrence that results, or could result, directly or indirectly, in the unauthorized access to or disclosure of Transactions and/or Account Information.

(h) "***ECP***" means electronic check processing as a means of receiving or making payment in connection with a Transaction or Refund. ECP includes various products of a type supported by CMS, including, without limitation, ACH, ARC, CCD, EFT, POP, PPD, TEL, WEB and Facsimile Draft.

(i) "***Chase***" is JPMorgan Chase Bank, N.A. or other entity providing sponsorship to CMS as required by all applicable Networks. Your acceptance of Network products is extended by the Chase.

(j) "***Network***" is any payment method provider whose payment method is accepted by you from your Customers and which is accepted by CMS for processing, including, but not limited to, Visa, Inc., MasterCard International, Inc., Discover Financial Services, LLC and other credit and debit card providers, debit network providers. Network also includes the National Automated Clearing House Association ("NACHA"), with respect to Transactions involving any credit or debit entry processed over the ACH network, and any other network or clearing house over which any ECP Transactions may be processed.

(k) "***Network Rules***" are the standards, bylaws, rules, and operating regulations, as they exist from time to time, of the various Networks, and includes the Security Standards.

(l) "***CMS***", "***we***", "***our***", and "***us***" is Paymentech, LLC, a Delaware limited liability company, having its principal office at 8181 Communications Parkway, Plano, Texas 75024.

(m) "***Refund***" means any refund or credit issued for any reason, including, without limitation, for a return of merchandise or cancellation of services, and any adjustment of a Transaction.

(n) "***Return***" means any rejection, reversal or return of an ECP Transaction or ACH debit entry you previously presented to CMS, as permitted and governed by the applicable Network Rules.

(o) "***Security Standards***" are all rules, regulations, standards or guidelines adopted or required by the Networks or the Payment Card Industry Security Standards Council relating to privacy, data security and the safeguarding, disclosure and handling of Account Information, including but not limited to the Payment Card Industry Data Security Standards ("PCI DSS"), Visa's Cardholder Information Security Program, Discover's Information Security & Compliance Program, American Express's Data Security Operating Policy, MasterCard's Site Data Protection Program, MasterCard's POS Terminal Security program and the Payment Card Industry PIN Entry Device Standard, in each case as they may be amended from time to time.

(p) "***Transaction***" is a transaction conducted between a Customer and you utilizing a Card or ECP for payment in connection with the sale of goods or the lease or provision of services by you (either directly or through Submitter). Transaction may also be used to refer to the written or electronic record of such a transaction, including, without limitation, an authorization code, settlement record, ECP file, or a credit or debit entry pursuant to and consistent with NACHA Rules which is submitted to CMS to initiate or evidence a Transaction.

(q) "***Transaction Receipt***" means an electronic or paper record of a Transaction generated upon completion of a sale or Refund, a copy of which is presented to the Customer.

By signing below you agree to comply with the foregoing terms.

Agreed and Accepted by:

City of Kingsport

MERCHANT LEGAL NAME (Print or Type)

415 Broad Street, Kingsport, TN 37660

Legal Address (Print or Type)

By (authorized signature)

By, Name, Title (Print or Type)

Date

RP/LC04152025

EXHIBIT 1

These American Express OptBlue Program Terms and Conditions (these "**Program Terms**") govern the participation in and acceptance of cards through the American Express OptBlue Program, and are requirements under the American Express rules and our agreement with American Express allowing us to process transactions through the OptBlue Program.

1. AMERICAN EXPRESS OPTBLUE TERMS.

1.1 American Express OptBlue Provisions. Merchant, by participating in American Express OptBlue Program, agrees to comply with the requirements, acknowledgments and authorizations specific to Merchant's acceptance of American Express Payment Cards set forth in this Section. Further, Merchant, by participating in American Express OptBlue Program, agrees to the limited manner described in this Section by which American Express may directly market and communicate to Merchant, or use and disclose information Merchant provides in connection with its participation in the OptBlue Program. The "**OptBlue Program**" is a program under which Paymentech and other eligible third party acquirers may enable small merchants (defined as merchants that process American Express card transactions where the gross annual sales amount of such American Express card transactions is one million U.S. Dollars ($1,000,000) or less) to accept American Express Payment Cards. Notwithstanding the foregoing, the gross annual sales amount limit does not apply to the following industries: charity, education, government, healthcare, insurance, online gambling, residential rent, or utilities.

1.2 Acceptance. Merchant hereby agrees to accept American Express Payment Cards only in accordance with the terms of the Agreement and the *American Express Merchant Operating Guide*, as may be amended from time to time and which is located at www.americanexpress.com/merchantopguide, provided however that: (A) any Claim between Paymentech and Merchant arising from or relating in any way to these Program Terms, even if relating to acceptance of the American Express Payment Card or otherwise involving or relating to American Express (including claims to which American Express is a party or has a right to join), shall be brought in accordance with the Agreement and not the dispute resolution provisions of the *American Express Merchant Operating Guide*; (B) American Express's right to provide Merchant information, notify Merchant or otherwise provide Merchant Solicitations (as hereinafter defined) shall be in accordance with Section 1.5 below and not the *American Express Merchant Operating Guide*; and (C) American Express's right to use Transaction Data and Merchant Data provided to American Express by Paymentech shall be in accordance with Section 1.6 below and not the *American Express Merchant Operating Guide*. American Express has asked Paymentech to inform Merchant that any claim brought by Merchant against American Express, to which Paymentech is not a party, arising from or relating in any way to these Program Terms is to be resolved pursuant to the dispute resolution provisions of the *American Express Merchant Operating Guide*, provided that nothing in these Program Terms shall provide any grounds for Paymentech to be a party to any claim between Merchant and American Express that does not relate to these Program Terms. For purposes of the OptBlue Program, "Merchant Data" means names, postal and email addresses, tax ID numbers, names and social security numbers of the authorized signer of OptBlue Program Merchants and similar identifying information about OptBlue Program Merchants. For clarification, Merchant Data does not include Transaction Data.

1.3 Authorization. Merchant authorizes Paymentech to submit Transactions to, and receive settlement from, American Express.

1.4 Communication with Merchants. By agreeing to use the "OptBlue" service, Merchant understands and agrees that American Express may communicate with Merchant to provide information about the OptBlue Program and other programs regarding the American Express network as set forth below, including:

a. "welcome acceptance" communications;
b. communications designed to inform Merchant how to increase Customers' usage of the American Express Card (*e.g.*, information regarding posting of the American Express logo);
c. communications required by law or to comply with directions from American Express regulators;
d. communications necessary for Merchant to fulfill or comply with offers made by American Express to its Customers;
e. communications under certain circumstances where American Express seeks to transfer Merchant to direct card acceptance program with American Express because Merchant's American Express transactions are more than one million U.S. ($1,000,000) annually or Paymentech no longer participates in the OptBlue Program;
f. communications about programs on the American Express network that are relevant to merchants participating in the OptBlue program, but do not include Solicitations (as defined below); and
g. communications about the benefits to Merchant of accepting the American Express card, but do not include Solicitations.

1.5 American Express Programs. Although American Express may send Merchant general information about American Express programs (*e.g.*, notifications about the occurrence of American Express's "Small Business Saturday" program or the availability of American Express's "Pay with Points" program), American Express will not directly solicit Merchant to register for, purchase or otherwise obtain products or services unrelated to the OptBlue Program ("**Solicitations**"). Merchant may, however, receive solicitations from American Express if it has provided the necessary data or consent directly to American Express outside the scope of these Program Terms. To register for, purchase or otherwise obtain products or services from American Express unrelated to the OptBlue Program, please

contact American Express directly by visiting the website http://www.americanexpress.com/privacy or calling American Express at 1-(800)-528-5200.

1.6 Disclosure of Transaction Data and Merchant Data. Merchant understands and agrees that Paymentech will disclose Transaction Data and Merchant Data to American Express, and American Express may use such information to perform its responsibilities in connection with the OptBlue Program, perform analytics and create reports, to communicate with Merchant in the manner permitted above and for any other lawful purposes (other than Solicitations).

1.7 Protection of Merchant Data. American Express uses reasonable administrative, technical and physical security measures to protect the security and confidentiality of Merchant Data obtained from Paymentech under these Program Terms. American Express requires industry standard confidentiality and data security measures from third parties who are authorized by American Express to process data on its behalf. American Express only shares data in accordance with its data protection privacy principles, available here: https://www.americanexpress.com/us/content/customer-privacy-principles.html.

1.8 High CV Merchants. Merchant acknowledges that it may be converted from the OptBlue Program to a direct Payment Card acceptance relationship with American Express if and when it becomes a High CV Merchant. Merchant acknowledges that upon any such conversion, processing of any American Express Payment Card will be governed by American Express's then current card acceptance agreement (and not these Program Terms) and American Express will be solely responsible for setting pricing and other fees payable by Merchant for acceptance of any American Express Payment Card.

1.9 No Assignment of Payments. Merchant will not assign to any third party any payments due Merchant under these Program Terms. All indebtedness arising from charges will be for bona fide sales of goods or services (or both) at Merchant's establishments and free of liens, claims and encumbrances other than ordinary sales taxes. The prohibition on assigning payments due Merchant, however, does not apply to the sale of Transaction receivables to Paymentech, its Affiliates or a partner of Paymentech or its Affiliates that provides cash advance funding.

1.10 Refund Policies. Merchant acknowledges that its refund policies for purchases American Express Payments Cards must be at least as favorable as its refund policy for purchases made on Payment Cards of other Payment Brands. Merchant agrees to disclose to holders of American Express Payment Cards the refund policy at the time of purchase and in accordance with Applicable Law.

1.11 Collection for Cardholders. Merchant may not collect or attempt to collect from any holder of American Express Payment Cards for any purchase or payment on an American Express Payment Card unless: (A) the charge has been charged back to the Merchant; (B) Merchant has accepted/paid the charge (i.e., no Chargeback reversal has been processed); and (C) Merchant has a right to collect or attempt to collect funds to recover unpaid amounts lawfully owed to Merchant by such holder American Express Payment Cards.

1.12 NOTICE REQUIRED BY AMERICAN EXPRESS. American Express requires that Paymentech inform Merchant that (i) American Express charges Paymentech a wholesale discount rate and not interchange and (ii) American Express operates a non-interchange based network.

2. WAIVER OF RIGHT TO CONTEST JURISDICTION; WAIVER OF JURY TRIAL; ARBITRATION.

PLEASE READ THIS PROVISION CAREFULLY. IT PROVIDES THAT ANY CLAIM MAY BE RESOLVED BY BINDING ARBITRATION.

WITH BINDING ARBITRATION MERCHANT ACKNOWLEDGES AND AGREES THAT:

(a) MERCHANT IS GIVING UP ITS RIGHT TO HAVE A TRIAL BY JURY TO RESOLVE ANY CLAIM ALLEGED AGAINST PAYMENTECH, MEMBER, OR RELATED THIRD PARTIES;

(b) MERCHANT IS GIVING UP ITS RIGHT TO HAVE A COURT RESOLVE ANY CLAIM ALLEGED AGAINST PAYMENTECH, MEMBER OR RELATED THIRD PARTIES; AND

(c) MERCHANT IS GIVING UP ITS RIGHT TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY, AND TO PARTICIPATE AS A MEMBER OF A CLASS OF CLAIMANTS, IN ANY LAWSUIT OR ARBITRATION FILED AGAINST PAYMENTECH, MEMBER, OR RELATED THIRD PARTIES.

IN THE ABSENCE OF THIS ARBITRATION AGREEMENT, MERCHANT AND PAYMENTECH MAY OTHERWISE HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE CLAIMS THROUGH A COURT BEFORE A JUDGE OR A JURY AND TO PARTICIPATE OR BE REPRESENTED IN LITIGATION FILED IN COURT BY OTHERS (INCLUDING CLASS ACTIONS). BUT, EXCEPT AS OTHERWISE PROVIDED ABOVE, THOSE RIGHTS, INCLUDING ANY RIGHT TO A JURY TRIAL, ARE WAIVED AND ALL CLAIMS MUST NOW BE RESOLVED THROUGH ARBITRATION.

Any claim, dispute, or controversy relating to acceptance of the American Express Payment Card or otherwise involving or relating to American Express ("**Claim**") by either Merchant, Paymentech or Member against the other, or against the officers, directors, employees, agents, parents, subsidiaries, affiliates, beneficiaries, agents, successors, or assigns of the other, arising from or relating in any way to these Program Terms or to the relationship formed between the parties as a result of these Program Terms, including Claims regarding the applicability of this arbitration clause or the validity of the entire Amendment, shall be resolved exclusively and finally by binding arbitration administered by the American Arbitration Association ("**AAA**"). All Claims are subject to arbitration, no matter what theory they are based on. This includes Claims based on contract, tort (including intentional tort), fraud, agency, Merchant, Paymentech's or Member's negligence, statutory or regulatory provisions, or any other source of law. Claims and remedies sought as part of a class action, private attorney general, or other representative action are subject to arbitration on an individual (non-class, non-representative) basis only, and the arbitrator may award relief only on an individual (non-class, non-representative) basis. Merchant and Paymentech will agree on another arbitration forum if the AAA ceases operations. The arbitration will be conducted before a single arbitrator and will be limited solely to the Claim between Merchant and Paymentech and/or Member. The arbitration, or any portion of it, will not be consolidated with any other arbitration and will not be conducted on a class-wide or class action basis. The prohibition against class action contained in this Section shall be non-severable from the remainder of this Section. If either party prevails in the arbitration of any Claim against the other, the non-prevailing party will reimburse the prevailing party for any fees it paid to the AAA in connection with the arbitration, as well as for any reasonable attorneys' fees incurred by the prevailing party in connection with such arbitration. Any decision rendered in such arbitration proceedings will be final and binding on the parties, and judgment may be entered in a court of competent jurisdiction. Rules and forms of the AAA may be obtained and Claims may be filed at any AAA office, www.adr.org, or 335 Madison Avenue, New York, NY 10017, telephone 1-800-778-7879. Any arbitration hearing at which Merchant appears will take place at a location within Dallas County, Dallas, Texas. This arbitration agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16. This arbitration agreement applies to all Claims now in existence or that may arise in the future. Nothing in these Program Terms shall be construed to prevent any party's use of (or advancement of any Claims, defenses, or offsets in) bankruptcy or repossession, replevin, judicial foreclosure, or any other prejudgment or provisional remedy relating to any collateral, security, or other property interests for contractual debts now or hereafter owned by either party to the other.

3. CONVEYED TRANSACTIONS.

If Merchant accepted American Express Payment Cards through the American Express OptBlue Program and no longer can do so because Merchant became a High CV Merchant, or if Merchant is otherwise ineligible for the American Express OptBlue Program, then in order to accept American Express Payment Cards through Conveyed Transactions, Merchant must enter into a direct relationship with American Express by executing American Express's then current card acceptance agreement.

Addendum

American Express® Card Acceptance

1. **American Express Compliance.** Sponsored Merchant agrees to comply with all Applicable laws, rules and regulations, including the American Express Merchant Operating Guide requirements, which are incorporated into this Agreement by reference as if they were fully set forth in the Agreement. The American Express Merchant Operating Guide may be viewed at: www.americanexpress.com/merchantopguide.
2. **Processing Restrictions.** Sponsored Merchant is prohibited from processing Transactions or receiving payments on behalf of, or (unless required by law) re-directing payments to any other party.
3. **Third Party Beneficiary Rights.**
    a. Sponsored Merchant confers on American Express the third party beneficiary rights, but not obligations, to the Sponsored Merchant's Agreement and subsequent addendums (collectively the "Agreement") between Sponsored Merchant and Payment Service Provider and, as such, American Express has the express right to enforce the terms of the Agreement against the Sponsored Merchant.
    a. Sponsored Merchant warrants that it does not hold third party beneficiary rights to any agreements between Payment Service Provider and American Express and at no time will attempt to enforce any such agreements against American Express.
4. **American Express Liability.** SPONSORED MERCHANT ACKNOWLEDGES AND AGREES THAT IN NO EVENT SHALL AMERICAN EXPRESS, ITS AFFFILIATES, AGENTS, SUCCESSORS, OR ASSIGNS BE LIABLE TO SPONSORED MERCHANT FOR ANY DAMAGES, LOSSES, OR COSTS INCURRED, INCLUDING INCIDENTAL, INDIRECT, SPECULATIVE, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OF ANY KIND (WHETHER BASED ON CONTRACT, TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, FRAUD, OR OTHERWISE, OR STATUTES, REGULATIONS, OR ANY OTHER THEORY), ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT.

Additional Company Application

CHASE
J.P.Morgan

Please print clearly.

If you make any corrections to your information in the Application, you MUST initial each change.

THIS SECTION IS FOR INTERNAL USE ONLY

ECID:

Application ID:

Model from Merch #:

Submitted by:

Company #:

What is this form? A Customer (you, your) can use this form to apply to add a location to receive services from Paymentech, LLC and JPMorgan Chase Bank, N.A. ("us", "we", or "our").

How do you complete the form? Complete all 3 parts, then print and sign the final version. Keep a copy for your records.

The Customer section verifies your identity, which is necessary to comply with our policies designed to prevent money laundering and the funding of terrorism. Federal law requires us to obtain, verify and record certain information that identifies each person who opens an account with us.

The Ownership section identifies the type of ownership for your business.

The Certification section confirms that the Authorized Representative(s) has read and agreed to this document.

If you make any corrections to your information in the Application, you MUST initial each change.

Part 1: Customer

Complete all fields below

1.1 Company Information To help prevent the funding of terrorism and money laundering activities, Federal law and JPMC policies require us to obtain, verify, and record information that identifies each person who opens an account. In order to comply with these requirements, we will ask for your business name, physical address, and government identification number in order to verify your identity.

Legal Name of Company to be Amended to the Agreement	CITY OF KINGSPORT	Business Start / Date of Incorporation (MM/DD/YYYY)	
Physical Address (No PO Box or Paid Mail Box)	415 BROAD STREET		
City	KINGSPORT	State TN	Zip Code 37660
Taxpayer ID / EIN	62-6000323	Registered Trade Name (DBA	
Primary Contact Name		Phone	

Does the legal entity have any additional DBA names? ☐ No ☐ Yes → Complete DBA Addendum

Business Type

Ownership Type ☐ Public ☐ Private ☐ Not – For - Profit ☐ Subsidiary of Public Company

↳ **Ticker Symbol**

↳ **Stock Exchange**

☐ Other :

Entity Type: ☐ Individual / Sole Proprietor ☐ Corporation ☐ Partnership

☒ Government – Gov. Website URL https://www.kingsporttn.gov

☐ LLC – If LLC, Taxed As:

Business Description (Primary source of revenue for legal entity)

Do you permit or have you issued Bearer Shares? ☐ No ☐ Yes

State of Formation	Date of Formation	Trading Symbol	Fiscal Year End (MM/DD/YYYY)

Has Merchant Ever Filed For Bankruptcy?	If, Yes, What Chapter?	Filing Date	Emergence Date
Select			

Are the Financials of the Additional Company *Stand Alone* or *Consolidated*?	If, Consolidated, indicate name of the company the financials are included in
Stand Alone	

If you make any corrections to your information in the Application, you MUST initial each change.

What is the relationship between the additional company and the company which entered the agreement?

Other Relationship FLS Submerchant

Part 2: Ownership

Each owner signing authorizes JPMorgan Chase Bank N.A. And Paymentech, LLC as part of this investigation, to obtain and review Third Party Credit Bureau Reports on Such Owner. Ownership details must be provided for each Individual or Legal Entity Owner with a 10% or greater ownership interest.

2.1 Owner # 1

Name (Individual/Sole Proprietor or Entity or Parent Company) SSN/EIN* or ☐ Non- US Person

Corporate Title Other (specify) Percent of Ownership %

Is the Owner listed above publicly traded? ☐ No ☐ Yes Stock Exchange Ticker Symbol

Street Address (Individual/Sole Provider use home address) (No PO Box or Paid Mail Box)

City State ZIP Code

Country of Domicile Date of Birth Phone

*For Non-US Persons: Social Security Number, Passport Number and Country of Issuance (or other similar identification number) may be substituted

Government Issued ID #

Type of ID (ex. Passport)

Country of Issuance

2.2 Owner # 2

Name (Individual/Sole Proprietor or Entity or Parent Company) SSN/EIN* or ☐ Non- US Person

Corporate Title Other (specify) Percent of Ownership %

Is the Owner listed above publicly traded? ☐ No ☐ Yes Stock Exchange Ticker Symbol

Street Address (Individual/Sole Provider use home address) (No PO Box or Paid Mail Box)

City State ZIP Code

Country of Domicile Date of Birth Phone

*For Non-US Persons: Social Security Number, Passport Number and Country of Issuance (or other similar identification number) may be substituted

Government Issued ID #

Type of ID (ex. Passport)

Country of Issuance

If you make any corrections to your information in the Application, you MUST initial each change.

Do you have any additional Owners (not listed above) that have 10% or greater ownership, either directly or indirectly?
(If an entity/parent company is listed in section 2 above that has 10% or greater ownership of the applicant, identify any owners (individuals and/or entities) of the entity/parent company that ultimately have 10% or greater ownership in the applicant on the additional owner/officer addendum (sales representative will provide)

☐ No
☐ Yes
↳ Owner/Officer Addendum required (Sales Representative will provide)

2.3 Controlling Officer (an individual with significant responsibility for managing the legal entity)

Name

SSN/EIN*

Date of Birth

What is this officer's role?

☐ Key Decision Maker (i.e. Senior Mgr.) ☐ Chief Executive Officer ☐ Chief Executive Officer
☐ Chief Operations Officer ☐ Chairman ☐ President ☐ Other (specify):
↳ Sections above require a Date of Birth and SSN/EIN* (or if you selected "Not – For -Profit" in section 1.2)

☐ Board of Directors
↳ Select one: ☐ Voting ☐ Non-voting

Street Address
(Provide home address)
(No PO Box or Paid Mail Box)

City

State

Country

ZIP Code

*For Non-US Persons: Social Security Number, Passport Number and Country of Issuance (or other similar identification number) may be substituted

Government Issued ID #

Type of ID (ex. Passport)

Country of Issuance

2.4 Authorized Representative

Name

Street Address (if individual use home address)
(No PO Box or Paid Mail Box)

City

State

Country

ZIP Code

If you make any corrections to your information in the Application, you MUST initial each change.

Part 3: Certification

3.1 Authorized Administrator for Account Boarding

Authorized Administrator for purposes of account boarding and implementation means an owner, partner, officer, employee or other agent of the merchant that has been appointed by an executive of merchant and who is duly authorized to provide information and execute documentation on behalf of and related to merchant in order to facilitate the initial set up of merchant's account with Chase Paymentech. Per Chase Paymentech policy, authorized administrators are not permitted to modify the merchant's account with Chase Paymentech after completion of the initial set up of merchant's account. Such changes must be made, by an executive or financial contact, as applicable and as those roles are defined by merchant.

(Photocopy of signature below is valid for the release of information requested and will remain valid until the termination or expiration of the Merchant Agreement)

Merchant Name (Printed)

Merchant Signature

Merchant Title (Printed)

Date

Telephone Number

Email Address

3.2 Certification

I, the undersigned, being an officer/principal of _____ represent and warrant that the statements made on this document are correct and factual. JPMorgan Chase Bank, N.A. ("Member") and Paymentech, LLC ("Paymentech" or "Chase Paymentech") are authorized to conduct any necessary investigation, including without limitation, authorization for bank to release standard banking information.

(Photocopy of signature below is valid for the release of information requested and will remain valid until the termination or expiration of the Merchant Agreement)

Merchant Name (Printed)

Merchant Signature

Merchant Title (Printed)

Date

If the signer has not already provided it above, a residential address is preferred if available (No PO Box or Paid Mailbox). If not available, business address is acceptable.

Street Address

City

State

Zip

Note: Each Merchant is required to submit a W9 with this application.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Authorize the City Recorder to Reconcile and Adjust Uncollectible Property Tax for Tax Year 2014

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-150-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	J.A. Gilliam, K. Gilmore
First Reading:	N/A	Presentation By:	Travis Bishop

Strategic Focus Area: Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
If approved the City Recorder will be authorized to reconcile uncollectible property taxes receivable for taxes assessed for Tax Year 2014.

In Tennessee property taxes are only collectible for a period of ten years. This requires that an adjustment be made annually for the fiscal year ending June 30 to recognize uncollectible property tax receivables. This includes real property, taxes on utilities, and personal property. Real property is turned over to the Clerk & Master for collection through the delinquent tax litigation process. The majority of the uncollectible property tax receivable is on personal property.

For Fiscal Year ending June 30, 2025 there is an adjustment of $68,335.18 to be made to recognize for uncollectible receivables. This amount represents 0.18% of the tax levy with 99.82% being collected.

Attachments:
1. Resolution
2. Tax List

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY RECORDER TO RECONCILE AND ADJUST DELINQUENT PROPERTY TAX RECEIVABLES IN FISCAL YEAR 2025 FOR THE TAX YEAR 2014 AND AUTHORIZING AND DIRECTING THE MAYOR AND THE CITY RECORDER TO EXECUTE ANY PLEADINGS NECESSARY AND PROPER FOR THE DELINQUENT TAX COLLECTION LAWSUIT

WHEREAS, reconciliation has been made of the real, personal, and public utility property tax receivables, estimated uncollectible and deferred revenue accounts, and it is recommended that an adjustment to the final accounting be made; and

WHEREAS, the adjusted real, personal and public utility property tax levy for the tax year 2014 was $38,048,151.00; and

WHEREAS, of that amount, a total of $68,335.18 has not been collected; and

WHEREAS, as part of the final accounting, an adjustment needs to be made to recognize uncollectible receivables.

Now therefore,

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

SECTION I. That the City Recorder is hereby, authorized to reconcile and adjust delinquent real, personal, and public utility property tax receivables in Fiscal Year 2025 in the amount of $68,335.18 for tax year 2014.

SECTION II. That the City Recorder and Mayor are authorized and directed to execute any pleadings necessary and proper for the delinquent tax collection lawsuit and all other documents necessary and proper to effectuate the purpose of the reconciliation.

SECTION III. That this resolution shall take effect immediately upon its adoption, the public welfare requiring it.

ADOPTED this the 15th day of July, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY, CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT III, CITY ATTORNEY

PREPARED 6/16/25, 11:47:33
PROGRAM TX485L
CITY OF KINGSPORT-CUSTOMER SERVICE CTR
SUMMARY BY OWNER NAME

OUTSTANDING ACCOUNT LISTING
TAX YEAR 2014
AS OF 6/30/25 UPDATED THRU 6/30/25
RECAP BY YEAR / ROLL

FOR ALL ROLLS
FOR ALL ACCOUNTS
INCLUDE UNCOLLECTIBLES
FOR ALL ENTITIES

YEAR/ROLL	BILLED AMOUNT	PAID BASE	PAID OTHER +/-	UNPAID AMOUNT	UNAPPLIED AMOUNT	# OF ACCTS	% COLLECTED
14 HC	1,246,939.15	1,246,939.15	9,047.39	.00	.00		100%
14 HP	69,693.12	69,502.11	459.94	191.01	.00	1	99%
14 IS	1,033,396.12	1,033,396.12	20.40	.00	.00		100%
14 PH	20,665.33	20,665.33	.00	.00	.00		100%
14 PS	1,066,858.08	1,064,525.09	773.93	2,332.99	.00	3	99%
14 SC	26,428,891.63	26,391,014.41	248,848.37	37,877.22	.00	113	99%
14 SP	8,181,707.90	8,153,773.94	11,689.53	27,933.96	.00	253	99%
14	38,048,151.33	37,979,816.15	270,839.56	68,335.18	.00	370	99%
* TOTALS	38,048,151.33	37,979,816.15	270,839.56	68,335.18 ✓	.00	370	99%

Sullivan Hawkins

Taxes Rates 2.0700% 2.0100%

0 * 3.64+ 11.14+ 636.96+ 26.70+ 004 678.44*+ 0 * 68,335.18+ 678.44+ 002 69,013.62*+

177693 - 3.64
176175 11.14
179029 636.96
179065 26.70
678.44 ✓
+ 68,335 18
69,013.62 ✓

PROGRAM TX485L
CITY OF KINGSPORT-CUSTOMER SERVICE CTR
SUMMARY BY OWNER NAME

OUTSTANDING ACCOUNT LISTING
TAX YEAR 2014
AS OF 6/30/25 UPDATED THRU 6/30/25
RECAP BY ENTITY / YEAR

FOR ALL ROLLS
FOR ALL ACCOUNTS
INCLUDE UNCOLLECTIBLES
FOR ALL ENTITIES

ENTITY/YEAR		BILLED AMOUNT	PAID BASE	PAID OTHER +/-	UNPAID AMOUNT	UNAPPLIED AMOUNT	% COLLECTED
CODE	14	26,529.00	4,034.00	778.86	22,495.00	.00	15%
ILTS	14	1,033,396.12	1,033,396.12	20.40	.00	.00	100%
NSF	14	630.00	630.00	.00	.00	.00	100%
PPH	14	69,693.12	69,502.11	459.94	191.01	.00	99%
PPS	14	8,181,463.06	8,153,571.80	11,689.53	27,891.26	.00	99%
PPSI	14	140.47	140.47	.00	.00	.00	100%
PPSP	14	74.37	31.67	.00	42.70	.00	43%
PSH	14	20,665.33	20,665.33	.00	.00	.00	100%
PSS	14	1,066,858.08	1,064,525.09	773.93	2,332.99	.00	99%
00H	14	853,202.89	853,202.89	4,989.68	.00	.00	100%
00S	14	12,815,489.38	12,803,591.38	137,478.60	11,898.00	.00	99%
08H	14	391,164.47	391,164.47	4,057.71	.00	.00	100%
08S	14	10,626,482.64	10,622,998.42	101,188.08	3,484.22	.00	99%
09S	14	2,811,350.27	2,811,350.27	6,216.49	.00	.00	100%
10H	14	2,281.85	2,281.85	.00	.00	.00	100%
10S	14	63,866.81	63,866.81	2,883.29	.00	.00	100%
11H	14	289.94	289.94	.00	.00	.00	100%
11S	14	45,974.30	45,974.30	265.68	.00	.00	100%
12S	14	14,048.62	14,048.62	37.37	.00	.00	100%
15S	14	24,550.61	24,550.61	.00	.00	.00	100%
* TOTALS		38,048,151.33	37,979,816.15	270,839.56	68,335.18	.00	99%

28,124.97

ACCOUNT ID	OWNER NAME	BILLED	PAY INFO BASE TAX	PAY INFO OTHER +/-	PAY INFO LAST PAY	TOTAL DUE	UNAPPLIED
178141	A & J GOLDEN DRAGON INC	44.77				44.77	
175741	A CUT ABOVE	37.26				37.26	
179139	A HELPING HAND MOBILE	15.53				15.53	
178869	AAA DRAFTING & DESIGN	31.05				31.05	
170409	AAA PORTABLE WELDING &	77.13				77.13	
167485	ABSOLUTE CARPET CLEANING	30.33				30.33	
167033	ACE LUV ENTERTAINMENT LLC	30.33				30.33	
178165	ACME LANDSCAPE	104.45				104.45	
178197	ACTION REPAIR SOLUTIONS	7.76				7.76	
157645	ADAMS PAUL CPA	609.78				609.78	
77645	ADAMS, CAROLYN F	5.18				5.18	
54299	ADAMS, WORLEY & RUBY	27.95				27.95	
77479	ADAMS, WORLEY & RUBY	12.94				12.94	
138007	AESQUE, PAUL	9.32				9.32	
173015	AFFORDABLE CASKETS &	62.22				62.22	
178371	AFFORDABLE HOME SOLUTIONS	191.01				191.01	
172905	AJB CLEANING SERVICES	19.42				19.42	
175565	ALBRIGHT PLUMBING	43.45				43.45	
164433	ALL AMERICAN AUTOMOTIVE	287.13				287.13	
170491	ALL GOOD OCCASIONS	24.26				24.26	
179099	ALMOND BLUE PAINTING AND	15.53				15.53	
177715	ALPINE CONSIGNMENT SHOP	15.53				15.53	
171675	ALVIS, JOHN & LUCILLE	476.10				476.10	
146747	AMERICAN HERITAGE REALTY	94.76				94.76	
172587	ANCHOR ADVANCE PLANNING	4.37				4.37	
178009	ANGELIC JEWELS & GIFTS	15.53				15.53	
172567	ANTHONY AND GEOFF'S	7.76				7.76	
170953	ART TREASURES	6.21				6.21	
77257	ARUFFO, VICKIE L	345.17				345.17	
179097	AUTO AND MARINE UPHOLSTERY	18.63				18.63	
159795	AUTOWORLD OF KINGSPORT	37.05				37.05	
60113	BANDY, T R JR	12.94				12.94	
175983	BARGAIN SHACK	15.53				15.53	
47155	BARRETT INVESTMENTS LLC	1035.00				1035.00	
59073	BARRETT INVESTMENTS LLC	49.68				49.68	
61021	BARRETT INVESTMENTS LLC	222.01				222.01	
171023	BEFORE & AFTER	24.26				24.26	
48505	BELL, SHELBY ELIZABETH	6981.12				6981.12	
59545	BELL, SHELBY ELIZABETH	45.54				45.54	
165929	BILL MCCONNELL AUTO PAINT	578.38				578.38	
164623	BILL'S SPORTS COLLECTIBLES	32.21				32.21	
179205	BILLS CARPET INSTALLATION	18.63				18.63	
171057	BLAZE UNLIMITED	24.26				24.26	
179265	BLOOMING BOUQUET THE	18.63				18.63	
171291	BLUE RIDGE MAILING	258.17				258.17	
59415	BOGGS, BENNY	3.11				3.11	
77511	BOGGS, BENNY L	27.95				27.95	
175869	BONE FIRE SMOKEHOUSE	465.75				465.75	
52161	BOWLIN, NORMA S	5012.08				5012.08	
167215	BRENTS AGENCY	22.44				22.44	

ACCOUNT ID	OWNER NAME	BILLED	PAY INFO BASE TAX	PAY INFO OTHER +/-	PAY INFO LAST PAY	TOTAL DUE	UNAPPLIED
158503	BRIAN K RIECK STUDIOS	231.36				231.36	
163497	BROOKS, J FRED &	9.83				9.83	
142177	BROOKSIDE TRANSMISSION	235.28				235.28	
50427	BROWN, HAL JOSEPH	250.47				250.47	
72795	BRUCE, HERSHEL GERALD &	4.66				4.66	
62619	BRUMMITT, DAVID L	256.68				256.68	
178051	BUMBLE BRITCHES	6.21				6.21	
171003	BUSY BEE CONSIGNMENT	8.61				8.61	
178253	C&F MANUFACTORING USA	762.09				762.09	
175679	C&R HOME IMPROVEMENT	5.28				5.28	
178161	C&T FLOORCOVERING	24.07				24.07	
59559	CAMPBELL, JEFF	62.62				62.62	
176121	CASH FOR GOLD EXPRESS	6.21				6.21	
177723	CFC CONSTRUCTION	31.05				31.05	
175763	CHARMED SOUTHERN	15.53				15.53	
172413	CHASING TIME PHOTOGRAPHY	19.42				19.42	
178271	CHATHAM STEEL CORP	155.21				155.21	
178929	CHAVA'S MEXICAN GRILL &	931.50				931.50	
175977	CHEEK SOLUTIONS INC	55.46				55.46	
179201	CHENILLE TRACTOR LLC	1640.91				1640.91	
177693	CHILDRENS BOWTIQUE	15.53	3.64	4.50		11.89	
178061	CHLOES TREASURES & FINDS	15.53			2/01/17	15.53	
172683	CHRISTIAN VOICE DEVELOPMEN	15.17				15.17	
178901	CLASSIC ITEMS ETC	15.53				15.53	
177905	CLEAN WATER SERVICE	31.05				31.05	
156663	CLINCH MTN BPO ELKS	12.13				12.13	
177967	COMFORT HEAT/AIR CO	15.53				15.53	
142425	COOKS, CROSSING INC	7.76				7.76	
64767	COPAS, JOHNNY & MARTI	59.00				59.00	
8653	COPAS, RICKY & SUSAN	191.48				191.48	
178153	COPPER TREE LANDSCAPING	195.64				195.64	
59143	CORDELL, JAMES ROBERT JR	.52				.52	
67633	CORTES, CARMELO JR	35.71				35.71	
59145	COX, GORDON E & CLARA RUTH	.52				.52	
162697	CP SOLUTIONS LLC	17.04				17.04	
177925	CRAFT BEVERAGE SUPPLY	14.20				14.20	
164581	CUSTOM ORTHOTICS & PROSTHE	45.40				45.40	
175559	DAILY BREAD CAFE	31.09				31.09	
175569	DANIEL HINKLE CONSTRUCTION	31.05				31.05	
61301	DARNELL, NATHANIEL	148.01				148.01	
159263	DAVEL COMMUNICATIONS INC	18.20				18.20	
165927	DAVIS BROTHERS AUTO AND	120.08				120.08	
160223	DAY BY DAY CALENDAR	102.63				102.63	
54047	DAYBREAK, GROUP INC	19.67				19.67	
138009	DEAN, JOAN	9.32				9.32	
167515	DEB SALES INC	30.33				30.33	
178091	DEB SHOPS SDE LLC	68.02				68.02	
178953	DESIGNS OF HOLLYWOOD/	15.53				15.53	
178807	DIGITAL ENTERTAINMENT	15.53				15.53	
175765	DILLON FINANCIAL LLC	42.46				42.46	

ACCOUNT ID	OWNER NAME	BILLED	PAY INFO BASE TAX	PAY INFO OTHER +/-	PAY INFO LAST PAY	TOTAL DUE	UNAPPLIED
179175	DOCTHAT PLUMBING	18.63				18.63	
153257	DRAINE MICHAEL	109.19				109.19	
177969	EAST STONE DRIVE AUTOMOTI	15.53				15.53	
179429	EAST TENNESSEE EXPRESS, LLC	207.00				207.00	
166077	EAST TENNESSEE MIXED	30.33				30.33	
178171	EAST TENNESSEE PAVING	31.05				31.05	
177945	EAST TN ELECTRONICS	7.76				7.76	
146267	EASY SEAT INC	1172.01				1172.01	
164527	ED'S LAWN SERVICE	250.16				250.16	
74485	EGAN, A K & CALLIE	2.07				2.07	
164089	EL CORITA MEXICAN STORE #2	6.21				6.21	
178761	ELBOW ROOM	15.53				15.53	
179039	ENERGY EFFICIENT STRUCTURE	62.10				62.10	
178801	ENSOR DANIEL	22.63				22.63	
167137	ESTEP TRANSMISSIONS	30.08				30.08	
178199	EVAN STRUGILL PHOTOGRAPHY	15.53				15.53	
172971	EVOLUTION SUBMISSION	19.42				19.42	
164265	EZ GREEN ASSOCIATES LLC	61.98				61.98	
179191	FINISH CARPENTRY SERVICES	15.53				15.53	
165771	FINISHING TOUCH AUTO BODY	161.65				161.65	
82223	FIRST, PROPERTY DEVELOPMENT	10.35				10.35	
166093	FIVE (5) STAR GUTTERING	4.04				4.04	
171157	FLEET AUTO SERVICE	209.24				209.24	
175571	FRANK LANE	15.53				15.53	
66993	FRAZIER, RICHARD & TAMMY	335.34				335.34	
161997	FRAZIER, STEVEN CARL	11.39				11.39	
167293	FREEMAN MARK AIA	694.80				694.80	
51721	FROST, ROSHELL & PANSY E	188.37				188.37	
171043	GAME X-CHANGE THE	24.26				24.26	
162925	GIFT SHOPPE THE	36.49				36.49	
158527	GINGEROO'S PLACE	23.70				23.70	
179111	GIRL NEXT DOOR	15.53				15.53	
74039	GODDARD, RALPH P &	473.51				473.51	
172699	GODSEY MISTY	19.42				19.42	
175905	GOLDEN TOUCH ONE STOP	15.53				15.53	
171049	GOODHOUSEKEEPERS	24.26				24.26	
179101	GRANDSCAPES	15.53				15.53	
176011	GREG LEWIS	15.53				15.53	
176057	GRILLS CONSULTING	15.53				15.53	
48495	GUY, CLYDE P	123.68				123.68	
173005	HAIR AT WELLINGTON	23.29				23.29	
157613	HAIR COMPANY	15.28				15.28	
79003	HALL, JOSEPH M	28.46				28.46	
79005	HALL, JOSEPH M	28.46				28.46	
79017	HALL, JOSEPH M	15.53				15.53	
79029	HALL, JOSEPH M	36.23				36.23	
11547	HAMMONDS, EARL & GOLDIE LEE	188.37				188.37	
172515	HARRIS CLEANING COMPANY	19.42				19.42	
58947	HARTGROVE, MICHAEL L &	5.18				5.18	
58951	HARTGROVE, MICHAEL L &	5.18				5.18	

ACCOUNT ID	OWNER NAME	BILLED	PAY INFO BASE TAX	PAY INFO OTHER +/-	PAY INFO LAST PAY	TOTAL DUE	UNAPPLIED
58953	HARTGROVE, MICHAEL L &	23.29				23.29	
175999	HATCHER'S PAINTING & HANDY	15.53				15.53	
60949	HAYNES, GRADY O &	7.25				7.25	
157719	HEADS TOGETHER HAIR SALON	12.13				12.13	
178885	HEIRLOOM GALLERIES	62.10				62.10	
178189	HELMICK DEVELOPMENT CO	31.05				31.05	
175769	HENRY'S DOWNTOWN GRILL	34.16				34.16	
142133	HENRYS MOTORCYCLE SHOP	894.05				894.05	
48071	HENSLEY, LORA	69.86				69.86	
43087	HICKMAN, JAMIE & MISTY D	328.10				328.10	
172489	HIGHLINE AUTOS	366.49				366.49	
170345	HIGHWAY BOUTIQUE	388.13				388.13	
178879	HMC MORTGAGE COMPANY	188.68				188.68	
59369	HOBBS, HERBERT HOOVER &	31.57				31.57	
48633	HOGG, LEONARD	35.19				35.19	
73231	HOLBROOK, DANIEL M &	137.14				137.14	
54297	HOOD, ALLYN	27.95				27.95	
59509	HOOD, ALLYN	129.89				129.89	
66979	HOOD, ALLYN	9.83				9.83	
171031	HOTLICS'S KARAOKE SHOW	155.25				155.25	
69363	HOWARD GEORGE	386.68				386.68	
58889	HOWARD, GEORGE E & GAIL V	37.26				37.26	
58893	HOWARD, GEORGE E & GAIL V	18.63				18.63	
58899	HOWARD, GEORGE E & GAIL V	20.70				20.70	
14061	HUTCHIN, RUTH E	164.05				164.05	
179233	IN MY NAUGHTY DRAWER	15.53				15.53	
171177	INFINITY HAIR STUDIO	115.30				115.30	
178129	J FISHING SUPPLIES	15.53				15.53	
177919	JAN-MAR	15.53				15.53	
170777	JEAN FAIR LCSW	15.40				15.40	
171237	JEFF VAUGHN CONSTRUCTION	486.78				486.78	
167149	JENKINS PAINTING SERVICE	30.33				30.33	
71273	JESSEE, EDGAR FUGATE &	241.67				241.67	
174591	JONES, PAUL & VIRGINIA	11.90				11.90	
178959	JOSIE-N-THYME CATERING	15.53				15.53	
178759	JUNKIN' TREASURES	15.53				15.53	
175755	JUST 4 KIDS	16.31				16.31	
178053	K & K REMODELING	15.53				15.53	
175599	K & R CROSS	15.53				15.53	
175629	KAY'S OF KINGSPORT	55.48				55.48	
157733	KEITHS DISCOUNT APPLIANCES	11.74				11.74	
178073	KENS PAINTING SERVICE	15.53				15.53	
170515	KICKASSKIX COM	24.26				24.26	
164245	KIDZ KORNER	227.43				227.43	
583	KINGSPORT BRACES INC	125.59				125.59	
161467	KINGSPORT CABINETRY &	649.57				649.57	
170697	KINGSPORT DIGITAL PRINTING	41.50				41.50	
159931	KINGSPORT LOCKSMITH SERV	48.56				48.56	
175975	KINGSPORT TIGER ROCK	15.53				15.53	
51950	KITCHEN DESIGNS	370.76				370.76	

ACCOUNT ID	OWNER NAME	BILLED	PAY INFO BASE TAX	PAY INFO OTHER +/-	PAY INFO LAST PAY	TOTAL DUE	UNAPPLIED
167447	KMG GRAPHIX	30.33				30.33	
162527	KRAYOLA KIDZ CHILD CARE	25.15				25.15	
177903	KUDOS CUSTOM T'S	15.53				15.53	
170607	LA CAMPINA MEXICAN GRILL 2	48.52				48.52	
167405	LAM'S CLEANING SERVICES	30.33				30.33	
6739	LANG, LAWRENCE JAMES ETUX	47.61				47.61	
178239	LASTING IMPRESSIONS	152.06				152.06	
142563	LAURELWOOD, TOWNHOUSE CORP	218.90				218.90	
149511	LAURELWOOD, TOWNHOUSE CORP	75.56				75.56	
178755	LAWN RANGERS	15.53				15.53	
51453	LAWSON, GERALD LEE	21.74				21.74	
164839	LEE HAIR	15.17				15.17	
167631	LEE NAIL & HAIR SALON	12.42				12.42	
1527	LEEPER, VIRGINIA P L/E &	353.97				353.97	
175601	LEFTIES COUNTER CULTURE	15.53				15.53	
9407	LIGHT, BETTY C	417.62				417.62	
164547	LIMESTONE MASONRY	480.43				480.43	
175935	LIVE FIT LLC	931.21				931.21	
1243	LOLLIS, ADDIE BELLE RHEA	4650.72				4650.72	
178745	LYNN GARDEN FURNITURE	31.05				31.05	
178763	LYNN GARDEN PALM &	15.53				15.53	
17469	MANESS, LOWELL E L/E &	219.94				219.94	
178903	MANIS RESIDENTIAL &	31.05				31.05	
172677	MARCUS ENTERPRISE	6.38				6.38	
172473	MARKET THE	19.42				19.42	
167161	MARY ANN'S	90.98				90.98	
178743	MASTER MAINTENANCE	15.53				15.53	
173139	MAXWELL COACH CO., INC	414.00				414.00	
178837	MAYHEM PARK	15.53				15.53	
177459	MCCANN, PAT & MARTHA D	.52				.52	
176071	MCCOY'S DRYWALL	31.05				31.05	
59679	MCCRARY, ALICE E	14.49				14.49	
67349	MCCRAY, TIMOTHY W &	4090.41				4090.41	
167603	MCGRAW AND ASSOCIATES INC	9.71				9.71	
139555	MCKINNIS AND SCOTT	269.60				269.60	
170763	MCLELLAN JASON	6.21		.26		6.21	
47535	MCPHERSON, MELANIE K &	473.51			11/01/18	473.51	
157419	MCSPADDEN ANIMATION PROD	115.69				115.69	
3417	MEADE, GARVEY & ESTELLA	2861.41				2861.41	
172907	MHI	30.33				30.33	
46351	MILTON, DEVELOPMENT CORP	434.70				434.70	
162481	MOLCAJETES MEXICAN GRILL	66.63				66.63	
170941	MOMENTS PROFESSIONAL	24.26				24.26	
66447	MOREA, CESAR	15.53				15.53	
170955	NAIL SPA	401.79				401.79	
172477	NATALIE EVENT PLANNING &	19.42				19.42	
175833	NORTH AMERICAN CAPITAL	15.53				15.53	
164841	NU HEALTH	5.34				5.34	
166009	ODD JOBS AND REMODS	136.45				136.45	
60971	ODONNELL, JERRY	30.53				30.53	

ACCOUNT ID	OWNER NAME	BILLED	PAY INFO BASE TAX	PAY INFO OTHER +/-	PAY INFO LAST PAY	TOTAL DUE	UNAPPLIED
159659	ODONNELL, JERRY	94.70				94.70	
159661	ODONNELL, JERRY	31.05				31.05	
159663	ODONNELL, JERRY	27.95				27.95	
159671	ODONNELL, JERRY	34.67				34.67	
160407	OFF THE TOP HAIR & SKIN	14.63				14.63	
177939	ON FIRE PRODUCTION INC	15.53				15.53	
178809	ONE CALL LAWN CARE	31.05				31.05	
179239	ORALEE'S PURSES & PEARLS	15.53				15.53	
51571	OVERBAY, DANIEL & GRACE	27.43				27.43	
177763	PACE, LLC DBA GOLD STAR FI	2794.50				2794.50	
176079	PAINTED NOTE STUDIOS	6.21				6.21	
178973	PARKER MUSIC AND MOM'S	31.05				31.05	
177931	PARLOUR SALON	15.53				15.53	
170505	PERFECT PAIR	24.26				24.26	
61219	PHILLIPS, THOMAS J & IRENE	17.08				17.08	
165749	PICTURE ME PORTRAIT STUDIO	18.73				18.73	
61703	PIERSON, TONY	306.88				306.88	
157237	PLANET SUN	118.78				118.78	
167643	POOL GUY THE	30.33				30.33	
170599	POS OF TRI CITIES	24.26				24.26	
172411	POTTERS CHILD AGENCY &	19.42				19.42	
178925	PREFERRED CORPORATE GRP	53.28				53.28	
174253	PRICE, STELLA MAE L/E &	60.03				60.03	
157069	PRINTING CONCEPTS	314.45				314.45	
176139	PROFESSIONAL EXTERIORS LLC	15.53				15.53	
179141	PROJECT COMPLETE	31.05				31.05	
178747	QUALITY USED APPLIANCES	31.05				31.05	
3371	QUALLS, NICHOLAS	237.53				237.53	
170891	RADER FLOOR INSTALLERS	150.41				150.41	
161375	REMODELING PLUS	296.13				296.13	
178867	REST N RELAX PAINTING	15.53				15.53	
167661	REXIE DESIGNS	4.89				4.89	
62049	RIDDLE, MICHAEL G &	25.88				25.88	
58939	RIDGEFIELDS, CNTR DEV CO	43.47				43.47	
167065	ROBERTS RADIATOR	30.33				30.33	
174927	ROBERTS, CHRISTOPHER D &	77.63				77.63	
174935	ROBERTS, CHRISTOPHER D &	945.47				945.47	
176175	ROCK SPRINGS SELF STORAGE	15.53	11.14	5.90		4.39	
164635	ROSE CONSTRUCTION	1024.84			11/14/17	1024.84	
158301	RTM DESIGN	46.31				46.31	
171231	RUSTIC ENTERPRISE	27.08				27.08	
146233	S/H BASEBALL LLC	20.95				20.95	
154167	SEARS PORTRAIT STUDIO	33.04				33.04	
167449	SECRET MINERAL COSMETICS	30.33				30.33	
172435	SEXTON'S WRECKER SERVICE &	103.00				103.00	
61351	SHELTON, ROBERT H	31.05				31.05	
172687	SHERRIES CAFE & CATERING	23.29				23.29	
175985	SHOP COLLISION & REPAIR	15.53				15.53	
164563	SHOP THE	21.88				21.88	
179113	SICILY'S PIZZERIA	31.05				31.05	

ACCOUNT ID	OWNER NAME	BILLED	PAY INFO BASE TAX	PAY INFO OTHER +/-	PAY INFO LAST PAY	TOTAL DUE	UNAPPLIED
165939	SIGNATURE STONE INC	227.43				227.43	
179091	SIMPLE LUXURY	15.53				15.53	
76917	SIMPSON, ROBERT LYNN &	10.35				10.35	
77547	SIMPSON, SHERMAN ETUX L/E	.52				.52	
76919	SIMPSON, SHERMAN ETUX L/E &	48.13				48.13	
177965	SLEMP MOTORS	15.53				15.53	
177867	SMILEY'S CAB CO	42.70				42.70	
73881	SMITH DAVID BRYAN AARON	364.32				364.32	
172679	SMITH OPTICAL	5.20				5.20	
179029	SNAP FITNESS	649.96	636.96	13.00		13.00	
77471	SNODGRASS, LENA M	29.50			12/22/14	29.50	
177891	SOPHISTICATED STARLET	28.11				28.11	
167495	SOUTHERN STYLE CONSTRUCTION	30.33				30.33	
172641	SPARKLING CLEANING	18.88				18.88	
176173	SPECIALTY EQUIPMENT	31.05				31.05	
163165	SPROLES BRAD ATTY	99.53				99.53	
54165	STALLARD, LESLIE LEON &	185.27				185.27	
179159	STALLION SPECIALIZED	15.53				15.53	
164543	STANLEY STEAMER TRI/CITIES	595.70				595.70	
177859	STAR TRAILS DOWNTOWN LLC	15.53				15.53	
172949	STELLA BLUES CAFE	19.42				19.42	
176179	STEPS OF FAITH CHRISTIAN	15.53				15.53	
166253	STERLING PAYPHONES LLC	7.37				7.37	
164191	STONE DRIVE LAUNDRY	553.79				553.79	
178797	STONEWORKS BY JOSH BOLLING	15.53				15.53	
145725	STRONG, NATHAN E ETAL	37.78				37.78	
3555	STUART, ROBERT L	217.87				217.87	
170393	SUPERIOR CONCRETE	24.26				24.26	
11579	SWEENEY, F H & ANNA	213.73				213.73	
178889	SWEETLY REDEEMED BAKERY	31.05				31.05	
170465	T&T'S LAWN MOWER &	24.26				24.26	
172959	TASTE OF PARADISE POOLS &	31.05				31.05	
179151	TATE APPRAISAL COMPANY	5.71				5.71	
142403	TAYLOR, BRENDA B	2.59				2.59	
14179	TAYLOR, MARK	32.60				32.60	
175631	TENNESSEE TOWING &	62.10				62.10	
178883	THE PERFECT PAIR	15.53				15.53	
167317	THOMCRETE CONSTRUCTION INC	242.58				242.58	
178765	TIENDA LATINA LA COLMENA	31.05				31.05	
178133	TIKI TANS	62.10				62.10	
178773	TIPTON'S CONTRACTING SERV	31.05				31.05	
176045	TOP SHELF HOME IMPROVEMENT	15.53				15.53	
172507	TRI-STATE CARPET CLEANING	19.42				19.42	
148407	TRIPLE R, INC	1711.99				1711.99	
179065	TRUE NAILS	31.05	26.70	4.35		4.35	
147799	TURKEY, HILL PROPERTIES LLC	78.14			11/03/15	78.14	
176115	TWO GIRLS 'N' A BROOM	15.53				15.53	
177843	U PICK IT THRIFT STORE	15.53				15.53	
171135	ULTIMATE REFLECTIONS	46.22				46.22	
3143	UNITED BRAKE & FRONT	158.75				158.75	

ACCOUNT ID	OWNER NAME	BILLED	PAY INFO BASE TAX	PAY INFO OTHER +/-	PAY INFO LAST PAY	TOTAL DUE	UNAPPLIED
177845	UNITED LINC INCORPORATED	52.99				52.99	
148919	USA	1269.32				1269.32	
178999	VITO'S PIZZA & ITALIAN	62.10				62.10	
172681	VOICE PUBLISHING COMPANY	15.17				15.17	
164669	WALSH AUGUST	12.13				12.13	
11565	WALTERS, CHARLES H &	345.69				345.69	
71301	WARD, EVA SWEENEY	182.68				182.68	
66157	WARDS FEED STORE	145.38				145.38	
71095	WHITE FLORAL CO	189.65				189.65	
51313	WHITE, HARDING	27.43				27.43	
77251	WHITE, LOUISE R & ROBERT J	52.79				52.79	
54051	WILLIAMS, LAUNA J	63.14				63.14	
171183	WILLOW TREE SIGNS &	24.26				24.26	
92355	WOMACK, JONATHAN BRIAN	134.55				134.55	
92357	WOMACK, JONATHAN BRIAN	30.53				30.53	
152301	WOODSTONE DELI	248.40				248.40	
64499	YOAKLEY PETER B	93.56				93.56	
64705	YOAKLEY, PETER B &	4.14				4.14	
178123	ZIMAX 360	15.53				15.53	
60785	4-WHEELS UNLIMITED	232.17				232.17	

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a resolution authorizing the Mayor to execute all documents necessary and proper to apply for and receive a grant from the State of Tennessee School Resource Officer Grant Program for FY 2026.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF -185-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Captain Chris Tincher
First Reading:	N/A	Presentation By:	Chief Jason Bellamy

Strategic Focus Area: Safe & Welcoming Community

Recommendation:
Resolution

Executive Summary:
The accompanying resolution authorizes an application for and receipt of funding from the School Resource Officer Grant Program administered by the Department of Safety and Homeland Security in the anticipated amount of $900,000.

Again this year the general assembly has appropriated funding for the Statewide School Resource Officer Program Grant. This grant provides funding not to exceed $75,000 per public K – 12 school to be used towards salary, benefits, and equipment for a full time, P.O.S.T. certified school resource officer.

The Kingsport Police Department again seeks to apply for funding through the grant in order to provide a SRO in each of the city's (12) twelve schools. The total grant funding will be around $900,000.

There are no matching funds required.

Attachments:
Resolution

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A SCHOOL RESOURCE OFFICER GRANT FROM THE STATE OF TENNESSEE SCHOOL RESOURCE OFFICER GRANT PROGRAM

WHEREAS, the city, through the Kingsport Police Department, would like to apply for a school resource officer grant through the State of Tennessee School Resource Officer Grant Program, which will provide funds to support salaries, benefits, and equipment for school resource officers; and

WHEREAS, the maximum amount of the grant award being $900,000.00;

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive grant funds from the State of Tennessee School Resource Officer Grant Program in the amount of $900,000.00.

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

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

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

ADOPTED this the 15th day of July, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a resolution authorizing the Mayor to execute a signature authority form allowing the Chief of Police or his designee to complete grant reports as required by the State of Tennessee School Resource Officer (SRO) Grant Program for FY 2026.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-186-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Captain Chris Tincher
First Reading:	N/A	Presentation By:	Chief Jason Bellamy

Strategic Focus Area: Safe & Welcoming Community

Recommendation:
Approve the Resolution

Executive Summary:
The accompanying resolution delegates signature authority to the Chief of Police as the representative of the city to execute reports and other required documents for the Statewide School Resource Officer Grant.

The State of Tennessee School Resource Officer (SRO) Grant Program requires quarterly reports and other documents to be signed by a representative of the agency (City of Kingsport) receiving grant funds. A Signature Authority Consent Form will allow the Mayor to grant signatory authority to the Chief of Police or designee to sign all grant-related documents on behalf of the organization for FY 2026.

Attachments:
1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A SIGNATURE AUTHORITY CONSENT FORM AND OTHER DOCUMENTS NECESSARY AND PROPER DESIGNATING THE CHIEF OF POLICE AS THE MAYOR'S DESIGNEE TO EXECUTE GRANT REPORTS AND OTHER DOCUMENTS REQUIRED BY GRANTS FROM THE STATE OF TENNESSEE SCHOOL RESOURCE OFFICER PROGRAM

WHEREAS, the city is applying for the State of Tennessee School Resource Officer Program Grant and the city acknowledges that signature authority for various documents involved with the Grant is needed; and

WHEREAS, this signatory authority authorizes the mayor to execute formal documents, and to designate the Chief of Police, or his designee, with signatory authority "to sign grant documents required for reporting as contracted on behalf of the city for the State of Tennessee School Resource Officer Grant."

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized 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, grants signature authority for any documents associated with the State of Tennessee School Resource Officer Grant.

SECTION II. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the signatory delegation of authority form 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 15th day of July, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Approving a Memorandum of Understanding with Kingsport City Schools as Required by the State of Tennessee School Resource Officer (SRO) Program Grant

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-187- 2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Captain Chris Tincher
First Reading:	N/A	Presentation By:	Chief Jason Bellamy

Strategic Focus Area: Safe & Welcoming Community

Recommendation:
Approve the Resolution.

Executive Summary:
The city is applying for the State of Tennessee School Resource Officer Program Grant and as a condition of the grant the local law enforcement agency must enter into a Memorandum of Understanding (MOU) with the local education agency and the head of the local law enforcement agency must execute the MOU. The MOU is made and entered into pursuant to the authority contemplated by Tenn. Code Ann. §§ 49-6-4201 et seq., and specifically the authority granted to the parties under Tenn. Code Ann. §§ 12-9-101 et seq., which provides that one (1) or more public agencies may contract with any one (1) or more public agencies to perform any governmental service, activity, or undertaking which each public agency entering into is authorized by law to perform; provided that such MOU shall be authorized by the governing body of each party. The Board of Education will consider for approval the Memorandum of Understanding, in form, at its upcoming meeting on August 13, 2024

Attachments:
1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH KINGSPORT CITY SCHOOLS AS REQUIRED BY THE STATE OF TENNESSEE SCHOOL RESOURCE OFFICER (SRO) PROGRAM GRANT

WHEREAS, the city is applying for the State of Tennessee School Resource Officer Program Grant and as a condition of the grant the local law enforcement agency must enter into a Memorandum of Understanding (MOU) with the local education agency and the head of the local law enforcement agency must execute the MOU;

WHEREAS, the MOU is made and entered into pursuant to the authority contemplated by Tenn. Code Ann. §§ 49-6-4201 et seq., and specifically the authority granted to the parties under Tenn. Code Ann. §§ 12-9-101 et seq., which provides that one (1) or more public agencies may contract with any one (1) or more public agencies to perform any governmental service, activity, or undertaking which each public agency entering into is authorized by law to perform; provided that such MOU shall be authorized by the governing body of each party;

WHEREAS, the Board of Education will consider for approval the Memorandum of Understanding, in form, at its upcoming meeting on August 12, 2025;

Now therefore,

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

SECTION I. That the Memorandum of Understanding, in form, between Kingsport City Schools and the city is approved.

SECTION II. That the Chief of Police 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 Memorandum of Understanding with Kingsport City Schools.

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

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

ADOPTED this the 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a resolution authorizing the Mayor to execute a Memorandum of Understanding (MOU) with the Tennessee Bureau of Investigation and the Tennessee Department of Safety and Homeland Security's Tennessee Highway Safety Office to receive a Sotoxa Oral Fluid Mobile Test Kit.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-201-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Captain Chris Tincher
First Reading:	July 15, 2025	Presentation By:	Chief Jason Bellamy

Strategic Focus Area: Safe & Welcoming Community

Recommendation:
Approve the Resolution

Executive Summary:
Approval of the accompanying resolution authorizes the Mayor to execute a Memorandum of Understanding with The Tennessee Bureau of Investigation to receive a Sotoxa Oral Fluid Mobile Test Kit to be used in DUI encounters.

The Kingsport Police Department has the opportunity to receive a Sotoxa Oral Fluid Mobile Test Kit from the Tennessee Bureau of Investigation and the Tennessee Department of Safety and Homeland Security's Tennessee Highway Safety Office. The kit will be used for mobile drug detection in DUI encounters. To receive the Sotoxa Oral Fluid Mobile Test Kit, the Kingsport Police Department will be required to sign a memorandum of understanding with The Tennessee Bureau of Investigation and the Tennessee Department of Safety and Homeland Security's Tennessee Highway Safety Office. There is no associated cost to receive the test kit.

Attachments:
Memorandum of Understanding
Sotoxa Test Kit Brochure

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING AND OTHER DOCUMENTS REQUIRED FROM THE TENNESSEE BUREAU OF INVESTIGATION AND THE TENNESSEE DEPARTMENT OF SAFETY AND HOMELAND SECURITY'S TENNESSEE HIGHWAY SAFETY OFFICE

WHEREAS, Homeland Security's Tennessee Highway Safety Office has provided funding via a grant to the Tennessee Bureau of Investigation for the purchase of SoToxa mobile testing system and consumables;

WHEREAS, the city has been offered a SoToxa Oral Fluid Mobile Test Kit from the Tennessee Bureau of Investigation and the Tennessee Department of Safety and Homeland Security's Tennessee Highway Safety Office; and

WHEREAS, the kit will be used for mobile drug detection in DUI encounters; and

WHEREAS, to receive the Sotoxa Oral Fluid Mobile Test Kit, the Kingsport Police Department will be required to sign a memorandum of understanding with The Tennessee Bureau of Investigation and the Tennessee Department of Safety and Homeland Security's Tennessee Highway Safety Office; and

WHEREAS, there is no associated cost to receive the test kit

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized 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 Memorandum of Understanding to receive a Sotoxa Oral Fluid Mobile Test Kit from the Tennessee Bureau of Investigation and the Tennessee Department of Safety and Homeland Security's Tennessee Highway Safety Office.

SECTION II. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the signatory delegation of authority form 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 15th day of July, 2025.

_____

PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III, CITY ATTORNEY

Abbott

A NEW ERA FOR ROADSIDE TESTING

SOTOXA™ ORAL FLUID MOBILE TEST SYSTEM

THC
25 NG/ML

COC
30 NG/ML

Rapid drug screening for
safer roads is in your hands

Item XII4.

KEY FEATURES

PORTABLE

- Handheld, lightweight and compact
- Carrying case stores analyzer, printer and all components; small enough to fit into motorcycle storage compartments
- Optional car charging kit is available

EASY TO USE

- Three-step testing process
- Each test cartridge has a QR code to reduce user error
- The simplicity of the device minimizes user training requirements, allowing for fast implementation
- The analyzer interprets and determines the test outcome, eliminating the subjectivity of visually interpreted results

FAST RESULTS

- The collection device is designed for active swabbing, which speeds up collection
- Sample collection in 60 seconds or less
- No timed collections; volume adequacy indicator turns blue when enough sample has been collected
- Results in 5 minutes

QUALITY CONTROL

- When the analyzer is turned on, start-up checks are automatically activated
- Positive and negative quality control cartridges check that the analyzer is interpreting the results correctly
- Onboard sensors monitor test progress
- Onboard heater ensures tests run at the optimal temperature, reducing variability

DATA MANAGEMENT

- Internal storage capacity of over 10,000 tests
- Printer is provided

TEST OPTIONS

DRUG CLASS	ABBREVIATION	TARGET DRUG	CUTOFF (NG/ML)
Amphetamine	AMP	(S) Amphetamine	50
Benzodiazepines	BZO	Temazepam	20
Cannabis (THC)	THC	Δ^9THC	25
Cocaine metabolite	COC	Benzoylecgonine	30
Methamphetamine	MAMP	(S) Methamphetamine	50
Opiates	OPI	Morphine	40

SOTOXA™ ORAL FLUID MOBILE TEST SYSTEM

BETTER PROTECTION AGAINST DRUGGED DRIVING

Driving under the influence of drugs (DUID) is a major concern of police forces in the United States and around the globe. Previously, the only accurate drug testing required sending urine or blood samples to a laboratory — which could delay results for days.

INCREASE ROAD SAFETY

Keeping our roadways and families safe is our top priority. The SoToxa™ handheld technology provides immediate, actionable results that can help improve public safety and help individuals and families live their best lives.

PORTABLE, HANDHELD AND CONVENIENT

The handheld SoToxa™ Oral Fluid Mobile Analyzer provides the optimal combination of speed, ease of use, reliability and accuracy. The analyzer has been designed and developed to meet the high performance demands of law enforcement, empowering officers to take action with immediate test results.

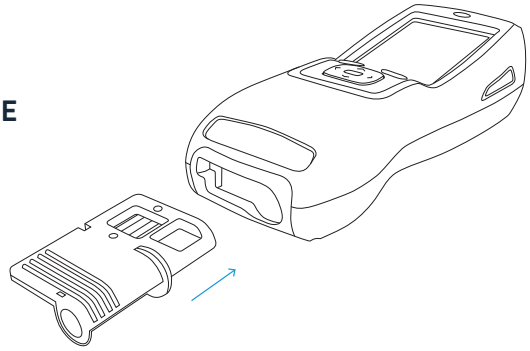
TESTING WHERE YOU NEED IT

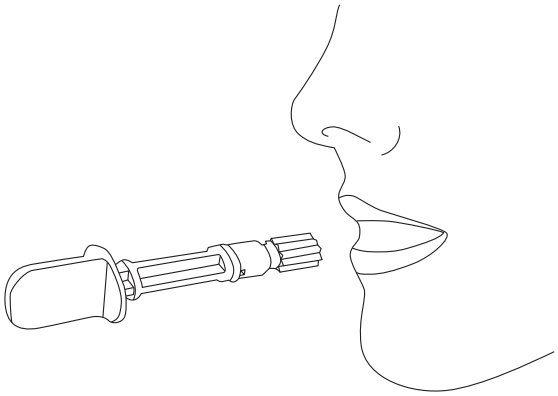
The SoToxa™ Oral Fluid Mobile Test System is the ideal instrument for drug testing at the roadside. It can detect up to 6 drug classes within 5 minutes from a single oral fluid collection sample. Weighing in at under 2 lb and fitting comfortably in your hand, it is a truly portable analyzer.

Designed to operate in a wide range of environments, the 3.2-inch, backlit, full-color screen provides excellent visibility in daylight and at night.

HOW IT WORKS

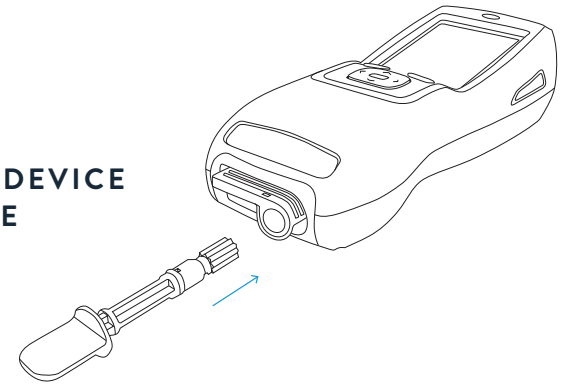
1 **INSERT THE TEST CARTRIDGE INTO THE ANALYZER**





2 **COLLECT THE ORAL FLUID SAMPLE**

3 **INSERT THE COLLECTION DEVICE INTO THE TEST CARTRIDGE**



In the United States, more than **22% of drivers** tested positive for illegal, prescription or over-the-counter drugs.[1]

SYSTEM COMPONENTS

1 TEST CARTRIDGE

- QR code contains lot and expiry information
- Test up to six drug classes in one convenient cartridge

2 PRINTER

- Print test reports at point of test or from stored results

3 COLLECTION DEVICE

- Collect samples in 60 seconds or less
- Indicator turns blue to indicate sufficient sample has been collected

4 SOTOXA™ HANDHELD ANALYZER

- Supports English, French and Spanish languages
- LCD color screen is readable day and night
- Intuitive and easy to operate

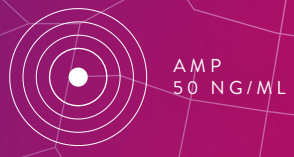
Actionable test results for 6 drug classes in **5 minutes**

Item XII4.

FOR MORE INFORMATION:

860-872-4967

ABBOTT.COM/ROADSIDE



1. Berning A, Compton R, Wochinger K. Results of the 2013–2014 National Roadside Survey of Alcohol and Drug Use by Drivers. Washington, DC: NHTSA National Center for Statistics and Analysis; 2015.

EN For forensic use only.

STATEMENT ON FORENSIC USE PRODUCTS: Forensic Use Only devices are intended for use only in drugs of abuse testing for law enforcement purposes. Appropriate users of such devices include court systems, police departments, probation/parole offices, juvenile detention centers, prisons, jails, correction centers and other similar law enforcement entities, or laboratories or other establishments performing forensic testing for these entities. Forensic Use Only devices are not designed, tested, developed or labeled for use in other settings, such as clinical diagnostic or workplace settings.

© 2022 Abbott. All rights reserved. All trademarks referenced are trademarks of either the Abbott group of companies or their respective owners. Any photos displayed are for illustrative purposes only. Any person depicted in such photos is a model. COL-02657 v2 02/22

Abbott

Item XII4.

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
TENNESSEE BUREAU OF INVESTIGATION AND THE
TENNESSEE DEPARTMENT OF SAFETY AND HOMELAND SECURITY'S
TENNESSEE HIGHWAY SAFETY OFFICE AND THE
KINGSPORT POLICE DEPARTMENT

This Memorandum of Understanding ("MOU") is between the Tennessee Bureau of Investigation ("TBI") located at 901 R.S. Gass Blvd., Nashville, Tennessee 37216 and the Tennessee Department of Safety and Homeland Security's Tennessee Highway Safety Office (the "THSO") located at 312 Rosa Parks Tennessee Tower Nashville, TN 37243 and the City of Kingsport for its Kingsport Police Department located at 200 Shelby Street Kingsport, Tennessee 37660 hereinafter, collectively referred to as the "Parties".

WHEREAS, the THSO has supplied funding via a grant to the TBI for the purchase of SoToxa mobile testing systems equipment and consumables;

WHEREAS, this MOU establishes the responsibilities and duties of all the Parties.

THEREFORE, the Parties mutually agree to the following provisions:

I. GENERAL PROVISIONS

a. This MOU is an internal agreement between the Parties and does not confer any rights, privileges, or benefits to any other party or to the public.

b. This MOU reflects the complete agreement between the Parties regarding this subject matter and supersedes any previous agreement related to the same subject matter.

c. Nothing in the MOU is intended to conflict with current laws or regulations. If a term of this MOU is inconsistent with such authority, that term shall be invalidated, and the remaining terms and conditions of this MOU shall remain in full force and effect.

d. This MOU may only be amended by the written agreement of all Parties.

II. RESPONSIBILITES OF PARTIES

a. The THSO will provide funds via the THSO Grant # Z25THS300 to the TBI for the purchase of SoToxa mobile testing system ("equipment") and the initial consumables for equipment.

b. The TBI shall purchase the equipment and initial consumables for equipment.

c. After receipt of equipment, TBI will tag equipment in compliance with State requirements and thereafter deliver the equipment and consumables to THSO. TBI will provide all state tag numbers and the units' associated serial numbers to THSO. Should the THSO redistribute the equipment to another law enforcement agency, it shall notify the TBI of the change for record-keeping purposes.

d. THSO shall deliver to the selected law enforcement agency the equipment and initial consumables. THSO will provide TBI for its records the following: the selected law enforcement agency's name, agency contact information, and the state tag number of the equipment delivered.

e. THSO will notify the District Attorney General in each district where the equipment may be used. The approval of the use of the equipment in judicial districts must be agreed upon by both THSO and the District Attorney General.

f. The Law Enforcement Agency shall be required to sign a copy of this MOU, agreeing to its terms, prior to receiving receipt of equipment and consumables.

g. THSO shall provide training on the equipment prior to the Law Enforcement Agency using equipment.

h. The Law Enforcement Agency acknowledges that it shall be financially responsible for consumables after the initial supply of consumables is depleted.

i. The Law Enforcement Agency pledges that it will use due care with equipment and shall not misuse equipment or consumables in any way while the equipment is within the care and custody of the Law Enforcement Agency.

j. The Law Enforcement Agency agrees to adhere to the policy for use of the equipment and consumables.

k. The Law Enforcement Agency warrants that it will notify the equipment manufacturer of any issues related to equipment. The Law Enforcement Agency will not tamper with, attempt to repair, modify the equipment, or use the equipment in any way that is not an acceptable use of the equipment per the manufacturer.

l. All Parties acknowledge that TBI shall not provide technical assistance or support for the equipment and that TBI's sole role in this process is for the purchase and state tagging of the equipment.

m. All parties agree that any court testimony needed regarding the operation of the equipment or interpretation of results that is unable to be answered by the Law Enforcement Agency representative shall be directed to the manufacturer of the equipment.

n. Any costs for maintenance and support, repair, replacement, or any other costs associated with the equipment, will be borne by the THSO or the Law Enforcement Agency.

III. TERM

a. This MOU becomes effective when executed by the TBI, THSO and Law Enforcement Agency as evidenced by the latest date of signature below and remains in effect for a period of three (3) years unless modified or terminated.

b. Any of the Parties may terminate this MOU for any reason by giving ten (10) days written notice to all Parties. However, should this MOU be terminated, the Law Enforcement Agency shall return any equipment provided under this MOU to the THSO. Should THSO redistribute the equipment to another Law Enforcement Agency, it should notify TBI of any changes in the location and custody of the equipment.

IV. POINTS OF CONTACT

TBI:
Supervisor Melinda Quinn
Toxicology
901 R.S. Gass Blvd.
Nashville, TN 37216

THSO:
Clyde “Buddy” Lewis, Director
Tennessee Tower 25th Floor
312 Rosa Parks
Nashville, TN 37243

Kingsport Police Department:
Adonis Wheeler
200 Shelby Street
Kingsport, Tennessee 37660

For Notices Pursuant to this MOU
Office of the City Attorney
City of Kingsport
415 Broad Street
Kingsport, TN 37660
bartrowlett@kingsporttn.gov

Tennessee Bureau of Investigation:

_____

Signature *Date*

Director David B. Rausch
Printed Name and Title of Authorized Representative

Tennessee Office of Highway Safety:
By:

_____

Signature *Date*

Director Clyde "Buddy" Lewis
Printed Name and Title of Authorized Representative

CITY OF KINGSPORT FOR ITS KINGSPORT POLICE DEPARTMENT:

_____

Paul W. Montgomery, Mayor

_____

Date

Attest:

_____

Angela Marshall, Deputy City Recorder

Approved as to form:

_____

Rodney B. Rowlett, III, City Attorney

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Approving an Amendment Extending the CDBG Contract with Holston Habitat for Humanity

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-194-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Michael Price
First Reading:	N/A	Presentation By:	Michael Price

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:
Approve the Resolution.

Executive Summary:
If approved, this resolution will extend the Community Development Block Grant (CDBG) Contract with Holston Habitat for Humanity to November 15, 2025.

On June 18, 2024 (AF170-2024), Holston Habitat was awarded $75,000 to use across seven critical home repair projects in the City of Kingsport.

At this time, five of those seven projects are complete, with only $16,661.77 remaining to spend.

The rationale for the extension is that of the projects has been paused, due to finding asbestos tape on the site while attempting to install a new heat pump. Another project has been delayed due to health reasons with the homeowner.

Holston Habitat requests an extension on the FY24-25 remaining grant funds through November 15, 2025. The agency is fully committed to getting these projects done as quickly as possible.

Attachments:
1. Amendment
2. Resolution
3. Request from HHFH

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

RESOLUTION NO. _____

A RESOLUTION AMENDING THE FY 2024/2025 CDBG SUB-RECIPIENT AGREEMENT WITH HOLSTON HABITAT FOR HUMANITY.

WHEREAS, the City of Kingsport entered into a grant contract with Holston Habitat for Humanity for the provision of home repairs to seven low and moderate-income households through the Community Development Block Grant for FY 2024/25 in the amount of $75,000.00 (Res. 2024-281); and

WHEREAS, five of the seven home repairs have been completed, leaving $16,661.77 of the $75,000.00 unspent; and

WHEREAS, due to circumstances outside their control, Holston Habitat for Humanity has been delaying in completing the repairs to the remaining two homes; and

WHEREAS, Holston Habitat for Humanity has requested an extension of the 2024/2025 grant contract term through November 15, 2025; and

Now therefore,

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

SECTION I. That the amendment to the grant contract executed on July 1, 2024 between the city and Holston Habitat for Humanity through the Community Development Block Grant extending the term through November 15, 2025 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, an amendment to the agreement with Holston Habitat for Humanity for the provision of home repairs to low and moderate-income households through the Community Development Block Grant, 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 NO. 1
GRANT CONTRACT CDBG
BETWEEN THE CITY OF KINGSPORT AND HOLSTON HABITAT FOR HUMANITY

The Amendment is between the City of Kingsport and Holston Habitat for Humanity (HHFH), collectively, the "Parties," for the purpose of amending the grant contract executed by the parties effective July 1, 2024 which is for the provision of home repairs to low and moderate-income households through the Community Development Block Grant (CDBG).

Whereas, the Term of said Grant Contract is set to expire June 30, 2025; and

Whereas, the Parties wish to extend the Term through November 15, 2025.

Therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Grant Contract as follows:

1. This Grant Contract shall be effective July 1, 2024 ("Effective Date") and extend to 11:59 P.M. EST on the End Date, which is November 15, 2025 (the "term"). The City of Kingsport shall have no obligation for goods or services provided by the Grantee outside of the Term.
2. All references to the Term and/or End Date are hereby replaced with the amended terms set forth above.
3. The other terms and provisions not amended herein remain in full force and effect.

[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 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 including recreational and educational, and will promote the health, comfort, and prosperity of the citizens of the city.

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

ADOPTED this the 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

Holston Habitat for Humanity®

PO Box 5265
Kingsport, Tennessee 37663
Phone: 423-239-7689
Fax: 423-239-4953
Website: www.holstonhabitat.org
Email: info@holstonhabitat.org

Holston Habitat for Humanity
100 Greenwood Lane
Kingsport, TN 37663

July 1, 2025

Dear City of Kingsport Board of Mayor & Aldermen,

Holston Habitat for Humanity is sincerely grateful to participate in the City's Community Development Block Grant (CDBG) program. The CDBG funding made available allows Holston Habitat to provide critical home repairs to low-income residents who desperately need assistance to safety maintain and stay in their homes.

In FY24-25, Holston Habitat was awarded $75,000 to use across seven critical home repair projects in the City of Kingsport. At this time, five of those seven projects are complete and closed out, with only $16,661.77 remaining to spend. Unfortunately, one of the projects has been paused until we can complete a more in-depth Environmental Review and get that submitted into the HUD HEROS database, due to finding asbestos tape on the site while attempting to install a new heat pump. Another project has been delayed due to the homeowner's poor health not making it possible to have contractors inside the home to get the work done.

Holston Habitat humbly requests an extension on the FY24-25 remaining grant funds through November 15, 2025. We are fully committed to getting these projects done as quickly as possible and will do everything in our power to beat the requested deadline.

I am happy to address any questions or comments at this time. We sincerely appreciate your consideration of this request, and look forward to our continued partnership to serve our most vulnerable neighbors in the City of Kingsport.

Building together,

Laura Kelly
Executive Director
Holston Habitat for Humanity
lkelly@holstonhabitat.org
(423) 900-4058 C
(423) 239-7689 x 804 O

AMENDMENT NO. 1
GRANT CONTRACT CDBG
BETWEEN THE CITY OF KINGSPORT AND HOLSTON HABITAT FOR HUMANITY

The Amendment is between the City of Kingsport and Holston Habitat for Humanity (HHFH), collectively, the "Parties," for the purpose of amending the grant contract executed by the parties effective July 1, 2024 which is for the provision of home repairs to low and moderate-income households through the Community Development Block Grant (CDBG).

Whereas, the Term of said Grant Contract is set to expire June 30, 2025; and

Whereas, the Parties wish to extend the Term through November 15, 2025.

Therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Grant Contract as follows:

1. This Grant Contract shall be effective July 1, 2024 ("Effective Date") and extend to 11:59 P.M. EST on the End Date, which is November 15, 2025 (the "term"). The City of Kingsport shall have no obligation for goods or services provided by the Grantee outside of the Term.
2. All references to the Term and/or End Date are hereby replaced with the amended terms set forth above.
3. The other terms and provisions not amended herein remain in full force and effect.

Grantee:

HOLSTON HABITAT FOR HUMANNITY

BY: _____

Laura Kelly, executive director

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Amend a Grant Contract with FTAAAD for Allocation of FY26 Funds

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.: AF-196-2025
Work Session: July 14, 2025
First Reading: N/A

Final Adoption: July 15th , 2025
Staff Work By: Shirley Buchanan
Presentation By: Michael T. Borders

Strategic Focus Area: Exceptional Cultural & Recreational Opportunities

Recommendation:
Approve the Resolution

Executive Summary:
If approved the City will amend the Annual Senior Center Grant Funds Contract 106-25 with the First Tennessee Area Agency on Aging and Disability (FTAAAD) in the amount of $30,050 and extending the grant terms to June 30, 2026.

FTAAAD serves as a pass-through for funding from the TN Department of Disability and Aging and federal dollars (transportation dollars) to the Kingsport Senior Center (KSC). The grant provides operational and transportation funding for KSC. In FY25 KSC was awarded $29,780 in annual grant funds, which provides general operational funding.

For FY26 instead of issuing new grant contracts the state is amending FY25 contracts to incorporate FY26 funding. For FY26 KSC was approved for $30,050 with $18,050 for senior center operations and $12,000 for transportation services for Senior Center buses.

There is a 10% match required which is met through the KSC operating budget.

Attachments:
Grant Contract

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AMENDMENT TO THE FIRST TENNESSEE DEVELOPMENT DISTRICT'S AREA AGENCY ON AGING AND DISABILITY GRANT FOR FISCAL YEAR 2023–2024 FOR THE KINGSPORT SENIOR CENTER; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, on July 16, 2024, the board approved Resolution No.: 2025-020 authorizing the mayor to sign an agreement with First Tennessee Development District's Area Agency on Aging (FTAAAD), which serves as a pass through entity for funding for the Tennessee Commission on Aging and Disability, for operational and transportation funding for the Kingsport Senior Center; and

WHEREAS, the city was approved for $29,780.00 in grant funds for FY25; and

WHEREAS, instead of issuing new grant agreements for FY26, FTAAAD desires to amend the agrement for FY25 to award additional funding in the amount of $30,050.00 and to extend the terms through June 30, 2026; and

WHEREAS, City is required to contribute a 10% match to receive the additional grant funds and the city's matching funds are available in the Kingsport Senior Center operating Budget; and

WHEREAS, staff recommends approving the amendment to the agreement with FTAAAD for the additional funds.

Now therefore,

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

SECTION I. That an amendment to the agreement with FTAAAD, which serves as a pass through entity for funding for the Tennessee Commission on Aging and Disability, to award additional funding in the amount of $30,050 and to exceed the terms through June 30, 2026 for the Kingsport Senior Center 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 FTAAAD for the Kingsport Senior Center, 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 1
OF GRANT CONTRACT 106-25

This Grant Contract Amendment is made and entered by and between **First Tennessee Development District, Area Agency on Aging and Disability** (FTAAAD), hereinafter referred to as the "Agency" and **City of Kingsport, TN - Kingsport Senior Center**, hereinafter referred to as the "Grantee" or "Service Provider." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject Grant Contract is hereby amended as follows:

1. The following is inserted as Grant Contract Section A.6.:

a. 6. The Grantee shall be responsible for complying with all requirements established in both Titles 52, and 68. The Grantee shall also be responsible for verifying through the State of Tennessee websites or other appropriate databases that any individual having direct contact with or direct responsibility for persons receiving services under this Grant Contract on behalf of Grantee, including but not limited to, all of the Grantees employees, subcontractors and volunteers, regardless of hire date, are not listed on:

b. The Tennessee Department of Health Elderly or Vulnerable Abuse Registry. The Department of Health pursuant to Tennessee Code Annotated (TCA) § 6811-1001, *et seq*., maintains this registry for individuals substantiated for abuse, neglect, mistreatment, and exploitation of vulnerable persons, which includes persons with intellectual disabilities. The law contains all pertinent provisions for notice to individuals and procedures for an administrative appeal before any registry placement;

c. The Tennessee Sexual Offender List. The Tennessee Sexual Offender List is maintained pursuant to TCA § 40-39-201, *et seq*., and provides a list of individuals convicted by a court of law of sexual offenses in Tennessee or who have been judicially determined to have some other sort of qualifying condition. Such sexual offenses are contained in the law and in TCA, Title 39 of the state criminal code; and,

d. State of Tennessee, Department of Disability and Aging's (DDA) Substantiated Investigations Records Inquiry ("SIRI") database. SIRI contains information about persons who have been substantiated at the Class I level for abuse, neglect, misappropriation of property of, or exploitation of, a vulnerable person; or who have three (3) or more Class II substantiations in separate investigations for incidents occurring or discovered within a twenty-four (24) month period, whether or not the substantiations(s) resulted in a referral for placement on the State's Abuse Registry. No substantiated perpetrator's name will appear on the SIRI unless that person has been first afforded an opportunity to exercise his/her due process rights to challenge the substantiation(s) pursuant to DDA Rules 0465-03-.01, *et seq*.

2. Grant Contract Section B.1. is deleted in its entirety and replaced with the following:

2.1. This Grant Contract shall be effective for the period beginning on **7/1/2025** ("Effective Date") and ending on **6/30/2026** ("Term"). The Agency shall have no obligation for goods or services provided by the Grantee prior to the Effective Date.

3. Grant Contract Section C.1. is deleted in its entirety and replaced with the following:

C.1. Maximum Liability. In no event shall the maximum liability of the Agency under this Grant Contract exceed Twenty-Nine Thousand Seven Hundred Eighty Dollars ($29,780.00) for Agency Fiscal Year ("FY") 2025 and Thirty Thousand Fifty Dollars ($30,050.00) for FY 2026 with a contract total of Fifty-Nine Thousand Eight Hundred Thirty Dollars ($59,830.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment A is for FY 2026 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.

4. The following is inserted as Grant Contract Section D.36.:

D.36. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the Agency a completed and signed copy of the document at Attachment A, semi-annually during the Term. If the Contractor is a party to more than one contract with the Agency, the Contractor may submit one attestation that applies to all contracts with the Agency. All Contractor attestations shall be maintained by the Contractor and made available to Agency officials upon request.

b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to Agency officials upon request.

c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the Agency.

d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.

e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide

services under the Contract.
5. Grant Contract Attachment A attached hereto is added as new attachment.
Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
Amendment Effective Date. The revisions set forth herein shall be effective once all required approvals are obtained. All other terms and conditions of this Grant Contract not expressly amended herein shall remain in full force and effect.
[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 15th day of July, 2025

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

GRANT AMENDMENT

Agency Tracking #	Edison ID	Contract #	Amendment #
106-25 A1			1

Contractor Legal Entity Name	Edison Vendor ID
City of Kingsport, TN - Kingsport Senior Center	

Amendment Purpose & Effect(s)

Exercise Renewal Option, Increase Maximum Liability, Amend Scope of Services and Extend term

Amendment Changes Contract End Date:	☒ YES ☐ NO	End Date:	6/30/2026

TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): **30,050.00**

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
FY25	17,780.00	12,000.00			29,780.00
FY26	18,050.00	12,000.00			30,050.00
TOTAL:	**35,830.00**	**24,000.00**			**59,830.00**

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

Speed Chart (optional)	Account Code (optional)

AMENDMENT 1
OF GRANT CONTRACT 106-25

This Grant Contract Amendment is made and entered by and between **First Tennessee Development District, Area Agency on Aging and Disability** (FTAAAD), hereinafter referred to as the "Agency" and **City of Kingsport, TN - Kingsport Senior Center**, hereinafter referred to as the "Grantee" or "Service Provider." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject Grant Contract is hereby amended as follows:

1. The following is inserted as Grant Contract Section A.6.:

A.6. The Grantee shall be responsible for complying with all requirements established in both Titles 52, and 68. The Grantee shall also be responsible for verifying through the State of Tennessee websites or other appropriate databases that any individual having direct contact with or direct responsibility for persons receiving services under this Grant Contract on behalf of Grantee, including but not limited to, all of the Grantees employees, subcontractors and volunteers, regardless of hire date, are not listed on:

a. The Tennessee Department of Health Elderly or Vulnerable Abuse Registry. The Department of Health pursuant to Tennessee Code Annotated (TCA) § 68-11-1001, *et seq*., maintains this registry for individuals substantiated for abuse, neglect, mistreatment, and exploitation of vulnerable persons, which includes persons with intellectual disabilities. The law contains all pertinent provisions for notice to individuals and procedures for an administrative appeal before any registry placement;

b. The Tennessee Sexual Offender List. The Tennessee Sexual Offender List is maintained pursuant to TCA § 40-39-201, *et seq*., and provides a list of individuals convicted by a court of law of sexual offenses in Tennessee or who have been judicially determined to have some other sort of qualifying condition. Such sexual offenses are contained in the law and in TCA, Title 39 of the state criminal code; and,

c. State of Tennessee, Department of Disability and Aging's (DDA) Substantiated Investigations Records Inquiry ("SIRI") database. SIRI contains information about persons who have been substantiated at the Class I level for abuse, neglect, misappropriation of property of, or exploitation of, a vulnerable person; or who have three (3) or more Class II substantiations in separate investigations for incidents occurring or discovered within a twenty-four (24) month period, whether or not the substantiations(s) resulted in a referral for placement on the State's Abuse Registry. No substantiated perpetrator's

name will appear on the SIRI unless that person has been first afforded an opportunity to exercise his/her due process rights to challenge the substantiation(s) pursuant to DDA Rules 0465-03-.01, *et seq*.

2. **Grant Contract Section B.1. is deleted in its entirety and replaced with the following:**

B.1. This Grant Contract shall be effective for the period beginning on **7/1/2025** ("Effective Date") and ending on **6/30/2026** ("Term"). The Agency shall have no obligation for goods or services provided by the Grantee prior to the Effective Date.

3. **Grant Contract Section C.1. is deleted in its entirety and replaced with the following:**

C.1. Maximum Liability. In no event shall the maximum liability of the Agency under this Grant Contract exceed Twenty-Nine Thousand Seven Hundred Eighty Dollars ($29,780.00) for Agency Fiscal Year ("FY") 2025 and Thirty Thousand Fifty Dollars ($30,050.00) for FY 2026 with a contract total of Fifty-Nine Thousand Eight Hundred Thirty Dollars ($59,830.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment A is for FY 2026 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.

4. **The following is inserted as Grant Contract Section D.36.:**

D.36. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the Agency a completed and signed copy of the document at Attachment A, semi-annually during the Term. If the Contractor is a party to more than one contract with the Agency, the Contractor may submit one attestation that applies to all contracts with the Agency. All Contractor attestations shall be maintained by the Contractor and made available to Agency officials upon request.

b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the

services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to Agency officials upon request.

c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the Agency.

d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.

e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.

5. Grant Contract Attachment A attached hereto is added as new attachment.

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

Amendment Effective Date. The revisions set forth herein shall be effective once all required approvals are obtained. All other terms and conditions of this Grant Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

City of Kingsport, TN - Kingsport Senior Center:

GRANTEE SIGNATURE **DATE**

PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)

FIRST TENNESSEE DEVELOPMENT DISTRICT:

MICHAEL HARRISON, FTDD EXECUTIVE DIRECTOR

ATTACHMENT A
Page 1 of 2

GRANT BUDGET				
The grant budget line-item amounts below shall be applicable only to expense incurred during the following **Applicable Period: BEGIN: 7/1/2025 END: 6/30/2026**				
POLICY 03 Object Line-item Reference	**EXPENSE OBJECT LINE-ITEM CATEGORY [1]**	**GRANT CONTRACT**	**GRANTEE PARTICIPATION**	**TOTAL PROJECT**
1. 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4, 15	Professional Fee, Grant & Award [2]	30,050.00	0.00	30,050.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
11. 12	Travel, Conferences & Meetings	0.00	0.00	0.00
13	Interest [2]	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation [2]	0.00	0.00	0.00
18	Other Non-Personnel [2]	0.00	0.00	0.00
20	Capital Purchase [2]	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
25	**GRAND TOTAL**	**30,050.00**	**0.00**	**30,050.00**

[1] Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A*. (posted on the Internet at: https://www.tn.gov/finance/looking-for/policies.html).

[2] Applicable detail follows this page if line-item is funded.

ATTACHMENT A
Page 2 of 2

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Senior Services	30,050.00
	0.00
TOTAL	$30,050.00

GRANT CONTRACT GRAND TOTAL-SOURCE OF FUNDS	AMOUNT
FEDERAL FUNDS	
Title III-B: Support Services (93.044)-Transportation	12,000.00
STATE FUNDS	
State Senior Center Operations	18,050.00
TOTAL SOURCE OF FUNDS	$30,050.00

AGENDA ACTION FORM

Consideration of a Resolution Ratifying the Mayors Signature and Renewing the Service Agreement with Cannon Cochran Management Services, Inc. for Workers Compensation Third Party Administration Services for the City and its Kingsport City Schools

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-178-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Hodgson
First Reading:	N/A	Presentation By:	Rowlett

Strategic Focus Area: Efficient & Responsive Government

Recommendation:
Approve the Resolution.

Executive Summary:
Approval of the accompanying resolution authorizes the renewal of the service agreement with Cannon Cochran Management Services, Inc., (CCMSI) for workers compensation claim administration services for all city departments, including Kingsport City Schools.

In June of 2022, the board approved a Service Agreement with CCMSI for workers' compensation claims administration services. These services include scheduling medical appointments for employees who have suffered work related injuries, medical care evaluation and review, pharmacy management, evaluations of claim compensability, and issuance of payments to providers and claimants.

CCMSI has provided the city with claim management services since July 2022 and overall their performance has met the expectation and needs of Risk Management and Office of the City Attorney.

The agreement was set to expire on July 1, 2025. Staff recommends renewing the agreement for an additional term from July 1, 2025 through June 30, 2028 and ratifying the mayors signature on June 30, 2025.

City may terminate the agreement upon 90 days written notice without cause.

Funding is available in the Risk Management Operating Fund.

Attachments:
1. Resolution
2. Agreement

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING A SERVICE AGREEMENT BETWEEN THE CITY AND CANNON COCHRAN MANAGEMENT SERVICES, INC. FOR WORKERS' COMPENSATION THIRD PARTY ADMINISTRATION SERVICES FOR ALL CITY DEPARTMENTS; RATIFYING THE MAYOR'S EXECUTION OF THE SAME AND AUTHORIZING THE MAYOR TO SIGN ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the city currently has its self-insured workers' compensation program for employees for the city and schools with Cannon Cochran Management Services, Inc. (CCMSI), which was set to expire on July 1, 2025; and

WHEREAS, staff recommends renewing the agreement for an additional term from July 1, 2025 through June 30, 2028 and ratifying the mayors signature on June 30, 2025.

Now therefore,

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

SECTION I. That the Service Agreement with Cannon Cochran Management Services, Inc. (CCMSI), executed on June 30, 2025, for self-insured workers' compensation program for employees for the city and schools 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 Kingsport, the agreement with CCMSI to act as provider and administrator for the city and its Kingsport City School's self-insured Workers' Compensation program and for other lines of coverage as needed, 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:

SERVICE AGREEMENT BETWEEN
CITY OF KINGSPORT AND
CANNON COCHRAN MANAGEMENT SERVICES, INC.

THIS SERVICE AGREEMENT is made and entered into this 1ST day of July, 2025, by and between City of Kingsport (the "Client"), an authorized self-insured entity, and Cannon Cochran Management Services, Inc. ("CCMSI"), a Delaware corporation. It is agreed between the parties hereto as follows:

A. **APPOINTMENT OF CCMSI.** The Client hereby appoints CCMSI, and CCMSI hereby agrees to serve, as Third Party Administrator ("Administrator") of the Client's self-insured workers' compensation program created and existing under the State of Tennessee ("State") Self-Insurance Regulations.

B. **FUNCTIONS OF CCMSI.** During the term of this Agreement, the regular functions of CCMSI as the Client's Administrator shall include the following:

1. Claim Administration.

(a) Claim Management and Administration. In compliance with its Best Practices, CCMSI will manage and administer all claims of the Client that occur during the period of this Agreement. All claim payments shall be made with Client funds. CCMSI will act on behalf of Client in handling,

monitoring, investigating, overseeing and adjusting all such actual and alleged claims.
(b) Claim Settlement. CCMSI will settle claims of the Client with Client funds in accordance with reasonable limits and guidelines established with the Client.
(c) Claim Reserves. CCMSI will establish reserves for unpaid reported claims and unpaid claim expenses.
(d) Allocated Claim Expenses. CCMSI will pay, at market rates, all Allocated Claim Expenses with Client Funds. Allocated Claim Expenses are charges for services provided in connection with specific claims by persons or firms which are eligible claim expenses under the Client's program. Notwithstanding the foregoing, Allocated Claim Expenses will include all expenses incurred in connection with the investigation, adjustment, settlement or defense of Client claims, even if such expenses are incurred by CCMSI. Allocated Claim Expenses will include, but not be limited to, charges for:
1) Independent medical examinations of claimants;
2) Managed care expenses, which include the services provided by comp me™, CCMSI's proprietary managed care program. Examples of managed care expenses includes but is not limited to state fee schedule, PPO networks, utilization review, nurse case management, medical bill audits and medical bill review;

3) Fraud detection expenses, such as surveillance, which include the services provided by *FIRE,* CCMSI's proprietary Special Investigation Unit (SIU), and other related expenses associated with the detection, reporting and prosecution of fraudulent claims, including legal fees;
4) Attorneys, experts and special process servers;
5) Court costs, fees, interest and expenses;
6) Depositions, court reporters and recorded statements;
7) Independent adjusters and appraisers;
8) Index bureau and OFAC (Office of Foreign Assets Control) charges;
9) MMSEA/SCHIP compliance charges; CCMSI, in conjunction with it reporting agent/MSP vendor, will comply with applicable MMSEA and Section 111 reporting requirements on behalf of the client. CCMSI will provide monthly Medicare eligibility query checks and quarterly mandatory insured reporting compliant with applicable CMS guidelines
10) Electronic Data Interchanges, EDI, charges if required by State law;
11) CCMSI personnel, at their customary rate or charge, but only with respect to claims outside the State and only if such customary rate is communicated to the Client prior to incurring such cost;
12) Actual reasonable expenses incurred by CCMSI employees outside the State for meals, travel, and lodging in conjunction with claim management;
13) Police, weather and fire report charges that are related to claims being administered under Client's program;
14) Charges associated with accident reconstruction, cause and origin investigations, etc.;
15) Charges for medical records, personnel documents, and other documents necessary for adjudication of claims under Client's program;
16) Charges associated with Medicare Set-Aside Allocations and other related MSP Services;
17) Legal bill review expenses, which include, the services provided by CLEAR, CCMSI's proprietary legal bill review program. This shall include charges related to legal bill review / audit, which shall include reviewing and auditing invoices submitted by Client-approved law firms for compliance with the Client's Defense Counsel Billing Guidelines.
18) Other expenses normally recognized as ALAE by industry standards.
(e) Subrogation. CCMSI will monitor claims for subrogation.
(f) Provision of Reports. CCMSI agrees to provide reports to the Client as specified in the Schedule of Reports attached hereto as Exhibit A.
2. Risk Management Services. CCMSI will provide the Client with additional Risk Management Services not contemplated in the Agreement upon mutual agreement of the parties. The Schedule of additional Risk Management Services to be provided is attached hereto as Exhibit B.
3. Loss Control Services. CCMSI will provide the Client loss control services upon mutual agreement of the parties. The client shall remain fully responsible for the implementation and operation of its own safety programs and for the detection and elimination of any unsafe conditions or practices.
CCMSI assumes no responsibility for the detection, identification, communication, mitigation, or elimination of any unsafe condition or practice associated with the safety program of any client. Further, CCMSI assumes no responsibility for any injury sustained by an employee of the client. The Schedule of Loss Control Services to be provided is attached hereto as Exhibit C.
4. Legal Bill Review / Audit Services. In conjunction with its claims administration services, CCMSI will provide Client with Legal Bill Review / Audit Services (CLEAR). The Schedule of Legal

Bill Review / Audit Services, including applicable fees, is attached hereto as Exhibit E.

5. Managed Care Services. CCMSI will provide the Client with managed care services (comp me™) upon mutual agreement of the parties. The Schedule of Managed Care Services to be provided is attached hereto as Exhibit D.

C. **CLIENT RESPONSIBILITIES.** Client agrees to:

1. Report all claims, incidents, reports or correspondence relating to potential claims in a timely manner.

2. Reasonably cooperate in the disposition of all claims.

3. Claim Funding

a. Provide Funds in a timely manner to pay all claims and expenses. **If utilizing an escrow account,** provide Funds on a periodic basis as mutually agreed upon per the Quality Service Plan, claim handling instructions, or similar document if applicable. Funds shall include those required to pay all claims and expenses covered by insurance carriers or other parties. CCMSI will work with Client to obtain timely reimbursement of such covered payments from insurance carriers or other parties, but will not advance any such amounts.**If utilizing an escrow account,** provide Funds in an amount that maintains a Claim Deposit equal to one and a half (1.5) times the average total of claim and expense payments for the previous six (6) months, adjusted for funding frequency. The required Claim Deposit will be monitored and adjusted as necessary per this calculation. The Claim Deposit is the ultimate property of Client. CCMSI will return excess Funds to Client in a timely manner upon recalculation of Claim Deposit or termination of the Agreement.

b. **If utilizing an escrow account,** provide advance funding ("Prefunding") to pay all claim and expense transactions in excess of a mutually agreed upon amount per the Quality Service Plan, claim handling instructions, or similar document if applicable.

c. **If utilizing an escrow account,** provide all manner of Funds and Prefunding via Automated Clearing House (ACH) Electronic Funds Transfer (ETF).

4. Respond to reasonable information requests in a timely manner.

5. Identify in writing all insurance carriers applicable to CCMSI's claim handling responsibilities contemplated in this Service Agreement that CCMSI will have claim or data reporting requirements. In this regard, Client agrees to provide CCMSI with a complete copy of the current excess or other insurance policies, including applicable endorsements and audits, applicable to Clients insurance program and this Service Agreement. CCMSI assumes no responsibility of any kind for not reporting an otherwise reportable claim to any carrier that Client has failed to disclose to CCMSI and/or provide CCMSI with a copy of the applicable insurance policy and reporting instructions relative to that carrier.

6. When applicable, obtain and provide to CCMSI an active Registered Reporting Entity (RRE) number through the Centers of Medicare & Medicaid Services that CCMSI is explicitly authorized to use for mandatory MMSEA Section 111 reporting. When applicable, client agrees to maintain this RRE # by fulfilling CMS's annual recertification process.

7. Pay any fees or costs charged by any carrier or prior TPA of Client for the conversion of data associated with CCMSI handling run off claims for Client, or for the general transfer of data to CCMSI's operating systems.

8. Promptly pay CCMSI's fees.

D. **OPERATING EXPENSES.** The Client agrees to be responsible for and pay all of its own operating expenses other than service obligations of CCMSI. Such operating expenses shall include but not be limited to charges for the following:

1. All costs associated with Client meeting its State security and licensing requirements;

2. Certified Public Accountants

3. Attorneys, other than provided for in Section B.I. (d) 3) and B.I. (d) 4) of this Agreement;

4. Outside consultants, actuarial services or studies and State audits;

5. Independent payroll audits;

6. Allocated Claims Expenses incurred pursuant to Section B. 1. (d) of this Agreement;

7. All applicable regulatory fees and taxes;

8. Educational and/or promotional material, industry-specific loss control material, customized forms and/or stationery, supplies and extraordinary postage, such as bulk mailing, express mail or messenger service.

9. National Council on Compensation Insurance, NCCI, charges;

10. Excess and other insurance premiums;

11. Costs associated with the development, record keeping and filing of fraud statistics and plans, but only if required by any State or regulatory authority having jurisdiction over Client;

12. Other operating costs as normally incurred by the Client.

E. **BOOKS AND RECORDS.**

1. (a)CCMSI shall maintain all claim information relating specifically to the Client which is necessary to the performance of CCMSI's obligations under this Agreement (the "Records"). The

Records shall remain at all times the sole property of the Client.
(b)The Records shall not include any manuals, forms, files and reports, documents, customer lists, rights to solicit renewals, computer records and tapes, financial and strategic data, or information which documents CCMSI's processes, procedures and methods, or which CCMSI employs to administer programs other than the Client. The items specified in this Paragraph E. 1. (b) shall at all times be and remain the sole and exclusive property of CCMSI, and the Client shall not have any ownership, interest, right to duplicate or right to utilize these items except for the above documentation or information that relates solely to Client's Program.
2. During the term of this Agreement, CCMSI shall provide the Client with copies of the Records, if so requested by the Client. Any reasonable costs of reproduction of the Records shall be borne by the Client.
3. CCMSI shall make the Records available for inspection by any duly authorized representative of the Client, or any governmental or regulatory authority having jurisdiction over CCMSI or the Client.
F. **NON-SOLICITATION OF EMPLOYEES.** During the term of the Agreement and for two (2) years thereafter, the Client and CCMSI mutually agree not to recruit, solicit or hire any employee of the other without written permission.
G. **OTHER INSURANCE.** If CCMSI places any specific or aggregate excess insurance, reinsurance, or other insurance product associated with this Agreement, then customary commissions and fees will be retained by CCMSI.
H. **TERM AND TERMINATION.**
I. Term of Agreement. The first term of this Agreement shall be for three (3) years beginning on July 1, 2025, and terminating on June 30th ,2028 unless the Agreement is terminated as set forth in paragraph H. 2., or Client exercises an option to extend one (1) year. The Client may extend this Agreement for up to three (3) additional one (1) year terms.
J. Termination of Agreement. This Agreement may be terminated:
(a) By mutual agreement of the parties hereto;
(b) Upon expiration of the current term of this Agreement if either party has given the other at least ninety (90) days written notice of its intention to terminate as set forth in paragraph H. 1.;
(c) Upon dissolution of the Client's self-insurance program whether voluntary or due to cessation of Client's authority to self-insure;
(d) Upon dissolution of the Client's self-insurance program due to Client insolvency or bankruptcy;
(e) Upon ninety (90) days written notice by either party if the other party is in material breach of any term, covenant or condition contained herein; provided, however, that as a condition precedent to termination under this Section H. 2. (e), the terminating party shall give written notice to the other party, who shall have sixty (60) days from the date of such notice to cure or correct the grounds for termination. If the grounds of termination are not corrected or cured during the sixty (60) day period, this Agreement may be terminated on the termination date specified in the notice, but not prior to the expiration of the ninety (90) day period described herein.
K. Upon ninety (90) days written notice by either party for any reason. Such termination will not be deemed a breach of contract by either party. Should Client exercise this provision, Client will compensate CCMSI for all satisfactory and authorized services completed as of the termination date, and CCMSI will refund to Client any funds paid by Client in excess of such amount. Upon such termination, CCMSI will not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.Services Following Termination of Agreement. Should this Agreement be terminated or nonrenewed for any reason, CCMSI will cease providing services, turn over to the Client all Client files in CCMSI's possession, which shall include all open and closed files.
Upon the Client's request and subject to agreement by CCMSI, CCMSI will be paid a reasonable negotiated fee to:
(a) Provide for continued administration of the open claim files;
(b) Cooperate with any successor administrator in the orderly transfer of all functions, including providing a runoff listing of open claim files if desired by the Client and any other records reasonable and necessary for a successor administrator; and
(c) Provide an electronic transfer of data if such is feasible, with the cost of providing such borne by the Client. The electronic transfer of data will be subject to a flat fee of $2,500.
I. **SERVICE FEE PAYMENTS.** The Client shall pay to CCMSI a service fee as outlined in the Fee and Payment Schedule attached hereto as Exhibit F.
J. **RELATIONSHIP OF PARTIES.** With respect to the services provided by CCMSI in this Agreement, CCMSI is considered an independent contractor. Nothing in this Agreement shall be construed to create a relationship of employer/employee, partners or joint ventures between the Client and CCMSI. This Agreement is non exclusive, and CCMSI shall have the right to perform services on behalf of other individuals, firms, corporations and entities.

K. **INDEMNIFICATION.**

1. Indemnification by Client. The parties acknowledge and agree that Client is a city created under the laws of the state of Tennessee. Article II, Section 29 of the Tennessee Constitution prohibits cities from lending their credit to private entities and , therefore, prohibits an agreement by Client to indemnify a third party or agree to a limitation of liability provision. Any indemnity or hold harmless provision contained in the Agreement requiring Client to indemnify or hold harmless CCMSI or any other person or entity and any limitation of liability in favor of CCMSI 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, T.C.A. § 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 set forth in the Tennessee Constitution or of any provisions of the Tennessee Governmental Tort Liability Act, T.C.A. section 29-20-101 et seq.

2. Indemnification by CCMSI. CCMSI agrees that it will indemnify and hold harmless the Client and the Client's trustees, directors, officers, employees, agents, shareholders, subsidiaries, members, or other affiliates from and against any and all claims, losses, liability, costs, damages and reasonable attorney's fees incurred by the Client as the result of breach of this Agreement by CCMSI or alleged misconduct, error or omissions by CCMSI, or by any of CCMSI's directors, officers, employees, agents, shareholders, subsidiaries or other affiliates in connection with the performance of this Agreement.

L. **CHANGE IN CIRCUMSTANCES.** In the event the adoption of any statute, rule or regulation materially changes the nature of the relationship between the parties hereto or the legal or economic premises upon which this Agreement is based, the parties hereto shall undertake good faith negotiations to amend the terms of this Agreement to account for such changes in a reasonable manner. This includes the happening or development of a local, regional, national or global health situation, crisis, pandemic, or catastrophic event that would impact the volume and type of claims to be administered by CCMSI under this Agreement. In the event of any such occurrence, either party may contact the other in good faith and seek to amend the terms and / or service fees applicable to this Agreement.

M. **SOFTWARE ACCESS.** The Client may be provided with the right to use one or more CCMSI Applications in connection with the services provided by CCMSI in this Agreement. CCMSI Applications include iCE, MyReports, Loss Control ASAP, Loss Control Resources and iCEBAR. The right to use CCMSI Applications is non-exclusive, limited to the term of this Agreement per paragraph H.I., non-transferable and is solely for the internal business use of Client.

CCMSI owns and reserves all rights, title, and interest in and to the CCMSI Applications. Client has no right to receive a copy of the object code or source code to the CCMSI Applications. Client may not attempt to:

1. License, sell, lease or otherwise make the CCMSI Applications available to any other party. Client will not provide any access, passwords or other information regarding the CCMSI Applications to any third parties and/or competitors of CCMSI without the prior written consent of CCMSI;
2. Use the CCMSI Applications in any way that violates any law, regulation or mandate, or the term of this Agreement; or
3. Take any action that jeopardizes confidential or proprietary information held by CCMSI.

Client is responsible for any confidential or proprietary information accessed or downloaded by Client from the CCMSI Applications, including the implementation of appropriate information security controls surrounding such information.

Except as expressly provided in this Agreement, CCMSI Applications are provided "as-is". CCMSI disclaims all other warranties, express, implied, or statutory, including the implied warranties or merchantability, satisfactory quality, title, fitness for a particular purpose, non infringement, compatibility, security, quiet enjoyment, or accuracy. Without limiting the foregoing, CCMSI does not warrant that access to or use of the CCMSI Applications will be uninterrupted or error-free. CCMSI will provide support for the CCMSI Applications in the two most recent two versions of the Internet Explorer, Chrome, Firefox and Safari browsers.

N. MISCELLANEOUS.

1. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Tennessee without regard to principles of conflicts of law.
2. Non-Appropriation. CCMSI acknowledges that Client is a governmental entity, and the validity of the Agreement is based upon the availability of public funding under its authority. In the event Client fails to appropriate funds or make monies available for any fiscal year covered by the term of this Agreement for the services to be provided, this Agreement shall be terminated on the last day of the fiscal year for which funds were appropriated or monies made available for such purposes without liability to Client, such termination shall not be a breach of this Agreement, and any unused payment

made to CCMSI shall be returned to City. Furthermore, this provision shall extend to any and all obligations imposed upon Client to reimburse CCMSI for any reimbursements, refunds, chargebacks, penalties, fees, or other financial obligations which exceed the funds tendered to CCMSI, FPPs, or Payment Processing Partners in relation to any event.

3. Timing of Services. CCMSI may exercise its own reasonable judgment, within the parameters set forth herein and in compliance with State regulations, as to the time and manner in which it performs the services required hereunder. Additionally, CCMSI will be held to a standard of like administrators performing like services for customers such as Client.

4. Successors in Interest. This Agreement shall be binding upon, and inure to the benefit of, the successors in interest and permitted assigns of the parties hereto.

5. Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if the invalid or unenforceable provision had been revised to the minimum extent necessary to make it valid and fully enforceable under applicable law.

6. Paragraph Headings. All paragraph headings in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

7. Waiver. The failure of any party to enforce any provisions of this Agreement shall not constitute a waiver by such party of any provision. A past waiver of *a* provision by either party shall not constitute a course of conduct or a waiver in the future with respect to that same provision.

8. Notice Provision. All notices, requests and other communications required under this Agreement shall be in writing and delivered by hand or mailed, registered or certified, return receipt requested, postage paid, or sent via a nationally recognized overnight courier to the other party at the following address:

Client: Kristen Hodgson, Risk Manager
City of Kingsport 415 Broad Street Kingsport, TN. 37660

CCMSI : Cannon Cochran Management Services, Inc.
2 E. Main St.
Danville, IL 61832
Attn: Chief Financial Officer

9. File Destruction Policy. CCMSI will maintain electronic claim file records or hard copy files (where applicable) on all closed files on behalf of Client for a period of fifteen (15) years after the month of closure, or for as long as necessary to protect the applicable statute of limitations, whichever is longer. It is the sole responsibility of Client to advise CCMSI if files are not to be destroyed per this policy.

10. Insurance. CCMSI will purchase and maintain insurance coverages for its performance of the services contemplated in this Agreement. Minimum policy limits are as follows:

Workers Compensation - Statutory
Professional - $5,000,000
General Liability - $1,000,000 / $2,000,000
Umbrella -$5,000,000
Cyber Coverage - $5,000,000

11. Escheatment. CCMSI is responsible for complying with all applicable abandoned property or escheat laws, making any required payments, and filing any required reports on CCMSI escrow accounts.

12. Confidential Information. Confidential Information includes nonpublic information that is exchanged between the Client and CCMSI, including, without limitation, information relating to the business, financials, personnel, customer data and operating procedures. Confidential Information includes information whether in written, electronic, or oral form created and relating to services provided under the Agreement. All Confidential Information is proprietary. Client and CCMSI may use the other party's Confidential Information only for the purpose of this Agreement and will limit its disclosure to only those persons reasonably necessary to perform under the Agreement. CCMSI will share non-personal bulk claim data with the IDS National Database unless the Client directs otherwise. Notwithstanding the foregoing Client and CCMSI acknowledge and agree this 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 Public Records Act, set out in T.C.A. § 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, Client must, upon proper request, release public documents and records as defined by T.C.A. § 10-7- 503 et sew., 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 CCMSI or provide CCMSI with notice or the time to obtain a protective order. Client does not have the burden of establishing that information is not confidential information or that its release is

authorized to release the records. The foregoing serves to meet any burden imposed upon Client to provide CCMSI with notice of a request for records pursuant to the Tennessee Public Records Act and authorizes disclosure of the public records requested.

13. Information Security. CCMSI is responsible for the protection of the confidentiality, availability, privacy and integrity of Client information in our custody. CCMSI has implemented an Information Security Policy that has been developed to comply with applicable federal and state laws or regulations and industry best practices. The Information Security Policy applies to all CCMSI personnel, including temporary employees, independent contractors and vendors with access to CCMSI systems.

14. Entire Agreement/Amendment. This Agreement sets forth the full and final understanding of the parties hereto with respect to the matters described herein, and supersedes any and all prior agreements and understandings between them, whether written or oral. This Agreement may be amended only by written document executed by the Client and CCMSI.

Executed this 30th day of June 2025.

[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 15th day of July, 2025.

_____

PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III, CITY ATTORNEY

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Renew the City's Policies of Liability Coverage with Public Entity Partners

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-179-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Kristen Hodgson
First Reading:	N/A	Presentation By:	Hodgson/Rowlett

Strategic Focus Area: Efficient & Responsive Government

Recommendation:
Approve the resolution.

Executive Summary:
This resolution approves a renewal with Public Entity Partners (PEP) for liability coverage and risk management services for fiscal year 2026 at the premium rate of $333,851.00 with a self insured retention of $600,000.00.

For many years, the city has used PEP as its general liability, personal injury liability, errors or omissions liability, automobile liability and automobile physical damage policies. The city would like to renew the policy again this year from the period of 07/01/2025 through 07/01/2026. The total premium for the policy is $333,851.00 as compared to $323,785.00 for fiscal year 2025.

Previously the city's self insured retention has been $460,000. This is the dollar amount the city must pay before PEP's obligation to provide coverage is triggered. For fiscal year 2026 PEP is requiring City to increase the self insured retention threshold. Based on an evaluation of loss runs and premiums for the last 10 years, Risk Management recommends increasing the self insured retention to $600,000.

Funding is available in the Risk Management Operation Budget.

Attachments:
1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION APPROVING THE RENEWAL OF THE GENERAL LIABILITY, PERSONAL INJURY LIABILITY, ERRORS OR OMISSIONS LIABILITY, AUTOMOBILE LIABILITY AND AUTOMOBILE PHYSICAL DAMAGE POLICY WITH PUBLIC ENTITY PARTNERS AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE POLICIES

WHEREAS, the city has used Public Entity Partners (PEP) as the company for its general liability, personal injury liability, errors or omissions liability, automobile liability and automobile physical damage policies; and

WHEREAS, the city would like to renew the policy again for fiscal year 2026; and

WHEREAS, the total premium for the policy is $333,851.00 for the year with a self insured retention amount of $600,000; and

WHEREAS, funding is available in the Risk Management Operation Budget

Now therefore,

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

SECTION I. That the policy renewal with PEP for the general liability, personal injury liability, errors or omissions liability, automobile liability and automobile physical damage policies, 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 policy renewal with PEP for the general liability, personal injury liability, errors or omissions liability, automobile liability and automobile physical damage policies, 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 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 documents, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

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

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

ADOPTED this the 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

PUBLIC ENTITY PARTNERS

2025 Fund Year Liability Policy

Thank you for trusting Public Entity Partners with your Liability coverage and risk management program. Enclosed is your 2025 Fund Year Liability Renewal Policy. Our mission is to partner with Tennessee governmental entities in providing effective risk management products and services with a commitment to member best interests. Please note that the policy document is not an invoice. The member will receive an invoice directly from our finance team.

As we shared on the cover letter for your renewal applications, during the board of directors' annual base rate evaluation, several modifications to Liability base rates were made. For the upcoming fund year, there was no change to General Liability and Errors & Omissions base rates. The board approved a 4% increase in Law Enforcement Liability base rates, a 5% increase in Auto Liability, and a 10% increase in Auto Physical Damage base rates.

In addition, the board of directors has declared a $5 million dividend, with $1 million being allocated to Liability. If you are eligible for a dividend, it will be reflected on your 2025/2026 renewal invoice.

The board of directors also approved a clarification to the intent of the class action endorsement to specify that all claims arising out of a class action, including claims arising from interrelated occurrences, are to be considered as one claim.

We encourage members to use our online portal. Members can file claims, view claims information, and access loss control guidelines online. If you are not already set up to do so, you can request access by emailing MemberServices@PEPartners.org.

Please feel free to reach out to our team if we can assist you in any way.
Sincerely,

The Public Entity Partners Team

PUBLIC ENTITY PARTNERS

MEMBER PORTAL

ORIGAMI RISK

PEP's Member Portal is a centralized, user-friendly platform designed to streamline claims management and risk resources for our members.

With online claims filing (also known as Origami), members can easily file workers' compensation, liability and property claims, upload supporting documents and track submissions in real time. The Claims Analytics tool provides daily updated claims data, enabling users to analyze trends, assess risks and make informed decisions.

In addition, the Risk Resource Library offers a comprehensive collection of guidelines, checklists, sample policies and training materials created by PEP's Loss Control Department to help members proactively manage risk.

Online Claims Filing

Origami is a user-friendly system that is simple and convenient for filing workers' compensation, liability and property claims.

Members can quickly enter claim details, upload supporting documents and receive an immediate claim number upon submission.

Plus, the necessary claims forms are readily available for download. This secure, paperless process streamlines claim handling, reduces delays and provides real-time status tracking for added convenience.

Benefits of online claims filing:

- Easily file all claims online.
- Upload supporting documents and receive an instant claim number via email.
- Access and download claims forms.
- A secure, paperless process.
- The preferred claim filing method.

Claims Analytics

The Claims Analytics tool provides members with comprehensive, up-to-date insights on all claims filed by the member.

With daily data updates, users can track trends, identify potential risks, and analyze claim costs using interactive dashboards and customizable filters.

By breaking down data in multiple ways, members gain valuable insights to enhance strategic planning and improve risk management efforts.

Benefits of using the Claims Analytics tool:

- View all claims and relevant claim information.
- Access claims data updated daily.
- Analyze trends, assess risks and track claim costs.
- Use interactive dashboards and customizable filters for in-depth insights.
- Make informed decisions with accurate, up-to-date claims data.

Risk Library

The Risk Library offers a robust collection of loss control guidelines and resources created by our Loss Control Department to help members navigate common risk exposures that they may face.

Organized into key categories — such as General Risk Management, Fire/EMS, Police, Public Works and Utilities, Special Events and Privacy and Network Liability — the library includes checklists, sample policies and guidelines. With these resources readily available, members can stay informed and take proactive steps to mitigate risk.

Benefits of using the Risk Library:

- Access a collection of guidelines, checklists and sample policies from our Loss Control department.
- Find resources across various categories, including General Risk Management, Police, Public Works and Utilities, Special Events and more.
- Stay proactive with expert-developed tools designed to help you navigate common risk exposures.

To sign up for the Member Portal, please reach out to your regional Member Services Representative.

3/2025

Self-Insured Retention (SIR) Program
IMPORTANT INFORMATION CONCERNING THIS RENEWAL

The Self-Insured Retention (SIR) Program is based on a regular annual premium calculation reflecting the exposures of your city, your loss control efforts, and your prior loss experience. The premium is then factored to take into consideration the retention level you select.

The retention amount includes claims and claims adjustment expenses that are allocated to your claims. Please keep in mind that claims expenses include legal defense costs such as attorney fees, court costs and other similar defense-related and adjustment expenses.

No loss fund deposit is required.

The maximum amount of paid claims for which the member would be responsible for payment is the annual policy aggregate retention amount described on the GENERAL ANNUAL AGGREGATE DEDUCTIBLE RETENTION Endorsement. All paid claims accrue to meet this limit. Premium charges are not included in this calculation. Should your entity's paid claims exceed the aggregate attachment point, we would be responsible for payment of any additional claims through the expiration of the policy coverage period.

The total amount due at policy inception is the premium charge listed on your premium invoice, including a deduction for any dividends due the member. Any questions concerning coverage or this initial invoice should be directed to our Underwriting Department. Subsequent billing statements of paid claims and claims expense charges will occur on a monthly basis. Any questions concerning these statements should be directed to our Finance Department.

PUBLIC ENTITY PARTNERS

GENERAL LIABILITY, PERSONAL INJURY LIABILITY, ERRORS OR OMISSIONS LIABILITY, AUTOMOBILE LIABILITY AND AUTOMOBILE PHYSICAL DAMAGE POLICY

DECLARATIONS

Policy Number: PLI-0213-26

Ren/Rewrite of: PLI-0213-25

ITEM 1. **INSURED**

KINGSPORT, CITY OF *
415 BROAD STREET, ATTN: RISK MGMT
KINGSPORT, TN 37660

*See Additional Named Insured Endorsement

AGENT

DIRECT
415 BROAD STREET, ATTN: RISK MGMT
KINGSPORT, TN 37660

ITEM 2. **COVERAGE PERIOD: From 07/01/2025 To 07/01/2026**

12:01 A.M. Standard Time at the Insured's Mailing Address.

ITEM 3. **COVERAGE PARTS**

In return for the payment of the premium, and subject to all of the terms of the policy, the insurer agrees to provide you with the coverages shown below for which a premium charge is stated.

ONE YEAR POLICY

Coverage and Premium for this Coverage Period

COVERAGE	COVERAGE PART	PREMIUM
General Liability	A/B	54,472
Law Enforcement Liability	A/B	43,247
Errors or Omissions Liability	C	55,111
Automobile Liability	D	63,549
Automobile Physical Damage	E	117,472
Other		
TOTAL		333,851

PUBLIC ENTITY PARTNERS

562 Franklin Rd. Suite 200, Franklin, TN 37069

INSURED KINGSPORT, CITY OF * **Policy Number:** PLI-0213-26

ITEM 4. LIMITS OF COVERAGE

COVERAGE A - GENERAL LIABILITY and COVERAGE B - PERSONAL INJURY LIABILITY

$300,000 PER PERSON FOR BODILY INJURY OR PERSONAL INJURY AS LIMITED BY THE TORT LIABILITY ACT

$700,000 PER OCCURRENCE FOR BODILY INJURY OR PERSONAL INJURY AS LIMITED BY THE TORT LIABILITY ACT

$100,000 PER OCCURRENCE FOR PROPERTY DAMAGE AS LIMITED BY THE TORT LIABILITY ACT

$5,000,000 PER OCCURRENCE FOR EACH OTHER LOSS

$500,000 PER PERSON/$1,000,000 PER OCCURRENCE FOR CATASTROPHIC MEDICAL EXPENSES EXCESS OF BODILY INJURY

$1,000 PER PERSON AND $10,000 PER ACCIDENT FOR MEDICAL PAYMENTS

$100,000 PER OCCURRENCE FOR FIRE DAMAGE

$100,000 PER OCCURRENCE FOR IMPOUNDED PROPERTY DAMAGE OR COMMANDEERED PROPERTY DAMAGE

$100,000 PER OCCURRENCE FOR NON-MONETARY DEFENSE COSTS

COVERAGE C - ERRORS OR OMISSIONS LIABILITY $5,000,000 PER OCCURRENCE

$5,000,000 PER OCCURRENCE/POLICY AGGREGATE FOR EMPLOYMENT PRACTICES LIABILITY - See Endorsement

$1,000,000 PER OCCURRENCE/POLICY AGGREGATE FOR PRIVACY/NETWORK LIABILITY - See Endorsement

$1,000,000 PER OCCURRENCE FOR EMPLOYEE BENEFITS/FIDUCIARY LIABILITY

$100,000 PER OCCURRENCE FOR NON-MONETARY DEFENSE COSTS

COVERAGE D - AUTOMOBILE LIABILITY and COVERAGE E - AUTOMOBILE PHYSICAL DAMAGE

This policy provides only those coverages where a designation symbol is shown under Covered Autos below. Entry of one or more of the symbols from Item 5 indicates the autos that are covered autos.

Coverages	Covered Autos	Limits
LIABILITY	1,2,3	$300,000 PER PERSON FOR BODILY INJURY AS LIMITED BY THE TORT LIABILITY ACT
		$700,000 PER OCCURRENCE FOR BODILY INJURY AS LIMITED BY THE TORT LIABILITY ACT
		$100,000 PER OCCURRENCE FOR PROPERTY DAMAGE AS LIMITED BY THE TORT LIABILITY ACT
		$5,000,000 PER OCCURRENCE FOR EACH OTHER LOSS
		$500,000 PER PERSON/$1,000,000 PER OCCURRENCE FOR CATASTROPHIC MEDICAL EXPENSES EXCESS OF BODILY INJURY
MEDICAL PAYMENTS	1	$1,000 PER PERSON AND $10,000 PER ACCIDENT
UNINSURED MOTORISTS	1,2,3	$300,000 PER OCCURRENCE FOR BODILY INJURY AND
		$100,000 PER OCCURRENCE FOR PROPERTY DAMAGE
COMPREHENSIVE	1,2	SEE AUTOMOBILE PHYSICAL DAMAGE ENDORSEMENT(S)
COLLISION	1,2	SEE AUTOMOBILE PHYSICAL DAMAGE ENDORSEMENT(S)

ITEM 5. DESCRIPTION OF COVERED AUTOMOBILES - DESIGNATION SYMBOLS

Symbol	Description
1	**OWNED AUTOS ONLY. Only those autos you own, including those autos that you acquire during the coverage**
2	**HIRED AUTOS ONLY. Only those autos you lease, hire, rent or borrow, including any auto you lease, hire, rent, or borrow from any of your employees.**
3	**NONOWNED AUTOS ONLY. Only those autos you do not own, lease, hire, rent or borrow that are used in connection with your business, including autos owned by your employees, but only while used in your business.**

INSURED KINGSPORT, CITY OF *

Policy Number: PLI-0213-26

ITEM 6. DEDUCTIBLES

COVERAGE A and COVERAGE B			
GENERAL LIABILITY AND PERSONAL INJURY LIABILITY		NA	**PER OCCURRENCE**
COVERAGE A and COVERAGE B			
LAW ENFORCEMENT GENERAL LIABILITY AND PERSONAL INJURY LIABILITY		NA	**PER OCCURRENCE**
COVERAGE C			
ERRORS OR OMISSIONS LIABILITY		NA	**PER OCCURRENCE**
COVERAGE D			
AUTOMOBILE LIABILITY		NA	**PER OCCURRENCE**
COVERAGE E	**Comprehensive**	ENDT	**PER OCCURRENCE**
AUTOMOBILE PHYSICAL DAMAGE	**Collision**	ENDT	**PER OCCURRENCE**

GENERAL ANNUAL AGGREGATE DEDUCTIBLE RETENTION (SIR) : **$600,000**

ITEM 7. RETROACTIVE DATE See Endt

Coverages A, B, and C (Claims Made Basis) of this policy do not apply to bodily injury, property damage, personal injury offenses, or any act, error, omission, or violation of rights, privileges, or immunities that occurred before the retroactive date, if any, shown above. Some endorsements may have retroactive date exceptions that apply in lieu of the retroactive date shown here.

ITEM 8. FORMS, SCHEDULES, AND ENDORSEMENTS APPLICABLE TO ALL COVERAGE PARTS

Liability Policy Coverage Declarations 7-1-2022
Additional Named Insured Endorsement 7-1-2024
Retroactive Date Endorsement 7-1-2002
Amendatory Endorsement 7-1-2015
General Annual Aggregate Deductible-Retention Endorsement 7-1-12
Employment Practices Liability Coverage Endorsement 7-1-2023
Privacy and Network Liability Coverage End 7-1-2022
Punitive-Exemplary Damages Endorsement 7-1-2023
Class Action Liability Coverage Endorsement 7-1-2025
Exception for Scheduled Watercraft Endorsement 7-1-2012
Unmanned Aerial Systems Coverage Endorsement 7-1-2016
Schools Endorsement 7-1-2021
Uninsured-Underinsured Motorists Endorsement 7-1-2023
Auto Physical Damage Endorsement 7-1-2011
Auto Physical Damage Stated Value for Fire Departments 7-1-2022
Auto Physical Damage Stated Value for Utilities 7-1-2011
Auto Physical Damage Catastrophe Endorsement 7-1-2010
Liability Coverage Policy 2025

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

ADDITIONAL NAMED INSURED ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

KINGSPORT, CITY OF

ITEM 1 - INSURED SHOWN IN THE DECLARATIONS IS AMENDED TO INCLUDE THE FOLLOWING:

* KINGSPORT COMMUNITY DEVELOPMENT ADVISORY COMMITTEE
* KINGSPORT CONSTRUCTION BOARD OF ADJUSTMENTS AND APPEALS
* KINGSPORT BOARD OF EDUCATION
* KINGSPORT BOARD OF ELECTRICAL EXAMINERS
* INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT a.k.a. KINGSPORT ECONOMIC DEVELOPMENT BOARD
* KINGSPORT GATEWAY REVIEW COMMISSION
* KINGSPORT GREENBELT ADVISORY COMMITTEE (SUBCOMMITTEE)
* KINGSPORT HISTORIC ZONING COMMISSION
* KINGSPORT PUBLIC LIBRARY COMMISSION
* KINGSPORT BOARD OF MECHANICAL, PLUMBING, & GAS
* KINGSPORT PARKS AND RECREATION ADVISORY COMMITTEE
* KINGSPORT REGIONAL PLANNING COMMISSION
* KINGSPORT SENIOR CENTER ADVISORY COUNCIL
* KINGSPORT BOARD OF ZONING APPEALS
* KINGSPORT TREE ADVISORY BOARD
* KINGSPORT EMPLOYEE DEPENDENT SCHOLARSHIP PROGRAM
* KINGSPORT PUBLIC ART COMMITTEE
* KINGSPORT STORMWATER APPEALS BOARD
* KINGSPORT AQUATIC CENTER ADVISORY COMMITTEE
* KINGSPORT HIGHER EDUCATION COMMISSION
* DEMOLITION BY NEGLECT COMMITTEE
* KINGSPORT NEIGHBORHOOD ADVISORY COMMISSION
* ONE KINGSPORT SUMMIT ADVISORY COMMISSION
* DOGWOOD PARK ADVISORY COMMITTEE
* LYNN VIEW COMMUNITY CENTER ADVISORY COMMITTEE
* ATHLETIC ADVISORY COMMITTEE
* VETERANS MEMORIAL SUBCOMMITTEE

'As Respects,' as used in this endorsement, means that only acts, errors or omissions of the Named Insured resulting from the Named Insured's involvement in the activities of the listed agreement or entity are insured. Nothing in this endorsement changes Section VII-Condition 10. Other Insurance.

Attached to and a part of policy number: PLI-0213-26 with effective dates from: 07/01/2025 to 07/01/2026.

Ed 7/1/2024

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

ADDITIONAL NAMED INSURED ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

KINGSPORT, CITY OF

ITEM 1 - INSURED SHOWN IN THE DECLARATIONS IS AMENDED TO INCLUDE THE FOLLOWING:

CITY OF KINGSPORT AS RESPECTS THE FOLLOWING:
- EMERGENCY COMM DISTRICT / E-911 BOARD
- SULLIVAN COUNTY ECONOMIC DEVELOPMENT PARTNERSHIP
- KINGSPORT HOUSING AUTHORITY BOARD OF DIRECTORS aka KINGSPORT HOUSING & REDEVELOPMENT AUTHORITY
- SULLIVAN COUNTY BOARD OF EQUALIZATION
- PETWORKS VIA CHARTER
- FOREIGN TRADE ZONE
- KINGSPORT BAYS MOUNTAIN PARK COMMISSION
- KINGSPORT BEVERAGE BOARD

*** CITY OF KINGSPORT AS RESPECTS WRITTEN MUTUAL AID AGREEMENT FOR FIRE PROTECTION SERVICES WITH:**
- UNITED STATES DEPARTMENT OF THE ARMY BAE SYSTEMS ORDINANCE FOR HOLSTON ARMY AMMUNITION PLANT AREA A AND B
- EASTMAN CHEMICAL COMPANY
- AIR PRODUCTS AND CHEMICALS, INC

*** CITY OF KINGSPORT AS RESPECTS WRITTEN MEMORANDUM OF UNDERSTANDING WITH THE SECOND JUDICIAL DRUG TASK FORCE**

*** CITY OF KINGSPORT AS RESPECTS WRITTEN INTERLOCAL AGREEMENT WITH UNINCORPORATED SULLIVAN COUNTY FOR CERTAIN RESCUE SERVICES**

'As Respects,' as used in this endorsement, means that only acts, errors or omissions of the Named Insured resulting from the Named Insured's involvement in the activities of the listed agreement or entity are insured. Nothing in this endorsement changes Section VII-Condition 10. Other Insurance.

Attached to and a part of policy number: PLI-0213-26 with effective dates from: 07/01/2025 to 07/01/2026.

Ed 7/1/2024

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

RETROACTIVE DATE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

KINGSPORT, CITY OF

It is understood and agreed that the Retroactive Date as shown in Item 7 on the Declarations is amended as follows:

* CITY OF KINGSPORT - COVERAGES A, B, C	04/01/1987
* KINGSPORT CITY SCHOOLS - COVERAGE A, B, C	04/01/1987
* KINGSPORT ECON INDUSTRIAL DEV BRD - COVERAGES A & B	07/01/1992
* KINGSPORT ECON INDUSTRIAL DEV BRD - COVERAGE C	07/01/1987
* EMPLOYMENT PRACTICES LIABILITY, CITY OF KINGSPORT	04/01/1987
* EMPLOYMENT PRACTICES LIABILITY, KINGSPORT ECON IND DEV BRD	07/01/1987
* EMPLOYMENT PRACTICE LIABILITY, KINGSPORT CITY SCHOOLS	04/01/1987

Attached to and a part of policy number: PLI-0213-26 with effective dates from 07/01/2025 to 07/01/2026.

Ed. 7/1/2002

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

AMENDATORY ENDORSEMENT

KINGSPORT, CITY OF

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCEPTION TO AMUSEMENT DEVICE EXCLUSION

It is hereby agreed and understood that Liability Policy Exclusion 20.a. listed below does not apply to the operation of the Kingsport Carousel Project located at 308 Clinchfield Street, Kingsport, TN adjacent to the Kingsport Farmers Market.

20. Arising out of:
    a. Mechanically operated amusement devices or carnival type rides;

The remainder of the exclusion remains intact and the entire exclusion continues to apply to all operations of the insured except that listed herein.

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

GENERAL ANNUAL AGGREGATE DEDUCTIBLE/RETENTION ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Annual Aggregate Deductible/Retention Amount: (See Item 6 on the Declarations)

It is understood and agreed that a maximum deductible/retention in the aggregate of (See Dec) for each annual policy period applies for all **damages,** including **claims expenses** covered by Coverages A, B, C, and D, respectively, including any attached coverage endorsements.

We will adjust all claims covered by the policy and **you** are responsible to reimburse **us** for all **damages,** including **claims expenses,** up to the amount of the aggregate deductible retention shown, above which **we** will assume responsibility for payment until policy limits are reached. All other terms and conditions of this coverage remain unchanged.

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

EMPLOYMENT PRACTICES LIABILITY COVERAGE

This endorsement changes coverage provided by the policy. All terms, exclusions and conditions of the policy apply also to this coverage endorsement except as specified herein.

NOTICE: THIS IS A **CLAIM EXPENSE** WITHIN LIMITS COVERAGE PART. THE LIMITS OF LIABILITY AVAILABLE TO PAY INSURED DAMAGES SHALL BE REDUCED BY AMOUNTS INCURRED FOR **CLAIMS EXPENSES**.

SECTION I - COVERAGES

EMPLOYMENT PRACTICES LIABILITY COVERAGE is hereby added to the policy.

A. Limits of Liability:

1. Employment Practices Liability **5,000,000** Per **Occurrence**

B. Maximum Aggregate Limit of Liability: **5,000,000** Policy Aggregate

C. Deductible: $ **See SIR** Per Occurrence See General Annual Aggregate Deductible-Retention Endorseme

D. Retroactive Date: **See Endt**

We will pay on **your** behalf all sums **you** become legally obligated to pay as **damages** from a **claim** made against **you** for an **Employment Practices Violation** actually or allegedly committed by a **covered party**, provided that the **claim** is first made against **you** during the **coverage period**. **We** have no other obligation or liability to pay sums or perform acts or services not covered unless explicitly provided for under SECTION VI - SUPPLEMENTARY PAYMENTS. This coverage does not apply to **Employment Practices Violations** that occurred prior to the retroactive date shown in this endorsement, nor that occur after the **coverage period**. **We** will defend any **suit** against **you** even if any of the allegations of the **suit** are groundless, false, or fraudulent subject to policy terms, exclusions and conditions. **We** may investigate and settle any **claim** or **suit** as **we** deem expedient.

SECTION II - EXCLUSIONS

With respect only to coverage provided under this endorsement, the following exclusion in the liability policy does not apply to coverage under this endorsement for **Employment Practices Violations**;

40. Arising out of action taken by any **covered party** against another **covered party**.

With respect to only this coverage endorsement the following exclusions apply in addition to all other exclusions in the Liability Coverage Policy. **We** shall not be liable for **damages** or **claims expenses** on account of any **claim**:

1. alleging liability, whether direct or indirect, arising out of **sexual abuse** by a covered party.
2. alleging, based upon, arising out of or attributable to any **bodily injury**, other than mental distress, mental injury, mental anguish, mental tension, pain and suffering, shock and humiliation arising out of an **Employment Practices Violation**,

3. alleging, based upon, arising out of or attributable to any violation of (i) the Employee Retirement Income Security Act of 1974; (ii) any unemployment insurance, retirement benefits, social security benefits or similar law, (iii) the National Labor Relations Act, (iv) the Workers Adjustment and Retraining Notification Act, (v) the Consolidated Omnibus Budget Reconcilation Act, (vi) the Occupational Safety and Health Act; or any rules or regulations of any of such statutes or laws, amendments thereto or any similar provisions of any federal, state, local or foreign statutory law or common law, provided however, this exclusion shall not apply to that part of a **claim** for **retaliation**,

4. arising out of the actual violation of the Fair Labor Standards Act (except the Equal Pay Act) or any rules or regulations of any of this act, amendments thereto or any similar provisions of any federal, state, local or foreign statutory law or common law,

5. alleging, based upon, arising out of or attributable to any costs incurred by any **covered party** to provide any reasonable accommodations requred by, made as a result of, or to conform with the requirements of, the Amercans With Disabilities Act of 1992, as amended, or any similar federal, state or local law, regulation or ordinance, including the modifications of any building, property or facility to make it more accessible or accommodating to any disabled person whether or not mandated by a court.

SECTION III - WHO IS COVERED

The definition of who is covered follows that of the liability policy to which this endorsement is attached.

SECTION IV - LIMITS OF COVERAGE

1. The Per **Occurrence** Limit shown on this endorsement for Coverage A.1. Employment Practices Liability, is the most **we** will pay for the sum of **damages** and **claim expenses** arising out of any one occurrence of an **Employment Practices Violation** or group of **Interrelated Employment Practices Violations** that results in **claims** under Employment Practices Liability coverage.
2. All **claims** arising out of the same **Employment Practices Violation** and all **Interrelated Employment Practices Violations** shall be deemed to be one **claim**, and such **claim** shall be deemed to be first made on the date the earliest of such **claims** is first made, regardless of whether such date is before or during the **coverage period**.
3. The Maximum Policy Aggregate Limit of Liability stated in SECTION I. Item B. of this endorsement is the maximum liability under the Insuring Agreement for the sum of all **damages** and **claim expenses** because of all **claims** under this endorsement. **We** may pay any part or all of any aggregate limit, to effect settlement of any **claim** or **suit**, and, upon notification of the action taken, **you** must promptly reimburse **us** for any amounts **we** paid in excess of the aggregate limit.
4. Any **claim** which qualifies for coverage under this endorsement is automatically excluded from coverage under all coverage parts of the Liability Policy to which this endorsement is attached. In no event will coverage be provided under this endorsement and another coverage agreement provided by this policy.

SECTION V - DEFINITIONS

With respect only to this coverage endorsement the following definition changes apply in addition to definitions contained in the Liability Policy coverage document.

The following definition is added;

1. **Interrelated Employment Practices Violations** means all **Employment Practices Violations** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of related facts, circumstances, situations, events, transactions or causes.

The definition clause (14.k.) is amended to add the following wording:

Damages includes front or back pay.

The definition clause (14.i.) in the liability policy is deleted and replaced with the following;

14. **Damages**
    i. **Damages** includes punitive or exemplary **damages** or the multiple portion of any multiplied **damage** award to the extent such **damages** are deemed insurable in the jurisdiction applicable to coverage under this policy.

The definition clause (14.n.) in the liability policy form is deleted in its entirety;

14. **Damages**
    n. Any obligation of any nature in a discrimination, harassment, or retaliation **claim** brought pursuant to any local, state or federal law.

SECTION VI - SUPPLEMENTARY PAYMENTS

The definition of supplementary payments replaces that of the liability policy to which this endorsement is attached.

In addition to **our** maximum limits of liability, as shown in Section I of this endorsement and described in SECTION IV - LIMITS OF COVERAGE, **we** will pay, with respect to any **claim** or **suit we** defend:

1. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of coverage. **We** do not have to furnish these bonds;
2. All reasonable expenses incurred by you at **our** request to assist in the investigation or defense of the **claim** or **suit**, including actual loss of earnings up to $100 a day because of time off work;
3. Pre-judgment interest awarded against **you** on that part of the judgment **we** pay. If **we** make an offer to pay the applicable limit of coverage, **we** will not pay any pre-judgment interest based on that period of time after the offer, and
4. All interest on the full amount of any judgment that accrues after entry of the judgment and before **we** have paid, offered to pay, or deposited in court the part of the judgement that is within the applicable limit of coverage.

These payments will not reduce the limits of coverage as shown in SECTION I of this endorsement and described in SECTION IV - LIMITS OF COVERAGE.

SECTION VII - CONDITIONS

All conditions of the policy to which this endorsement is attached apply to this coverage endorsement with the exception of the following condition that replaces the corresponding condition in the policy.

20. DEDUCTIBLE

We may pay any part or all of any deductible amount listed in Item C. of this endorsement to effect settlement of any **claim** or pay for **claim expenses** in handling a **claim**, and, upon notification of the action taken, **you** must promptly reimburse **us** for the part of the deductible amount **we** paid. The deductible amount applies to the **loss** portion of the **claim** and to any **claim expenses** incurred and to the SECTION VI - SUPPLEMENTAL PAYMENTS. Any deductible will apply on a per **occurrence** basis, regardless of the number of **claims** arising out of the **occurrence** or the number of **municipalities** or **covered parties**

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

PRIVACY AND NETWORK LIABILITY COVERAGE

This endorsement changes coverage provided by the policy. All terms, exclusions and conditions of the policy apply also to this coverage endorsement except as specified herein.

NOTICE: THIS IS A **CLAIM EXPENSE** WITHIN LIMITS COVERAGE PART. THE LIMITS OF LIABILITY AVAILABLE TO PAY INSURED DAMAGES SHALL BE REDUCED BY AMOUNTS INCURRED FOR **CLAIMS EXPENSES**.

SECTION I - COVERAGES

PRIVACY AND NETWORK LIABILITY COVERAGE is hereby added to the policy.

A. Limits of Liability:

1. Privacy and **Network Security** Liability	$	1,000,000	Per **Occurrence**
2. Data Breach Fund Coverage	$	250,000	Per **Occurrence** Sublimit
3. Cyber Extension Option		**Included in Data Breach Fund Limit**	

B. Maximum Policy Aggregate Limit of Liability: $ 1,000,000 Aggregate

C. Deductible: $ **See SIR** Per **Occurrence** See General Annual Aggregate Deductible-Retention Endorsement

D. Retroactive Date: **07/01/2012**

1. Privacy and **Network Security Liability - Public Entity Partners** will pay on **your** behalf all sums **you** become legally obligated to pay as **damages** from a **claim** made against **you** for an **information breach**, provided that the **claim** is first made against **you** during the **coverage period**. **Public Entity Partners** has no other obligation or liability to pay sums or perform acts or services not covered unless explicitly provided for under the LIABILITY COVERAGE document SECTION VI - SUPPLEMENTARY PAYMENTS. This coverage does not apply to any **information breach** that occurred prior to the retroactive date shown in this endorsement, nor that occur after the **coverage period**. **Public Entity Partners** will defend any **suit** against **you** even if any of the allegations of the **suit** are groundless, false or fraudulent. **Public Entity Partners** may investigate and settle any **claim** or **suit** as **we** deem expedient.

2. **Data breach fund - Public Entity Partners** will pay **data breach expenses** incurred by **you** by reason of a **claim** first made by or against **you** during the **coverage period**, for any **information breach** taking place after the retroactive date shown in this endorsement and prior to the end of the **coverage period**.

3 If Coverage A.3. **Cyber Extension Option** indicates coverage is included, **Public Entity Partners** will pay for:

   a. A **ransomware loss** incurred in response to a **ransomware threat event** first made against **you** during the **coverage period** or,

   b. A **social engineering loss** sustained by **you** provided the earliest **circumstance** which led to such **social**

engineering loss occured within the **coverage period**.

c. **Data restoration expenses** resulting from an **information breach**, **ransomware threat event** or **social engineering loss** that is otherwise covered by this policy.

SECTION II - EXCLUSIONS

With respect to coverage provided under this endorsement, the following exclusions under the Liability Coverage Policy do not apply:

40. Arising out of action taken by any covered party against another **covered party**.

41. Arising out of the failure by **you** or by an independent contractor for which **you** are legally responsible to properly handle, manage, store, destroy or otherwise control information in any form.

42. Arising out of a violation of any **privacy regulation**.

43. Arising out of a failure of **network security**.

With respect to only this coverage endorsement the following exclusions apply in addition to exclusions in the Liability Policy. **Public Entity Partners** shall not be liable for **damages**, **claims expenses**, or **data breach expenses, ransomware loss, social engineering loss** or **data restoration expenses** on account of any **claim**:

1. Alleging, based upon, arising out of or attributable to any electrical or mechanical failures or interruption, including but not limited to any electrical disturbance, surge, spike, brownout or blackout, and outages to gas, water, telephone, cable, satellite, telecommunications or other infrastructure. However, this exclusion shall not apply to failures, interruptions, disturbances or outages of telephone, cable or telecommunications infrasturcture under **your** operational control which are a result of **information breaches.**

2. Alleging, based upon, arising out of or attributable to any failure, interruption, or outage to **internet** access service provided by the **internet** service provider that hosts **your website**, unless such infrastructure is under **your** operational control and the interruption is the result of an **information breach**.

3. Alleging, based upon, arising out of or attributable to the unauthorized or surreptitious collection of **personal information** by **you** or any **covered party** or the failure to provide adequate notice that such information is being collected.

4. Alleging, based upon, arising out of or attributable to **your** or any **covered party's** intentional failure to disclose the loss of **personal information** in violation of any law or regulation.

5. Based upon, arising out of, or attributable to a fraudulent, dishonest or criminal act by any employee or authorized representative of **you**, whether acting alone or in collusion with others.

6. Based upon, arising out of, or attributable to the establishment of any credit or similar promise to pay, or to any party's use of or acceptance of any credit card, debit card or similar instrument, whether or not genuine.

7. Based upon, arising out of, or attributable to any investment in securities, or ownership in any corporation, partnership, real property, or similar instrument, whether or not such investment is genuine.

8. Based upon, arising out of, or attributable to kidnap, ransom or other extortion payment surrendered as a result of a threat to do bodily harm to any natural person or a threat to harm, take or transfer property.

9. Based upon, arising out of, or attributable to money or securities being transferred to or for the benefit of a natural person or entity with whom **you** conduct business, where there is a dispute between **you** and such person or entity with respect to goods provided or services performed.

10. Arising out of any **information breach** caused by a failure of an independent contractor to properly protect data unless at the time of **loss** there was an executed contract in place with such independent contractor that indemnifies **you** for such **loss.**

11. Arising from a **social engineering loss** unless **you** have an established and documented procedure to verify the legitimacy of, and properly authorize a request to transfer money, securities or other property and have followed this procedure prior to acting upon such instructions.

SECTION III - WHO IS COVERED

The definiton of who is covered follows that of the liability policy to which this endorsement is attached.

SECTION IV - LIMITS OF COVERAGE

1. The per occurrence limit shown on this endorsement for Coverage A.1. Privacy and **Network Security** Liability is the most **we** will pay for the sum of **damages** arising out of any one **occurrence** of an **information breach** or group of **interrelated information breaches** that results in claims under Privacy and **Network Security** Liability Coverage.

2. The per occurrence limit shown on this endorsement for Coverage A.2. Data Breach Fund Coverage is the most **we** will pay for the sum of **data breach expenses** arising out of any one **occurrence** of an **information breach** or group of **interrelated information breaches.**

3. If Coverage A.3. **Cyber Extension Option** indicates coverage is included, the Per Occurence Limit shown on this endorsement for Coverage A.2. Data Breach Fund is the most **we** will pay for the sum of **losses** arising out of any one **ransomware loss, social engineering loss,** group of **interrelated ransomware losses** or **interrelated social engineering losses** including any related **data restoration expense** and including all **data breach expenses** arising out of the same **occurrence** or group of **interrelated occurrences.**

4. All **claims** arising out of the same **information breach** and all **interrelated information breaches** shall be deemed to be one **claim,** and such **claim** shall be deemed to be first made on the date the earliest of such **claims** is first made, regardless of whether such date is before or during the **coverage period.**

5. All **losses** arising out of the same **ransomware loss** and all **interrelated ransomware losses** shall be deemed to be one **loss,** and the date of such **loss** will be deemed to be the date of the first **ransomware threat event** related to such **loss** regardless of whether that date is before or during the **coverage period.**

6. All **losses** arising out of the same **Social Engineering Loss** and all **Interrelated Social Engineering Losses** shall be deemed to be one **loss,** and the date of such **loss** will be deemed to be the date of the first **circumstance** related to such **loss** regardless of whether that date is before or during the **coverage period.**

7. The Maximum Policy Aggregate Limit of Liability stated in Coverage I.B. of this endorsement is the **maximum** liability under all Insuring Agreements for the sum of all **damages,** all **data breach expenses,** all **ransomware loss,** all **social engineering loss** and all **data restoration expenses** because of all **claims** under this endorsement. **We** may pay any part or all of any aggregate limit, to effect settlement of any **claim** or **suit,** and, upon notification of the action taken, **you** must promptly reimburse **us** for any amounts **we** paid in excess of the aggregate limit.

8. In no event will coverage be provided under this endorsement and another coverage agreement provided by this policy.

SECTION V - DEFINITIONS

With respect only to this coverage endorsement the following definitions apply in addition to definitions contained in the policy coverage document.

1. **Circumstance** means an act, error, omission, fact, situation, incident, event, cause or transaction.

2. **Claim**

   a. With respect only to Coverage A.1. Privacy and **Network Security** Liability; the definition of **claim** includes a **regulatory proceeding**.

   b. With respect only to Coverage A.2. Data Breach Fund Coverage, the definition of **claim** includes a written report by **you** to **Public Entity Partners** of a failure by **you** or by an independent contractor for which **you** are legally responsible to properly handle, manage, store, destroy or otherwise control **personal information**.

   c. With respect only to Coverage A.3. **Cyber Extension Option**, the definition of **claim** means a written report by **you** to **Public Entity Partners** of a **ransomware loss**, **social engineering loss** or **information breach**. In the case of a **ransomware loss** or **social engineering loss** a copy of a police report is required for this coverage to apply.

3. **Computer system** means computer hardware, software, firmware and associated input and output devices (including wireless and mobile devices), data storage devices, networking equipment and backup facilities located on **your** premises or under **your** direct control.

4. **Consumer redress fund** means a sum of money which **you** are legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgment or settlement of a **regulatory proceeding**. **Consumer redress fund** shall not include any sums paid which constitute taxes, fines, penalties, injunctions or sanctions.

5. **Damages**

   a. With respect only to Coverage A.1. Privacy and **Network Security** Liability, **damages** shall also include a **consumer redress fund** but shall not include **Regulatory Fines**.

   b. With respect to Coverage A.2. Data Breach Fund Coverage, the definition of **damages** is amended to include **data breach expenses** unless such expenses constitute compensatory damages of a direct settlement with the injured natural persons of a **claim** for an **information breach** involving **personal information**.

6. **Data asset** means any software or electronic data in **your computer system** including computer programs, applications, account information, customer information, private or **personal information**, marketing information and financial information.

7. **Data breach expenses** means those reasonable and necessary expenses incurred by **you** or which **you** become legally obligated to pay:

   a. To retain third party computer forensics services to determine the scope of a failure of **network security**;

   b. To comply with **privacy regulations**, including but not limited to the consumer notification provisions of **privacy regulations** of the applicable jurisdiction that most favors coverage for such expenses;

   c. With **Public Entity Partners'** prior written consent, to voluntarily notify individuals whose **personal information** has been wrongfully disclosed;

   d. To retain the services of a law firm solely to determine **your** indemnification rights under a written agreement with an independent contractor with respect to an **information breach** expressly covered under Coverage A.1. Privacy and **Network Security** Liability of this endorsement and actually or allegedly committed by such contractor; and

e. For credit monitoring services, but only if such disclosure of **personal information** could result in the opening of an unauthorized line of credit or other financial account.

f. To cover bank charges incurred by **us** to reduce damages after an **information breach**, such as the cost of checking account closures and reopening, reordering of checks and mailing expenses.

8. **Data restoration expenses** means costs and expenses to unencrypt, recover or restore a **data asset** which is altered, corrupted, destroyed, disrupted or deleted, provided, however, the recovery or restoration, must be from existing electronic backup of such **data asset**. If such **data asset** cannot reasonably be unencrypted, recovered or restored, the term **data restoration expenses** means the actual, reasonable, and neccessary costs and expenses incurred by **you** to reach this determination.

   The term **data restoration expenses** does not include:

   a. Costs or expenses for creating or developing a **data asset**, including software and trade secrets;

   b. Costs or expenses to update, upgrade or enhance a **data asset**;

   c. Costs or expenses to replace, remediate or improve any **computer system**, to identify or remove software program errors, malware, computer viruses or vulnerabilities, or to establish, implement or improve network and data security practices, procedures or policies; or

   d. Indirect or consequential losses.

9. **Information breach** means any error, misstatement, misleading statement, act, omission, neglect, breach of duty, or **personal injury** offense actually or allegedly committed or attempted by any **covered party** in their capacity as such, resulting in:

   With respect only to Coverage A.1. Privacy and **Network Security** Liability;

   a. The failure by **you** or by an independent contractor for which **you** are legally responsible to properly handle, manage, store, destroy or otherwise control:

      (1) **Personal information**; or

      (2) Third party corporate information in any format provided to **you** and specifically identified as confidential and protected under a nondisclosure agreement or similar contract with **you**.

   b. An unintentional violation of **your** privacy policy that results in the violation of any **privacy regulation**.

   c. Failure of **network security**.

   With respect only to Coverage A.2. Data Breach Fund Coverage, the failure by **you** or by an independent contractor for which **you** are legally responsible to properly handle, manage, store, destroy or otherwise control **personal information**.

10. **Internet** means the worldwide public network of computers which enables the transmission of electronic data and which includes intranets, extranets and virtual private networks.

11. **Interrelated information breaches** means all **information breaches** that have as a common nexus any **circumstance** or series of related **circumstances**.

12. **Interrelated ransomware losses** means all **ransomeware losses** that have as a common nexus any **circumstance** or series of related **circumstances** or involve the same perpetrator or group of perpetrators.

13. **Interrelated social engineering losses** means all **social engineering losses** that have as a common nexus any **circumstance** or series of related **circumstances** or involve the same perpetrator or group of perpetrators.

14. **Ransomware loss** means the reasonable and necessary amount surrendered by **you** in the form of money, securities or digital currency, with agreement in advance by **Public Entity Partners**, in order to prevent or terminate a **ransomware threat event**. **Ransomware loss** also includes the reasonable and neccessary fees and expenses incurred by **you** to prevent, terminate, or determine the credibility of such threat, other than any expenses covered by **data breach expenses**.

15. **Ransomware threat event** means a credible threat to:

    a. Cause an **information** breach;

    b. Alter, corrupt, destroy, disrupt, delete or prevent access to any **data asset** in **your computer system**; or

    c. Prevent access to, or interrupt or suspend the operation of **your computer system**,

    where there exists a demand for an extortion payment as a condition of mitigation or removal of such threat.

16. **Regulatory Fines** means any civil monetary fine or penalty imposed by a federal, state, local or foreign governmental entity in such entity's regulatory or official capacity pursuant to its order under a **regulatory proceeding**. **Regulatory fines** shall not include any civil monetary fines or penalties that are not insurable by law, criminal fines, disgorgement of profits or multiple damages.

17. **Regulatory proceeding** means a request for information, demand, **suit**, civil investigation or civil proceeding by or on behalf of a government agency, commenced by a service of a complaint or similar pleading alleging the violation of **privacy regulations** as a result of **your information breach**, and which may reasonably be expected to give rise to a covered **claim** under Coverage A.1. Privacy and **Network Security** Liability.

18. **Social engineering loss** means the loss of money or securities or other property transferred by **you** or **your employee** to a person, place or account beyond **your** control resulting directly from **you** or **your employee's** good faith reliance upon an instruction transmitted via email or telephone, purporting to be from:

    a. A natural person or entity who exchanges, or is under contract to exchange, goods or services with **you** for a fee or,

    b. An **employee** of **you**.

    but which contained a fraudulent and material misrepresentation and was sent by an imposter. The term **social engineering loss** does not include indirect or consequential losses.

19. **Website** means the software, content and other materials accessible via the **internet** at a designated Uniform Resource Locator (URL) address.

SECTION VI - SUPPLEMENTARY PAYMENTS

The definition of supplementary payments follows that of the liability policy to which this endorsement is attached.

SECTION VII - CONDITIONS

All conditions of the policy to which this endorsement is attached apply to this coverage endorsement with the exception of the following condition that replaces the corresponding condition in the policy.

20. DEDUCTIBLE

    We may pay any part or all of any deductible amount listed in Section I.C. of this endorsement to effect settlement of any **claim**, and, upon notification of the action taken, **you** must promptly reimburse **us** for the part of the deductible amount **we** paid. The deductible amount applies to the **loss** portion of the **claim** and to the SECTION VI - SUPPLEMENTARY PAYMENTS. Any deductible will apply on a per **occurrence** basis, regardless of the number of **claims** arising out of the **occurrence** or the number of **municipalities** or **covered parties** insured by **Public Entity Partners** that are involved.

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

PUNITIVE/EXEMPLARY DAMAGES ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

It is hereby understood and agreed that the following changes are applied to the policy. All other terms, exclusions and conditions of the policy continue to apply to this coverage endorsement except as specified herein.

Punitive/Exemplary Damages Sublimit: **$500,000**

Clause 14.i. under the Definition of Damages in the Liability Policy is deleted and replaced with the following:

i. **Damages** includes punitive or exemplary damages or the multiple portion of any multiplied damage award to the extent such damages are deemed insurable in the jurisdiction applicable to coverage under this policy.

The most **we** will pay for the sum of all punitive damages arising out of any one **occurrence** covered by this policy is the Punitive/Exemplary Damages Sublimit shown on this endorsement Any amount **we** pay for punitive damages is a part of and not in addition to the total limits otherwise applicable under this policy for any one **occurrence**.

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

CLASS ACTION LIABILITY COVERAGE

This endorsement changes coverage provided by the policy. All terms, exclusions and conditions of the policy apply also to this coverage endorsement except as specified herein.

NOTICE: THIS IS A **CLAIM EXPENSE** WITHIN LIMITS COVERAGE PART. THE LIMITS OF LIABILITY AVAILABLE TO PAY INSURED DAMAGES SHALL BE REDUCED BY AMOUNTS INCURRED FOR **CLAIMS EXPENSES**.

SECTION I - COVERAGES

CLASS ACTION LIABILITY COVERAGE is hereby added to the policy.

A. Limits of Liability:

1. **Class Action Suit** limit $ 1,000,000 Per **Occurrence**

2. Maximum Aggregate Limit of Liability: $ 1,000,000 Policy Aggregate

B. Deductible: $ See SIR Per **Occurrence** See General Annual Aggregate Deductible-Retention Endorsement

C. Retroactive Date: 07/01/2017

SECTION II - EXCLUSIONS

With respect only to coverage provided under this endorsement, the following exclusion in the liability policy does not apply to coverage under this endorsement for **class action suits**;

37. As respects any **class action** suit arising out of any actual or alleged act, error or omission of any insured. This includes any **claim** arising from **interrelated occurrences** regardless if they are filed as part of a **class action** or not.

SECTION IV - LIMITS OF COVERAGE

1. The 'Per **Occurrence** limit' shown on this endorsement for SECTION I. Coverage A.1. **Class Action Suits** limit, is the most **we** will pay for the sum of **damages** and **claim expenses** arising out of any **occurrence** that results in **claims** that qualify for coverage under Coverage A. General Liability Bodily Injury and Property Damage, Coverage B. Personal Injury Liability, Coverage C. Errors or Omissions Liability or Employment Practices Liability Coverage, if any such coverage is provided on this policy, that arise from **class action** suits. This coverage does not apply to any **damages** or **claim expenses** which arise from acts, errors, omissions or events that occurred prior to the retroactive date indicated on this endorsement.

2. All **claims** arising out of the same class action, including **claims** arising from any **interrelated occurrences**, even if such **interrelated claims** are not included in the **class action** suit, shall be deemed to be one **claim**, and such **claim** shall be deemed to be first made on the date the earliest of such **claims** is first made, regardless of whether such date is before or during the coverage period. In the case where a **claim** is made and subsequently qualifies as a **class action** claim, the date of the first **claim** shall be used to determine the date of the class action claim.

3. The 'Maximum Policy Aggregate Limit of Liability' stated in SECTION I. Coverage A.2.of this endorsement is **our** maximum liability for the sum of all **damages** and **claim expenses** because of all **claims** covered by this endorsement during the **coverage period**. We may pay any part or all of the aggregate limit, to effect settlement of any **claim** or **suit**, and, upon notification of the action taken, **you** must promptly reimburse **us** for any amounts **we** paid in excess of the aggregate limit.

4. If **damages** or injury for a **claim** occurred prior to the retroactive date, but the claimant has opted to join a **class action suit** that is otherwise subject to coverage under the policy, we may participate in defense of such **claims** as part of **our** defense of the **class action** suit. There is no coverage for **damages** for such **claims**.

5. Any **claim** which qualifies for coverage under this endorsement is automatically excluded from coverage under all coverage parts of the Liability Policy to which this endorsement is attached. In no event will coverage be provided under this endorsement and another coverage agreement provided by this policy.

SECTION VI - SUPPLEMENTARY PAYMENTS

For coverage provided by this endorsement only, this definition of supplementary payments replaces that of the liability policy to which this endorsement is attached.

In addition to **our** maximum limits of liability, as shown in Section I of this endorsement and described in SECTION IV - LIMITS OF COVERAGE, we will pay, with respect to any **claim** or **suit we** defend:

1. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of coverage. **We** do not have to furnish these bonds;
2. All reasonable expenses incurred by **you** at **our** request to assist in the investigation or defense of the **claim** or **suit**, including actual loss of earnings up to $100 a day because of time off work;
3. Pre-judgment interest awarded against **you** on that part of the judgment **we** pay. If **we** make an offer to pay the applicable limit of coverage, **we** will not pay any pre-judgment interest based on that period of time after the offer; and
4. All interest on the full amount of any judgment that accrues after entry of the judgment and before **we** have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of coverage.

These payments will not reduce the limits of coverage as shown in Section I of this endorsement and described in SECTION IV - LIMITS OF COVERAGE.

SECTION VII - CONDITIONS

All conditions of the policy to which this endorsement is attached apply to this coverage endorsement with the exception of the following condition that replaces the corresponding condition in the policy.

20. DEDUCTIBLE

We may pay any part or all of any deductible amount listed in Item C of this endorsement to effect settlement of any **claim** or pay for **claim expenses** in handling a claim, and, upon notification of the action taken, **you** must promptly reimburse **us** for the part of the deductible amount **we** paid. The deductible amount applies to the **loss** portion of the **claim** and to any **claim expenses** incurred and to the SECTION VI - SUPPLEMENTARY PAYMENTS. Any deductible will apply on a per **class action** and per policy basis, regardless of the number of **claims** arising out of the **class action** or the number of **municipalities** or **covered parties** insured by **Public Entity Partners** that are involved.

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

COVERAGE A. GENERAL LIABILITY

Exception for Scheduled Watercraft Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Coverage A. General Liability of the Liability Policy is amended to add the following clause to the exceptions to Exclusion 10.

c. Any watercraft specifically scheduled on the "Exception for Scheduled Watercraft Endorsement".

For watercraft added to coverage by virtue of this endorsement, coverage is excluded if liability arises from persons entering the water from a covered watercraft to swim, dive, scuba dive, skin dive, including while in the water, or while departing from the vessel into the water or boarding the vessel on the return from the water for such activities unless as a part of an emergency operation or practice for emergency operations.

This endorsement does not provide coverage for any liability arising out of the use of the watercraft in or while in the practice or preparation for any racing, pulling, pushing or speed contest or in any stunting activity.

Coverage provided by this endorsement is limited to the operation of scheduled watercraft on the lakes, rivers and other inland, intercoastal or intracoastal waterways of the continental United States of America (excluding coastal waterways), or while out of the water on land.

All other terms, exclusions and conditions of the policy apply to this coverage endorsement.

KINGSPORT, CITY OF

Schedule of Covered Watercraft

Description	Serial Number
2016 CUSTOM BUILT 75 HP (30 FT)	AE70120B02C

Attached to and a part of policy number: PLI-0213-26 with effective dates from 07/01/2025 to 07/01/2026.

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

UNMANNED AERIAL SYSTEMS COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Section II. Exclusion 22.b. of the Liability Policy does not apply to the ownership, operation or use of Unmanned Aerial Systems scheduled on this endorsement. Coverage provided by this endorsement is subject to the following additional exclusions.

This coverage does not apply to **Bodily Injury**, **Property Damage**, **Personal Injury** or any **claim**;

a. Arising from use of the scheduled systems that is not in conformance with federal, state or local regulations, statutes or ordinances applicable to such systems.

b. Arising from use of the scheduled systems outside the scope of **your** operations.

c. Arising from any use of the systems by any person other than those persons designated by **you** to operate the systems who have been trained in; 1) the proper operations of the systems, 2) **your** policies related to the operation of the systems and 3) regulations applicable to the operations of the systems. Completion of training referred to in this exclusion must be documented in written form in **your** records. This exclusion does not apply to operation of systems during the supervised training of designated operators. c.

All other terms, exclusions and conditions of the policy apply to this extension of coverage.

KINGSPORT, CITY OF

Schedule of Covered Unmanned Aerial Systems

Description	Serial Number
DJI MAVIC PRO DRONE	08Q2F9U00S1080
DJI MATRICE 200 DRONE	0FZDF5R0P20047
SKY-HERO LOKI MK2	01203AC1H0205
SKY-HERO LOKI MK2	01203AC110297
DJI MATRICE 30T RTK	1581F5BKD229100D16ZS

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

SCHOOLS ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEACHERS LIABILITY COVERAGE

Coverage C - Errors or Omissions Liability of SECTION I - COVERAGES applies to the following activities: Teaching, coaching, counseling, maintenance, bus driving, food service, teacher's aides and any and all other activities that would involve students of the education system, school or institution that is insured herein. The activities in the prior sentence means acts or omissions by a covered party, whether or not mentioned by name and occupation, in connection with any duties or responsibilities as a member or employee of the faculty or teaching staff, busing staff, maintenance staff, teaching aide staff, construction or any other activity of any school, school system or institution of higher learning whereby you exercise direct or indirect control of students while working on behalf of the school or any institution of higher learning.

CORPORAL PUNISHMENT COVERAGE

The following clause is added to SECTION II - EXCLUSION 1:

> In addition, this exclusion does not apply to bodily injury resulting from corporal punishment administered by a certified teacher or faculty member at the direction of the school system or school administration. This exclusion does apply to corporal punishment administered by all other enumerated positions set forth in Coverage C.
>
> Corporal punishment may be defined as any form of physical punishment that involves a knowing, defined and measured infliction of pain, discomfort or detainment for the sole purpose of disciplining or reforming a student, to deter attitudes or behavior deemed unacceptable. This exclusion does apply if corporal punishment as defined herein is administered by any other person, contractor or employee set out in Coverage C who is not a teacher or faculty member of the educational system or institution.

ADDITIONAL EXCLUSION

The following Exclusion is added as respects Coverages A, B, C and D:

We have no duty whatsoever to defend or pay damages arising from any actual or alleged claims/suits involving:

1. Any failure to integrate or desegregate the student enrollment or participation in any school district, school, or educational or extracurricular program on the basis of race, ethnic background, disability, or national origin. This exclusion includes all persons or entities listed under Coverage C;
2. Any busing or other transportation of students to or from schools or extracurricular events in connection with a program or plan of integration or desegregation; or
3. Causing or allowing the student enrollment or educational or extracurricular program to be operated or administered on a discriminatory basis because of race, ethnic background, disability, or national origin.
4. Limited Exception to Additional Exclusions: With regard to **suits** filed in state or federal court for Damages under the Individual Disability Education Act (IDEA), PEP shall have no duty to pay damages in such action, but this Limited Exception allows only for the defense of a covered party in such **suit** filed under IDEA, to include cases regarding an Individual Education Plan (IEP). Such defense shall include a cumulative limit of $100k for all suits involving a specific student during that student's entire academic career, and all such **suits** filed on behalf of the same child during/throughout that child's academic career shall be considered an Interrelated Occurrence. Within this Limited Exception only, the definition of **suit(s)** is modified such that defense shall include court ordered mediation or arbitration, but specifically excludes any statutory or voluntary meeting, mediation or arbitration under due process or administrative attempts to resolve any IDEA/IEP disagreement between involved parties. Any Class Action suit under IDEA shall utilize the modified definition of **suit** as outlined in this Limited Exception, shall be covered for defense only, and shall be subject to a $100k single cumulative Class Action defense limit.

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

UNINSURED/UNDERINSURED MOTORIST COVERAGE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

For a covered **auto** licensed or principally garaged in Tennessee, this endorsement modifies coverage provided under Coverage D-Automobile Liability and Coverage E-Automobile Physical Damage provided by **us**.

SCHEDULE

Bodily Injury	**$300,000**	Per **Occurrence**
Property Damage	**$100,000**	Per **Occurrence**

This endorsement provides **bodily injury** and **property damage** uninsured/underinsured motorists coverage.

A. COVERAGE

1. **We** will pay all sums a **covered party** becomes legally entitled to recover as compensatory **damages** from the owner or driver of an **uninsured motor vehicle**. The **damages** must result from **bodily injury** or **property damage** sustained by a **covered party** caused by an **occurrence**. The owner's or driver's liability for these **damages** must result from the ownership, maintenance, or use of the **uninsured motor vehicle**.
2. If this coverage provides a limit in excess of the amounts required by the applicable law where a covered **auto** is principally garaged, **we** will pay only after all liability bonds or policies have been exhausted by judgments or payments.
3. Any judgment for **damages** arising out of a **suit** brought without **our** written consent is not binding on **us**.

B. WHO IS INSURED

For the purposes of this endorsement only, the definition of **covered party** is extended to include:

1. Anyone else occupying a covered **auto** or a temporary substitute for a covered **auto**. To qualify as a temporary substitute, the covered **auto** must be out of service because of its breakdown, repair, servicing, loss, or destruction.
2. Anyone for **damages** that they are entitled to recover because of bodily injury sustained by another **covered party**.

C. EXCLUSIONS

This coverage does not apply to:

1. Any **claim** settled without **our** consent.
2. The direct or indirect benefit of any insurer or self-insurer under a workers compensation, disability benefits, minimum wage or overtime law, unemployment compensation law or any similar local, state, or federal law or fair labor standards law.
3. The direct or indirect benefit of any insurer of property.
4. Anyone using an **auto** without a reasonable belief that they are entitled to do so.
5. **Property damage** for which the **covered party** has been or is entitled to be compensated by other property or physical damage coverage.

6. **Bodily injury** to any **covered party** while in the scope of employment or official duties for which the **covered party** has been or is entitled to be compensated by workers compensation or voluntary compensation coverage or any program that replaces the coverages provided by workers compensation whether purchased or not. This excludes any type **damages** that might be available over and above, or outside of, or in addition to, any applicable workers compensation benefits, or workers compensation replacement, or other **damages**, such as pain and suffering, lost wages, loss of consortium, or any other type of compensatory or consequential **damages** arising out of the event.
7. As respects any obligation of a **covered party** for an injury or **damages** arising out of the course and scope of employment or while performing work on behalf of **you**, or any **claims** arising there from. This excludes any type **damages** that might be available over and above, or outside of, or in addition to, any applicable workers compensation benefits, or workers compensation replacement, or other **damages**, such as pain and suffering, lost wages, loss of consortium, or any other type of compensatory or consequential **damages** arising out of the event.
8. Punitive or exemplary damages even if the Punitive-Exemplary Damages endorsement is attached to this policy.

D. LIMITS OF COVERAGE

1. Regardless of the number of covered **autos**, **covered parties**, premiums paid, **claims** made, or **autos** involved in the **accident**, the most **we** will pay for all **damages** resulting from any one **occurrence** is the limit of **uninsured motorists** coverage shown in Item 4 of the Declarations.
2. The most **we** will pay for all damages resulting from bodily injury to a **covered party** when the **covered party** is occupying an **auto** not owned by **you** is the highest limit of **uninsured motorist** coverage on an **auto** owned by the **covered party**.
3. The most **we** will pay for a **covered party** who is a passenger of a vehicle used for public conveyance, who is not employed by **you**, is the the minimum limits mandated by the applicable Tennessee financial responsibility law.
4. Any amount payable under this coverage will be reduced by:
   a. All sums paid or payable under a workers compensation, disability benefits, minimum wage or overtime law, unemployment compensation law or any similar local, state, or federal law or fair labor standards law.
   b. All sums paid by or for anyone who is legally responsible, including all sums paid under Coverage D-Automobile Liability.
5. Any amount paid under this coverage will reduce any amount an **insured** may be paid under Coverage D-Automobile Liability.
6. **We** will not pay for a **loss** that is paid or payable under physical damage coverage.

E. CHANGES IN CONDITIONS

SECTION VII-CONDITIONS is amended for uninsured motorists coverage as follows:

1. If **you** or any other **covered party** sustain **bodily injury** while occupying an **auto** not owned by **you** or that **covered party**, the following priorities of recovery apply.
   a. FIRST PRIORITY - The coverage form or policy providing uninsured motorists coverage to the **auto** the **covered party** was occupying at the time of the **accident**.
   b. SECOND PRIORITY - If that primary coverage is exhausted due to the extent of compensatory **damages**, then the **covered party** may recover only from the coverage form or policy insuring the **auto** owned by **you** that provides the highest limit of uninsured motorists coverage. In no instance, will more than one coverage form or policy providing uninsured motorist coverage be available as excess coverage over and above the primary coverage available to that injured **covered party**.

2. DUTIES IN THE EVENT OF **OCCURRENCE** OR **SUIT** is changed by adding the following:
   a. Promptly notify the police if a hit-and-run driver is involved; and
   b. Promptly send **us** copies of the legal papers if a **suit** is brought.

3. TRANSFER OF **YOUR** RIGHTS AND DUTIES UNDER THIS AGREEMENT is changed by adding the following:

   If **Public Entity Partners** makes any payment and the **covered party** recovers from another party, the **covered party** will hold the proceeds in trust for **us** and pay **us** back the money **we** have paid.

F. DEFINITIONS

1. **Property damage** - for this coverage endorsement only, **property damage** means injury or destruction of:
   a. A covered **auto**;
   b. Property contained in the covered **auto** and owned by **you**; or
   c. Property contained in the covered **auto** and owned by anyone else **occupying** the covered **auto**.

2. **Occupying** - means in, upon, getting in, on, out, or off;

3. **Uninsured Motor Vehicle means a land motor vehicle or trailer:**
   a. For which no liability bond or policy at the time of an accident provides at least the amounts required by the applicable law where a covered **auto** is principally garaged;
   b. That is an underinsured motor vehicle. An underinsured motor vehicle is an **auto** or trailer for which the sum of the limits of liability available for payment to a **covered party** under all policies, bonds, and securities applicable at the time of the accident, is less than the limit for this coverage;
   c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
   d. That is a hit-and-run **auto** and neither the driver nor owner can be identified. The **auto** must either:
      (1) Hit a **covered party,** a covered **auto**, or an **auto** a **covered party** is **occupying**; or
      (2) Cause **bodily injury** or **property damage** without hitting a **covered party**, a covered **auto**, or an **auto** a **covered party** is **occupying**.
      (3) If there is no physical contact with the hit-and-run vehicle, the facts of the accident must be proved by clear and convincing evidence. **We** must have corroborating evidence of the claim in addition to evidence provided by occupants in the covered **auto** or in the vehicle a **covered party** is **occupying**.

   Uninsured Motor Vehicle does not include any vehicle:
   e. Owned by, furnished, or available for **your** regular use;
   f. Owned or operated by a self-insurer under any applicable motor vehicle law, except as a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
   g. Owned by a governmental unit or agency;
   h. Designed for use mainly off public roads while not on public roads; or
   i. While located for use as a premises.

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

AUTOMOBILE PHYSICAL DAMAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Automobile Physical Damage - Coverage Part E. applies on a blanket basis to **automobiles** described below.

1. ☐ Coverage is applicable for automobiles of all values and ages

2. ☒ Coverage is applicable for automobiles with per automobile values greater than $100,000 at the time of loss.

3. ☐ Coverage is applicable for automobiles with model year no older than _____

☒

☒ Fire Department - Scheduled Stated Value : Unscheduled Fair Market Value
Comprehensive and Collision Deductibles: $49,900 Each

☒ Utility Department - Scheduled Stated Value : Unscheduled Fair Market Value
Comprehensive and Collision Deductibles: $49,900 each.

☐

☒ All HIRED Street and Road Department Dump Trucks ONLY with fair market value per vehicle no less than $100,000 each. Comprehensive and Collision deductibles of $10,000 each.

Attached to and a part of policy number: PLI-0213-26 with effective dates from 07/01/2025 to 07/01/2026.

Ed. 7/1/2011

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

AUTOMOBILE PHYSICAL DAMAGE COVERAGE
STATED VALUE COVERAGE - FIRE DEPARTMENTS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

For only the **automobiles** scheduled on this endorsement, SECTION I - COVERAGES, Item 3 of Coverage E - Automobile Physical Damage is deleted and replaced by the following:

3. The most **we** will pay for **loss** is:

   a. If the cost of repairing a damaged **automobile** is less than the Fair Market Value **we** will pay to repair the equipment to the quality and condition prior to loss.

   b. If the cost of repairing a damaged **automobile** equals or exceeds the Fair Market Value, **we** will pay the lesser of the following:

      (1) The 'stated value' amount shown in the schedule on this endorsement or,

      (2) The cost of a new **automobile** of like kind, quality and function, similarly equipped with allowance for improvements to modern safety standards.

Fair Market Value is the cost for which property of similar type, quality, age and condition prior to loss could be purchased on the date of loss.

Equipment that is permanently attached to a **automobile**, or equipment that supplements the function of the **automobile** and is regularly stored in or on the **automobile**, will be included in the value of the **automobile** unless separately insured.

KINGSPORT, CITY OF

STATED VALUE FIRE SCHEDULE

	Description of Automobile	VIN	Stated Value
1.	1992 PIERCE TELESQUIRT	0123	421,852
2.	1993 PIERCE AERIAL LADDER TRUCK	0584	785,995
3.	1996 PIERCE QUANTUM FIRE TRUCK	0599	542,519
4.	1997 PIERCE QUANTUM FIRE TRUCK	0473	394,943
5.	2000 FREIGHTLINER FIRE TRUCK	7000	245,392
6.	2000 E-ONE CYCLONE II RESCUE	1638	309,223
7.	2002 PIERCE AERIAL	2631	759,324
8.	2004 FARBER MOBILE COMMAND POST	5952	168,778
9.	2007 SEAGRAVES FIRE PUMPER	2130	234,120
10.	2008 SEAGRAVES FIRE PUMPER	2099	415,685
11.	2009 SEAGRAVES MARAUDER II FIRE TRUCK	2127	432,359
12.	2011 E-ONE CYCLONE II RESCUE FIRE TRUCK	6351	429,732
13.	2012 E-ONE SYCLONE II RESCUE TRUCK	7317	432,163
14.	2012 E-ONE CYCLONE II RESCUE TRUCK	7318	432,163
15.	2016 E-ONE AERIAL PUMPER TRUCK	9986	1,006,672
16.	2017 E ONE CYCLONE II RESCUE PUMPER	0873	524,488
17.	2022 PIERCE PUMPER TRUCK	5075	665,179

KINGSPORT, CITY OF

STATED VALUE FIRE SCHEDULE

	Description of Automobile	VIN	Stated Value
18.	2022 PIERCE PUMPER TRUCK	5076	665,179
19.	2020 SENTINEL FORD ARV POLICE VEHICLE	4145	289,354
20.	2025 FREIGHTLINER M2112 HAZMAT TRUCK	4739	598,543

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

AUTOMOBILE PHYSICAL DAMAGE COVERAGE
STATED VALUE COVERAGE - UTILITIES

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

For only the **automobiles** scheduled on this endorsement, SECTION I - COVERAGES, Item 3 of Coverage E - Automobile Physical Damage is deleted and replaced by the following:

3. The most **we** will pay for **loss** is:

   a. If the cost of repairing a damaged **automobile** is less than the Fair Market Value **we** will pay to repair the equipment to the quality and condition prior to loss.

   b. If the cost of repairing a damaged **automobile** equals or exceeds the Fair Market Value, **we** will pay the lesser of the following:

      (1) The 'stated value' amount shown in the schedule on this endorsement or,

      (2) The cost of a new **automobile** of like kind, quality and function, similarly equipped with allowance for improvements to modern safety standards.

Fair Market Value is the cost for which property of similar type, quality, age and condition prior to loss could be purchased on the date of loss.

Equipment that is permanently attached to a **automobile**, or equipment that supplements the function of the **automobile** and is regularly stored in or on the vehcle, will be included in the value of the **automobile** unless separately insured.

KINGSPORT, CITY OF

STATED VALUE UTILITY SCHEDULE

	Description of Automobile	VIN	Stated Value
1.	2007 HEIL AUTOMATED REFUSE	8750	218,444
2.	2007 HEIL AUTOMATED REFUSE	8751	236,328
3.	2007 AMERICAN LAFRANCE CONDOR REFUSE	5442	234,415
4.	2008 MITSUBISHI FUSO PAINT STRIPING	0210	165,071
5.	2009 KENWORTH TANKER TRUCK	3030	173,819
6.	2007 STERLING W/VACALL 810 JETRODDER	4760	301,068
7.	2008 FUSO FM330 POTHOLE PATCHER TRUCK	7569	208,700
8.	2008 FREIGHTLINER SWAPLOADER W/ HOOK LIFT	5928	157,403
9.	2008 GRADALL XL4100III EXCAVATOR TRUCK	0310	311,958
10.	2010 FREIGHTLINER LEAF COLLECTOR TRUCK	1151	175,686
11.	2011 JOHNSTON STREET SWEEPER	8452	125,000
12.	2012 FREIGHTLINER AERIAL BUCKET TRUCK	3476	201,775
13.	2013 FREIGHTLINER M2106 TAC TRUCK	0416	145,709
14.	2013 FREIGHTLINER SWAPLOADER W/HOOK LIFT	7318	158,751
15.	2013 AUTOCAR RECYCLING TRUCK	5686	252,831
16.	2014 FREIGHTLINER TANDEM DUMP TRUCK	4223	106,618
17.	2014 FREIGHTLINER TANDEM DUMP TRUCK	4224	106,618

KINGSPORT, CITY OF

STATED VALUE UTILITY SCHEDULE

	Description of Automobile	VIN	Stated Value
18.	2013 FREIGHTLINER M2106 YARD COMPACTOR	8332	206,155
19.	2013 FREIGHTLINER M2106 YARD COMPACTOR	8333	206,155
20.	2014 FREIGHTLINER ARTICULATING TRASH LOADER	1266	121,650
21.	2013 M2106 ARTICULATING GRABBER TRUCK	1327	114,934
22.	2013 M2106 ARTICULATING GRABBER TRUCK	1328	114,934
23.	2013 M2106 ARTICULATING GRABBER TRUCK	1329	114,934
24.	2013 M2106 ARTICULATING GRABBER TRUCK	1330	114,934
25.	2014 FREIGHTLINER M2106 W/ALTEC AC18-701B CRANE	8895	174,665
26.	2015 KENWORTHT370 DUMP TRUCK W/SNOW PLOW	5382	105,488
27.	2016 JOHNSTON BROS STREET SWEEPER	7070	185,944
28.	2015 MACK LEU613 NEWWAY SIDEWANDER RECYCLE TRUCK	9599	246,287
29.	2016 JOHNSTON BROS STREET SWEEPER M2106	7123	194,994
30.	2017 INTERNATIONAL 7500 W/CAMEL 1200 RODDER #2330	4728	347,158
31.	2017 INTERNATIONAL 7500 W/CAMEL 1200 RODDER #2329	4729	350,158
32.	2015 MACK LEU613 NEWWAY SIDEWANDER RECYCLE TRUCK	9600	246,287
33.	2016 MACK MRU613 LODAL FRONT LOADER	4616	237,992
34.	2018 INTERNATIONAL 7500 SBA GARBAGE TRUCK	2012	102,000
35.	2018 FREIGHTLINER STREET SWEEPER M2106	3648	226,010
36.	2018 MACK NEW WAY SIDEWINDER LR613	3463	269,110
37.	2018 INTERNATIONAL 7300 CAB CHASSIS BRUSH GRABBER	6247	117,445
38.	2019 FREIGHTLINER M2106 W/ROGERS DUMP	3803	114,455
39.	2019 MACK SIDEWINDER GARBAGE TRUCK	1176	278,865
40.	2019 MACK SIDEWINDER GARBAGE TRUCK	1177	270,865
41.	2019 KENWORTH DUMP TRUCK	9078	104,808
42.	2019 TYMCO 600 INTERNATIONAL STREET SWEEPER	6028	227,037
43.	2018 FORD F550 UTILITY BUCKET	4223	108,229
44.	2019 FREIGHTLINER W/ ALTEC MODEL LRV-60	1740	183,878
45.	2020 THOMAS SAF-T-LINER SCHOOL BUS	1869	106,662
46.	2020 KENSWORTH DUMP TRUCK	1212	104,832
47.	2020 KENSWORTH DUMP TRUCK	1213	104,832
48.	2019 FREIGHTLINER M2106 W/ PAC-MACK	6574	135,455
49.	2021 WESTERN STAR 4500 FA	2319	132,013
50.	2021 THOMAS SAF-T-LINER SCHOOL BUS	3412	119,879
51.	2021 THOMAS SAF-T-LINER SCHOOL BUS	3413	119,879
52.	2021 FREIGHTLINER M2106 DUMP TRUCK	2842	101,555
53.	2021 FREIGHTLINER M2106 DUMP TRUCK	2843	101,555
54.	2022 BLUEBIRD SCHOOL BUS	9523	107,248
55.	2021 THOMAS SAF-T LINER SCHOOL BUS	8049	120,579
56.	2021 FREIGHTLINER GARBAGE TRUCK	8775	127,803
57.	2021 FREIGHTLINER M2106 DUMP TRUCK	2867	115,534
58.	2021 MACK GARBAGE TRUCK	4120	285,219

KINGSPORT, CITY OF

STATED VALUE UTILITY SCHEDULE

	Description of Automobile	VIN	Stated Value
59.	2021 MACK GARBAGE TRUCK	4121	285,219
60.	2021 FREIGHTLINER JET RODDER TRUCK	9867	368,850
61.	2022 INTERNATIONAL HV607 DUMP TRUCK w/ SNOW PLOW	3010	107,265
62.	2017 INTERNATIONAL DUMP TRUCK	6042	100,700
63.	2022 MACK REFUSE TRUCK	5603	276,551
64.	2023 BLUEBIRD SCHOOL BUS	7606	112,024
65.	2022 FREIGHTLINER DUMP TRUCK	0601	117,814
66.	2022 FREIGHTLINER DUMP TRUCK	0602	117,814
67.	2019 MACK NEW WAY FRONT LOADER	2311	310,042
68.	2014 THOMAS MVP ES43 SCHOOL BUS	0631	111,500
69.	2014 THOMAS MVP ES43 SCHOOL BUS	0632	111,500
70.	2014 THOMAS MVP ES43 SCHOOL BUS	0630	111,500
71.	2015 BLUEBIRD SCHOOL BUS	1071	102,069
72.	2015 BLUEBIRD SCHOOL BUS	1072	102,069
73.	2015 BLUEBIRD SCHOOL BUS	8759	102,819
74.	2015 BLUEBIRD SCHOOL BUS	8757	102,819
75.	2015 BLUEBIRD SCHOOL BUS	8758	102,819
76.	2016 THOMAS SCHOOL BUS	7726	115,500
77.	2016 THOMAS SCHOOL BUS	7727	115,500
78.	2016 THOMAS SCHOOL BUS	7751	103,673
79.	2016 THOMAS SCHOOL BUS	7752	103,673
80.	2016 THOMAS SCHOOL BUS	7753	103,673
81.	2017 BLUEBIRD SCHOOL BUS	7901	102,900
82.	2017 BLUEBIRD SCHOOL BUS	7900	115,287
83.	2018 THOMAS SCHOOL BUS	8304	114,000
84.	2018 THOMAS SCHOOL BUS	8303	114,000
85.	2020 FREIGHTLINER M2106/ VACPAK	1586	204,585
86.	2021 FREIGHTLINER M2106 DUMP TRUCK	2866	115,534
87.	2021 FREIGHTLINER M2106 DUMP TRUCK	2841	101,555
88.	2023 FREIGHTLINER DUMP TRUCK	9414	126,981
89.	2023 FREIGHTLINER DUMP TRUCK	9415	126,981
90.	2023 FREIGHTLINER DUMP TRUCK W/ LEAF VAC	9412	121,192
91.	2023 FREIGHTLINER DUMP TRUCK W/ LEAF VAC	9413	121,192
92.	2023 FREIGHTLINER DUMP TRUCK	9416	143,127
93.	2023 FREIGHTLINER GRABBER TRUCK	0472	204,989
94.	2024 FREIGHTLINER DUMP TRUCK W/ PLOW	6725	166,835
95.	2024 FREIGHTLINER DUMP TRUCK	6724	147,285
96.	2025 FREIGHTLINER BRUSH GRABBER TRUCK	2986	218,299
97.	2025 FREIGHTLINER BRUSH GRABBER TRUCK	2987	218,299
98.	2025 BLUEBIRD SCHOOL BUS MODEL T3FE3603S	3822	165,404
99.	2025 BLUEBIRD SCHOOL BUS MODEL T3FE3603S	3821	165,404

KINGSPORT, CITY OF

STATED VALUE UTILITY SCHEDULE

	Description of Automobile	VIN	Stated Value
100.	2025 BLUEBIRD SCHOOL BUS MODEL T3FE3603S	3820	182,027
101.	2023 AUTOCAR NEW WAY SIDE LOADER	4516	404,972
102.	2019 INTERNATIONAL DUMP TRUCK	2419	103,245
103.	2019 KENWORTH TANDEM AXLE DUMP TRUCK	1574	119,070
104.	2022 AUTOCAR NEW WAY SIDE LOADER	8064	351,395
105.	2022 AUTOCAR NEW WAY SIDE LOADER	8066	351,395
106.	2023 AUTOCAR NEW WAY SIDE LOADER	0564	360,895
107.	2023 AUTOCAR NEW WAY SIDE LOADER	0565	360,895
108.	2023 FORD F350 UTILITY CAMERA TRUCK	6736	142,426
109.	2026 BLUEBIRD SCHOOL BUS	7637	166,408
110.	2026 BLUEBIRD SCHOOL BUS	7638	166,408
111.	2026 BLUEBIRD SCHOOL BUS	7639	166,408
112.	2026 BLUEBIRD SCHOOL BUS	7640	166,408
113.	2026 BLUEBIRD SCHOOL BUS	7641	166,408
114.	2026 BLUEBIRD SCHOOL BUS	7642	166,408
115.	2026 BLUEBIRD SCHOOL BUS	7643	166,408
116.	2026 BLUEBIRD SCHOOL BUS	7644	166,408
117.	2026 BLUEBIRD SCHOOL BUS	7645	166,408
118.	2023 RAM BRAUN HANDICAP VAN	0531	153,619
119.	2023 RAM BRAUN HANDICAP VAN	3526	153,619
120.	2023 RAM BRAUN HANDICAP VAN	3543	153,619
121.	2023 RAM BRAUN HANDICAP VAN	0507	153,619
122.	2023 RAM BRAUN HANDICAP VAN	0502	153,619

PUBLIC ENTITY PARTNERS
MUNICIPAL LIABILITY COVERAGE

AUTOMOBILE PHYSICAL DAMAGE CATASTROPHE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

KINGSPORT, CITY OF

AUTOMOBILE PHYSICAL DAMAGE - Coverage Part E. applies on a blanket basis to **automobiles** described below.

As respects **automobiles** excluded by the limitations of "The Automobile Physical Damage Endorsement" coverage is applicable for **automobiles** of all values and ages for all departments of the insured as respects a catastrophe loss only. A catastrophe loss is any **occurrence** that involves more than one **automobile** caused by a peril insured under Comprehensive coverage.

This catastrophe coverage is subject to a per **occurrence** deductible equal to the greater of either:

1. The value used as a coverage qualifier under clause 2 of "The Automobile Physical Damage Endorsement" or,
2. The deductible shown on the declaration page under Item 6. Deductibles, Coverage E. Automobile Physical Damage - Comprehensive Coverage.

In any one **occurrence** if it is determined that more than one deductible could apply, only the highest applicable deductible will be applied to all physical damage coverage provided by this policy.

The Limit below is the total payable under this endorsement. This limit does not include coverage for **automobiles** for which coverage is provided (not excluded) by The Automobile Physical Damage Endorsement.

Catastrophe Limit: $13,000,000 Per Occurrence and Annual Aggregate.

PUBLIC ENTITY PARTNERS

Liability Premium Breakdown

KINGSPORT, CITY OF

Policy #: PLI-0213-26 **Coverage Term: 07/01/2025-07/01/2026**

General Liability			Net Premium
General Fund			23,524.45
Street Department			1,091.81
Sewer Department			362.52
Schools			1,137.34
Water Department			7,997.46
Electric Department			0.00
Sanitation Department			2,558.08
Gas Department			0.00
Fire Department			7,624.44
First Responders			4.94
EMTs			129.53
Paramedics			55.51
Parks & Recreation			3,194.75
Fireworks			0.00
Golf Courses			238.68
Swimming Pools			353.88
Water Slides			1,468.34
Batting Cages			246.66
Skateboarding Course			102.77
Organized Sports			2,965.57
Airport Liability			0.00
Unmanned Aerial Systems			266.58
Carousels			106.63
Boats and Jet Skiis			62.68
Firing Ranges			0.00
Lakes, Ponds, Bodies of Water			978.99
Splash Pads			0.00
Pump Tracks			0.00
Total General Liability			**54,472**

Law Enforcement	Number of	Premium Per	Net Premium
Police Officers - Certified	114	342.790	39,078.06
Police Officers - Non-Certified	0		0.00
Aux/Reserve/Temp/P-T Officers	0		0.00
Jail-Certified	1	1,733.045	1,733.04
Jail - Non-Certified	0		0.00
Holding Areas	1	180.741	180.74
Enforcement Dogs	3	331.290	993.87
Drug or Search Dogs	1	31.947	31.95
Additional Programs	0		0.00
Punitive Damages-LE	0	0.012	1,228.99
Total Law Enforcement			**43,247**

PUBLIC ENTITY PARTNERS

Liability Premium Breakdown

KINGSPORT, CITY OF

Policy #: PLI-0213-26 **Coverage Term: 07/01/2025-07/01/2026**

Errors-Omissions			Net Premium
E+O Base Premium			49,296.78
Privacy Network Liability			4,918.34
Punitive Damages-EO			896.20
Total Errors-Omissions			**55,111**

Auto Liability	# of Vehicles	Prem/Veh	Net Premium
Ambulance	0		0.00
PPT - Police	155	96.665	14,983.08
PPT	49	64.913	3,180.74
Light Trucks	112	76.175	8,531.60
Other Trucks	82	83.370	6,836.34
Utility Trucks	44	83.370	3,668.28
Fire Trucks	27	121.379	3,277.23
Antique Fire Trucks	1	60.533	60.53
Sanitation Trucks	21	121.379	2,548.96
Passenger Vans	26	72.577	1,887.00
Buses	62	96.665	5,993.23
Passenger Vans - Other	21	163.611	3,435.83
Buses - Other	11	218.357	2,401.93
Trailers	97	21.429	2,078.61
Motorcycles	2	25.183	50.37
Hired and Non-Owned Only	0		0.00
Uninsured Motorist	613	7.528	4,614.97
Total Auto Liability	**710**		**63,549**

Auto PD	Values	Rate	Net Premium
Police / Ambulance Unscheduled	0		0.00
Police / Ambulance Scheduled	289,354	0.006394	1,850.13
Fire Fighting Equipment-Unscheduled	0		0.00
Fire Fighting Equipment-Scheduled	9,464,309	0.003417	32,339.54
Utility Equipment-Unscheduled	0		0.00
Utility Equipment-Scheduled	20,769,939	0.003417	70,970.88
Total Other Values	0		0.00
APD Catastrophe Coverage	13,000,000	0.000947	12,311.00
Comprehensive Only	0		0.00
Total Auto PD	**43,523,602**		**117,472**

Grand Total: 333,851

LIABILITY COVERAGE POLICY

PUBLIC ENTITY PARTNERS
Tennessee's Leader in Governmental Insurance and Risk Management

TABLE OF CONTENTS

LIABILITY COVERAGE

Section I
Coverages..... 1

Coverage A
General Liability..... 1

Coverage B
Personal Injury Liability..... 1

Coverage C
Errors or Omissions Liability..... 2

Coverage D
Automobile Liability..... 2

Coverage E
Automobile Physical Damage..... 2

Section II
Exclusions..... 3

Section III
Who Is Covered..... 9

Section IV
Limits of Coverage..... 11

Section V
Definitions..... 14

Section VI
Supplementary Payments..... 23

Section VII
Conditions..... 24

PUBLIC ENTITY PARTNERS

MUNICIPAL LIABILITY COVERAGE

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Throughout this policy the words **you**, **your**, **municipality**, **governmental entity**, and **covered party** refer to Item 1 - Insured named in the Declarations. The words **we**, **us**, and **our** refer to Public Entity Partners (**PE Partners**) (formerly known as the Tennessee Municipal League Risk Management Pool). The words **municipality**, **governmental entity**, and **covered party** are defined under SECTION III - WHO IS COVERED.

Other words and phrases that appear in bold have special meaning. Refer to SECTION V - DEFINITIONS.

SECTION I - COVERAGES

COVERAGE A. GENERAL LIABILITY BODILY INJURY AND PROPERTY DAMAGE (CLAIMS MADE BASIS)

PE Partners will pay on **your** behalf all sums **you** become legally obligated to pay as **damages** because of **bodily injury** or **property damage** to which this coverage applies, provided that the **claim** is first made against **you** during the **coverage period**. PE Partners has no other obligation or liability to pay sums or perform acts or services not covered unless explicitly provided for under SECTION VI - SUPPLEMENTARY PAYMENTS. This coverage does not apply to **bodily injury** or **property damage** that occurred before the retroactive date, if any, shown in the Declarations nor that occurs after the **coverage period**. The **bodily injury** or **property damage** must be caused by an **occurrence**. The **occurrence** must take place in the **coverage territory**. **PE Partners** will defend any **suit** against **you** even if the allegations of the **suit** are groundless, false, or fraudulent, subject to policy terms, exclusions and conditions. **PE Partners** may investigate and settle any **claim** or **suit** as **we** deem expedient.

COVERAGE B. PERSONAL INJURY LIABILITY (CLAIMS MADE BASIS)

PE Partners will pay on **your** behalf all sums **you** become legally obligated to pay as **damages** because of **personal injury** to which this coverage applies, sustained by any person or organization, provided that the **claim** is first made against **you** during the **coverage period**. **PE Partners** has no other obligation or liability to pay sums or perform acts or services not covered unless explicitly provided for under SECTION VI - SUPPLEMENTARY PAYMENTS. This coverage does not apply to **personal injury** that occurred before the retroactive date, if any, shown in the Declarations nor that occurs after the **coverage period**. The **personal injury** must be caused by an **occurrence**. The **occurrence** must take place in the **coverage territory**. **PE Partners** will defend any **suit** against **you** even if any of the allegations of the **suit** are groundless, false, or fraudulent, subject to policy terms, exclusions and conditions. **PE Partners** may investigate and settle any **claim** or **suit** as **we** deem expedient.

COVERAGE C. ERRORS OR OMISSIONS LIABILITY (CLAIMS MADE BASIS)

PE Partners will pay on **your** behalf all sums **you** become legally obligated to pay as **damages** because of any **claim** first made against **you** during the **coverage period** by reason of any negligent act, error, omission, or the violation of any rights, privileges, or immunities secured by the Constitution or the laws of the United States of America to which this coverage applies. **PE Partners** has no other obligation or liability to pay sums or perform acts or services not covered unless explicitly provided for under SECTION VI - SUPPLEMENTARY PAYMENTS. This coverage does not apply to any act, error, omission, or violation of rights, privileges, or immunities that occurred prior to the retroactive date, if any, shown in the Declarations or that occurs after the **coverage period**. The **claim** for **damages** must be caused by an **occurrence**. The **occurrence** must take place in the **coverage territory**. **PE Partners** will defend any **suit** against **you** even if any of the allegations of the **suit** are groundless, false, or fraudulent, subject to policy terms, exclusions and conditions. **PE Partners** may investigate and settle any **claim** or **suit** as **we** deem expedient.

COVERAGE D. AUTOMOBILE LIABILITY BODILY INJURY AND PROPERTY DAMAGE (OCCURRENCE BASIS)

PE Partners will pay on **your** behalf all sums **you** become legally obligated to pay as **damages** because of **bodily injury** or **property damage** to which this coverage applies, caused by an **occurrence** and arising out of the ownership, maintenance, or use, including **loading** and **unloading** of any **automobile**. **PE Partners** has no other obligation or liability to pay sums or perform acts or services not covered unless explicitly provided for under SECTION VI-SUPPLEMENTARY PAYMENTS. This coverage applies only to **bodily injury** or **property damage** that occurs during the **coverage period**. The **occurrence** must take place in the **coverage territory**. **PE Partners** will defend any **suit** against **you** even if the allegations of the **suit** are groundless, false, or fraudulent, subject to policy terms, exclusions and conditions. **PE Partners** may investigate and settle any **claim** or **suit** as **we** deem expedient.

COVERAGE E. AUTOMOBILE PHYSICAL DAMAGE

1. **PE Partners** will pay for **loss** to a covered **auto** or its equipment under:
   a. Comprehensive Coverage. From any cause except the covered **auto's** collision with an object or its overturn; and
   b. Collision Coverage. Caused by the covered **auto's** collision with an object or its overturn.
2. At **our** option, **we** may:
   a. Pay for, repair, or replace damaged or stolen property; or
   b. Return the stolen property, at **our** expense. **We** will pay for any **damage** to the **auto** resulting from the theft.
3. The most **we** will pay for **loss** is the fair market value of the lost, damaged or stolen property. Fair market value is the cost for which property of similar type, quality, age and condition prior to loss could be purchased on the date of loss.
4. For each covered **auto**, **our** obligation to pay for, repair, return, or replace damaged or stolen property will be reduced by the applicable deductible shown in Item 6 of the Declarations.

5. **We** will pay for glass breakage, **loss** caused by hitting a bird or animal, or by falling objects or missiles under Comprehensive Coverage if **you** carry Comprehensive Coverage for the damaged covered **auto**. However, **you** have the option of having glass breakage caused by the covered **auto's** collision or overturn considered as a **loss** under Collision Coverage.
6. **We** will reimburse actual and necessary expenses related to rental of a temporary comparable substitute **auto** when there is not another vehicle available by any other means, for the number of days reasonably required to repair or replace a damaged **auto** covered by this **auto** physical damage coverage subject to a total reimbursement of $25,000 per occurrence.

SECTION II - EXCLUSIONS

With respect to exclusions qualified with 'alleged' wording, all coverage is excluded, including investigation, defense and judgments. For other exclusions, **PE Partners** will investigate and defend allegations until a point at which it is determined, by the judgment of **PE Partners**, that the exclusion 'actually' applies, at which point all coverage will cease.

This coverage does not apply to **Bodily Injury**, **Property Damage**, **Personal Injury**, or any **claim** for **Damages, or any claim under the Non-Monetary Defense Coverage;**

1. Resulting from an **intentional wrongful act, error, or omission** on **your** part or on the part of any **covered party**. This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property, pursuant to the constitution of the United States, federal law, or the constitution or laws of the State of Tennessee. This exclusion does not apply to **bodily injury** or **property damage** resulting from an **intentional act** if an error was made in the selection of the intended subject or location of the act.
2. For which **you** may be held liable by reason of:
   a. Causing or contributing to the intoxication of any person;
   b. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
   c. Any statute, ordinance, or regulation relating to the sale, gift, distribution, or use of alcoholic beverages.

   This exclusion applies only if **you** are in the business of manufacturing, distributing, selling, serving, or furnishing alcoholic beverages.
3. As respects any injury, **damages** or **claims** that come within the scope of any workers compensation, disability benefits, minimum wage or overtime law, unemployment compensation law or any similar local, state, or federal law or fair labor standards law. This exclusion applies to any injury, **damages** or **claim** that comes within the scope of any workers compensations law including if **you** have opted to not participate under such law or to purchase such coverage.
4. As respects any obligation of a **covered party** for an injury or **damages** or **claims** arising out of the course and scope of employment or while performing work on behalf of **you**, or any **claims** arising there from.
5. As respects any volunteer firefighter, volunteer police officer, volunteer rescue squad member, auxiliary police officer, reserve police officer, or elected official while acting on **your** behalf if the volunteer is an **employee** within the meaning of a workers compensation law or similar law applicable to the volunteer or is eligible for coverage under a voluntary compensation endorsement to a workers compensation policy or other coverage document, whether purchased or not.

6. As respects damages claimed by:
   a. An **employee** of **yours** for injury arising out of and in the course of employment by **you**; or
   b. The spouse, child, parent, brother, or sister of that **employee** as a consequence of a. above.

   This exclusion applies:
   c. Whether **you** may be liable as an employer or in any other capacity; and
   d. To any obligation to share **damages** with or repay someone else who must pay **damages** because of the injury.
7. Arising out of:
   a. Any actual or alleged **Employment Practices Violation** unless specifically provided for by endorsement to this policy or
   b. Any actual violation of the provisions of any federal, state, or local law prohibiting discrimination, harassment, or retaliation that does not qualify as an **Employment Practices Violation**.
8. Arising out of any violation of the Tennessee Open Meeting Act ("Sunshine Law"), T.C.A. § 8-44-101, et seq.
9. Arising out of any violation of the Tennessee Open Records Law, T.C.A. § 10-7-503, et seq.
10. Arising out of the management, ownership, maintenance, service, construction, design, operation, use, or entrustment to others of any watercraft owned, operated by, rented, or loaned to **you**.

    This exclusion does not apply to:
    a. A watercraft while ashore on premises **you** own or rent; or
    b. A watercraft that is:
       (1) Less than 26 feet long; and
       (2) Not being used to carry persons or property for a charge.
11. Arising out of the use of **automobiles,** motorcycles, **mobile equipment** or watercraft in or while in the practice or preparation for, a prearranged racing, pulling, pushing, speed, or demolition contest or in any stunting activity.
12. Arising out of war, whether or not declared, or any act or condition incident to war; riots; unlawful assemblies; public demonstrations; mob violence; and civil disturbances. War includes civil war, insurrection, rebellion, or revolution.
13. As respects any **loss,** cost, or expense arising out of nuclear reaction, nuclear radiation, or radioactive contamination.
14. As respects property damage to:
    a. Property **you** own, rent, transport, or occupy;
    b. Premises that **you** sell, give away, or abandon, if the **property damage** arises out of any part of those premises;
    c. Property loaned to **you**;
    d. That particular part of real property on which **you** or any contractor or subcontractor working directly or indirectly on **your** behalf are performing operations, if the **property damage** arises out of those operations;
    e. **Your work** arising out of **your work** or any part of **your work**;
    f. **Your product** arising out of **your product** or any part of **your product**; or
    g. Personal property in **your** care, custody, and control, except for **impounded property or commandeered property**.

Items c., d., e., and g. above do not apply to liability assumed under a sidetrack agreement. This exclusion does not apply to **damage** by fire to premises rented to **you**. A separate limit of coverage applies to this coverage as described in SECTION IV - LIMITS OF COVERAGE.

15. As respects any **loss**, cost, or expense incurred by **you** or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal, or disposal of:
    a. **Your product**;
    b. **Your work**; or
    c. **Impaired property**

    if the product, work, or property is withdrawn or recalled from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.

16. Arising out of or contributed to by any complete or partial failure to supply water, electricity, gas, steam, sewer, internet or phone service or other form of communication, including **power surge**. This exclusion does not apply, however, if:
    a. The complete or partial failure to supply results from sudden and accidental injury, caused solely by **your** negligence, to tangible property owned or used by **you** to procure, produce, process, or transmit the water, electricity, gas, steam, or sewer service; or
    b. The complete or partial failure to supply results from the unintended switching off of water, electricity, gas, steam, or sewer service.

17. Arising out of the ownership, operation, or maintenance of any hospital, nursing home, or medical treatment or testing facility or psychiatric treatment or testing facility. This exclusion includes liability arising out of medical related operations, certifications, treatment, waste disposal, and the privacy security of medical records. This exclusion does not apply to liability arising solely from the premises hazards of an outpatient clinic owned or operated by the insured when the medical services are entirely provided by an entity other than an insured.

18. Arising out of the rendering of or failure to render any professional services, test, treatment or procedure by any medical professionals including:
    a. Doctor of Medicine;
    b. Dentist; or
    c. Nurse, except with respect to those activities performed in the capacity of a certified emergency medical technician, paramedic or school nurse who is an employee of a governmental entity.
    d. This exclusion does not apply to emergency medical technicians (EMTs) and paramedics while acting solely in the duties of EMT or paramedic.

19. Arising out of the rendering of or the failure to render professional services by an architect, attorney, engineer, surveyor, contractor, subcontractor or any other person or professional who enters a contractual relationship to perform services, unless performed by an **employee** or **agent** of the **municipality**.

20. Arising out of:
    a. Mechanically operated amusement devices or carnival type rides or zip lines;
    b. Rodeo or zoo;
    c. Fireworks displays or exhibitions if performed by other than a **covered party**.
    d. Fireworks displays or exhibitions performed by a **covered party** unless the Fireworks Application Checklist and the Fireworks Safety Affidavit provided to **you** by **PE Partners** at **your** request have been completed by **you** or by any **covered party** and accepted by **PE Partners**.

e. Ski facility involving the use of chair lifts, rope tows, or ski jumps.

f. Ownership, manufacture, operation, design, use, or maintenance of trampolines or rebound devices. Rebound devices are devices that use pressure, springs, elasticized material or cords, or other means to repel, bounce, eject or change the direction of a person's body, but rebound device does not include air inflated amusement devices. The rebound device exclusion does not apply to utility and emergency services operations.

g. War games or re-enactments; or

h. Ownership, maintenance, operation, or use of golf carts and all-terrain vehicles (ATVs). This exclusion does not apply to golf carts and all-terrain vehicles (ATVs) used strictly to service the premises or operational functions of the **municipality** or operated on golf courses owned by the **municipality**.

21. Arising out of activities undertaken pursuant to any written interlocal cooperation agreement, written mutual aid agreement, or joint powers entity or its officers or **employees**, unless the written interlocal cooperation agreement, written mutual aid agreement or joint powers entity is an Insured in Item 1 of the Declarations.

22. Arising out of the ownership, maintenance, management, service, construction, design, operation, use, or entrustment to others, or in **your** care, custody, or control, of any:
    a. Airport, airfields, runways, hangars, buildings, or other properties in connection with aviation activities; or
    b. Aircraft, or any aircraft component part or equipment or any airplane navigational or aviation related equipment.

23. Arising out of any act, error, or omission by **you** or **your employees,** volunteers, agents or any **covered party** that is outside the scope of employment or official duties.

24. Arising out of the willful violation of a statute or ordinance, including federal, state or local laws committed with **your** knowledge or consent.

25. Arising out of any publication or utterance if the first injurious publication or utterance of the same or similar material by **you** or on **your** behalf was made prior to the retroactive date of this coverage.

26. Arising out of a publication or utterance concerning any individual, any organization, or any business enterprise, or its products or services, made by **you** or at **your** direction with knowledge of the falseness of the publication or utterance.

27. For which **you** are obligated to pay **damages** by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for **damages**:
    a. Assumed in a contract or agreement that is a **covered contract** in which case any coverage afforded to the contracting party is solely limited to liability specifically resulting from the conduct of a Named Insured which may be imputed to the contracting party. Limits provided to a contracting party will not exceed those applicable to the Named Insured; or
    b. That **you** would have in the absence of the contract or agreement.

28. Arising out of any actual or alleged breaching of any contract.

29. Arising out of the actual, alleged, or threatened discharge, dispersal, release, or escape of **pollutants** or arising out of any governmental direction, request or requirement that **you** test for, monitor, clean up, remove, report, contain, treat, detoxify, or neutralize **pollutants**:
    a. At or from premises **you** own, rent, lease, occupy, or acquire during the policy period, and premises **you** no longer own, rent, lease, or occupy. This exclusion does not apply to any **Bodily Injury** and **Property Damage** arising out of a **Short-Term Pollution Event** provided **you** notify **us** of the **Short-Term Pollution Event** as soon as practicable, but no more than fourteen (14) days after its ending;

b. At or from any site or location used by or for **you** or others for the handling, storage, disposal, processing, or treatment of waste;

c. That are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for **you** or any person or organization for whom **you** may be legally responsible; or

d. At or from any site or location on which **you** or any contractors or subcontractors working directly or indirectly on **your** behalf are performing operations:

(1) If the **pollutants** are brought on or to the site or location in connection with these operations; or

(2) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize the **pollutants**.

This exclusion does not apply to any **Bodily Injury** and **Property Damage** arising out of a **Short-Term Pollution Event** provided **you** notify **us** of the **Short-Term Pollution Event** as soon as practicable, but no more than fourteen (14) days after its ending.

This exclusion does not apply to:

e. Fuel, lubricants, fluids, or exhaust gases that have leaked from a covered **auto** if they are needed for or result from normal electrical, hydraulic, or mechanical functioning of the **auto** and leak from the part of the **auto** designed by its manufacturer to hold or dispose of them;

f. Overturn or upset of an **automobile**; or

g. A **Limited Liability Pollution Claim**.

30. Arising out of any actual, alleged, or threatened presence, growth, proliferation, spread, or any activity of **fungus**, wet or dry rot, bacteria, virus, amoeba or other microorganism.

31. Arising out of the actual, alleged, or threatened ingestion, inhalation, absorption of, exposure to, or existence of lead, lead-containing alloys, and lead by-products in any form:

a. At or from premises **you** own, rent, lease, occupy, or acquire during the policy period and premises **you** no longer own, rent, lease, or occupy.

b. At or from any site or location used by or for **you** or others; or

c. That are at any time transported, handled, stored, treated, disposed of, or processed as water or waste by or for **you** or any person or organization for whom **you** may be legally responsible,

and arising out of any governmental direction or request that **you** test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize the effects of lead in any form.

32. Arising out of actual, alleged, or threatened existence of or exposure to electromagnetic fields emanating from power lines, grounding systems, appliances, or lightning.

33. Arising from the actual, alleged, or threatened existence, handling, installation, processing, manufacture, sale, distribution, storage, use, or removal of asbestos, asbestos products, or products containing asbestos.

34. Arising out of any of the following whether or not **you** take possession of any tangible or intangible property: actual or alleged violation of the annexation law and actual or alleged condemnation, inverse condemnation, adverse possession, dedication by adverse use, imposition of exactions or impact fees or any unconstitutional taking of property. This also excludes any judicial or administrative action associated with any such proceedings or processes asking for injunctive or declaratory relief prior to, during or after any of these proceedings or processes.

35. Arising out of the actual or alleged permission of the use and operation of golf carts and all-terrain vehicles (ATVs) on streets and roads as a result of an ordinance enacted by the **municipality** permitting the use and operation of golf carts and all-terrain vehicles (ATVs) on streets and roads.

36. Arising out of any actual violation or alleged violation of criminal law resulting in criminal proceedings against **you** or any **covered party**. In the event that any **covered party** is convicted of or pleads nolo contendere or is found guilty in a criminal proceeding or is permitted to plead or enter a diversion program, the **covered party** is immediately excluded under SECTION III-WHO IS COVERED as respects any related civil **suit**, regardless of the status of that **suit**.

37. As respects any **class action** suit arising out of any actual or alleged act, error or omission of any insured. This includes any **claim** arising from **interrelated occurrences** regardless of whether they are filed as part of a **class action** or not.

38. Arising out of any actual or alleged ouster **suit** or proceeding, including any proceeding to remove someone from any office or prevent anyone from taking office, or any appeal or action seeking to nullify any previous action.

39. Arising out of any actual or alleged act, error, or omission of any individual, any organization, or any business enterprise other than that of the **municipality** or any **covered party**.

40. Arising out of action taken by any **covered party** against another **covered party**. This exclusion does not apply to claims by your employee(s) under Employee Benefits/Fiduciary Liability coverage.

41. Arising out of the failure by **you** or by an independent contractor for which **you** are legally responsible to properly handle, manage, store, destroy or otherwise control information in any form.

42. Arising out of a violation of any **privacy regulation**.

43. Arising out of a failure of **network security.**

44. Damages arising out of the failure of performance of a contract by any insurer.

45. Damages arising out of an insufficiency of funds to meet any obligations under any plan included in any **employee benefit program**.

46. Any **claim** based upon, arising out of, or resulting from:
    a. Failure of any investment to perform;
    b. Errors in providing information on past performance of investment vehicles; or
    c. Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in any **employee benefit program**;
    d. The actual or alleged failure to collect or remit contributions to any **employee benefit program** or the failure to fund an **employee benefit program** in accordance with ERISA (Employee Retirement Income Security Act of 1974), or Public Health Services Act (42 U.S.C. § 201, *et seq*) as now or hereafter amended or any federal, state or local common or statutory law and any rules or regulations promulgated thereunder, or in accordance with any **employee benefit program** requirements, including claims resulting from the remediation, restructuring, redesigning, discontinuance or change in funding or design, of any employee benefit program designed to correct such failure to fund.
    e. The failure to comply with any statutory or common law governing workers' compensation, unemployment, social security or disability benefits or any similar law; provided, however, this exclusion shall not apply to any actual or alleged obligation of any **covered party** pursuant to the:
        (1) Consolidated Omnibus Budget Reconciliation Act of 1985, as amended; or
        (2) Health Insurance Portability and Accountability Act of 1996, as amended.

47. Any claim arising out of any actual or alleged, failure to pay or failure to collect or allocate any tax, fine, penalty, fee or revenue, including any franchise fee, surcharges or governmental revenue. This shall include any claim arising out of the actual or alleged failure to refund any overcharges or interest owed. This exclusion includes any taxes required to be split with, shared with or remitted to any other governmental entity or any subdivision of government or subdivision of any governmental entity.
48. Medical expenses for any county inmate or other prisoner confined in a county jail/workhouse arising from any injury or illness received while on a municipal work project. This exclusion applies to all medical expenses or damages arising from activities authorized or governed by Tenn. Code Ann. § 41-2-123. Any interlocal agreement(s) intending to assume liability for expenses related to injury or illness covered by this exclusion is entered into at the insured's own risk and does not supersede this exclusion. This exclusion applies to medical expenses or damages, but not to defense coverage provided by **PE Partners**.

Additionally, as respects Coverage E - Automobile Physical Damage, this coverage does not apply to:

49. Wear and tear, freezing, or mechanical or electrical breakdown unless caused by other **loss** for which coverage is provided. This exclusion does not apply to freezing of firefighting equipment if occurring during active firefighting or firefighting training, or within 24 hours after the end of firefighting or firefighting training.
50. Blowouts, punctures, or other road damage to tires unless caused by other **loss** for which coverage is provided.
51. **Loss** to tape decks, compact disc players, DVD equipment, or other sound or video reproducing equipment unless permanently installed in a covered **auto**;
52. **Loss** to tapes, records, compact discs, DVDs, or other sound or video reproducing devices designed for use with sound or video reproducing equipment; or
53. **Loss** to any sound or video equipment designed for use as a citizens' band radio, two-way mobile radio or telephone, or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the auto manufacturer for the installation of a radio or other sound or video equipment.

SECTION III - WHO IS COVERED

1. **You** or **governmental entity** means the **municipality** or other governmental body, political subdivision, board, department, or entity named in Item 1 of the Declarations and includes the Interlocal Cooperation Agreement between **you** and **PE Partners** and includes **your** interest in the Mutual Aid and Emergency and Disaster Assistance Agreement Act of 2004.
   Unless specifically named in Item 1. Insured, of the Declarations, **governmental entity** does not include a:
   a. gas, electrical, water, sewer or steam utility if managed by a board, commission or entity other than the municipality named in Item 1. Insured, of the Declarations,
   b. port authority,
   c. housing or redevelopment authority,
   d. welfare or public relief agency,
   e. school board, or

f. any written mutual aid agreement, written interlocal cooperation agreement, joint venture, or joint powers entity including any board created by such agreements.

This paragraph applies regardless of how an entity is structured or governed.

2. **Covered party** means:
   a. **You** or **governmental entity**; and
   b. While acting within their official duties:
      (1) A member of the legislative body of the **municipality,**
      (2) A member of any board or commission of the **municipality** that is named in Item 1. Insured, of the Declarations,
      (3) An elected or appointed official of the **municipality**,
      (4) An employee of the **municipality,**
      (5) To the extent allowed by law, a volunteer person or organization while acting on behalf of and at the direction of the **municipality**; or
      (6) To the extent allowed by law, any other authorized person or **agent** of the **municipality** while acting on behalf of the **municipality**.

      Covered party does not include any independent contractors.
   c. An 'Additional Insured' as designated by endorsement to this policy or as designated by a certificate of insurance issued as evidence of this policy. The coverage afforded to the Additional Insured is solely limited to liability specifically resulting from the conduct of a Named Insured which may be imputed to the Additional Insured. Coverage provided to an 'Additional Insured' will not exceed coverage applicable to the Named Insured.
3. Additionally, as respects Coverage D - Automobile Liability; **covered party** means:
   a. Any elected or appointed official or employee of the **municipality** with respect to a non-owned **automobile** but only while the non-owned **automobile** is being used for **municipality** business,
   b. To the extent allowed by law, any individual, any organization, or any business enterprise while using an owned **automobile** or a hired **automobile** with **your** permission, provided their actual operation or other actual use of the **automobile** is within the scope of **your** permission, or
   c. Any volunteer firefighter, paramedic, emergency medical technician or emergency medical responder with respect to any **automobile** while the **automobile** is being used while the responder is **on duty** in the performance of official duties. **On duty** means during scheduled patrol duties or while responding to, or returning from, an emergency situation on **your** behalf. On duty does not include periods 'on-call' and not in the process of responding to an emergency situation on **your** behalf.

SECTION IV - LIMITS OF COVERAGE

1. **PE Partners'** maximum limit of liability for Coverages A, B, C, and D, respectively, is as shown in Item 4 of the Declarations. Coverage provided is limited to the liability of a **governmental entity** under the **Tort Liability Act**.

2. The Limits of Coverage shown in Item 4 of the Declarations and the provisions below fix the most **we** will pay under each coverage part
   a. **Covered Parties**;
   b. **Claims** made or **suits** brought;
   c. Persons or organizations making **claims** or bringing **suits**; or
   d. **Autos** to which coverage applies.

3. The Medical Payments limit shown in Item 4. Limits of Coverage, of the Declarations is the most we will pay under Coverage A and Coverage D for medical expenses as described below for **bodily injury** caused by an accident:
   a. On premises **you** own or rent, or on which **you** are conducting operations; or
   b. Involving any person occupying a covered **auto**.

   We will make these payments regardless of fault and as excess to any other coverage provided that the injured person submits to examination at **our** expense by a physician of **our** choice as often as **we** reasonably require. These payments will not exceed the applicable limit of coverage shown in Item 4. Limits of Coverage, of the Declarations, including actual reasonable expenses for:
   c. First aid at the time of an accident,
   d. Necessary medical, surgical, x-ray, and dental services, including prosthetic devices; and
   e. Necessary ambulance, hospital, professional, and nursing services.

   We will not pay expenses for **bodily injury**:
   f. Until the expenses are actually incurred. No payments will be made for future or anticipated expenses.
   g. To any **covered party** except for **covered parties** described in 2. b (5). as reflected under SECTION III - WHO IS COVERED;
   h. To any **claim** for **damages** for which coverage is excluded under SECTION II -EXCLUSIONS; or
   i. To any **claim** for **damages** for which liability is imposed on **you** by the **Tort Liability Act**.

   To the extent necessary to provide for the no-fault medical payments coverage, and only to that extent, **you** and **PE Partners** waive the immunity provided by the **Tort Liability Act**.

4. The Catastrophic Medical Expenses Excess of Bodily Injury Limit Coverage is not required by The Tort Liability Act or any state or federal law. The intent of this coverage is to provide additional protection for catastrophic medical expenses incurred by an injured party, who becomes personally liable for medical expenses due to insufficient insurance coverage or lack of insurance coverage.

   To the extent necessary to provide for the Catastrophic Medical Expenses Excess of Bodily Injury coverage, and only to that extent, **you** and **PE Partners** waive the limits provided by the **Tort Liability Act.** The Catastrophic Medical Expenses Excess of Bodily Injury limit shown in Item 4. Limits of Coverage, of the Declarations is the most **we** will pay under Coverage A and Coverage D for Catastrophic Medical Expenses Excess of Bodily Injury as described below for **bodily injury** caused by an accident.

We will pay for Catastrophic Medical Expenses Excess of Bodily Injury for any one person when **actual, reasonable, and necessary medical expenses** exceed fifty percent (50%) of the applicable Per Person Bodily Injury limit as set forth by the Tort Liability Act shown in Item 4. Limits of Coverage, of the Declarations. Then all **actual, reasonable, and necessary medical expenses** are transferred and are subject to the Catastrophic Medical Expenses Excess of Bodily Injury limit shown in Item 4. Limits of Coverage, of the Declarations. These payments will not exceed the applicable limit of coverage shown in Item 4. Limits of Coverage, of the Declarations and are calculated on a paid basis only.

a. Once the **actual, reasonable and necessary medical expenses** are transferred in accordance with the provisions of this policy, **PE Partners** shall negotiate payment to the health care provider or negotiate reimbursement with any governmental payor in settlement of any medical **claims** incurred as a result of a covered **occurrence**. **PE Partners** shall make no payments to any provider where medical expenses are covered under any insurance coverage or reimbursements to an insurance company having a contractual liability to provide payment of medical expenses to the injured party.

b. **PE Partners** for the **governmental entity** shall attempt to settle and pay the **actual, reasonable and necessary medical expenses**. Under no circumstances shall either **PE Partners** or the **governmental entity** pay any medical expenses in excess of $1,000,000 per covered **occurrence** or $500,000.00 per person **Bodily Injury** Limit as shown in Item 4. Limits of Coverage, of the Declarations.

We will not pay for Catastrophic Medical Expenses Excess of Bodily Injury:

c. Until the expenses are actually incurred and no later than six (6) months after the date of occurrence. No payments will be made for future or anticipated expenses;

d. To any **covered party**;

e. To any **claim** for **damages** for which coverage is excluded under SECTION II - EXCLUSIONS; or

f. To any **claim** for **damages** for which liability is imposed on **you** by the **Tort Liability Act**, other than Catastrophic Medical Expenses Excess of Bodily Injury.

Only **actual, reasonable, and necessary medical expenses** are eligible for inclusion in the Catastrophic Medical Expenses Excess of Bodily Injury limit. No attorney fees shall be awarded from the Catastrophic Medical Expenses Excess of Bodily Injury limit.

5. The Fire Damage limit shown in Item 4. Limits of Coverage, of the Declarations is the most **we** will pay under Coverage A for **damages** because of **property damage** to premises rented to **you** arising out of any one fire.
6. The Commandeered Property Damage limit shown in Item 4. Limits of Coverage, of the Declarations is the most **we** will pay under Coverage A for **damages** because of **property damage** to **commandeered property**. To the extent necessary to provide for the no-fault Commandeered Property Damage Coverage, and only to that extent, **you** and **PE Partners** waive the immunity provided by the **Tort Liability Act**. We will make these payments regardless of fault.
7. The Impounded Property Damage limit shown in Item 4. Limits of Coverage, of the Declarations is the most **we** will pay under Coverage A. General Liability, for **damages** because of **property damage** to **impounded property**.
8. The Non-Monetary Defense Cost Coverage limit shown in Item 4. Limits of Coverage, of the Declarations is the most **we** will pay per **occurrence** for legal defense costs as respects any **suit** against the **municipality** or **covered party** in which no monetary damages are sought even if the allegations of the **suit** are groundless, false, or fraudulent, except as otherwise provided in

SECTION II - EXCLUSIONS. Legal defense costs include **PE Partners** approved attorney fees, court costs, court reporting and transcription fees, general witness and expert witness fees and expenses, and similar legal defense related costs. Plaintiff expenses/costs including but not limited to attorney fees, court costs, court reporting and transcription fees, general witness and expert witness fees and expenses, and similar legal related costs are not covered by this policy.

In the event that the Non-Monetary Defense Cost Coverage limit shown in Item 4 of the Declarations is exceeded, all legal defense costs in excess of the Non-Monetary Defense Cost Coverage limit shown in Item 4. Limits of Coverage, of the Declarations shall be paid by the **municipality** or **covered party**.

In the event that a Non-Monetary Defense Cost claim becomes a claim for **damages** that are subject to coverage by another coverage part on this policy, the legal defense costs and **claim expenses** already incurred under Non-Monetary Defense Cost Coverage will reduce the limit available under the other coverage if such limit includes reductions for **claim expenses**.

9. **PE Partners** is not obligated to pay any **claim** or judgment or to defend any **suit** after the applicable limit of **PE Partners'** liability under Coverages A. General Liability, B. Personal Injury Liability, C. Errors or Omissions Liability, or D. Automobile Liability has been exhausted by payment of **damages**.

10. The Per Occurrence Limits for each **occurrence** under Coverage C - Errors or Omissions Liability is the most **we** will pay for the sum of **damages** or injuries arising out of any one **occurrence** under Coverage C - Errors or Omissions Liability. If a **claim** is brought under both this coverage and any other coverage, the limits of liability under Per Occurrence for Coverage C _is the maximum limit of liability provided for the **claims** made, regardless of the number of coverages under which the **claims** may be brought.

11. The Per Occurrence Limits for Each Other Loss under Coverages A, B, or D, is the most **we** will pay for the sum of **damages** or injuries arising out of any one **occurrence** covered by this policy under any provision other than the **Tort Liability Act**. If a **claim** is brought under both the **Tort Liability Act** and any other provision, then only one Per Occurrence Limit for Each Other Loss is the maximum limit of liability for the **claims** made regardless of the number of actions or coverages under which the **claims** may be brought.

12. The Employee Benefits/Fiduciary Liability limit shown in Item 4. Limits of Coverage, of the Declarations is the most we will pay for the sum of **damages** or injuries arising out of any one **occurrence** for liability arising from any negligent act, error or omission, including any breach of the responsibilities, obligations or duties imposed upon fiduciaries of **your employee benefits programs** by the Employee Retirement Income Security Act of 1974 (ERISA), Public Health Services Act (42 U.S.C. § 201, *et seq*) or by the Health Insurance Portability and Accountability Act of 1996, or any similar state or local common or statutory law, and any rules and regulations promulgated under any of these Acts, in the **administration** of **your employee benefits program.**

13. The Per Occurrence Limit for **Bodily Injury** and the Per Occurrence Limit for **Property Damage**, under the **Tort Liability Act**, is the most **we** will pay for the sum of **damages** arising out of any one **occurrence** under Coverages A, B, or D. In addition, **our** liability is further limited under the Per Person Limits, **Tort Liability Act**, to any one person for any number of **claims** arising out of a single **occurrence** for all **damages** other than **property damage** as shown in Item 4 of the Declarations.

14. The maximum limit of liability for an **occurrence** under Coverages A, B, or D for which an employee is held personally liable pursuant to the provisions of T.C.A. § 29-20-310, part of the **Tort Liability Act**, is as stated in 9. above.

15. For only the purpose of determining the limit of **our** liability and applicable coverages, all **loss** arising out of **interrelated occurrences** will be considered as arising out of one **occurrence**.

16. For the purpose of determining the limit of **our** liability, all **loss** arising out of the use of a hired **automobile** or a non-owned **automobile** is considered excess of any other collectible insurance.

17. With respect to a covered person provided coverage by virtue of clause 3.b. of Section III Who Is Covered, **PE Partners'** maximum limits of liability for Coverage D. Automobile Liability will be the minimum limits of insurance coverage required by the 'Governmental Tort Liability Act', whether governed by the Governmental Tort Liability Act or not, which are those limits shown in Item 4. of the Declarations under Coverage D; Automobile Liability, designated 'As Limited by the Tort Liability Act'.

SECTION V - DEFINITIONS

1. **Actual, reasonable, and necessary medical expenses** means medical, hospital, surgical, and other related medical care costs, including physical therapy and prosthetic devices.

2. **Administration** means:
   a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of **employee benefit programs**;
   b. Handling records in connection with the **employee benefit program**; or
   c. Effecting, continuing or terminating any employee's participation in any benefit included in the **employee benefit program**.

   However, **administration** does not include handling payroll deductions.

3. **Agent** means an individual, organization, and/or business enterprise that is expressly given binding authority in writing to act on behalf of or to obligate **you** for a particular and specific purpose.

4. **Automobile (Auto)** means a land motor vehicle, trailer, or semi-trailer designed and licensed for travel on public roads, including any attached machinery or equipment, but does not include **mobile equipment**.
   a. Hired **automobile** means any **automobile** not owned by **you** that **you** lease, hire, rent, or borrow, provided the **automobile** is not owned by any **covered party.** Any **automobile**, except those used for public conveyance, that is leased for a term of three hundred sixty-five (365) days or more will be treated as an owned **automobile** and not a hired **automobile.**
   b. Non-owned **automobile** means any **automobile** that is neither an owned **automobile** nor a hired **automobile**.
   c. Owned **automobile** means any **automobile** owned by the **governmental entity**.
   d. Trailer includes semi-trailer but does not include **mobile equipment**.

5. **Bodily Injury** means physical injury, sickness, or disease sustained by a person, including death at any time resulting from physical injury, sickness, or disease.

6. **Claim** means:
   a. A written demand against **you** for monetary damages or non-monetary or injunctive relief;
   b. A civil proceeding against **you** seeking monetary damages or non-monetary or injunctive relief, commenced by the service of a complaint or similar pleading, including any appeal therefrom;
   c. An arbitration proceeding against **you** seeking monetary damages or non-monetary or injunctive relief; or

d. A formal employment-related investigation brought by the U.S. Department of Labor, the U.S. Pension Benefit Guaranty Corporation, Tennessee Human Rights Commission, or Equal Employment Opportunity Commission (EEOC).

7. **Claim Expenses** means reasonable and necessary attorneys' fees, court costs, court reporting and transcription fees, general witness and expert witness fees and expenses, and other fees and costs incurred by **us**, or by a **covered party** with **our** prior written consent, in the investigation and defense of covered **claims**. **Claim Expenses** shall not include wages, salaries, fees or costs of directors, officers or **Employees** of **ours** or **yours**. **Claim Expenses** shall be reduced by any recoveries or salvages which have been paid or will be collected.

8. **Class Action** – Any legal action or suit filed that includes a petition to the court to be certified as a class action.

9. **Commandeered property** means:
   a. Buildings belonging to someone else that **you** commandeer, seize, borrow, or take over for official use to handle an emergency situation; or
   b. Personal property belonging to someone else including **automobiles**, watercraft and aircraft, and animals that **you** commandeer, seize, borrow, or take over for official use to handle an emergency situation.

10. **Computer System** means computer hardware, software, firmware, and the data stored thereon, as well as associated input and output devices, data storage devices, networking equipment or other electronic data backup facilities.

11. **Coverage Period** means the time period commencing with the 'From' date shown in Item 2. of the policy declarations or the date that a coverage part is added to the policy whichever is later, and ending with the 'To' date shown in Item 2. of the policy declarations or the date that a coverage part is cancelled or deleted from the policy whichever is earlier.

12. **Coverage territory** means:
   a. The United States of America (including its territories and possessions), Puerto Rico, and Canada;
   b. International waters or airspace provided the injury or **damage** does not occur in the course of travel or transportation to or from any place not included in a. above; or
   c. All parts of the world if:
      (1) The injury or **damage** arises out of:
         (a) Goods or products made or sold by **you** in the territory described in a. above; or
         (b) The activities of a person whose home is the territory described in a. above, but is away for a short time on **your** business;
      (2) The **municipality's** responsibility to pay **damages** is determined in a **suit** on the merits, in the territory described in a. above or in a settlement to which **we** agree; and;
      (3) The **suit** is brought or presented in the United States of America only.

13. **Covered contract** means:
   a. A lease of premises;
   b. A sidetrack agreement;
   c. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;

d. Any other easement agreement, except in connection with construction or demolition operations on or within fifty (50) feet of a railroad;

e. An indemnification of a **municipality** as required by ordinance; or

f. An elevator maintenance agreement.

g. Interlocal agreements between governmental entities as duly authorized by law, unless otherwise excluded. For purposes of this provision only, "governmental entity" means any political subdivision of the state, including, but not limited to, any incorporated city or town, metropolitan government, county, utility district, school district, nonprofit volunteer fire department receiving public funds and recognized under title 68, chapter 102, part 3, rescue squad, human resource agency, public building authority, airport authority, or development district.

A **covered contract** does not include that part of any contract or agreement:

h. That indemnifies an architect, engineer, or surveyor for injury or **damage** arising out of:

(1) Preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs, or specifications; or

(2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or **damage**;

i. Under which the **municipality's** architect, engineer, or surveyor assumes liability for injury or **damage** arising out of the **municipality's** rendering or failing to render professional services, including those listed in g. above and supervisory, inspection, or engineering services;

j. That indemnifies any individual, any organization, or any business enterprise for **damage** by fire to premises rented or loaned to **you**; or

k. Pertaining to the **municipality's** business under which **you** assume the tort liability of another to pay **damages** because of **bodily injury**, **property damage**, or **personal injury** to any individual, any organization, or any business enterprise.

14. **Damages** means all forms of money **damages** and legal expense or other costs that **you** will be obligated to pay by reason of a judgment (or, where applicable, settlement), including, but not limited to:

a. Hospital, medical, and funeral charges;

b. Premiums on attachment or appeal bonds;

c. Interest;

d. Expenses for doctors, lawyers, nurses, investigators, and other persons;

e. Litigation expenses (including, but not limited to, attorneys' fees and disbursements, except under Non-Monetary Defense Coverage where attorney fees and costs are not damages.); and

f. Expenses for settlement, adjustment, and investigation of **claims** covered (excluding salaries of employees and office expenses of the insured).

Salvages, recoveries, or payments recovered or received subsequent to a **loss** settlement will be applied as if recovered or received prior to the settlement and all necessary adjustments will be made by the parties.

Damages does not include any of the following:

g. Any obligation of a **covered party** under a workers compensation, disability benefits, minimum wage or overtime law, unemployment compensation law or any similar local, state, or federal law or fair labor standards law;

h. Any obligation of a **covered party** for an injury arising out of the course and scope of employment, or while performing work on behalf of **you**, or any **claims** arising there from;

i. Punitive damages or exemplary damages or treble damages;

j. Taxes, fines or penalties;

k. Future or past wages, salaries, or compensation and front or back pay;

l. Benefits payable under any **employee benefits program**. However, for Coverage C. Errors or Omissions-Employee Benefits Liability only, benefits from an **employee benefit program** may be included in the definition of damages. However, benefits are not included as damages if arising solely out of any breach of the responsibilities, obligations or duties imposed upon fiduciaries of **your employee benefits programs** by the Employee Retirement Income Security Act of 1974 (ERISA), Public Health Services Act (42 U.S.C. § 201, *et seq*) or by the Health Insurance Portability and Accountability Act of 1996, or any similar state or local common or statutory law. **Damages** for benefits will not exceed the difference between benefits for which a claimant qualifies after an error or omission and benefits that would have been available had no error or omission occurred;

m. Injunctive or equitable relief or quasi-judicial or administrative orders; and

n. Any obligation of any nature in a discrimination, harassment, or retaliation **claim** brought pursuant to any local, state, or federal law.

o. Any obligation that the payment of which would cause unjust enrichment of any party.

15. **Employee** means any person hired by **you** whether past or present, full-time or part-time, that works in return for financial or other compensation, including those persons hired on a temporary or leased basis. An **employee** does not include an officer or the incumbent of an office whose position is subject to ouster proceedings as defined by charter, private acts or statute. For the purposes of **Employment Practices Violations** this definition includes applicants for employment with **you**.

16. **Employee benefit program** means a program providing some or all of the following benefits to **employees**, including **employees** under an employment contract, whether provided through a "cafeteria plan" or otherwise:

    a. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts;

    b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans;

    c. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and

    d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies;

    e. Any plan defined as an Employee Benefit Plan by the Employee Retirement Income Security Act of 1974 (ERISA) or Public Health Services Act (42 U.S.C. § 201, *et seq*) as amended, or any similar state or local common or statutory law, or any rules and regulations promulgated thereunder.

    However, **employee benefits program** does not include any plan providing benefits as an alternative to statutory workers compensation coverage.

17. **Employment Practices Violation** means any actual or alleged:

    a. Wrongful dismissal, discharge, termination or demotion of an **employee,** whether actual or constructive;

    b. **Employee** related misrepresentation;

    c. Violation of any federal, state, or local laws (whether common or statutory) concerning **employees** or discrimination against **employees**;

    d. **Sexual Harassment** or other unlawful workplace harassment of **employees**;

e. Wrongful deprivation of a career opportunity or failure to employ, promote or grant tenure to an **employee**;
f. Wrongful discipline of **employees**;
g. Negligent evaluation of **employees**;
h. Failure to adopt adequate workplace or employment policies and procedures;
i. **Employee** related libel, slander, defamation or invasion of privacy; or
j. **Retaliation** against an **employee**.

18. **Fungus** means any type or form of **fungus,** including mold or mildew, and any mycotoxins, spores, scents, or by-products produced or released by **fungi**.

19. **Impaired property** means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:
    a. It incorporates **your product** to **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
    b. You have failed to fulfill the terms of a contract or agreement;

    If such property can be restored to use by:
    c. The repair, replacement, adjustment or removal of **your product** or **your work**; or
    d. Your fulfilling the terms of the contract or agreement.

20. **Impounded property** means:
    a. Any property held by **you** as evidence in a criminal proceeding;
    b. Buildings belonging to someone else that **you** take and hold in legal custody in **your** official capacity of enforcing the laws of the local, state, or federal government; or
    c. Personal property belonging to someone else including **automobiles**, watercraft, aircraft, or animals that **you** take and hold in legal custody in **your** official capacity of enforcing the laws of the local, state, or federal government.

21. **Intentional wrongful act, error, or omission** means:
    a. To act with design, resolve, purpose, determination, or willfulness; or
    b. An act, error, or omission for which the consequences are expected or intended from **your** standpoint.

22. **Interrelated Occurrences** means all occurrences that have as a common nexus, any fact, circumstance, situation, event, transaction, cause or series of related facts, circumstances, situations, events, transactions or causes. In cases involving **sexual abuse**, this applies regardless of:
    a. the number of acts of **sexual abuse**,
    b. the number of locations of **sexual abuse**, or
    c. the period of time over which the **sexual abuse** took place, or
    d. the number of perpetrators if the perpetrators work in collusion.

23. **Limited Liability Pollution Claim** means any **claim** for **damages** resulting from a **sudden occurrence** that:
    a. Is caused by an actual, alleged, or threatened discharge, dispersal, release, or escape of **pollutants** that takes place entirely above ground and not within or on the surface of any lake, stream, surface water, or other body of water and any resulting **damages** that occur entirely above ground and not within or on the surface of any lake, stream, water, or other body of water; or
    b. Arises from the accidental rupture, backup, or overflow of the **municipality's** sanitary sewer, storm sewer, or water supply systems.

24. **Loading** or **unloading** means the handling of property:
    a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft, or **auto**;
    b. While it is in or on an aircraft, watercraft, or **auto**; or
    c. While it is being moved from an aircraft, watercraft, or **auto** to the place where it is finally delivered.

    Loading or **unloading**, however, does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft, or **auto**.

25. **Loss** or **losses** means direct or accidental damage or **loss**.

26. **Mobile equipment** means any of the following types of land vehicles, including any attached machinery or equipment:
    a. Bulldozers, farm machinery, forklifts, and other vehicles designed for use principally off of public roads;
    b. Vehicles maintained for use solely on or next to locations owned or rented and not licensed for highway use;
    c. Vehicles that travel on crawler treads;
    d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted;
        (1) Power cranes, shovels, loaders, diggers, or drills; or
        (2) Road construction or resurfacing equipment such as graders, scrapers, or rollers;
    e. Vehicles not described in a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
        (1) Air compressors, pumps, and generators, including spraying, welding building cleaning, geophysical exploration, lighting, and well-servicing equipment; or
        (2) Cherry pickers and similar devices used to raise or lower workers; or
    f. Vehicles not described in e. above maintained primarily for purposes other than transportation of persons or cargo.

    Self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment**, but will be considered **automobiles**:

    g. Equipment designed primarily for:
        (1) Snow removal;
        (2) Road maintenance, but not construction or resurfacing;
        (3) Street cleaning; or
        (4) Firefighting;
    h. Cherry pickers and similar devices mounted on **automobile** or truck chassis and used to raise or lower workers; or
    i. Air compressors, pumps, and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well-servicing equipment.

27. **Network Security** means those activities performed by **you**, or by others on **your** behalf, to protect against unauthorized access to, unauthorized use of, a denial of service attack by a third party directed against, or transmission of unauthorized, corrupting or harmful software code to **your computer system**.

28. **Occurrence** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

29. **Personal Information** means:

    a. an individual's name, social security number, medical or healthcare data, other protected health information, driver's license number, state identification number, credit card number, debit card number, address, telephone number, account number, account histories, or passwords; and

    b. other non-public personal information as defined in **privacy regulations**;

    in any format. **Personal information** shall not include information that is lawfully made available to the general public for any reason, including but not limited to information from federal, state or local government records.

30. **Personal injury** means injury, other than **bodily injury**, arising out of one or more of the following offenses:

    a. False arrest, detention or imprisonment, or malicious prosecution;

    b. The publication or utterance of a libel or slander or other defamatory or disparaging material, or a publication or utterance in violation of an individual's right of privacy, except publication or utterances in the course of or related to advertising, broadcasting, or telecasting activities conducted by or on behalf of the **covered party**;

    c. Wrongful entry or eviction or other invasion of the right of private occupancy; or;

    d. Assault or battery committed for the purpose of protecting persons or property or incident to an arrest.

31. **Pollutants** means any solid, liquid, gaseous, aural, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, noise, or waste. Waste includes materials to be recycled, reconditioned, or reclaimed. **Pollutants** does not include fungus, mold, bacteria, virus or any microorganism.

32. **Power surge** means a sudden or transient increase, rush, burst, or oversupply of electric current or voltage or a violent oscillatory disturbance in electric current or voltage from an electric power company.

33. **Privacy Regulations** means the following statutes and regulations associated with the care, custody, control or use of personally identifiable financial, medical or other sensitive information:

    a. Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191) and Health Information Technology for Economic and Clinical Health Act;

    b. Gramm-Leach-Bliley Act of 1999;

    c. Identity Theft Red Flags under the Fair and Accurate Credit Transactions Act of 2003;

    d. Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a), but solely for alleged violations of unfair or deceptive acts or practices in or affecting commerce, and

    e. Other similar state, federal, and foreign identity theft and privacy protection legislation that requires entities that collect **personal information** to post privacy policies, adopt specific privacy or security controls, or notify individuals in the event that **personal information** has potentially been compromised.

34. **Products - completed operations hazard** includes all **bodily injury** and **property damage** occurring away from premises **you** own or rent and arising out of **your product** or **your work** except:

    a. Products that are still in **your** physical possession; or

    b. Work that has not yet been completed or abandoned.

35. **Property damage** means:
    a. Physical injury to tangible property, including all resulting loss of use of that property; or
    b. Loss of use of tangible property that is not physically injured.
36. **Retaliation** means an act of a **covered party** relating to or alleged to be in response to:
    a. Disclosure or threat of disclosure by an **employee** of **you** to a superior or to any governmental agency of any act by a **covered party** which act is alleged to be a violation of any federal, state, local or foreign law, common or statutory, or any rule or regulation promulgated thereunder;
    b. Actual or attempted exercise by an **employee** of **you** of any right that such **employee** has under law, including rights under workers' compensation laws, the Family and Medical Leave Act, The Americans with Disabilities Act or any similar state or local law;
    c. An **employee** of **you** filing a **Claim** under the Federal False Claims Act or any other federal, state, local or foreign whistle-blower law;
    d. Strikes by **employees** of **you**; or
    e. Political affiliation of an **employee** of **you**.
37. **Sexual Abuse** means any actual, attempted or alleged sexual behavior toward a person by another person, or persons acting in concert, which causes physical and/or mental injuries. **Sexual Abuse** includes: sexual molestation, sexual assault, sexual exploitation or sexual injury. **Sexual Abuse** does not include **Sexual Harassment.**
38. **Sexual Harassment** means any actual or alleged unwelcome sexual advances, requests for sexual favors or other conduct of a sexual nature, of a person by another person, or persons acting in concert, which causes physical and/or mental injuries. **Sexual Harassment** includes:
    a. The above conduct when submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or
    b. The above conduct when such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile, or offensive work environment.
    c. **Sexual Harassment** does not include **Sexual Abuse**.
39. **Short-Term Pollution Event** means a discharge, dispersal, release or escape of **pollutants** which;
    a. Begins during the policy period;
    b. Begins at an identified time and place;
    c. Ends in its entirety, at an identified time within forty-eight (48) hours of the beginning of the discharge, dispersal, release, or escape of **pollutants**;
    d. Does not originate from an **Underground Storage Tank**;
    e. Is not a repeat or resumption of a previous discharge, dispersal, release or escape of the same **pollutant** from essentially the same source within twelve (12) months of a previous discharge, dispersal, release or escape; and
    f. Is not heat, smoke or fumes from a hostile fire.

    To be a **Short-Term Pollution Event,** the discharge, dispersal, release or escape of **pollutants** need not be continuous. However, if the discharge, dispersal, release or escape is not continuous, then all discharges, dispersals, releases or escapes of the same **pollutants** from essentially the same source, considered together, must satisfy a. through d. above to be considered a **Short-Term Pollution Event**.

40. **Sudden occurrence** means an accident that takes place entirely above ground or water, and the resulting pollution that begins and ends within seventy-two (72) hours following the accident. A related series of accidents will be deemed to be a single **sudden occurrence**. In case of a related series of accidents, the **sudden occurrence** will be deemed to have taken place when the first accident in the related series takes place.

41. **Suit** means a civil proceeding in which **damages** because of **bodily injury**, **property damage**, **personal injury**, or error or omission to which this coverage applies are alleged. Suit includes a civil proceeding seeking declaratory or injunctive relief or mandamus. **Suit** includes an arbitration proceeding alleging these **damages** to which **you** must submit or submit with **our** consent. **Suit** does not mean any criminal proceeding against any **covered party**.

42. **Tort Liability Act** means the Tennessee Governmental Tort Liability Act, T.C. A. § 29-20-101, et seq., and as amended from time to time.

43. **Underground Storage Tank** means any storage tank, including any attached pumps, valves or piping which;
    a. Is buried below the surface of the ground or water; or
    b. At any time, had been buried under the surface of the ground or water and then subsequently exposed.

    For the purpose of this definition, buried means at least 10% of the tank is below the surface of the ground or water.

44. **Your Computer System** means a **computer system**:
    a. leased, owned, or operated by **you**; or
    b. operated for the benefit of **you** by a third-party service provider under written contract with **you**.

45. **Your product** means:
    a. Any goods or products, other than real property, manufactured, sold, handled, distributed, or disposed of by:
        (1) **You**;
        (2) Others trading under **your** name; or
        (3) Any individual, any organization, or any business enterprise whose business or assets **you** have acquired; and
    b. Containers (other than **automobiles**), materials, parts, or equipment furnished in connection with these goods or products.

    Your product includes warranties or representations made at any time with respect to the fitness, quality, durability, or performance of any of the items included in a. and b. above.

46. **Your work** means:
    a. Work or operations performed by **you** or on **your** behalf; and
    b. Materials, parts, or equipment furnished in connection with **your work** or operations.

    Your work includes warranties or representations made at any time with respect to the fitness, quality, durability, or performance of any of the items included in a. or b. above.

    Your work will be deemed completed at the earliest of the following times:
    c. When all of the work called for in **your** contract has been completed;
    d. When all of the work to be done at the site has been completed if **your** contract calls for work at more than one site;

e. When that part of the work done at a job site has been put to its intended use by any individual, any organization, or any business enterprise other than another contractor or subcontractor working on the same project; or

f. When all the work is completed, except for any needed service, maintenance, correction, repair, or replacement.

SECTION VI - SUPPLEMENTARY PAYMENTS

In addition to **PE Partners'** maximum limit of liability for Coverages A. General Liability, B. Personal Injury Liability, C. Errors or Omissions Liability, and D. Automobile Liability, respectively, as shown in Item 4. Limits of Coverage, of the Declarations and described in SECTION IV - LIMITS OF COVERAGE, **we** will pay, with respect to any **claim** or **suit we** defend:

1. All **claim expenses we** incur;
2. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of coverage. **We** do not have to furnish these bonds;
3. All reasonable expenses incurred by **you** at **PE Partners'** request to assist in the investigation or defense of the **claim** or **suit**, including actual loss of earnings up to $100 a day because of time off work;
4. Pre-judgment interest awarded against **you** on that part of the judgment **we** pay. If **we** make an offer to pay the applicable limit of coverage, **we** will not pay any pre-judgment interest based on that period of time after the offer; and
5. All interest on the full amount of any judgment that accrues after entry of the judgment and before **we** have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of coverage.

These payments will not reduce the limits of coverage as shown in Item 4. Limits of Coverage, of the Declarations and described in SECTION IV - LIMITS OF COVERAGE.

SECTION VII - CONDITIONS

1. AGREEMENTS BETWEEN THE PARTIES

You agree that this policy, the application **you** submitted for coverage, and the Bylaws, Corporate Charter, Interlocal Cooperation Agreement and Joinder Resolution, rules or regulations adopted by the Board of Directors of **PE Partners**, and any terms, conditions, or rules issued as provided in those documents by the Board of Directors of **PE Partners**, embody all policies existing between **you** and **PE Partners** or any of **our** employees and representatives relating to this policy and coverages.

2. ACCEPTANCE

By accepting this policy, **you** agree to act on **your** behalf and on behalf of all employees with respect to the giving and receiving of the notice of **claim** or cancellation, the payment of premiums, and the receiving of any return premiums that may become due under this policy, and the employees agree that **you** will act on their behalf. By accepting this policy, **you** also agree to be bound by the terms and conditions of the Bylaws, Corporate Charter, Interlocal Cooperation Agreement and Joinder Resolution of **PE Partners**, as may be amended from time to time, and the resolutions and rules of the Board of Directors of **PE Partners**. By accepting this policy, **you** also agree that the terms of this policy may not be waived or changed except by endorsement as shown on the Declarations.

3. CHANGES IN POLICY

This policy and the documents relating to **PE Partners** and the Board of Directors of **PE Partners** specified in Paragraph 1 and 2 of this SECTION VII - CONDITIONS contain all of the agreements between **you** and **PE Partners** concerning the coverage afforded. The coverage terms can be amended or waived only by endorsement issued by **PE Partners** and made a part of this policy and only after not fewer than thirty (30) days' notice to **you**. The first insured named in Item 1. Insured, of the Declarations may make changes in the terms of this policy with the consent of **PE Partners**.

4. REPRESENTATIONS

This policy is issued in reliance upon the truth of representations in the application and statements in this policy. By accepting this policy, **you** agree:

a. The statements on the application, policy and any associated affidavits are accurate and complete;
b. Those statements are based upon representations **you** made to **us**;
c. **We** have issued this policy in reliance upon **your** representations; and
d. **You** have exercised due care in all representations made to **us**.
e. To submit to a statement under oath regarding this policy, application for this policy or any affidavits or other representations made to **us** regarding this contract.

Any claim attributable to **your** failure to maintain or carry out any representations referred to herein will subject **you** to denial of coverage for such claim.

5. NON-WAIVER OF IMMUNITY

We and **you** understand and agree that nothing in this policy, except as otherwise provided, will constitute any express or implied waiver of any constitutional, statutory, or common law immunity from liability of any **covered party** or any limitation on liability.

6. **BANKRUPTCY**

Your bankruptcy or insolvency or that of an employee or employee's estate will not relieve **us** of **our** obligations under any coverage in this policy.

7. **DUTIES IN THE EVENT OF OCCURRENCE, SUIT, OR CLAIM**

a. When there is an **occurrence, suit**, or **claim**, the **covered party** or someone on the **covered party's** behalf must notify **PE Partners** or any of **our** authorized representatives as soon as practicable. The notice must contain particulars sufficient to identify:

(1) The **covered party**;

(2) The place and circumstances of the **occurrence, suit,** or **claim**;

(3) The names and addresses of any injured parties; and

(4) The names and addresses of available witnesses.

b. If **claim** is made or **suit** is brought against the **covered party**, the **covered party** will immediately forward to **PE Partners** or **our** representatives every demand, notice, summons, or other process received by the **covered party** or the **covered party's** representative. **PE Partners** has the right to deny coverage should a covered party take any action, respond to any allegation, court or agency, make any voluntary payments, assume any obligations or incur any expense other than first aid at the time of an accident, prior to reporting an **occurrence** to **PE Partners**.

c. The **covered party** will cooperate with **PE Partners** and, upon **PE Partners'** request, assist in making settlement, assist in the conduct of **suits**, and assist in enforcing any right of contribution or indemnity against any person, any organization, or any business enterprise that may be liable to the **covered party** because of **damages** with respect to that coverage afforded under this policy; and the **covered party** shall attend hearings and trials and assist in securing and getting evidence and obtaining the attendance of witnesses. The **covered party** will not, except at his own cost, voluntarily make any payment, assume any obligation, or incur any expense other than for first aid to others at the time of accident.

d. **We** and **you** understand and agree that **your** failure to comply with 7.b. or 7.c. above will void coverage afforded under this policy.

e. **PE Partners** retains the right to appoint, engage, or hire legal representatives of **our** choice. Failure by you to accept defense by **PE Partners**, or **PE Partners** choice of defense counsel, will void coverage.

f. A **claim** by any person or organization seeking **damages** will be deemed to have been made when notice of the **claim** is received and recorded by the **municipality** or by **PE Partners**, whichever received the **claim** first. All **claims** against any **covered parties** as the result of an **occurrence** will be deemed to have been made at the time the first of those **claims** is made against a **covered party**.

g. Additionally, with respect to Coverage E - Automobile Physical Damage **loss**, **you** must:

(1) Cooperate with **us** in the investigation, settlement, or the conduct of any **suit**. **You** will not, except at **your** own cost, voluntarily make any payment, assume any obligation, or incur any expense;

(2) Permit **us** to inspect and appraise the damaged property before its repair or disposition;

(3) Do what is reasonably necessary after **loss** at **our** expense to protect the covered **auto** from further **loss**;

(4) Submit a proof of **loss** when required by **us**; and

(5) Promptly notify the police if the covered **auto** or any of its equipment is stolen.

8. PUBLIC ENTITY PARTNERS' DUTY TO DEFEND AND/OR INDEMNIFY

a. **PE Partners** will defend any **claim** against the **municipality** or **covered party** seeking **damages** even if any of the allegations of the **claim** are groundless, false, or fraudulent, except as otherwise provided in SECTION II - EXCLUSIONS **We, you** and a **covered party** understand and agree that **your** or a **covered party's** refusal to accept **our** defense, or choice of defense counsel, for any **claim**, will void coverage afforded under this policy for that **claim**.

b. **PE Partners'** duty to pay on behalf of or to indemnify a **covered party** other than the **municipality** does not apply to any act, error, or omission that constitutes:

(1) malfeasance in office;

(2) willful and wanton neglect of duty;

(3) dishonesty on the part of a **covered party**; or

(4) the willful violation of a statute or ordinance by any official, **employee**, or **agent** of the **municipality**.

9. ACTION AGAINST PUBLIC ENTITY PARTNERS

No person or organization has a right under this policy:

a. To join **us** as a party or otherwise bring **us** into a **suit** asking for **damages** from **you** or an employee or to determine **your** liability or the liability of an **employee**; or

b. To sue **us** under this policy unless there has been compliance with all of its terms.

A person or organization may sue **us** to recover on an agreed settlement or on a final judgment against **you** or an **employee** obtained after an actual trial, but **we** will not be liable for **damages** that are not payable under the terms of this policy or that are in excess of the applicable limit of coverage. An agreed settlement means a written settlement and release of liability signed by **us**, **you**, and the claimant or the claimant's legal representative. Neither **you** nor an **employee**, nor either of **your** legal representatives, may implead **PE Partners** in any **suit** or **claim**.

10. OTHER INSURANCE

In the event of dispute between **PE Partners** and one or more insurers as to which policy or coverage agreement applies to a covered **loss**, **PE Partners** will indemnify **you** for any legal or other expenses that are necessarily incurred by **you** in determining whether **PE Partners** or the other insurer(s) must bear the **loss**. This indemnification will be made in the same proportion as the **loss** payment. **You** must cooperate with **PE Partners** in the development and execution of reasonable procedures to resolve the dispute. If collectible insurance or any type of bond with another insurer(s) or surety is available to **you** covering a **loss** also covered by this policy, the coverage provided in this policy will be excess and not contribute to the underlying coverage.

11. SUBROGATION

PE Partners is subrogated to all of **your** and **your** employee's rights of recovery against any individual, any organization, or any business enterprise. **You** must do nothing to impair or prejudice these rights of recovery at any time. **You** must execute and deliver instruments and papers and do whatever else is necessary to secure those rights.

Contracts with any individual, any organization, or any business enterprise entered into by **you** or

by any **covered party** must not waive **your** or **our** subrogation rights. Waiving **your** or **our** subrogation rights will void coverage afforded under this policy.

12. PREMIUMS AND PREMIUM ADJUSTMENTS

The insured named in Item 1. Insured, of the Declarations:

a. Is responsible for the payment of all premiums; and

b. Will be the payee for any return premiums **we** pay.

If during the policy period changes in law, including but not limited to the **Tort Liability Act**, applicable to Tennessee governmental entities are made by legislative revision or judicial interpretation that affect coverages under this policy, **PE Partners** reserves the right to make premium adjustments during the policy period. This right is in addition to the provisions for premiums due for coverage changes.

13. DISPUTE RESOLUTION

If **you,** a **covered party,** or **PE Partners** disagree on a matter relating to a **claim** against **you or a covered party** under this policy, the dispute will be resolved exclusively through arbitration, not through litigation. PE Partners may also institute arbitration proceedings at any time. Arbitration must be instituted by **you** or a **covered party** within ninety (90) days of any dispute with PE Partners.

If a demand for arbitration is made, each party will select an arbitrator within thirty (30) days. The two arbitrators will select a competent and disinterested third arbitrator within thirty (30) days. An arbitrator may be an employee of an insured of **PE Partners** or any other person, provided the other person is not an employee of a governmental entity that is not an insured of **PE Partners**. Only the arbitrator appointed by **you** may be an employee of a governmental entity located in the same county in which **you** are located. Pre-arbitration discovery is limited to 20 interrogatories, including subparts.

PE Partners will pay the expense of **our** arbitrator, and **you** will pay the expense of **your** arbitrator. **PE Partners** and **you** will bear equally the other expenses of the arbitration, including expenses of the third arbitrator. Unless both parties agree otherwise, arbitration will take place in Nashville, Tennessee. A decision agreed to in writing by any two of the arbitrators will be binding.

No parties other than **covered parties** may participate in dispute resolutions without the express written approval of **PE Partners.** Failure to institute arbitration and select arbitrators in the prescribed time frames above will constitute a waiver of any or all **claims** or other disputes regarding coverage issues by **you** or a **covered party.**

14. SEPARATION OF INSUREDS

Except with respect to the limits of coverage and any rights or duties specifically assigned to the **governmental entity**, this policy applies:

a. As if each **governmental entity** were the only **governmental entity**; and

b. Separately to **you** and each **employee** against whom **claim** is made or **suit** is brought.

Notwithstanding the above, suits brought by any covered party or parties against any other covered party or parties for non-monetary or injunctive purposes are not covered.

15. CLAIM AND OCCURRENCE INFORMATION

We compile **claim** and **occurrence** information for **our** own business purposes and exercise reasonable care in doing so. In providing this information to **you**, **we** make no representations or

warranties to **you**, insurers, or others to whom this information is furnished by or on behalf of **you** or any **employee**. Cancellation or non-renewal will be effective even if **we** inadvertently provide inaccurate information. Amounts reserved are based on **our** judgment. They are subject to change and should not be regarded as ultimate settlement values.

16. **CANCELLATION**

a. **You** may cancel this policy. **You** must mail or deliver not fewer than thirty (30) days advance written notice to **PE Partners** stating when the cancellation is to take effect.

b. **PE Partners** may cancel this policy. **PE Partners** must mail or deliver to **you** not fewer than thirty (30) days advance written notice stating when the cancellation is to take effect. Mailing that notice to **you** at **your** mailing address shown in Item 1. Insured, of the Declarations will be sufficient to prove notice. However, **PE Partners** may cancel with twenty (20) days written notice for nonpayment of premium.

c. The policy period will end on the day and hour stated in the cancellation notice.

d. If this policy is canceled, **we** will send **you** any premium refund due. If **we** cancel, the refund will be pro rata. If **you** cancel, the refund may be less than pro rata, computed in accordance with rules of the Board of Directors of **PE Partners**. The cancellation will be effective even if **we** have not made or offered a refund.

17. **EXAMINATION OF YOUR BOOKS AND RECORDS**

We may examine and audit **your** books and records as they relate to this policy at any time during the **coverage period** and up to three (3) years afterward.

18. **INSPECTION**

PE Partners may inspect **your** workplaces at any time. **PE Partners'** inspections are not safety inspections. They relate only to the insurability of the workplaces and the premiums to be charged. **PE Partners** may give **you** reports on **our** findings. **PE Partners** may also recommend changes. These changes may aid in the reduction of losses, but **PE Partners** does not undertake to perform the duty of any person to provide for the health or safety of **your** employees or the public. **PE Partners** does not warrant that **your** workplaces are safe or healthful or that they comply with laws, regulations, codes, or standards.

19. **TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS AGREEMENT**

Your rights and duties under this policy may not be transferred without written consent of **PE Partners**.

20. **DEDUCTIBLE**

We may pay any part or all of any deductible amount listed in Item 6. Deductibles, of the Declarations and endorsements to effect settlement of any **claim** or **suit**, and, upon notification of the action taken, **you** must promptly reimburse **us** for the part of the deductible amount **we** paid. The deductible amount applies to the **loss** portion of the **claim** and to the SECTION VI - SUPPLEMENTARY PAYMENTS. Any deductible will apply on a per **occurrence** basis, regardless of the number of **claims** arising out of the **occurrence** or the number of **municipalities** or **covered parties** insured by **PE Partners** that are involved.

21. **NOTICE OF PRIOR CLAIMS AND OCCURRENCES**

In consideration of the retroactive coverage being afforded under this policy, it is a condition precedent to **your** rights and **your** employees' rights that **you** were not aware of an **occurrence** at the inception date of the **coverage period**. **You** are deemed to have been aware of an **occurrence** if any **employee** of the risk management department/office or legal department/office or any elected

or appointed officer was aware of any event, exposure to condition, **bodily injury**, **property damage**, **personal injury**, or errors or omissions liability referred to in Coverages A. General Liability, B. Personal Injury Liability, or C. Errors or Omissions Liability irrespective of whether or not **you** or an **employee** was aware that the **occurrence** was likely to involve this policy.

22. **RISK MANAGEMENT STANDARDS**

PE Partners may establish risk management standards for **you**. These standards are designed to prevent or to decrease conditions, acts, or omissions with the potential for causing **losses**. These standards may be mandatory or advisory. These standards may vary depending on **your** size and functions. **PE Partners** may cancel this policy or increase its cost if **you** fail to comply with these risk management standards.

23. **EXTENDED REPORTING PERIOD**

a. **PE Partners** will provide one or more extended reporting periods, as described below if:
   (1) Coverages A. General Liability, B. Personal Injury Liability, or C. Errors or Omissions Liability, is canceled or not renewed; or
   (2) **PE Partners** renews or replaces Coverages A. General Liability, B. Personal Injury Liability, or C. Errors or Omissions Liability with coverage that:
      (a) Has a retroactive date later than the date shown in Item 7 of the Declarations; or
      (b) Does not apply to **bodily injury**, **property damage**, **personal injury**, or error or omission on a claims-made basis.

b. A Basic Extended Reporting Period of sixty (60) days from the end of the **coverage period** is automatically provided without additional premium charge;

c. A Supplemental Extended Reporting Period of unlimited duration is available, but only by an endorsement and for an extra premium charge.

   The Supplemental Extended Reporting Period starts sixty (60) days after the end of the **coverage period**.

   You must give **us** a written request for the endorsement within sixty (60) days after the end of the **coverage period**. The Supplemental Extended Reporting Period will not go into effect unless **you** pay the additional premium promptly when due. The additional premium for the Supplemental Extended Reporting Period will be calculated based on the expiring premium for Coverages A. General Liability, B. Personal Injury Liability, or C. Errors or Omissions Liability;

d. The Extended Reporting Periods do not extend the **coverage period** or change the scope of the coverage provided. They apply only to **claims** under Coverages A. General Liability, B. Personal Injury Liability, or C. Errors or Omissions Liability that occur before the end of the **coverage period**, but not before the retroactive date shown in Item 7. Retroactive Date, of the Declarations. **Claims** for injuries or **damages** that are first received and recorded during the Basic Extended Reporting Period (or during the Supplemental Extended Reporting Period, if it is in effect) will be deemed to have been made on the last day of the **coverage period**. Once in effect, Extended Reporting Periods may not be canceled; and

e. Extended Reporting Periods do not reinstate or increase the limits of coverage applicable to any **claim** to which this coverage applies.

Michael G. Fann, President

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute a Renewal Agreement with Frontier Health for Counseling Services at Kingsport City Schools

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-172-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the resolution.

Executive Summary:
Approval of the accompanying resolution authorizes the Mayor to enter into an agreement for the purpose of continuing current counseling services provided by Frontier Health/Holston Children and Youth Services for alcohol and drug prevention, behavioral health interventions, and student assistance services.

The agreement total will not exceed $140,000.00. Funding is identified in the School General Purpose Fund 141-7250-773.03-99.

The Board of Education approved this action on July 8, 2025.

Attachments:
Resolution

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH FRONTIER HEALTH TO CONTINUE COUSELING SERVICES AT KINGSPORT CITY SCHOOLS AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ANY AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, the city has had an agreement with Frontier Health/Holston Children and Youth Services for alcohol and drug prevention, behavioral health intervention services, and student assistance services at its Kingsport City Schools for the past school year; and

WHEREAS, the Board of Education recommends renewing the agreement to continue these services for the 2025-2026 school year; and

WHEREAS, the cost for the services shall not exceed $140,000.00, and funding is available in the FY26 School General Purpose Fund 141-7250-773.03-99.

Now therefore,

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

SECTION I. That an agreement with Frontier Health/Holston Children and Youth Services for counseling services at Kingsport City Schools 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 Frontier Health/Holston Children and Youth Services and all other documents necessary and proper, to take such acts as necessary, to effectuate the purpose of the agreement or this resolution, said agreement being as follows:

FRONTIER HEALTH
Holston Children and Youth Services
And
City of Kingsport for its
KINGSPORT CITY SCHOOLS
CONTRACTUAL AGREEMENT
Local Program
SY 2025-2026

PARTIES:

Holston Children and Youth Services/Frontier Health (FH) and the City of Kingsport for its Kingsport City Schools (herein Kingsport City School System of Kingsport Board of Education)are the parties to this contract (herein Contract) for alcohol and drug prevention, behavioral health interventions, and student assistance services.

CONTRACT:

For, and in consideration of mutual advantages occurring to each of the parties hereto, said parties haveagreed and do hereby obligate and bind themselves as follows:

A. In accordance with school safety and mental health service needs, Frontier Health will provide the personnel to deliver Student Assistance services and Behavioral Health

intervention services to all referred students.

B. Counseling services will be provided on a full-time basis with the following guidelines:
   a. Student Assistance Counselor will be available at John Sevier and Ross N. Robinson Middle Schoolsfor four (4.5) days per week (36 hours) or 65% of their time dedicated to the school system with allowance for billing third party sources as deemed medically necessary at 35% of their time.
   b. One Masters level School Wide Behavioral Therapist will be available to the school system for any school needing specialized services working with any student in the school population and with the two current school behaviorists for four and a half (4.5) days per week (36 hours) or 70%of their time dedicated to the school system with allowance for billing third party sources as deemed medically necessary at 30% of their time.
   c. Frontier Health will provide Kingsport City School System the necessary education, training, supervision, consultation, and other resources to school personnel for the purpose of instituting ongoing substance abuse prevention and behavioral health intervention to K-12 students.
   d. Frontier Health will assist students and their families in accessing additional behavioral health services which may be indicated to insure student safety and well-being.

C. Frontier Health will provide training, supervision and oversight for all contracted mental health services, participate in management team meetings, actively participate in the collaboration with all partners, and provide all information needed for the evaluation of this project. Evidence-based and trauma informed practices selected and described in this project will be implemented in coordination with Kingsport City School System.

D. Payment for services described in section B will be **One-Hundred Forty Thousand and No Cents ($140,000.00)** for the contract period. This includes all salary costs, fringe benefits, supplies, clinical supervision, and professional liability insurance and travel. It is agreeable by Kingsport City School System for FH staff to bill third party payer sources as appropriate for additional clinical services as deemed medically necessary.

E. The contract sum is to be paid in three installments.

F. Frontier Health will hold the Kingsport Board of Education, its employees, agents and assigns harmless from any negligent wrongful acts, omissions, misfeasance, or malfeasance on the part of its officers, agents, or employees in the performance of its duties and responsibilities pursuant to the terms and provisions of this Contract, and shall maintain liability insurance in an amount not less than $1,000,000, and provide evidence of such insurance to the Kingsport City Board of Education.

G. Frontier Health warrants that all employees and/or agents who will provide services under this Contract are duly certified, trained and licensed and accredited to offer and perform such services and that such employees and/or agents have undergone appropriate background checks and are fit to perform these services.

H. Frontier Health and all employees and agents utilized in the performance of this Contract agree to carry and maintain adequate professional and/or liability insurance to provide coverage for Frontier Health's conduct and duties in the fulfillment of this Contract. Frontier Health agrees that it will hold the Kingsport City Board of Education, its employees, agents and assigns harmless from any negligent wrongful acts, omissions, misfeasance, or malfeasance on the part of its officers, agents, or employees in the performance of its duties and responsibilities pursuant to the terms and provisions of this Contract.

I. Individuals engaged by Frontier Health to perform services under this Contract shall not be considered employees of the Kingsport City School System and shall not be entitled to any benefits or compensation arising there from, other than those specifically provided for under this Contract.

J. The further development and alteration of these services will be reviewed and negotiated formally in April of each year by designated personnel of Holston Children and Youth Services/Frontier Health and the Kingsport City School System. Changes in services rendered by joint examination will be communicated to all appropriate personnel.

K. Frontier Health will fully comply and require its contractors and agents to fully comply with the requirements contained in Tenn. Code Ann. § 49-5-413(d) pertaining to required background checks for individuals, who will have direct contact with school children or a childcare center or have access to the grounds of a school when children

are present. Frontier Health will have mandatory background checks asset out in the statute, and Frontier Health has a duty to require such individuals to supply a fingerprint sample and submit to a criminal history records check to be conducted by the Tennessee Bureau of Investigation and the Federal Bureau of Investigation prior to permitting the person to have contact with the children or to enter school grounds. Frontier Health agrees that no employee or contractor of vendor towhom Tenn. Code Ann. § 49-5-413(d) applies, shall come in direct contact with school children or with children in a child care program or enter the grounds of a school or child care center when children are present if the criminal history records check indicates that the employer or employee has ever been convicted of any of the offenses listed in Tenn. Code Ann. § 49-5-413 including the following offenses, or the same or similar offense in any jurisdiction, including convictions for the solicitation of, attempt to commit, conspiracy, or acting as an accessory to:

(i.) A sexual offense or a violent sexual offense as defined in T.C.A. § 40-39-202;
(ii.) Any offense in title 39, chapter 13 (offenses against persons);
(iii.) T.C.A. §§ 39-14-301 AND 39-14-302 (arson, aggravated arson);
(iv.) T.C.A. §§ 39-14-401 through 39-14-404 (Definitions for burglary and related offenses; burglary; aggravated burglary; especially aggravated burglary);
(v.) T.C.A. §§39-15-401 through 39-15-402 (child abuse and child neglect or endangerment; Haley's Law – aggravated child abuse and aggravated child neglect or endangerment);
(vi.) T.C.A. § 39-17-417 (controlled substances offenses) (vii.) T.C.A. § 39-17-1320 (providing handgun to juveniles); or
(vii.) Any other offense in title 39, chapter 17, part 13 (weapons).

Frontier Health shall certify in writing to District that all employees of Frontier Health or its contractors providing services to students or entering on school grounds when children are present have successfully completed the required background check or otherwise complied with Tenn. Code Ann. § 49-5-413(d) and that such employees have none of the convictions listed above, are not registered sex offenders and have no other disqualifications under Tenn. Code Ann. § 49-5-413(d).

ASSURANCES:

Both parties agree to comply with the following statutes, regulations, standards, policies and proceduresin the operation of the program which is the subject of this Contract:

A. All applicable federal and state laws and regulations for the assurance of the individual rights of clients served by the program.
B. In accordance with Titles VI and VII of the Civil Rights Act of 1964, as amended, Sections 503 and 504 of Rehabilitation Act of 1978, as amended, and Age Discrimination Act of 1975, and subsequent amendments, and regulations developed pursuant thereto, to the effect that no person shall, on the grounds of handicap, race, sex, age, religious affiliation, or national origin be excluded from participation in, or be denied benefits of, or be otherwise subject to discrimination in the performance of this Contract or in the employment practices of either party.

OTHER PROVISIONS:

A. This Contract, together with the other agreements specifically required herein, represents the entire agreement between the parties. All previous communications between parties, either verbal or written, are hereby superseded or abrogated. Any modification or deletion of any of the terms and conditions of the Contract shall not be binding unless assented to by all parties in writing.
B. This Contract shall be effective as of July 1, 2025 through June 30, 2026.
C. This Contract may be terminated by either party by giving written notice to the other at least sixty (60) days before the effective date of termination. In that event, FH shall be entitled to receive justand equitable compensation for any satisfactory work completed as of the termination date.
D. Neither Party is, nor shall be deemed to be, an employee, agent, or legal representative of the other Party for any purpose. Neither Party shall be entitled to enter into any contracts in the name of, or on behalf of the other Party, nor shall either Party be entitled to pledge the credit of the other Party in anyway or hold itself out as having the authority to do so. Neither party shall engage in the recruitment, solicitation, enlistment, or contracting of active employees of the other party for the purpose of employment during the duration of this agreement and shall avoid the hiring of active contracted employees who are working in positions identified within this agreement.

IN **WITNESS WHEREOF,** this Contract is executed by the parties through their authorized officers orrepresentatives.

{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 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

FRONTIER HEALTH

Holston Children and Youth Services

And

City of Kingsport for its

KINGSPORT CITY SCHOOLS

CONTRACTUAL AGREEMENT

Local Program

SY 2025-2026

PARTIES:

Holston Children and Youth Services/Frontier Health (FH) and the City of Kingsport for its Kingsport City Schools (herein Kingsport City School System of Kingsport Board of Education)are the parties to this contract (herein Contract) for alcohol and drug prevention, behavioral health interventions, and student assistance services.

CONTRACT:

For, and in consideration of mutual advantages occurring to each of the parties hereto, said parties have agreed and do hereby obligate and bind themselves as follows:

A. In accordance with school safety and mental health service needs, Frontier Health will provide the personnel to deliver Student Assistance services and Behavioral Health intervention services to all referred students.

B. Counseling services will be provided on a full-time basis with the following guidelines:

   a. Student Assistance Counselor will be available at John Sevier and Ross N. Robinson Middle Schools for four (4.5) days per week (36 hours) or 65% of their time dedicated to the school system with allowance for billing third party sources as deemed medically necessary at 35% of their time.

   b. One Masters level School Wide Behavioral Therapist will be available to the school system for any school needing specialized services working with any student in the school population and with the two current school behaviorists for four and a half (4.5) days per week (36 hours) or 70% of their time dedicated to the school system with allowance for billing third party sources as deemed medically necessary at 30% of their time.

   c. Frontier Health will provide Kingsport City School System the necessary education, training, supervision, consultation, and other resources to school personnel for the purpose of instituting ongoing substance abuse prevention and behavioral health intervention to K-12 students.

   d. Frontier Health will assist students and their families in accessing additional behavioral health services which may be indicated to insure student safety and well-being.

C. Frontier Health will provide training, supervision and oversight for all contracted mental health services, participate in management team meetings, actively participate in the collaboration with

all partners, and provide all information needed for the evaluation of this project. Evidence-based and trauma informed practices selected and described in this project will be implemented in coordination with Kingsport City School System.

D. Payment for services described in section B will be **One-Hundred Forty Thousand and No Cents ($140,000.00)** for the contract period. This includes all salary costs, fringe benefits, supplies, clinical supervision, and professional liability insurance and travel. It is agreeable by Kingsport City School System for FH staff to bill third party payer sources as appropriate for additional clinical services as deemed medically necessary.

E. The contract sum is to be paid in three installments.

F. Frontier Health will hold the Kingsport Board of Education, its employees, agents and assigns harmless from any negligent wrongful acts, omissions, misfeasance, or malfeasance on the part of its officers, agents, or employees in the performance of its duties and responsibilities pursuant to the terms and provisions of this Contract, and shall maintain liability insurance in an amount not less than $1,000,000, and provide evidence of such insurance to the Kingsport City Board of Education.

G. Frontier Health warrants that all employees and/or agents who will provide services under this Contract are duly certified, trained and licensed and accredited to offer and perform such services and that such employees and/or agents have undergone appropriate background checks and are fit to perform these services.

H. Frontier Health and all employees and agents utilized in the performance of this Contract agree to carry and maintain adequate professional and/or liability insurance to provide coverage for Frontier Health's conduct and duties in the fulfillment of this Contract. Frontier Health agrees that it will hold the Kingsport City Board of Education, its employees, agents and assigns harmless from any negligent wrongful acts, omissions, misfeasance, or malfeasance on the part of its officers, agents, or employees in the performance of its duties and responsibilities pursuant to the terms and provisions of this Contract.

I. Individuals engaged by Frontier Health to perform services under this Contract shall not be considered employees of the Kingsport City School System and shall not be entitled to any benefits or compensation arising there from, other than those specifically provided for under this Contract.

J. The further development and alteration of these services will be reviewed and negotiated formally in April of each year by designated personnel of Holston Children and Youth Services/Frontier Health and the Kingsport City School System. Changes in services rendered by joint examination will be communicated to all appropriate personnel.

K. Frontier Health will fully comply and require its contractors and agents to fully comply with the requirements contained in Tenn. Code Ann. § 49-5-413(d) pertaining to required background checks for individuals, who will have direct contact with school children or a childcare center or have access to the grounds of a school when children are present. Frontier Health will have mandatory background checks as set out in the statute, and Frontier Health has a duty to require such individuals to supply a fingerprint sample and submit to a criminal history records check to be conducted by the Tennessee Bureau of Investigation and the Federal Bureau of Investigation prior to permitting the person to have contact with the children or to enter school grounds. Frontier Health agrees that no employee or contractor of vendor to whom Tenn. Code Ann. § 49-5-413(d) applies, shall come in direct contact with school children or with children in a child care program or enter the grounds of a school or child

care center when children are present if the criminal history records check indicates that the employer or employee has ever been convicted of any of the offenses listed in Tenn. Code Ann. § 49-5-413 including the following offenses, or the same or similar offense in any jurisdiction, including convictions for the solicitation of, attempt to commit, conspiracy, or acting as an accessory to:

(i.) A sexual offense or a violent sexual offense as defined in T.C.A. § 40-39-202;

(ii.) Any offense in title 39, chapter 13 (offenses against persons);

(iii.) T.C.A. §§ 39-14-301 AND 39-14-302 (arson, aggravated arson);

(iv.) T.C.A. §§ 39-14-401 through 39-14-404 (Definitions for burglary and related offenses; burglary; aggravated burglary; especially aggravated burglary);

(v.) T.C.A. §§39-15-401 through 39-15-402 (child abuse and child neglect or endangerment; Haley's Law – aggravated child abuse and aggravated child neglect or endangerment);

(vi.) T.C.A. § 39-17-417 (controlled substances offenses) (vii.) T.C.A. § 39-17-1320 (providing handgun to juveniles); or

(vii.) Any other offense in title 39, chapter 17, part 13 (weapons).

Frontier Health shall certify in writing to District that all employees of Frontier Health or its contractors providing services to students or entering on school grounds when children are present have successfully completed the required background check or otherwise complied with Tenn. Code Ann. § 49-5-413(d) and that such employees have none of the convictions listed above, are not registered sex offenders and have no other disqualifications under Tenn. Code Ann. § 49-5-413(d).

ASSURANCES:

Both parties agree to comply with the following statutes, regulations, standards, policies and proceduresin the operation of the program which is the subject of this Contract:

A. All applicable federal and state laws and regulations for the assurance of the individual rights of clients served by the program.

B. In accordance with Titles VI and VII of the Civil Rights Act of 1964, as amended, Sections 503 and 504 of Rehabilitation Act of 1978, as amended, and Age Discrimination Act of 1975, and subsequent amendments, and regulations developed pursuant thereto, to the effect that no person shall, on the grounds of handicap, race, sex, age, religious affiliation, or national origin be excluded from participation in, or be denied benefits of, or be otherwise subject to discrimination in the performance of this Contract or in the employment practices of either party.

OTHER PROVISIONS:

A. This Contract, together with the other agreements specifically required herein, represents the entire agreement between the parties. All previous communications between parties, either verbal or written, are hereby superseded or abrogated. Any modification or deletion of any of the terms and conditions of the Contract shall not be binding unless assented to by all parties in writing.

B. This Contract shall be effective as of July 1, 2025 through June 30, 2026.

C. This Contract may be terminated by either party by giving written notice to the other at least sixty (60) days before the effective date of termination. In that event, FH shall be entitled to receive just and equitable compensation for any satisfactory work completed as of the termination date.

D. Neither Party is, nor shall be deemed to be, an employee, agent, or legal representative of the other Party for any purpose. Neither Party shall be entitled to enter into any contracts in the name of, or on behalf of the other Party, nor shall either Party be entitled to pledge the credit of the other Party in any way or hold itself out as having the authority to do so. Neither party shall engage in the recruitment, solicitation, enlistment, or contracting of active employees of the other party for the purpose of employment during the duration of this agreement and shall avoid the hiring of active contracted employees who are working in positions identified within this agreement.

IN **WITNESS WHEREOF,** this Contract is executed by the parties through their authorized officers or representatives.

Frontier Health	**City of Kingsport, Tennessee on behalf of its Kingsport City Schools**
Signature	Paul W. Montgomery Mayor
Date	Date
Printed Name	Attest:
Title	Angela Marshall, Deputy City Recorder
	Approved as to form:
	Rodney B. Rowlett, III, City Attorney

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute Renewal of the MOU with Clarvida for Counseling Services for Kingsport City Schools

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-173-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the resolution.

Executive Summary:
Approval of the accompanying resolution authorizes the Mayor to enter into an agreement with Clarvida for the provision of counseling services to KCS students and families.

Formerly known as Camelot Care Centers, Clarvida mental health professionals work with children, families of KCS students, and school staff to develop and implement treatment plans and provide services in accordance with the established treatment plans. Clarvida will have eleven counselors in the system in order to meet the needs of the students, while eliminating the disruption to the educational process by allowing counselors to meet with students at the school facility instead of offsite.

This agreement is for school year 2025-2026, starting August 2025 and ending in May 2026. The agreement total will not exceed $195,000.00. Funding for the agreement is identified in the following:

School General Purpose Fund 141-7250-773.03-99	$45,000
Coordinated School Health Fund (CSH026) 141-7250-772.03-99	$18,000
Safe Schools Grant Fund (SSA026) 141-7250-773.03-99	$132,000

The Board of Education approved this action on July 8, 2025.

Attachments:
1. Resolution
2. Memorandum of Understanding

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH CLARVIDA FOR BEHAVIORAL HEALTH AND COUSELING SERVICES AT KINGSPORT CITY SCHOOLS AND AUTHORIZING THE MAYOR TO EXECUTE THE MEMORANDUM OF UNDERSTANDING AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE MEMORANDUM OF UNDERSTANDING AND THIS RESOLUTION

WHEREAS, the city has had a Memorandum of Understanding with Clarvida/Camelot Care Centers for behavioral and counseling services at its Kingsport City Schools for the past school year; and

WHEREAS, the Board of Education recommends renewing the MOU to continue these services for the 2025-2026 school year, beginning in August 2025 and ending in May 2026; and

WHEREAS, the cost for the services shall not exceed $195,000.00, and funding is available in the School General Purpose Fund, Coordinated School Health Fund, and Safe Schools Grant Fund.

Now therefore,

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

SECTION I. That the Memorandum of Understanding with Clarvida/Camelot Care Centers for behavioral health and counseling services at Kingsport City Schools 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 Memorandum of Understanding with Clarvida/Camelot Care Centers and all other documents necessary and proper, to take such acts as necessary, to effectuate the purpose of this resolution or the Memorandum of Understanding being as follows:

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the “Agreement”) is entered into on this 16th day of July 2026, by and between the City of Kingsport for its Kingsport City School System ("School System") and Clarvida formerly known as Camelot Care Centers, Inc. ("Provider").

WHEREAS, School System recognizes that offering mental health and/or other counseling services on-site provides significant benefits to the students without substantial disruption to the educational process.

WHEREAS, Provider is a provider of children and adolescent behavioral health services and has the necessary qualifications, experience, and abilities to provide behavioral health services to students at the following locations: Dobyns-Bennett HS, Ross N. Robinson MS, John Sevier MS, D-B EXCEL, Cora Cox Academy, Andrew Jackson ES, Theodore Roosevelt ES, Abraham Lincoln ES, John F. Kennedy ES, George Washington ES, Thomas Jefferson ES, Andrew Johnson ES, and John Adams ES.

THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Children Served: Provider will work with each school listed above to offer individual and group therapy services to eligible students and will respond to any crisis or behavioral issues that may arise at the school, upon request of the principal or principal's designee. Participating children must be determined eligible for services based on assessment by a Provider qualified mental health professional staff member. A parent or guardian must give written consent and must complete all necessary documentation for their child to participate in the program. Eligibility for services will be determined by Provider, based upon payers' eligibility criteria.
2. Staffing: Provider shall undertake all reasonable steps necessary to provide Eleven (11) qualified mental health professionals who will provide services for the School System. Provider's staff will work with the child, the child's family, and the educational staff at the School to develop and implement treatment plans and provide services in accordance with the established treatment plans. In the event Provider is unable to Provide the full contingent of Staff the compensation due provider shall be as set forth in Paragraph 9.
3. Assessment of Eligibility: Provider will provide all referred students with an appropriate assessment of eligibility to receive services in accordance with applicable payer guidelines, and in accordance with all applicable Federal, State and Provider guidelines. Provider will bill insurance, Medicaid or responsible parties for children who have Medicaid, private insurance or other means of payment. For uninsured children who are referred for services, Provider will provide services on a pro bono basis, as time and resources allow. If Provider is not able to provide pro bono services to all children in need of services, Provider will assist with making appropriate referrals for outpatient services with another organization.
4. Service Goals: Provider will provide services that meet the following goals:
    a. Work with School administrative staff to identify children needing services.
    b. Coordinate all activities through the Principal or designated staff member to effectively maintain a therapeutically sound clinical service.
    c. Improve or maintain the child's level of functioning as associated with the targeted behaviors.
    d. Provide quality, comprehensive and culturally competent services that are age appropriate to respond to the unique needs of each child.
5. Expectations for School:
    a. Refer children who have been identified as needing services to Provider for assessment.
    b. Provide appropriate workspace for Provider's staff during regular School business hours, including, but not limited to:
        (i) Private space for use during times when individual therapy or parent meetings are necessary.
        (ii) Private group meeting space for group therapy.
        (iii) Access to classroom if classroom observation and/or classroom interventions are determined therapeutically beneficial.
    c. Provide access to and use of classroom materials for therapeutic activities.
    d. Provide access to children who have been identified as in-need of services and whose parents/guardians have consented to an assessment for services and treatment.
    e. Assist Provider in obtaining consent from parents to permit the exchange of information about the child, between School and Provider.
6. Expectations of Provider:
    a. Provide clinically competent services within the dynamics of a school milieu.
    b. Be accountable for its staff involved in the provision of services at School.
    c. Provide all staff supplies and equipment needed for the provision of services at School.
    d. Assure professional staff are appropriately licensed or credentialed to provide services to School System's students.
    e. Provide crisis intervention on-site for emergencies with staff and children who are receiving services.
7. Duration of Agreement: This Agreement is for school year 2025-2026, starting August 2025 and ending May 2026. This Agreement is renewable on a yearly basis. Either party may terminate this Agreement upon 60 days' notice, with or without cause, by providing written notice to the other party.

8. Coordination: Any policy changes, concerns, or problems with this Agreement will be addressed by Provider's Assistant State Director and/or staff supervisor and the designated School System contact.
9. Compensation: Provider will bill Medicaid, private insurance or responsible parties for services rendered to the children. School System will be billed a fee not to exceed One Hundred Ninety-Five Thousand Dollars and No Cents ($195,000.00) for the services provided by Provider for the term of this Agreement as specified in Section 7. The Provider will issue two (2) invoices neither of which shall exceed $99,000.00 to the School System. One invoice issued in December 2025 and one in May 2026. In the event that Provider has less staff than mentioned in paragraph 2, the School System will pay $15,000 per qualified mental health professional provided.
10. Licensure: Provider certifies that it has the necessary licensure and/or credentials to perform the services contemplated by this Agreement based on the laws of the State of Tennessee. Provider will maintain valid licensure and/or credentials and agrees to keep licensure and/or credentials in good standing at all times during the term of this Agreement. In the event that Contractor's licensure and/or credentials are revoked, suspended, invalidated, and/or terminated during the Agreement term, it must notify School System immediately upon such revocation, suspension, invalidation, and/or termination.
11. Confidentiality of Records: Provider shall comply with the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g, et seq.; 34 CFR Part 99). Provider acknowledges that the requirements and terms set forth under FERPA are additional terms under this Agreement and, therefore, fully incorporated herein and made a part hereof. Provider will adhere to requirements as established by School System policies and procedures and FERPA, as specified in 34 C.F.R. Part 99.30, for disclosure of "educational records."
12. Indemnification: Provider shall indemnify School System, its board members, officers, employees, or agents harmless from any liability for any injury (including death) to any persons or damage to any property arising out of the acts, errors, or omissions committed or alleged to have been committed by Provider or its employees. Provider will defend and pay costs to indemnify and hold School System harmless from any and all demands, claims, suits, actions and legal proceedings, including allegations of negligence, brought against School System, its board members, officers, employees or agents arising out of alleged acts or omissions by Provider in the course of performing services pursuant to this Agreement.
13. Insurance: Provider will furnish to School System Certificates of Insurance, or certified copies of policies if so requested at any time, indicating that the following insurance coverages (underlined) have been obtained, which meet the minimum requirements as outlined below:
    Professional Liability Insurance in the name of the Provider, pertinent to Provider's profession, including the employees as insureds, at an amount not less than $1,000,000 per occurrence or claim, $2,000,000 aggregate.
    For any claims related to this Agreement, Provider's insurance coverage shall be primary insurance with respect to School System, its officers, officials, employees, and agents. Any insurance or self-insurance or other funding mechanism(s) maintained and/or carried by School System, its officers, officials, employees, or agents shall be excess of the Provider's insurance with no right of contribution. Policy or Policies shall provide crossclaim and severability of interest coverage for losses due to the negligence, omission, or other conduct of Provider.
    Provider shall provide no less than thirty (30) days written notice to School System at the address listed in this Agreement prior to cancelling any insurance policy coverage required by this Agreement.
14. Notice: Whenever any notice, statement or other communication is required under this Agreement, it shall be sent to the following addresses, unless otherwise specifically advised in writing:
    Notice to School System shall be sent to the following:
    Jim Nash
    Chief Student Services Officer
    Kingsport City Schools
    400 Clinchfield Street, Suite 200
    Kingsport, TN 37660
    423-378-2169

jnash@k12k.com
Notice to Provider shall be sent to the following:
Aaron Shankle, MA
Director of Business Development
Camelot Care Centers, Inc.
2971 Fort Henry Drive
Kingsport, TN 37664
423-392-2975 Ext. 1010
ashankle@camelotcare.com

15. Governing Law: This Agreement is made in the State of Tennessee and shall be governed and interpreted according to the laws of the State of Tennessee without giving effect to conflict of law principles. Exclusive jurisdiction and venue of any dispute or legal action relating to this Agreement, including, but not limited to, enforceability of this Agreement, to interpret any provision of this Agreement, or to remedy any breach of this Agreement, shall be brought in the state or federal court(s) of Sullivan County, Tennessee. No claim or cause of action described in this paragraph shall be pursued in any other state or federal jurisdiction.
16. Independent Contractor: Provider is, and shall be, in the provision of all services under this Agreement, an Independent Contractor, and not an employee, agent, or servant of School System. All persons engaged in any of the services performed pursuant to the Agreement shall at all times, and in all places, be subject to Provider's sole direction, supervision and control. Provider shall exercise control over the means and manner in which it and its employees perform the services, and in all respects the Provider's relationship and the relationship of its employees to School System shall be that of an Independent Contractor and not as employees or agents of School System.
17. General Compliance with Laws: Provider certifies that it is qualified to do business in the State of Tennessee and that it will take such action as, from time to time, may be necessary to remain so qualified and it shall obtain, at its expense all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Agreement. Provider shall maintain all current certifications, licenses, and registrations relevant to providing services during the term of the Agreement.
18. Severability: If any provision of this Agreement is held to be unlawful, invalid or unenforceable, such provision shall be fully severable; and this Agreement shall then be construed and enforced as if such unlawful, invalid or unenforceable provision had not been a part hereof. The remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by such unlawful, invalid or unenforceable provision or by its severance here from. Furthermore, in lieu of such unlawful, invalid, or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such unlawful, invalid or unenforceable provision as may be possible, and be legal, valid and enforceable.
19. Backgrounds Checks Required. Provider will fully comply and require its employees and contractors to fully comply with the requirements contained in T.C.A. § 49-5-413(d) pertaining to required background checks for contractors who will have employees or subcontractors and employees that have direct contact with school children or a child care center or have access to the grounds of a school when children are present will have mandatory backgrounds checks as set out in the statute, and Provider has a duty to require such employee to supply a fingerprint sample and submit to a criminal history records check to be conducted by the Tennessee bureau of investigation and the federal bureau of investigation prior to permitting the person to have contact with the children or enter school grounds. Provider agrees that no employer, or employee of the employer, including contractors of Provider, to whom T.C.A. § 49-5-413(d) applies, shall come in direct contact with school children or with children in a child care program or enter the grounds of a school or child care center when children are present if the criminal history records check indicates that the employer or employee has ever been convicted of any offenses, or the same or similar offense in any jurisdiction, including convictions for the solicitation of, attempt to commit, conspiracy, or acting as an accessory to:
    (i) A sexual offense or a violent sexual offense as defined in § 40-39-202;
    (ii) Any offense in title 39, chapter 13; (Offenses Against Person)
    (iii) §§ 39-14-301 and 39-14-302; (Arson; Aggravated Arson)

(iv) §§ 39-14-401-39-14-404; (Definitions for burglary and related offenses; Burglary; Aggravated burglary; Especially Aggravated Burglary)
(iv) §§ 39-15-401 and 39-15-402; (Child abuse and child neglect or endangerment; Haley's Law – Aggravated child abuse and aggravated child neglect or endangerment – Definitions)
(v) § 39-17-417; (Criminal offenses and penalties) pertains to controlled substances
(vi) § 39-17-1320; (Providing handgun to juveniles – Penalties) or
(vii) Any other offense in title 39, chapter 17, part 13. (Weapons)

Prior to Provider providing service to School System pursuant to this Memorandum of Understanding, Provider shall certify in writing to School System that all employees of Provider or its contractors providing service to students or entering on school grounds when children are present have successfully completed the required background or otherwise complied with T.C.A. § 49-5-413(d) and that such employees have none of the convictions listed above, are not registered sex offenders and have no other disqualification under T.C.A. § 49-5-413(d).

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Agreed and Accepted by:

{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 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "Agreement") is entered into on this 16th day of July 2026, by and between the City of Kingsport for its Kingsport City School System ("School System") and Clarvida formerly known as Camelot Care Centers, Inc. ("Provider").

WHEREAS, School System recognizes that offering mental health and/or other counseling services on-site provides significant benefits to the students without substantial disruption to the educational process.

WHEREAS, Provider is a provider of children and adolescent behavioral health services and has the necessary qualifications, experience, and abilities to provide behavioral health services to students at the following locations: Dobyns-Bennett HS, Ross N. Robinson MS, John Sevier MS, D-B EXCEL, Cora Cox Academy, Andrew Jackson ES, Theodore Roosevelt ES, Abraham Lincoln ES, John F. Kennedy ES, George Washington ES, Thomas Jefferson ES, Andrew Johnson ES, and John Adams ES.

THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Children Served: Provider will work with each school listed above to offer individual and group therapy services to eligible students and will respond to any crisis or behavioral issues that may arise at the school, upon request of the principal or principal's designee. Participating children must be determined eligible for services based on assessment by a Provider qualified mental health professional staff member. A parent or guardian must give written consent and must complete all necessary documentation for their child to participate in the program. Eligibility for services will be determined by Provider, based upon payers' eligibility criteria.

2. Staffing: Provider shall undertake all reasonable steps necessary to provide Eleven (11) qualified mental health professionals who will provide services for the School System. Provider's staff will work with the child, the child's family, and the educational staff at the School to develop and implement treatment plans and provide services in accordance with the established treatment plans. In the event Provider is unable to Provide the full contingent of Staff the compensation due provider shall be as set forth in Paragraph 9.

3. Assessment of Eligibility: Provider will provide all referred students with an appropriate assessment of eligibility to receive services in accordance with applicable payer guidelines, and in accordance with all applicable Federal, State and Provider guidelines. Provider will bill insurance, Medicaid or responsible parties for children who have Medicaid, private insurance or other means of payment. For uninsured children who are referred for services, Provider will provide services on a pro bono basis, as time and resources allow. If Provider is not able to provide pro bono services to all children in need of services, Provider will assist with making appropriate referrals for outpatient services with another organization.

4. Service Goals: Provider will provide services that meet the following goals:
   a. Work with School administrative staff to identify children needing services.
   b. Coordinate all activities through the Principal or designated staff member to effectively maintain a therapeutically sound clinical service.
   c. Improve or maintain the child's level of functioning as associated with the targeted behaviors.
   d. Provide quality, comprehensive and culturally competent services that are age appropriate to respond to the unique needs of each child.

5. Expectations for School:
   a. Refer children who have been identified as needing services to Provider for assessment.
   b. Provide appropriate workspace for Provider's staff during regular School business hours, including, but not limited to:
      (i) Private space for use during times when individual therapy or parent meetings are necessary.
      (ii) Private group meeting space for group therapy.
      (iii) Access to classroom if classroom observation and/or classroom interventions are determined therapeutically beneficial.
   c. Provide access to and use of classroom materials for therapeutic activities.
   d. Provide access to children who have been identified as in-need of services and whose parents/guardians have consented to an assessment for services and treatment.
   e. Assist Provider in obtaining consent from parents to permit the exchange of information about the child, between School and Provider.

6. Expectations of Provider:
   a. Provide clinically competent services within the dynamics of a school milieu.
   b. Be accountable for its staff involved in the provision of services at School.
   c. Provide all staff supplies and equipment needed for the provision of services at School.
   d. Assure professional staff are appropriately licensed or credentialed to provide services to School System's students.
   e. Provide crisis intervention on-site for emergencies with staff and children who are receiving services.

7. Duration of Agreement: This Agreement is for school year 2025-2026, starting August 2025 and ending May 2026. This Agreement is renewable on a yearly basis. Either party may terminate this Agreement upon 60 days' notice, with or without cause, by providing written notice to the other party.

8. Coordination: Any policy changes, concerns, or problems with this Agreement will be addressed by Provider's Assistant State Director and/or staff supervisor and the designated School System contact.

9. Compensation: Provider will bill Medicaid, private insurance or responsible parties for services rendered to the children. School System will be billed a fee not to exceed One Hundred Ninety-Five Thousand Dollars and No Cents ($195,000.00) for the services provided by Provider for the term of this Agreement as specified in Section 7. The Provider will issue two (2) invoices neither of which shall exceed $99,000.00 to the School System. One invoice issued in December 2025 and one in May 2026. In the event that Provider has less staff than mentioned in paragraph 2, the School System will pay $15,000 per qualified mental health professional provided.

10. Licensure: Provider certifies that it has the necessary licensure and/or credentials to perform the services contemplated by this Agreement based on the laws of the State of Tennessee. Provider will maintain valid licensure and/or credentials and agrees to keep licensure and/or credentials in good standing at all times during the term of this Agreement. In the event that Contractor's licensure and/or credentials are revoked, suspended, invalidated, and/or terminated during the Agreement term, it must notify School System immediately upon such revocation, suspension, invalidation, and/or termination.

11. Confidentiality of Records: Provider shall comply with the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g, et seq.; 34 CFR Part 99). Provider acknowledges that the requirements and terms set forth under FERPA are additional terms under this Agreement and, therefore, fully incorporated herein and made a part hereof. Provider will adhere to requirements as established by School System policies and procedures and FERPA, as specified in 34 C.F.R. Part 99.30, for disclosure of "educational records."

12. Indemnification: Provider shall indemnify School System, its board members, officers, employees, or agents harmless from any liability for any injury (including death) to any persons or damage to any property arising out of the acts, errors, or omissions committed or alleged to have been committed by Provider or its employees. Provider will defend and pay costs to indemnify and hold School System harmless from any and all demands, claims, suits, actions and legal proceedings, including allegations of negligence, brought against School System, its board members, officers, employees or agents arising out of alleged acts or omissions by Provider in the course of performing services pursuant to this Agreement.

13. Insurance: Provider will furnish to School System Certificates of Insurance, or certified copies of policies if so requested at any time, indicating that the following insurance coverages (underlined) have been obtained, which meet the minimum requirements as outlined below:

    Professional Liability Insurance in the name of the Provider, pertinent to Provider's profession, including the employees as insureds, at an amount not less than $1,000,000 per occurrence or claim, $2,000,000 aggregate.

    For any claims related to this Agreement, Provider's insurance coverage shall be primary insurance with respect to School System, its officers, officials, employees, and agents. Any insurance or self-insurance or other funding mechanism(s) maintained and/or carried by School System, its officers, officials, employees, or agents shall be excess of the Provider's insurance with no right of contribution. Policy or Policies shall provide crossclaim and severability of interest coverage for losses due to the negligence, omission, or other conduct of Provider.

    Provider shall provide no less than thirty (30) days written notice to School System at the address listed in this Agreement prior to cancelling any insurance policy coverage required by this Agreement.

14. Notice: Whenever any notice, statement or other communication is required under this Agreement, it shall be sent to the following addresses, unless otherwise specifically advised in writing:

    Notice to School System shall be sent to the following:
    Jim Nash
    Chief Student Services Officer
    Kingsport City Schools
    400 Clinchfield Street, Suite 200
    Kingsport, TN 37660
    423-378-2169
    jnash@k12k.com

    Notice to Provider shall be sent to the following:
    Aaron Shankle, MA
    Director of Business Development
    Camelot Care Centers, Inc.
    2971 Fort Henry Drive
    Kingsport, TN 37664
    423-392-2975 Ext. 1010
    ashankle@camelotcare.com

15. Governing Law: This Agreement is made in the State of Tennessee and shall be governed and interpreted according to the laws of the State of Tennessee without giving effect to conflict of law principles. Exclusive jurisdiction and venue of any dispute or legal action relating to this Agreement, including, but not limited to, enforceability of this Agreement, to interpret any provision of this Agreement, or to remedy any breach of this Agreement, shall be brought in the state or federal court(s) of Sullivan County, Tennessee. No claim or cause of action described in this paragraph shall be pursued in any other state or federal jurisdiction.

16. Independent Contractor: Provider is, and shall be, in the provision of all services under this Agreement, an Independent Contractor, and not an employee, agent, or servant of School System. All persons engaged in any of the services performed pursuant to the Agreement shall at all times, and in all places, be subject to Provider's sole direction, supervision and control. Provider shall exercise control over the means and manner in which it and its employees perform the services, and in all respects the Provider's relationship and the relationship of its employees to School System shall be that of an Independent Contractor and not as employees or agents of School System.

17. General Compliance with Laws: Provider certifies that it is qualified to do business in the State of Tennessee and that it will take such action as, from time to time, may be necessary to remain so qualified and it shall obtain, at its expense all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Agreement. Provider shall maintain all current certifications, licenses, and registrations relevant to providing services during the term of the Agreement.

18. Severability: If any provision of this Agreement is held to be unlawful, invalid or unenforceable, such provision shall be fully severable; and this Agreement shall then be construed and enforced as if such unlawful, invalid or unenforceable provision had not been a part hereof. The remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by such unlawful, invalid or unenforceable provision or by its severance here from. Furthermore, in lieu of such unlawful, invalid, or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such unlawful, invalid or unenforceable provision as may be possible, and be legal, valid and enforceable.

19. Backgrounds Checks Required. Provider will fully comply and require its employees and contractors to fully comply with the requirements contained in T.C.A. § 49-5-413(d) pertaining to required background checks for contractors who will have employees or subcontractors and employees that have direct contact with school children or a child care center or have access to the grounds of a school when children are present will have mandatory backgrounds checks as set out in the statute, and Provider has a duty to require such employee to supply a fingerprint sample and submit to a criminal history records check to be conducted by the Tennessee bureau of investigation and the federal bureau of investigation prior to permitting the person to have contact with the children or enter school grounds. Provider agrees that no employer, or employee of the employer, including contractors of Provider, to whom T.C.A. § 49-5-413(d) applies, shall come in direct contact with school children or with children in a child care program or enter the grounds of a school or child care center when children are present if the criminal history records check indicates that the employer or employee has ever been convicted of any offenses, or the same or similar offense in any jurisdiction, including convictions for the solicitation of, attempt to commit, conspiracy, or acting as an accessory to:

    (i) A sexual offense or a violent sexual offense as defined in § 40-39-202;
    (ii) Any offense in title 39, chapter 13; (Offenses Against Person)
    (iii) §§ 39-14-301 and 39-14-302; (Arson; Aggravated Arson)
    (iv) §§ 39-14-401-39-14-404; (Definitions for burglary and related offenses; Burglary; Aggravated burglary; Especially Aggravated Burglary)
    (iv) §§ 39-15-401 and 39-15-402; (Child abuse and child neglect or endangerment; Haley's Law – Aggravated child abuse and aggravated child neglect or endangerment – Definitions)
    (v) § 39-17-417; (Criminal offenses and penalties) pertains to controlled substances
    (vi) § 39-17-1320; (Providing handgun to juveniles – Penalties) or
    (vii) Any other offense in title 39, chapter 17, part 13. (Weapons)

Prior to Provider providing service to School System pursuant to this Memorandum of Understanding, Provider shall certify in writing to School System that all employees of Provider or its contractors providing service to students or entering on school grounds when children are present have successfully completed the required background or otherwise complied with T.C.A. § 49-5-413(d) and that such employees have none of the convictions listed above, are not registered sex offenders and have no other disqualification under T.C.A. § 49-5-413(d).

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Agreed and Accepted by:

PROVIDER:
CLARVIDA FORMERLY KNOWN AS
CAMELOT CARE CENTERS, INC.

By:_____

Name: _____

Title: _____

Date: _____

SCHOOL SYSTEM:
CITY OF KINGSPORT FOR ITS
KINGSPORT CITY SCHOOLS

By:_____

Name: _____

Title: _____

Date: _____

ATTEST:

_____
Angie Marshall, Deputy City Recorder

APPROVED AS TO FORM:

_____
Rodney B. Rowlett, III, City Attorney

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute Addendum 12 to the Substitute Staffing Services Agreement with ESS South Central LLC for Kingsport City Schools

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-174-2025	Final Adoption:	July 15, 2025
Work Session:	July 14, 2025	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the resolution.

Executive Summary:
Approval of the accompanying resolution authorizes the Mayor execute an amendment to the agreement with ESS South Central to extend the term of the agreement through June 30, 2026.

ESS South Central specializes in providing qualified staff for positions such as substitute teachers and other school support staff for daily, long-term, and permanent assignments.

The annual cost estimate is $1,650,000 for ESS South Central substitute staffing services and will be paid from various accounts in the Schools General Purpose Fund via blanket order.

The Board of Education approved this action on July 8, 2025.

Attachments:
Resolution

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

RESOLUTION NO. _____

A RESOLUTION APPROVING ADDENDUM 12 TO THE ESS SOUTH CENTRAL LLC AGREEMENT TO EXTEND THE AGREEMENT THROUGH JUNE 30, 2026 AND AUTHORIZING THE MAYOR TO EXECUTE THE ADDENDUM AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE ADDENDUM

WHEREAS, Kingsport City Schools Human Resources and ESS South Central, LLC, desire to extend the agreement for substitute staffing services through June 30, 2026; and

WHEREAS, ESS South Central, LLC provides qualified staff for positions such as substitute teachers and support staff for daily, long-term, and permanent assignments; and

WHEREAS, no changes are being made to the pay scales listed in Appendix A of the agreement; and

WHEREAS, the Board of Education approved this action on July 8; 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 Addendum 12 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, Addendum 12 to Extend the Agreement 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 TWELVE

This is an Addendum to an Agreement between **ESS South Central, LLC,** a Delaware limited liability company (the "Company") and the **Kingsport City Schools** (hereinafter referred to as "LEA" for Local Education Agency).

WHEREAS, the LEA and the Company entered into an Agreement whereby Company is to provide substitute staffing to fill positions at the request of the District for a period ending June 30, 2025;

WHEREAS, the Agreement provides for automatic renewals on a yearly basis; and

WHEREAS, LEA and Company are desirous of extending the term of the Agreement through June 30, 2026 with the provisions set forth below; and

WHEREAS, Section 11.1 of the Agreement provides that the Agreement may be amended as agreed between the parties and in writing and signed by the party against whom the operation of such amendment is sought to be enforced; and

Now, Therefore, based upon the exchange of good and valuable consideration between the parties, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree to modify the Agreement as follows:

1. The Term of the Agreement, as reflected in Paragraph 7, is hereby extended from July 1, 2025 through June 30, 2026;
2. Effective July 1, 2025, the following positions and rates are added in Exhibit A:

Position	**Pay Rate**	**Bill Rate**	**Rule**
Full Day Substitute Teachers	$95.00	$120.65	
Half Day Substitute Teachers	$47.50	$60.33	
Full Day Retiree Substitute Teachers	$120.00	$152.40	
Half Day Retiree Substitute Teacher	$60.00	$76.20	
Full Day Substitute Long Term Teacher	$230.00	$292.10	Day 1
Half Day Substitute Long Term Teacher	$115.00	$146.05	Day 1
Full Day Substitute Teacher - Certified	$95.00	$120.65	
Half Day Substitute Teacher - Certified	$47.50	$60.33	
Full Day Substitute Teacher - Non-Certified	$95.00	$120.65	
Half Day Substitute Teacher - Non-Certified	$47.50	$60.33	
Full Day Building Based Substitute Teacher Certified		$95.00	$120.65
Half Day Building Based Substitute Teacher -Certified		$47.50	$60.33
Full Day Building Based Substitute Teacher Non-Certified		$95.00	$120.65
Half Day Building Based Substitute Teacher -Non-Certified		$47.50	$60.33
Full Day Building Based Substitute Teacher -Retiree		$120.00	$152.40
Half Day Building Based Substitute Teacher -Retiree		$60.00	$76.20
Full Day Paraprofessional - Certified	$95.00	$120.65	
Half Day Paraprofessional - Certified	$47.50	$60.33	
Full Day Paraprofessional - Non-Certified	$95.00	$120.65	
Half Day Paraprofessional -Non- Certified	$47.50	$60.33	
Full Day Paraprofessional - Retiree	$120.00	$152.40	
Half Day Paraprofessional - Retiree	$60.00	$76.20	
ECLC (Early Childhood) Teacher - Full Day	$95.00	$120.65	
ECLC (Early Childhood) Assistant - Full Day	$95.00	$120.65	
ECLC (Early Childhood) Teacher - Half Day	$47.50	$60.33	
ECLC (Early Childhood) Assistant - Half Day	$47.50	$60.33	
Secretary/Admin	$16.00	$20.32	per hour
BookKeeper	$22.00	$27.94	per hour

3. Except as specifically and explicitly set forth herein, all other terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first 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 II. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

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

ADOPTED this the 15th day of July, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III, CITY ATTORNEY

ADDENDUM TWELVE

This is an Addendum to an Agreement between **ESS South Central, LLC,** a Delaware limited liability company (the "Company") and the **Kingsport City Schools** (hereinafter referred to as "LEA" for Local Education Agency).

WHEREAS, the LEA and the Company entered into an Agreement whereby Company is to provide substitute staffing to fill positions at the request of the District for a period ending June 30, 2025;

WHEREAS, the Agreement provides for automatic renewals on a yearly basis; and

WHEREAS, LEA and Company are desirous of extending the term of the Agreement through June 30, 2026 with the provisions set forth below; and

WHEREAS, Section 11.1 of the Agreement provides that the Agreement may be amended as agreed between the parties and in writing and signed by the party against whom the operation of such amendment is sought to be enforced; and

Now, Therefore, based upon the exchange of good and valuable consideration between the parties, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree to modify the Agreement as follows:

1. The Term of the Agreement, as reflected in Paragraph 7, is hereby extended from July 1, 2025 through June 30, 2026;
2. Effective July 1, 2025, the following positions and rates are added in Exhibit A:

Position	Pay Rate	Bill Rate	Rule
Full Day Substitute Teachers	$95.00	$120.65	
Half Day Substitute Teachers	$47.50	$60.33	
Full Day Retiree Substitute Teachers	$120.00	$152.40	
Half Day Retiree Substitute Teacher	$60.00	$76.20	
Full Day Substitute Long Term Teacher	$230.00	$292.10	Day 1
Half Day Substitute Long Term Teacher	$115.00	$146.05	Day 1
Full Day Substitute Teacher - Certified	$95.00	$120.65	
Half Day Substitute Teacher - Certified	$47.50	$60.33	
Full Day Substitute Teacher - Non-Certified	$95.00	$120.65	
Half Day Substitute Teacher - Non-Certified	$47.50	$60.33	
Full Day Building Based Substitute Teacher Certified	$95.00	$120.65	
Half Day Building Based Substitute Teacher -Certified	$47.50	$60.33	
Full Day Building Based Substitute Teacher Non-Certified	$95.00	$120.65	
Half Day Building Based Substitute Teacher -Non-Certified	$47.50	$60.33	
Full Day Building Based Substitute Teacher -Retiree	$120.00	$152.40	
Half Day Building Based Substitute Teacher -Retiree	$60.00	$76.20	
Full Day Paraprofessional - Certified	$95.00	$120.65	

Half Day Paraprofessional - Certified	$47.50	$60.33	
Full Day Paraprofessional - Non-Certified	$95.00	$120.65	
Half Day Paraprofessional -Non- Certified	$47.50	$60.33	
Full Day Paraprofessional - Retiree	$120.00	$152.40	
Half Day Paraprofessional - Retiree	$60.00	$76.20	
ECLC (Early Childhood) Teacher - Full Day	$95.00	$120.65	
ECLC (Early Childhood) Assistant - Full Day	$95.00	$120.65	
ECLC (Early Childhood) Teacher - Half Day	$47.50	$60.33	
ECLC (Early Childhood) Assistant - Half Day	$47.50	$60.33	
Secretary/Admin	$16.00	$20.32	per hour
BookKeeper	$22.00	$27.94	per hour

3. Except as specifically and explicitly set forth herein, all other terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first set forth below.

Kingsport City Schools

By_____
Signature

_____
Name and Title

Date _____

ESS South Central, LLC

By _____
Steve Gritzuk, Chief Operating Officer

ATTEST:

_____
Angela Marshall, Deputy City Recorder

APPROVED AS TO FORM:

_____
Rodney B. Rowlett, III, City Attorney

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Change the Meeting Date Work Session of the Board of Mayor and Aldermen from Monday, August 4, 2025, at 4:30 to Tuesday, August 5, 2025, at 4:00 PM

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-199-2025	Final Adoption:	July 5, 2025
Work Session:	July 15, 2025	Staff Work By:	B. Rowlett
First Reading:	N/A	Presentation By:	B. Rowlett

Strategic Focus Area: Efficient & Responsive Government

Recommendation:
Approve the Resolution.

Executive Summary:
The accompanying resolution reschedules the August 4th work session to Tuesday August 5th due to the conflict with the annual Tennessee Municipal League conference.

This year the annual TML conference will be held from August 3rd through August 5th in Chattanooga. With several board members and city administrators planning to attend it is necessary to reschedule the Monday August 4th work session. This resolution reschedules the work session to Tuesday August 5th at 4:00 p.m. The business meeting will still be held on August 5th at 7:00 p.m.

Attachments:
1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION CHANGING THE AUGUST 4, 2025 WORK SESSION OF THE BOARD OF MAYOR AND ALDERMEN IN IN ACCORDANCE WITH ARTICLE III, SECTION 7 OF THE CHARTER OF THE CITY OF 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, work sessions are usually held on the Monday preceding the business meeting, but in due to the annual Tennessee Municipal League convention, the board of mayor and aldermen would like to set a work session on Tuesday, August 5, 2025 at 4:00 p.m., in lieu of holding the work session on Monday, August 4, 2025.

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 changing of the August 4th 2025, at 4:30 p.m., work session to August 5, 2025 at 4:00.

SECTION II. That the board sets a work session for Tuesday, August 5, 2025, at 4:00 p.m. in lieu of a work session on Monday, August 4, 2025.

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 15th day of July, 2025.

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, City Attorney